Legislative Assembly of the Northwest Territories

Members of the Legislative Assembly

Speaker
Hon. Paul Delorey
(Hay River North)

Hon. Brendan Bell
(Yellowknife South)
Minister of Justice
Minister of Industry, Tourism and Investment

Mr. Bill Braden
(Great Slave)

Hon. Charles Dent
(Frame Lake)
Government House Leader
Minister of Education, Culture and Employment
Minister responsible for the Status of Women
Minister responsible for the Workers' Compensation Board

Mrs. Jane Groenewegen
(Hay River South)

Hon. Joe Handley
(Weledeh)
Premier
Minister of the Executive
Minister of Aboriginal Affairs and Intergovernmental Relations

Mr. Robert Hawkins
(Yellowknife Centre)

Hon. David Krutko
(Mackenzie-Delta)
Minister responsible for the NWT Housing Corporation
Minister responsible for the NWT Power Corporation

Mr. Jackson Lafferty
(Monfwi)

Ms. Sandy Lee
(Range Lake)

Hon. Michael McLeod
(Deh Cho)
Minister of Transportation
Minister of Municipal and Community Affairs
Minister responsible for the Public Utilities Board
Minister responsible for Youth

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 Human Resources
Minister of Public Works and Services

Mr. Robert Villeneuve
(Tu Nedhe)

Mr. Norman Yakeleya
(Sahtu)

Officers

Clerk of the Legislative Assembly
Mr. Tim Mercer

Deputy Clerk
Mr. Doug Schauerte

Clerk of Committees
Mr. Dave Inch

Assistant Clerk
Mr. Darrin Ouellette

Law Clerks
Mr. Glen Boyd
Ms. Kelly Payne

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

Published under the authority of the Speaker of the Legislative Assembly of the Northwest Territories
# TABLE OF CONTENTS

**PRAYER** .................................................................................................................................................. 151

**MINISTERS' STATEMENTS** ......................................................................................................................... 151

  14-15(5) - Aklavik Flood Emergency Response .................................................................................................. 151


  16-15(5) - Search and Rescue Initiatives ........................................................................................................... 153

**MEMBERS' STATEMENTS** ............................................................................................................................. 153

  Mr. Menicoche on Fairness in the Justice System .............................................................................................. 153

  Ms. Lee on Catholic Schools Overcrowding ........................................................................................................ 153

  Mr. Villeneuve on Representative Public Service .............................................................................................. 154

  Mr. Ramsay on Day Care Concerns .................................................................................................................. 154

  Mr. Braden on High Cost of Living .................................................................................................................... 155

  Mrs. Groenewegen on Support for Small Business ............................................................................................ 155

  Mr. Lafferty on Recognition of Chief Jimmy Bruneau School by the Society for Advancement and Excellence in Education .................................................................................................................. 156

  Mr. Robert McLeod on Adequacy of Student Financial Assistance .................................................................. 156

  Mr. Yakeleya on Passing of Fort Good Hope Resident Bruno Ritiyas ................................................................ 156

  Mr. Pokia on Surgical and Specialist Services at Inuvik Regional Hospital .......................................................... 157

  Mr. Hawkins on Multi-Year Funding for Non-Government Organizations ............................................................ 157

**RECOGNITION OF VISITORS IN THE GALLERY** ......................................................................................... 158

**ORAL QUESTIONS** ....................................................................................................................................... 160

**WRITTEN QUESTIONS** .................................................................................................................................. 171

**TABLE OF DOCUMENTS** .............................................................................................................................. 171

**NOTICES OF MOTION** ................................................................................................................................. 172, 174

  2-15(5) - Appointment of Two Human Rights Commission Members ................................................................. 172

  3-15(5) - Extended Adjournment of the House to October 17, 2006 .................................................................... 174

**SECOND READING OF BILLS** ....................................................................................................................... 172

  Bill 6 - Engineering and Geoscience Profession Act .......................................................................................... 172

  Bill 7 - Pharmacy Act ...................................................................................................................................... 172

  Bill 8 - Miscellaneous Statutes Amendment Act, 2006 .................................................................................... 173

  Bill 10 - Forgiveness of Debts Act, 2006-2007 .................................................................................................. 173

  Bill 11 - Tourism Act ...................................................................................................................................... 173

  Bill 12 - Garnishment Remedies Statutes Amendment Act ............................................................................. 173

**CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS** ...................... 174

**REPORT OF COMMITTEE OF THE WHOLE** ................................................................................................. 206
THIRD READING OF BILLS .................................................................................................................................207

BILL 3 - AN ACT TO AMEND THE LEGISLATIVE ASSEMBLY AND EXECUTIVE COUNCIL ACT .................................................................207
BILL 4 - AN ACT TO AMEND THE SUPPLEMENTARY RETIRING ALLOWANCES ACT ....................................................................................207
BILL 5 - AN ACT TO AMEND THE TERRITORIAL PARKS ACT ................................................................................207

ORDERS OF THE DAY .........................................................................................................................................207
ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Paul Delorey): Good afternoon, colleagues. Welcome back to the House. Welcome to our guests in the gallery as well. Orders of the day. Ministers' statements. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

ITEM 2: MINISTERS' STATEMENTS

Minister’s Statement 14-15(5): Aklavik Flood Emergency Response

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, now that life is starting to get back to normal for the residents of Aklavik and Inuvik in the wake of the flooding and subsequent evacuation of Aklavik, I would like to take this opportunity to commend the many people and organizations who worked so hard to respond positively to this flood and evacuation.

On May 26th, an ice jam on the Mackenzie River resulted in water levels rising in the community of Aklavik so that many sections of the community were under water. Aklavik’s Emergency Response Committee responded quickly and efficiently by organizing the evacuation of residents whose home were affected by the rising floodwaters. Responding equally as quickly was the town of Inuvik’s emergency response team, who, on very short notice, prepared to accept the over 300 residents of Aklavik who were forced to leave their homes. Residents of both Aklavik and Inuvik responded in typical northern spirit by working together, supporting one another and maintaining their compassion and sense of humour throughout the entire ordeal. I understand that Aklavik’s motto may even have been temporarily changed from “Never Say Die” to “Never Say Dry.”

---Laughter

In Aklavik, Mayor Hansen and his team did an excellent job in assessing the situation and responding quickly and competently in both the emergency response and the evacuation. Hamlet of Aklavik staff are to be commended in working so diligently to re-establish basic services within the community, including water delivery, sewage pump-out and road maintenance, under such difficult conditions. Their efforts resulted in Aklavik residents being able to return home sooner than anticipated.

In Inuvik, Mayor Peter Clarkson and his team at the Town of Inuvik, including the emergency response team under the direction of Deputy Fire Chief Julie Miller, prepared to welcome Aklavik evacuees in record time in an organized, competitive and sensitive manner. Their quick response, with minimal advance notice, can be used as a “best practice” for government and other communities in similar situations to learn from.

Mr. Speaker, the Government of the Northwest Territories provided support and advice to the community throughout this ordeal. Municipal and Community Affairs supports communities in undertaking community emergency planning and response. Regional and headquarters staff worked to support both communities and confirmed how impressed they were with every facet of the emergency response.

A number of other government departments and agencies were involved, such as the Department of Transportation whose staff were quick to arrange air transport to move people to and from Inuvik. As well, Health and Social Services' environmental health division, Public Works and Services, the NWT Power Corporation, the RCMP and the Canadian Forces’ Joint Task Force North all provided input, timely advice and assistance throughout.

The next step is to assess the damages, begin the repairs and explore how we can support both individual residents and the two community governments in covering the costs of damages and the emergency response overall. Staff from Municipal and Community Affairs are in Aklavik and Inuvik this week to attend public debriefing meetings and discuss how these next steps will unfold.

Once again, on behalf of the Government of the Northwest Territories, I want to commend the leaders and residents from Aklavik and Inuvik for such a strong emergency response. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Ministers’ statements. The honourable Minister of Finance, Mr. Roland.


HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, yesterday the federal Minister of Finance, the Honourable James Flaherty, released the Report of the Expert Panel on Equalization and Territorial Formula Financing.

This report has important implications for the fiscal future of the Government of the Northwest Territories, GNWT, and for the residents of this territory. The expert panel was established by the federal government early in 2005 with a mandate to undertake an independent review and make recommendations on the allocation of the equalization and territorial formula financing programs. The publication of this report sets the stage for formal
discussions between Canada and the provinces and territories to address outstanding fiscal issues. Provincial and territorial Premiers will be briefed by panel members in Edmonton on Thursday.

The formula financing grant represents, on average, about 70 percent of the GNWT’s total revenues. It is absolutely critical that formula financing provide adequate funding that will allow us to deliver public services to the residents of the NWT. It is equally important that the arrangements include the right fiscal incentives for us to encourage economic growth, to develop our natural resources and to become less dependent, over time, on federal transfer payments.

We wanted to be sure that the panel understood the unique circumstances we face in Canada’s North, as well as our specific issues here in the NWT. Therefore, the GNWT worked together with Nunavut and Yukon and presented the panel with a joint territorial submission on formula financing. We told the panel that the “fixed pool” approach to territorial funding that was put in place in 2004 is inappropriate. The fixed amounts create a zero sum game for the territories, where increases in one territory’s grant come at the expense of the other territories. We provided specific proposals for adequate territorial financing arrangements that also include the right fiscal incentives for economic growth.

The panel travelled to Yellowknife in August 2005 and hosted a roundtable discussion where they heard directly from northerners that formula financing arrangements need to take into account the high costs of delivering services in the North.

I met with the members of the panel last August and reiterated our government’s concerns that the NWT must receive a net fiscal benefit from the development of our natural resources.

We are pleased with the report. The panel, in issuing a separate report on formula financing, acknowledged that the territories are different, and require different fiscal arrangements from the provinces. The same conclusion was reached by the Council of the Federation Advisory Panel on Fiscal Imbalance in their report in April.

The expert panel members clearly heard the messages they received from northerners. The panel’s key recommendations include:

- replacing the “fixed pool” with a formula-driven approach providing three separate grants to the territories based on each territory’s own needs and fiscal capacity;
- addressing concerns regarding adequacy of funding levels;
- improving the incentives for the territories to raise our own revenues by decreasing the offsets against revenue growth; and,
- using appropriate escalators that reflect population growth and the growth in provincial and local government spending, rather than the fixed and inadequate 3.5 percent per year proposed by the federal government.

These recommendations clearly tell us that the expert panel has listened to the territories’ concerns. Not only did the panel stretch its mandate to recommend both removal of the “fixed pool” of funding and replace it with the calculation of separate grants for each territory and an escalator that responds to our growing needs, but the panel also accepted our arguments supporting an increased fiscal incentive to develop our economies.

The panel recommends that revenues from natural resources be dealt with in separate agreements and not in the formula itself.

---Applause

The panel clearly stated their support, however, for the territories to see direct benefits from the development of their resources. The Prime Minister himself has stated that northerners should be the primary beneficiaries of the revenues generated by resource development in the NWT.

We cannot know with certainty what today’s report means to us fiscally until we see the final arrangements that Canada will put in place. From our perspective, however, the report of the expert panel presents a reasonable approach to structuring formula financing arrangements. Although we must continue to focus on ensuring that overall funding levels are adequate, I am confident that, if the federal government accepts these recommendations, we can reach agreement on technical details. In fact, given the consensus of the three territories, my territorial colleagues and I have written to Minister Flaherty proposing that work on formula financing should begin in advance of and independently from discussion on equalization.

We now have the three key reports that we need in order to move forward:

- the Report of the Council of the Federation Advisory Panel on Fiscal Imbalance; and,
- the federal budget paper on restoring fiscal balance in Canada.

Minister Flaherty laid out a process in his budget for reaching agreement on federal/provincial/territorial fiscal arrangements. Finance Ministers will be meeting at the end of June to begin discussions on these three reports and on how to incorporate their findings into new fiscal arrangements. A number of other intergovernmental meetings will be held over the summer, with a First Ministers’ meeting to be held this fall. The 2007 federal budget will lay out the new fiscal arrangements. I look forward to meeting with Minister Flaherty to begin these very important discussions.

Finally, I would like to take this opportunity to thank the members of the expert panel for coming north and listening to the concerns of our residents and also for compiling a report that acknowledges these concerns and proposes solutions that will help to address them. Thank you, Mr. Speaker.

---Applause
MR. SPEAKER: Thank you, Mr. Roland. Ministers’ statements. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

Minister’s Statement 16-15(5): Search And Rescue Initiatives

HON. MICHAEL MCLEOD: Mr. Speaker, I am pleased to speak today about several ground search and rescue initiatives implemented by the Department of Municipal and Community Affairs.

The department recently produced new ground search and rescue training standards, which will be used to train community representatives in ground search and rescue techniques. Community representatives will then use the standards to train their individual ground search and rescue teams.

Training standards will ensure all participants are trained to the same level and individuals who volunteer are safely employed during any search operation. I am pleased to advise that the Northwest Territories is the first Canadian jurisdiction to develop these formal ground search and rescue training standards.

The Department of Municipal and Community Affairs has also developed a Northwest Territories Youth Search and Rescue Prevention Program. The intent of this program is to provide children with information on basic survival skills they will need to survive should they become lost while out on the land.

The Department of Municipal and Community Affairs has also worked with the federal government on its ground search and rescue information system database. This database will provide information specific to the Northwest Territories. The data made available from this system will be used to track and report on search and rescue operations on the land and on inland waters. The database will produce information on lost person behaviour patterns in order to determine high probability search areas.

Finally, the department has recently completed a study of all radio communications infrastructure in the Northwest Territories. This study has produced a comprehensive listing of the location, frequency type and owner of all radio communications, and will be used to determine what radio equipment could be called on to assist during emergencies if backup communications are required.

The initiatives undertaken by the Department of Municipal and Community Affairs were done in partnership with the federal government’s search and rescue initiatives fund, which provides assistance to provinces and territories to develop new and innovative projects to assist in search and rescue work.

These initiatives will support community volunteers and help to increase the effectiveness of Northwest Territories search and rescue situations. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Ministers’ statements. Members’ statements. The honourable Member for Nahendeh, Mr. Menicoche.

ITEM 3: MEMBERS’ STATEMENTS

Member’s Statement On Fairness In The Justice System

MR. MENICOCHE: Thank you, Mr. Speaker. Mr. Speaker, today I would like to speak on our justice system and offer one suggestion as to why our jailhouses are full. We have all heard the phrase: "If you do the hard time, you will do the tough time." In Nahendeh, there is another phrase: "If you do petty crime, you will do a long time."

Mr. Speaker, what I am referring to is the growing number of constituents who are expressing their concern that they are being advised to plead guilty or accept sentencing conditions without adequate legal advice or other proceedings. I have constituents who are being advised that if they choose to plead not guilty and use the system, then the punishment is often worse. Oftentimes, during these emotional and difficult times when the accused is unaware of their rights or their judgment is clouded, during these pressing situations individuals can agree to what is recommended by justice. Yet we have a fundamental principle in our legal system that is meant to curtail this type of justice: innocent until proven guilty.

I have asked in this House to give me conviction rates in my region. I believe it is timing and this is one of the reasons why there are more and more people in our jail system. I feel like it is strong arming our people into a plea before they adequately have the legal resource to make an informed decision. To compound this problem, lawyers are often difficult to retain, let alone one that the accused feels comfortable with. Mr. Speaker, it does take many phone calls and a number of weeks by Nahendeh residents to even establish first contact. It is important to be mindful of the justice staff in our communities, yet once again our training, policies, procedures and resources are not responsive to the real needs of our people. We need proper legal consultation and proper legal accommodation.

Our justice system must recognize that in small and remote communities the level of judicial infrastructure or professional services is limited and assistance and flexibility must be given to the accused. I am not saying that an offender should be given special treatment or there should not be repercussions for their actions, but our justice must be fair for all. If one region has it, then all regions must have it. I feel that the number of convictions in Nahendeh have increased and, I will go further, I don’t think it’s fair that the punishment is worse if you use the system. It’s there to protect the rights of all people, Mr. Speaker. Mahsi cho.

---Applause

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

Member’s Statement On Catholic Schools Overcrowding

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I wish to speak today about the situations surrounding the overcrowded conditions at Catholic schools in Yellowknife. As you might recall, Mr. Speaker, at the end of the February session we agreed, very reluctantly on my part, to give the Yellowknife Education Facilities Review
Committee a chance to conclude its work, as long as the Minister agreed to make some decisions before the June session. With two days of session left to go, we are not any further ahead than we were. As I expected, and any reasonable person looking at the situation should have expected, the committee has not been able to reach a decision about what to do about the imbalance of numbers at the schools. One thing the committee has agreed on is there is only one person who has any legal power and obligation to resolve this issue and that is the Minister of ECE.

Mr. Speaker, I have to say how troubled I am that even in my most recent conversation with the Minister, he continues to show a complete lack of understanding on exactly what his powers and authorities are on this issue. He continues to see himself as a bystander who is watching the procession go by or, at the very least, he wants someone else to make the decision for him or make the whole mess just go away. He continues to show no capacity whatsoever to see the consequence of his inaction or the ability to foresee, prepare or otherwise deal with the aftermath of his inaction and lack of leadership.

Mr. Speaker, I have to tell you I have attended a number of public meetings on this issue. I have to commend the trustees of both school boards and teachers, parents and students for valiantly trying to see their way out of this. During no time did the Minister ever show a plan of action, a vision or a roadmap on how we are all supposed to get out of this mess he has created. He could not bring himself to present a plan that could work for both parties, which I believe is possible if he would just put his mind to it, and effort, and show some leadership.

Mr. Speaker, the result of this inaction is that the students, teachers and trustees of both school boards are placed in an enormously difficult position very unfairly and the ensuing discussions threaten to divide our school communities unnecessarily. We might just end up with a lawsuit on our hands. This all goes to show you, Mr. Speaker, how much it costs the government and taxpayers when a person fails to do his job. All I can say is good luck to him, because the time is running out for taxpayers when a person fails to do his job. All I can say is good luck to him, because the time is running out for him to dither any longer. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Ms. Lee. Members’ statements. The honourable Member for Tu Nedhe, Mr. Villeneuve.

Member’s Statement On Representative Public Service

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, I just want to talk about this government’s approach to achieve a public service that is more representative of the population it supposedly serves. When this government introduced a new approach to developing a home-grown public service back in 2002 by proposing to phase out the affirmative action policy and taking the new employment equity approach because, “It will be based on a philosophy that employees will hire a more representative workforce because it made good business and operational sense to do so, Mr. Speaker.”

Mr. Speaker, we are now four years down the road from when this statement was made in this House. According to the latest statistics, the 50 percent aboriginal population of the Northwest Territories is less represented in our public service today than we were when this new employment equity approach was introduced. The number of aboriginals in management positions, the Graduate Employment Program, the summer student employment initiatives have all seen declines in the number of aboriginals. Aboriginal students are telling me that they are unable to get hired as summer students, because it is not what you know anymore but who you know that gets you a summer job in this government.

I hear about long-term aboriginal employees getting squeezed out of government positions because they raise issues that are discriminatory in nature. I hear about long-term government employees who are aboriginal and may qualify for government positions in management, only to find that positions have either been cancelled or reprofiled, or they have not been given notice or explanations as to why the human resource practices have changed.

Mr. Speaker, these are just some of the aboriginal actions and concerns I hear about all the time. If this government thinks that it is going to make some positive changes in developing a better representative public service here in the Northwest Territories, I can easily find 1,200 public service employees who will strongly disagree, because that number represents 30 percent of our public service which are aboriginal, underrepresented and underemployed by this government. This has not improved in the last 10 years, Mr. Speaker. Where is the good business sense in all of this? Where is the good operational sense? The numbers definitely do not reflect any of this.

Mr. Speaker, I think this is totally unacceptable, and I will be asking the Minister of Human Resources and FMBS questions about the thousand government positions that should be filled by aboriginal northerners later in today’s session. Mahsi, Mr. Speaker.

---Applause

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

Member’s Statement On Day Care Concerns

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I want to speak today on the issue of the availability of day care space and the government’s plan to address this issue as it affects most of the communities we represent. Last February, I spoke of how it is that the GNWT allows for a non-level playing field by allowing some non-profit day cares to operate out of government-owned facilities while others are left to fend for themselves at a huge disadvantage.

Mr. Speaker, this continues to be allowed to happen. The Minister and his department still don’t have any answers on how to correct it so none of them have to close. In Yellowknife, parents are struggling to find day care space. There are currently over 100 children left with no place to go. Parents, especially those with young infants, are faced with a very daunting task of finding a place for their children. Many are looking at day homes, both licensed and unlicensed, to try to get some help.
Member's Statement On High Cost Of Living

MR. BRADEN: Mahsi, Mr. Speaker. The high cost of northern living, Mr. Speaker, is an issue that affects each and every one of us every day. It is an issue that is often debated directly and indirectly in this Assembly. We have taken some steps to address this; Mr. Speaker. Last October, we passed motions in this Assembly on energy costs and the overall cost of living. We, through our committee system, requested the government to bring forward information and proposed actions on the high cost of energy and the high cost of living. They did so. I think they did so in a very useful and a progressive manner.

Mr. Speaker, in February of this year, this Assembly did something else. We passed a motion calling for an increase in the federal northern residency tax deduction and the ongoing annual indexing of this deduction to the cost of living.

Mr. Speaker, in the NWT, we have been told that on an annual basis we spend on average $2,000 more on food than the average Canadian, we spend an extra $2,400 on housing and our utility bills are $1,200 higher, yet the federal government’s northern residence tax deduction has remained unchanged since 1991, at approximately $5,475.

Mr. Speaker, in the recent federal budget, all Canadians received some limited degree of tax relief. We are going to see the GST drop by one percent on July 1st. Personal income taxes for Canadians have also been reduced. But what about the high cost of living here in the NWT?

Mr. Speaker, our own ability to make a universal, equitable change in the cost of living for all of our residents is very limited, but the federal government can. This is why we asked in our motion in February for our Premier to speak with the Yukon and Nunavut counterparts about a pan-territorial appeal to Canada to make this very progressive change. I will be following up with the Premier to see how he has advanced that request, Mr. Speaker. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Braden. Members’ statements. The honourable Member for Hay River South, Mrs. Groenewegen.

Member’s Statement On Support For Small Business

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, today I would like to raise awareness in this House to the need for support for small businesses in the North. It has again been brought to my attention that there is not enough support for small businesses as it relates to ongoing northern development and, more specifically, the proposed pipeline. Expectations were understandably raised since the division of RWED into Industry, Tourism and Investment and Environment and Natural Resources. Has there been anything new come from Industry, Tourism and Investment for small business since this division? Are there any new monies out there available for lending? Are there any contribution programs like the former EDA Program with the federal government?

If northern companies are going to participate and respond to the new demands that the pipeline will create, they need to know what will be available for capital and start-up funds for their business. Has the GNWT been in discussions with any banks or lending institutions on if they will be looking to finance small business involved in the pipeline and what their requirements would be? We need a commitment from this government to host a financial conference or workshop that brings small businesses and lenders together to discuss financing needs and solutions to ensure that those needs are met by lending institutions. When I talk about small business, Mr. Speaker, I am talking about the many owner-operated northern businesses that we have. There are a lot of potential investors out there as well, but this government does again need to play a role in facilitating matching those investors to the opportunities that will be here in the North.

Mr. Speaker, I would appreciate some answers and some action on the part of this government and, as someone has said, the opportunities for the pipeline are coming and are going to be going right by our door if we’re not prepared. We need to provide as much support to small business as possible and we can’t afford just to be offering kind of cliché answers to these kind of questions.

Mr. Speaker, I’ve been told time and again that businesspeople in the North feel that they could operate their companies more cheaply in the South, but they don’t want to leave the North. They want to be here; they want to employ northerners. But we have to ask ourselves what we can do to ensure that they have the support that they need to continue to live and operate their businesses here in the Northwest Territories. Later today, Mr. Speaker, I’m going to have questions for the Minister of ITI as to any new initiatives or anything on the horizon that will go directly to the issue of support for small business. Thank you, Mr. Speaker.

---Applause
MR. SPEAKER: Thank you, Mrs. Groenewegen. Members’ statements. The honourable Member for Monfwi, Mr. Lafferty.

Member’s Statement On Recognition Of Chief Jimmy Bruneau School By The Society For Advancement And Excellence In Education

MR. LAFFERTY: Mahsi, Mr. Speaker. (Translation) Mr. Speaker, my Member’s statement today will be regarding the Chief Jimmy Bruneau School. It’s been over 30 years, we’ve been having a lot of graduates over the years. (Translation ends)

…within our Tlicho region has been recognized and chosen as one of the best aboriginal schools from across central, northern, and Atlantic Canada, Mr. Speaker.

---Applause

Mr. Speaker, Chief Jimmy Bruneau Regional High School in Behchokö has been selected by the GNWT and the non-profit Society for the Advancement of Excellence in Education to be part of the research study that will produce 10 case studies of exemplary aboriginal schools in order to identify and share success practices. The schools selected from across Canada were done in consultation with government and aboriginal authorities.

Mr. Speaker, the Society for the Advancement of Excellence in Education is an independent, non-profit research agency founded in 1996 to commission and share research on improving student achievement in Canada. To date this organization has produced 28 studies through research grants from Canadian foundations and government agencies.

Mr. Speaker, Chief Jimmy Bruneau Regional High School is recognized throughout the North as one of the premier culture-based schools within the NWT. However, it is also becoming known for setting high standards in other areas including academic achievements, trades and technology, preparation, athletic development, and often a wide range of extracurricular opportunities for Tlicho students, Mr. Speaker. Mr. Speaker, Chief Jimmy Bruneau Regional High School has the highest number of aboriginal high school graduates than any other community school across the territory. It is hoped that the research done for this case study will highlight the unique characteristics and strengthen the Tlicho students, staff and community so that other schools across the North can learn from the model of CJBS presence.

Mr. Speaker, this would not be possible without the hard work of the staff of CJBS, their hard work and dedication, the board, the resources people and the Tlicho leadership. Mahsi, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Lafferty. Members’ statements. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

Member’s Statement On Adequacy Of Student Financial Assistance

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, graduation ceremonies are taking place across the NWT. Every region speaks about the high number of graduates they have in their communities, and that’s a good story, Mr. Speaker.

Now comes the next step: going off to college. There, Mr. Speaker, lies a lot of my concerns as a Regular MLA. When many of these students go on to college, they apply for student financial assistance. While we continue to have the best support for post-secondary students in the country, there are still a few bugs that could be ironed out. One of the major concerns, Mr. Speaker, that I hear about in Inuvik is the fact that students attending schools in the South receive the same amount as students living in the North. Is the high cost of living not factored into the amounts allocated? The cost of living continues to escalate, but the amount that students receive stays the same. I have spoken to students outside of Inuvik who wanted to quit because it was becoming more difficult to attend college on the assistance they receive.

Mr. Speaker, while it is the responsibility of the students to help arrange their financing for school, we should do all we can to encourage students to attend post-secondary institutions and do all we can to assist them. The North will be the major beneficiary of the education of northerners. I will have questions at the appropriate time for Shawn Horcoff’s uncle. Thank you, Mr. Speaker.

---Laughter

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Members’ statements. The honourable Member for Sahtu, Mr. Yakeleya.

Member’s Statement On Passing Of Fort Good Hope Resident Bruno Ritas

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, in our communities down the Northwest Territories there are people in the communities and regions that are well known, that you remember from time to time to either coming up and speaking to you personally, or coming to a regional meeting and giving their opinions, or trying to get something going in the communities for their special interest groups, or you see them in talent shows, or drum dances, or hand games, or any kind of community feasts. These people have a special talent or special gift that you remember that has a special place in your heart as an MLA in your constituency. Sometimes they bother you; you know, quite often in terms of phone calls. You work with them on some of the issues here and they’re pretty persistent and dedicated to the role and to the people that they serve. They are always very creative in their decision-making or trying to get things going for their people.

Yesterday, Mr. Speaker, I was informed that the people in Fort Good Hope and the Sahtu region lost one of these good people in our community. Mr. Bruno Ritas, also known as Sir Bruno, passed away last night in Fort Good Hope of health complications, as I understand, but I’m not going to go into any details. Anyhow, Mr. Ritas was a good member of the community of Fort Good Hope and he was also a good entertainer. He provided a lot of comedy and laughter in the people and in our region. We will surely notice his absence when we go into Fort Good Hope or the Sahtu for regional meetings that he’s not there.
June 6, 2006 NORTWEST TERRITORIES HANSARD Page 157

Mr. Ritas is well known to the Sahtu people involved in community functions. Bruno was the guy who had a lot of expertise in communication. He put the radio station on the air and had a hell of a lot of creative ideas. Mr. Ritas was also disabled. But that didn't stop him. It's a tribute that yesterday was the last day of the Council of Disabled that we honour him today in Fort Good Hope and the Sahtu region in terms of where his heart went and the hard work that he did for his people. The people in Fort Good Hope will surely miss someone important. I wanted to say that in the Leg, that our hearts and our prayers are with him and his family. Thank you.

---Applause

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

Member's Statement On Surgical And Specialist Services At Inuvik Regional Hospital

MR. POKIAK: Thank you, Mr. Speaker. My Member's statement today is in regard to a petition introduced by my colleague the honourable Robert McLeod, MLA for Inuvik Twin Lakes, regarding a Beaufort-Delta Regional Council petition signed by 784 Beaufort-Delta residents for emergency and surgical services at Inuvik Regional Hospital.

Mr. Speaker, the honourable Premier Joe Handley; the Honourable Floyd Roland, Minister of Finance; Robert McLeod, MLA Inuvik Twin Lakes; and I were in attendance at the Beaufort-Delta Regional Council meeting from March 20th to 23rd, 2006, in Inuvik. In attendance also was medical staff from Inuvik Regional Hospital, as well as government staff from Yellowknife, to listen and answer questions from the Beaufort-Delta delegates. Mr. Speaker, the concerns raised by medical staff at Inuvik Regional Hospital and the Beaufort-Delta Regional Council involves the need for a ministerial director to allow the Inuvik Regional Health and Social Services Authority to staff specialists necessary for surgical and pay salary and benefits for specialists, including general practitioners with special training, surgeons, obstetricians, anesthesiologists, nurse practitioners and registered nurses.

Mr. Speaker, the Premier and the Minister of Finance heard firsthand the concerns raised by the Beaufort-Delta Regional Council. I support the petition submitted by my colleague from the Beaufort-Delta Regional Council to have the Inuvik Health and Social Services Authority to hire these medical professionals. I encourage the Minister of Health and Social Services to immediately provide a policy directorate to allow the Inuvik Health and Social Services Authority to hire professional medical staff for the benefit of the Beaufort-Delta residents.

In closing, Mr. Speaker, I will continue to lobby and raise this important issue on behalf of the Beaufort-Delta Regional Council and the Inuvik Regional Health and Social Services in their endeavours to address the medical services requirements for the Beaufort-Delta residents. Thank you, Mr. Speaker.

---Applause

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

Member's Statement On Multi-Year Funding For Non-government Organizations

MR. HAWKINS: Thank you, Mr. Speaker. Over the course of this Assembly, I have repeatedly sounded the alarm about the impending crisis in the frontline agencies brought about by the overwhelming administrative burden and a lack of adequate funding. During our pre-budget consultations last fall, I heard from many NGOs about their inability to offer competitive wages and benefits that are absolutely essential to recruiting and keeping qualified staff. I've also heard convincing cases from where many well-established organizations, that the time has come to recognize their long-standing contribution and financial responsibility by entering into a multi-year funding agreement with them.

Mr. Speaker, in the case of the Yellowknife Association of Concerned Citizens for Seniors, I don't believe I can speak about an impending crisis anymore. I believe we are here now. Negotiations with the union are about to start sometime this fall and the association finds itself in a position of being unable to offer its staff anything approaching wage parity that their employees deserve. The risk that these employees will give up and look for higher paid or I should say fair paid work elsewhere is a really, truly serious concern. I am sure it's very convenient for the government to look at accessing the pool of trained staff that they employ because we can attract them to government wages and benefits quite easily, but we're not helping this NGO get along. We cannot continue this if we expect these organizations to be sustainable and continue to provide the high level of services we have come to depend on. Part of the challenge of this association is their lack of multi-year funding arrangement that would facilitate long-term planning.

I would like to applaud the Minister although on his recent conclusion of a multi-year funding agreement with the NWT seniors, which I have pressured him for some time to take action on, but I think that there's another step to continue. I hope that he will be able to move quickly to work out a similar agreement with the YACCS, such as an agreement that needs to bring closure to, again, a wage parity and benefits problem.

Mr. Speaker, if this Minister is not prepared to move quickly on this issue of wage parity to ensure NGOs like YACCS have adequate funding, then I guess the next question is whether the Minister is instead prepared to take over the responsibility for these valued services directly, at truly what's probably a far higher cost.

Mr. Speaker, at this time may I seek unanimous consent to conclude my statement? Thank you.

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

MR. HAWKINS: Thank you, colleagues, and thank you, Minister Miltenberger. I can see you wanting to nay this. Mr. Speaker, the truth is, we have to start honing up to our responsibility. The concern is out there; we have no
options. I expect nothing less than swift action from this Minister of Health and Social Services, because the continued survival of YACCCS and other NGOs just like them are the backbone of our social infrastructure.

Mr. Speaker, in closing here, this is something that has been a serious concern of mine, but I have to tell you it’s been a serious concern of those directly affected for much, much longer. When I say directly offended I mean to say the residents who deserve to have the best quality of service provided to them and those professionals certainly who are being undervalued by this government and they should be paid what they fairly deserve. So this government needs to show that these services are valued and needed, they need to be able to count on them, they do not need lip service, they do not need to be told how heroic they are, they do not need to know anything other than a pat on the back, because these people do these jobs because they care about them. We need the commitment from this government...

MR. SPEAKER: Could you wrap up your statement, Mr. Hawkins?

MR. HAWKINS: Mr. Speaker, we need long-term security because these organizations benefit all our people of the Northwest Territories. Thank you, Mr. Speaker. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Hawkins. Returns to oral questions. Recognition of visitors in the gallery. The honourable Member from Great Slave, Mr. Braden.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. BRADEN: Thank you, Mr. Speaker. The AFS International Exchange Student Program involving some 52 countries has been active in Yellowknife since 1982. Students come here for a 10-month visit. It has a major impact in their lives and in the lives of the volunteer families who host them. Mr. Speaker, I and my family are proud to be involved with this program and pleased to welcome to Yellowknife four students who have been here since last August. Three of them are in my riding of Great Slave. Mr. Speaker, it gives me great pleasure to welcome to the House Ms. Michaela Klein of Austria, hosted by the David Livingstone and Lynn Hjartarson family.

---Applause

Joakim Todnum is from Norway and he is hosted by the Greg and Mary Ann Miller family.

---Applause

Maria Capillano is from Argentina, hosted by the Wes and Sylvia Siemens family.

---Applause

Welcome to the Assembly. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Braden. Recognition of visitors in the gallery. The honourable Premier, Mr. Handley.

HON. JOE HANDLEY: Thank you, Mr. Speaker. I’d also like to recognize two constituents, James and Sheila Anderson from Weledeh, who are hosting...

---Applause

one of the AFS exchange students, Ms. Phee Sunantarod. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Handley. Recognition of visitors in the gallery. The honourable Member from Range Lake, Ms. Lee.

MS. LEE: Thank you, Mr. Speaker. It’s wonderful to see a gallery almost full today and I am sure they will all be recognized in due course, but I just want to say a special congratulations to the grads of community health representatives work.

---Applause

I admire and congratulate all women, but I just want to read a note that was sent to me by a husband of one of the graduates who asked me to read this, but I didn’t get to read it in time and I just want to say it’s for Anita Pokiak from Ernest Pokiak. “Tell her I love her and she’s a wonderful wife and the greatest cook. Even when she’s away there’s always prepared food to eat. It’s a wonder I don’t get too fat. She’s a kind-hearted person and a great asset to the people of Tuktoyaktuk. She will make a great advisor to any organization head. Ilanilu, quyanaini. Thank you, Mr. Speaker.

---Laughter

---Applause

MR. SPEAKER: Thank you, Ms. Lee. Recognition of visitors in the gallery. The honourable Member from Frame Lake, Mr. Dent.

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, Aurora College, through the Aurora Research Institute, has been asked by the Government of Canada and NRCAN and the Japanese Oil Gas and Metals National Corporation to assist with the delivery of a major research project in the Inuvik region. This is called the Mallick Gas Hydrate Research Program. With us today in the gallery we have a number of key players as we try and move this project towards fruition. I’d like to recognize the leaders of each of the parts of the team. The Japanese scientist team is lead by Mr. Kenji Ohno, who is the general manager of research and development for Japan Oil, Gas and Metals National Corporation.

---Applause

The Canadian scientist team is lead by Mr. Doug Ashford, who is from Schlumberger, the project manager responsible for the integrated project management services.

---Applause

The team leader from NRCAN is Sandy Colvine who is the acting director general of the Geological Survey of Canada, and from the Aurora Research Institute their team is lead by Mr. Andrew Applejohn who is the director.
---Applause

Mr. Speaker, I'd also like to recognize Mr. Maurice Evans, who is the president of Aurora College.

---Applause

MR. SPEAKER: Thank you, Mr. Dent. Recognition of visitors in the gallery, the honourable Member from the Sahtu, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I also want to recognize these amazing CHRs that were just honoured today this afternoon. I would like to give special recognition to an amazing woman from Deline. I think Sandy already read out the good things that the woman can do, so I want to recognize Ms. Betty Tsetso who has graduated from Deline.

---Applause

Also to support Betty in her achievement and the backbone of the family I think is her husband Joe Tsetso. Joe is up there.

---Applause

Their son is also there and Laura's sister, all from Deline. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Yakeleya. Recognition of visitors in the gallery. The honourable Member for Thebacha, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, community health representatives provide very critical services to help prevent illness and promote good health. We have with us today seven community health representatives that just finished a 10-course, 30-credit university level certificate program in the area of community health representative work. They have graduated with the highest marks ever recorded in this Keyano College program.

---Applause

We have a very good cross-section from across the Northwest Territories. We have Alice Kimiksana from the Beaufort-Delta Health and Social Services Authority.

---Applause

Anita Pokiak, as well from the Beaufort-Delta.

---Applause

Ann Pischinger, from Fort Smith.

---Applause

Betty Tsetso, from the Sahtu Health and Social Services Authority.

---Applause

Monique Laing, from the Tlcho Community Services Agency.

---Applause

Virginia Sabourin, from the Deh Cho Health and Social Services Authority…

---Applause

…and Winnie Greenland, from the Beaufort-Delta Health and Social Services Authority.

---Applause

Mr. Speaker, I would also like to recognize Cathy Davis-Herbert, the dean of Keyano College.

---Applause

Vicki Jacobs, the instructor for this course.

---Applause

Last, but not least, two constituents, Diana Korol, and Maurice Evans. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Miltenberger. Recognition of visitors in the gallery. The honourable Member for Nahendeh, Mr. Menicoche.

MR. MENICOCHE: Thank you, Mr. Speaker. I, too, would like to recognize Miss Virginia Sabourin, the CHR for the Nahendeh region in Fort Simpson.

---Applause

I believe with her is her daughter, Joselyn Kierstad, who is a graduate this year, and as well as her sister, Miss Judy Sabourin.

---Applause

MR. SPEAKER: Thank you, Mr. Menicoche. Recognition of visitors in the gallery. The honourable Member for Mackenzie Delta, Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, it gives me great pleasure to recognize constituents of mine, Winnie Greenland from Fort McPherson, who is the CHR based out of Fort McPherson. I would like to congratulate her on her success in achieving her credits for today. But more importantly, I would like to recognize her daughter, who is also accommodating her. Joyce. Along with her is her mother, Mary Effie Snowshoe. Welcome to the House.

---Applause

MR. SPEAKER: Thank you, Mr. Menicoche. Recognition of visitors in the gallery. The honourable Member for Nunakput, Mr. Pokiak.

MR. POKIAK: Thank you, Mr. Speaker. Mr. Speaker, it gives me great pleasure to recognize constituents of mine, Winnie Greenland from Fort McPherson, who is the CHR based out of Fort McPherson. I would like to congratulate her on her success in achieving her credits for today. But more importantly, I would like to recognize her daughter, who is also accommodating her. Joyce. Along with her is her mother, Mary Effie Snowshoe. Welcome to the House.

---Applause

MR. SPEAKER: Thank you, Mr. Krutko. Recognition of visitors in the gallery. The honourable Member for Nunakput, Mr. Pokiak.

MR. POKIAK: Thank you, Mr. Speaker. I would like to recognize my sister-in-law, Anita Pokiak from Tukttoyaktuk in the gallery.

---Applause

Also, Alice Kimiksana from Ulukhaktok.

---Applause

I am proud to say that I was happy to attend the graduation this afternoon in the Great Hall. Also, I think
they are up in the gallery. If they are up there, I would like to recognize Violet Ann Leila, and husband, Blake Noksana.

---Applause

Also, I would like to recognize Jason and Sheila Anderson, former friends of mine. They are still friends of mine. Thank you.

---Applause

---Laughter

MR. SPEAKER: Thank you, Mr. Pokiak. Recognition of visitors in the gallery. The honourable Member for Montlwi, Mr. Lafferty.

MR. LAFFERTY: Mahsi, Mr. Speaker. I, too, would like to recognize one of the CHO grads, Monique Laing, from Behchoko.

---Applause

Along with her, her children and husband. Mahsi.

---Applause

MR. SPEAKER: Thank you, Mr. Lafferty. Recognition of visitors in the gallery. If we have missed anyone in the gallery today, welcome to the House. I hope you are enjoying the proceedings. It is always nice to have an audience.

---Applause

Oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

ITEM 6: ORAL QUESTIONS


MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, in my Member’s statement today, I talked about this government’s role, how it is particularly significant right now with the increased potential of resource development in relation to small business. Mr. Speaker, we have gone through some processes here. We have divided RWED. We have Industry, Tourism and Investment. We have consolidated the BDIC, the Business Development Investment Corporation. We have undertaken all these various exercises at some degree of energy and expense. I was wondering if the Minister today could articulate for us how those changes have translated into increased, better and effective support for small business. Thank you, Mr. Speaker.

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

Return To Question 61-15(5): Support For Small Business

HON. BRENDAN BELL: Thank you, Mr. Speaker. As the Member has mentioned, one of the first tasks for us after the division of the department was to work with the newly created Business Development Investment Corporation. Essentially, that pulled together the various arms of our government that had been lending money, providing business programming, whether it was, at the time, RWED proper or BCC or the Development Corporation. We pulled them together under one roof and created what we feel is enabling legislation that allows for more flexibility and lending. It will allow us to be better able to partner with other organizations like Aboriginal Business Canada. It was a problem in past partnering and leveraging additional funds from the federal government. It was difficult under the past legislation. So we set up this legislative framework.

The next step was to do an evaluation of our programs that we were currently delivering to understand if they were working well. If they weren’t working, to talk about the kinds of improvements that we could make. That business program review has taken about just short of a year. We are now at the stage where the review will come back to me and I will get a chance to look at that. I will be in front of committee in the September business planning process to talk about improvements and to talk about some of the things we are proposing to do to ensure that we do make a difference and make sure our programs are relevant, accessible and more comprehensive. Thank you, Mr. Speaker.

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

Supplementary To Question 61-15(5): Support For Small Business

MRS. GROENEWEGEN: Thank you, Mr. Speaker. We will certainly look forward to hearing of the results of that business program review. Mr. Speaker, time is of the essence. There are opportunities that are going to become apparent and are emerging right now in the North. There is a time frame. There is a window on some of these opportunities. The time is of the essence. I want to stress that to the Minister. Is there anything else that the Minister sees his department being able to do through any of these organizations that could assist small business? I understand that there is a cap on how much money small businesses can borrow, but there are other investors out there. At the Meet the North conference, we met investors from foreign countries actually looking to invest in the North. There are lending institutions out there. Interest rates are still low. What else can this government do to try and facilitate matching opportunities to needs here in the North? Thank you.

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

Further Return To Question 61-15(5): Support For Small Business

HON. BRENDAN BELL: There certainly are a number of things. I would like to talk to committee about them. Just off the top of my head, I think, obviously, capital is always scarce. I think, in past, we’ve had a difficulty in freeing up some of that capital. Oftentimes, when you have the government bank have successful loans that are working well, they are reluctant to move them off to the chartered banks. But I think that we should be looking to take our successful loans and make sure the chartered banks get involved where possible so that we can free up more capital to then go out to other potential lenders.

I think we also need to have a discussion around our grant programs. They have essentially been decimated from
SOMEWHERE IN THE NEIGHBOURHOOD OF $10 MILLION IN THE '90S TO ABOUT $1.5 MILLION A YEAR. I THINK THERE IS STILL A PLACE FOR GRANTS, BUT IT PROBABLY ISN'T IN THE LARGER CENTRES. I THINK THERE IS SOME MERIT IN HAVING THE GRANTS BE TARGETED IN OUR SMALLEST COMMUNITIES AND TRY TO ENSURE THAT OUR LOAN PROGRAMS ARE MORE EFFECTIVE IN THE LARGER CENTRES. I THINK FOR THE BIGGER LOANS, MANY OF THE MARKET-DRIVEN OPPORTUNITIES ARE GOING TO BE IN OUR BIGGEST COMMUNITIES. WE NEED TO MAKE SURE THAT WE HAVE CAPITAL THAT IS FREED UP. THERE ARE A NUMBER OF THINGS THAT I WOULD LIKE TO TALK ABOUT. WE WILL HAVE TO HAVE THIS DISCUSSION AROUND THE CAP OF $2 MILLION IN PROGRAMMING FOR ANY INDIVIDUAL. I LOOK FORWARD TO THAT DISCUSSION AS WELL. I THINK THERE ARE A NUMBER OF THINGS WE WILL TALK ABOUT IN SEPTEMBER. THANK YOU, MR. SPEAKER.

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I am very pleased to hear that the Minister recognizes that there is still a place for grants to businesses for start-up costs and things like that. I certainly think when you look at Hay River, you see many success stories that you can point to, businesses now that are manufacturing things, that are employing northerners, that are putting out quality products and are, in fact, shipping northern products to the South and bringing that money back into the Northwest Territories.

Part of that grant money used to come from the federal government in the form of the Economic Development Agreement. It was a matched funding program between the federal and territorial government where you could also access or stack it with grant programs that were available. What is the status of any discussions with the federal government about a new Economic Development Agreement? Thank you, Mr. Speaker.

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

FURTHER RETURN TO QUESTION 61-15(5): SUPPORT FOR SMALL BUSINESS

HON. BRENDAN BELL: Thank you, Mr. Speaker. I met with Jim Prentice -- it must be about a month ago now -- to discuss this specific issue, the need for a long-term, permanent EDA, Economic Development Agreement, in the Northwest Territories. I made him very much aware that we would have preferred the SINED funds be handled by either the territorial government or northern interests and see the decisions made here at home, but we had accepted that the existing SINED funds were going to be rolled out, DIAND making the decisions. As long as there was some consideration of our priorities, we could live with that for the existing three years of this program. But post this SINED program, we were insistent that we need to see an Economic Development Agreement like FedNor or like western economic diversification that the other provinces and other regions have. That is something that we will continue to discuss. He knows the ask. I am hopeful that he will be responsive. Thank you, Mr. Speaker.

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

SUPPLEMENTARY TO QUESTION 61-15(5): SUPPORT FOR SMALL BUSINESS

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Minister this final question then. If his department has given any consideration to hosting some type of venue where businesses that are interested in starting up or expanding what they are already doing, finding out where they can get support services for their company, additional capital, things like that, has the Minister's department considered hosting or facilitating any such a gathering here in the North, given the timing and the imminent development that lies ahead? Thank you.

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

FURTHER RETURN TO QUESTION 61-15(5): SUPPORT FOR SMALL BUSINESS

HON. BRENDAN BELL: Thank you, Mr. Speaker. There are a number of regional economic development conferences that have either been hosted or are in the planning stages and not necessarily headed up by our department, but our department has participated in and will continue to participate in these. It is something that I am certainly prepared to discuss. I think, as this business program review comes forward and we talk about improvements, there is some merit to pulling business interests and stakeholders together to discuss what we are thinking needs to be done. So that is something that we can certainly consider, but we will also, and I would urge Members that if there are regional efforts that are coming together, if there are participants coming forward with suggestions or ideas, bring them forward to me. We are certainly prepared to discuss them and consider them. I think it does make a lot of sense to bring the various different stakeholders together. As the Member indicates, for some of these resource development projects, time is of the essence and there is some urgency here. We need to make sure we are supportive. Thank you, Mr. Speaker.

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

QUESTION 62-15(5): ASSISTANCE TO NGOs

MR. HAWKINS: Thank you, Mr. Speaker. In my Member's statement today, I talked about the government's obvious undervalue of service agencies by not allowing these organizations like YACCS to pay their employees fair marketing competitive market wages, Mr. Speaker. My questions are directed to the Minister of Health and Social Services. What is the Minister prepared to do to assist YACCS and other organizations like them to ensure that they are able to offer competitive and attractive salaries and compensation packages to hire and keep trained staff in order to continue the high quality of essential services they offer to our community and to our people? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister of Health and Social Services, Mr. Miltenberger.
Return To Question 62-15(5): Assistance To NGOs

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we place a very high value on the work that non-government organizations do. As a government, we have done a lot of work, along with the Member’s opposite, on boards and agencies to try to look at how we rationalize that whole area of service. As well, we have developed a third-party accountability framework which is now in place that we are working on and using as a government. As we look at dealing with some of these issues, we have moved into multi-year funding contracts. When it comes to YACCS, we are working with them on a number of their issues including their issues that arise periodically with collective bargaining. Thank you.

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

Supplementary To Question 62-15(5): Assistance To NGOs

MR. HAWKINS: Thank you, Mr. Speaker. While I heard a great response there, we put a high value on the work that they do, we rationalize it and support them, and we are working with them. So I guess my question now to the Minister is, how are we going to rationalize, support and respect the high value of service that they offer when there is a $500,000 plus wage parity gap between what their employees as a collective receive and what they should be paid in fair market value throughout other government agencies? How is the Minister going to address this gap? Thank you, Mr. Speaker.

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

Further Return To Question 62-15(5): Assistance To NGOs

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have been in correspondence with and in contact with YACCS. They have indicated to us their need for additional funding. We are in the middle of the business planning process and coming forward in government and as a department with a number of forced growth items dealing with NGOs. That whole area is one of the areas that we are looking at. Thank you.

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

Supplementary To Question 62-15(5): Assistance To NGOs

MR. HAWKINS: Thank you, Mr. Speaker. I am glad to hear that the Minister is talking to YACCS through correspondence, as he pointed out. I am glad he mentioned business plans are coming forward to address forced growth problems. So going back to the $500,000 gap, Mr. Speaker, and the Minister is well versed in this so we don’t have to go into too much detail, can the Minister lay out some of the plans to meet wage parity in this upcoming business plan? What is the mandate he is giving his department to address this problem? Thank you, Mr. Speaker.

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

Further Return To Question 62-15(5): Assistance To NGOs

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. As I have just indicated, the issue of forced growth, NGOs, how they are funded, how we build in the ability to recognize cost of living and other forced growth factors has been laid out in broad form to the third-party accountability. People from YACCS have written to myself. I have replied to them. We have a business plan process underway. We are including their requests along with a whole other range of NGOs that we deal with as part of our business planning submission. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Your final supplementary, Mr. Hawkins.

Supplementary To Question 62-15(5): Assistance To NGOs

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I think that was one of the best answers I have heard from this Minister in my three years of the Assembly. He is talking about bridging the gap, addressing forced growth problems, cost of living and including the requests. So I guess, all of that said, everything I needed to hear about what it was we are bridging the gap on. So the bottom line is, will wage parity be addressed in this business plan? I can guarantee you, there aren’t many people who are against this problem. Will he address it? Will he tell this House today that he is going to ensure that YACCS is valued, as well as other service agencies, by delivering on that commitment of including forced growth, cost of living and including that request in this upcoming business plan? Thank you, Mr. Speaker.

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

Further Return To Question 62-15(5): Assistance To NGOs

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I would like to think that every answer I give is one of my best answers.

--Laughter

I think that is truly documented in Hansard. Mr. Speaker, I have indicated the process that we are engaged in as a government with YACCS, NGOs, the business plan process, and that is the process that we are going to continue to follow to its logical conclusion, along with the Member’s input. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

Question 63-15(5): Inequities In Day Care Support

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the honourable Minister of Education, Culture and Employment, Mr. Dent. Back in February, I brought up the issue of the inequities that exist between day cares that are operating out of government-owned facilities and those who have to pay their own way. In terms of operating costs, it is an $80,000 to $90,000 per year advantage. I would like to ask the Minister today what exactly that he and his department have done since February when this issue was brought up to address the
MR. SPEAKER: Thank you, Mr. Ramsay. The honourable Minister of Education, Culture and Employment, Mr. Dent.

Return To Question 63-15(5): Inequities In Day Care Support

HON. CHARLES DENT: Thank you, Mr. Speaker. When this issue was first raised and the government was challenged to do a review of all charity leases, that was undertaken by Public Works. The information was brought to Cabinet. At that point, Cabinet decided that we should have a look and have a consistent approach across government for our charity leases. That work is underway and is expected to be completed later this summer. It will be considered at that point by Cabinet, so it is not one department doing one thing and another department doing another. We intend to look and see if there is a consistent approach that all departments can take.

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

Supplementary To Question 63-15(5): Inequities In Day Care Support

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, that was four months ago. By the sounds of the Minister's response, it is going to be another three or four months until they get some kind of determination on charity leases and what a level playing field might look like. Mr. Speaker, the inaction of the government to level the playing field may indeed cause the closing of more day cares here in Yellowknife. I know the Minister was listening when I spoke of the hundred or so children that are on waitlists currently in Yellowknife awaiting space in day cares. I would like to ask the Minister this: Aside from writing a letter to the honourable Diane Finley with his counterparts in Nunavut and the Yukon, what are his plans for getting more day care spaces in Yellowknife? Exactly what are the plans in that area? Thank you, Mr. Speaker.

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

Further Return To Question 63-15(5): Inequities In Day Care Support

HON. CHARLES DENT: Thank you, Mr. Speaker. We are hoping, through the business planning process, to be able to build on the federal government's addition of $100 monthly to all parents with children under the age of six by increasing the user subsidies in the next business planning process. That should then allow day cares to increase their charges to parents. That should help to alleviate the problems that day cares may face with funding. Thank you, Mr. Speaker.

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

Supplementary To Question 63-15(5): Inequities In Day Care Support

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I'd like to ask the Minister, is there any additional federal dollars that will be coming to the Northwest Territories in the immediate future to address day care issues? Thank you.

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

Further Return To Question 63-15(5): Inequities In Day Care Support

HON. CHARLES DENT: Thank you, Mr. Speaker. There will be a number of federal dollars coming starting July 1st. Families with children under six will start to receive $100 a month for each child. So, arguably, that is federal money that is coming to the North. That money could easily be used by parents to help resolve financial issues at their day cares. I would expect that day cares would increase their rates to take advantage of the fact that that money is now available to parents. As I said, through the business planning process we're hoping to be able to increase user subsidies and provide additional funding that way to parents who are looking for day cares, and then that should, again, provide for opportunities for day cares to find money through user fees.

MR. SPEAKER: Thank you, Mr. Dent. Your final supplementary, Mr. Ramsay.

Supplementary To Question 63-15(5): Inequities In Day Care Support

MR. RAMSAY: Yes, thank you, Mr. Speaker. I'd like to ask the Minister, are there any federal dollars, substantial federal dollars -- and I'm talking in the hundreds of thousands of dollars -- that are going to be coming to this government in the near future? I'm not talking about the $100 a month to help families offset day care costs; I'm talking about contributions from the federal government, former commitments or new commitments, whatever the case may be. Is there new money coming? Thank you.

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

Further Return To Question 63-15(5): Inequities In Day Care Support

HON. CHARLES DENT: Thank you, Mr. Speaker. In one of the supplementary bills that will be shortly before this House there will be some money from the previous commitments made by the former government. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Oral questions. The honourable Member for Nahendeh, or, from Montfi, Mr. Lafferty.

Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

MR. LAFFERTY: Mahsi, Mr. Speaker. Mr. Speaker, this spring Andrea Tsetta participated in the Youth Parliament and did a very good job representing Montfi, I must say. Her statement was on a community break in Behchoko and her plea for bylaw officers to be established in the community. So, Mr. Speaker, I have some questions for the Minister of Municipal and Community Affairs regarding the need for bylaw officers in my communities.

Mr. Speaker, a lot of communities have complained that they are not being given enough funding to take care of everything that they are responsible for. How is the Minister of Municipal and Community Affairs working with...
communities to make sure they are able to protect themselves and their property? Mahsi, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for Municipal and Community Affairs, Mr. McLeod.

Return To Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

HON. MICHAEL McLEOD: Thank you, Mr. Speaker. Mr. Speaker, I believe we have seven bylaw officers in the various communities across the Northwest Territories. We just did an evaluation on the situation, whether they have been making a difference or are they being effective in terms of community protection, and most of the communities have responded very favourably. We are at the same time, through our New Deal initiative, doing an evaluation of our O and M money, the operations and maintenance money that’s provided to the communities for community governance. We are reviewing the water and sewer subsidy, along with the new formula that will be incorporated into the community allocation for community capital and also the gas tax. There are a number of initiatives that are currently being evaluated and we are looking at all the different responsibilities that are factored into the formula for community governance. That includes security and safety that bylaw officers would fall under. So that review will be taking place. We should have some firm answers by the fall. Thank you.

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

Supplementary To Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

MR. LAFFERTY: Mahsi, Mr. Speaker, Mr. Speaker, I’m glad to hear that MACA, Municipal and Community Affairs, is reviewing the issue of safety and security in the communities and possibly securing some additional funds for the communities that’s adequately needed in the communities. Mr. Speaker, when you look at the whole issue, Behchoko does not have a bylaw officer in the community or even in the three outlying communities of the Tlicho region. In fact, there are bylaw officers in Tsiigehtchic and Tulita, just as an example. So the question to the Minister is, has the Minister looked into doing a review of the department of community government of Behchoko to deal with this important issue that we’re faced with on a daily basis? Mahsi, Mr. Speaker.

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

Further Return To Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

HON. MICHAEL McLEOD: Thank you, Mr. Speaker. Mr. Speaker, it’s important to be very clear that MACA does not hire any bylaw officers. Bylaw officers are hired by the community governments, and that’s the case in the communities of Tsiigehtchic and Aklavik. The community of Behchoko decided that they no longer needed the service or could not afford the service. I’m not sure what the situation is. We are reviewing, again, the budgets for the communities and several communities have indicated that maybe the community government budgets are not sufficient anymore. We are looking at that. It would allow them to set their own priorities. If bylaw officers are something the communities want to hire, then that would be their decision. It’s not a decision of MACA. We are moving towards allowing all the decisions to be made by the community, including capital, and this is something that the communities... It would be up to them. Thank you.

MR. SPEAKER: Thank you, Mr. McLeod. Your final supplementary, Mr. Lafferty.

Supplementary To Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

HON. MICHAEL McLEOD: Thank you, Mr. Speaker. Mr. Speaker, the Member is asking a question that I raised a number of years ago. Mr. Speaker, we are reviewing how the communities are funded. The operations and maintenance for community governance is something that we are reviewing right now that allows communities to hire bylaw officers. I will have to confirm the number of bylaw officers we have out there. However, we are checking to see if this money is currently adequate for the communities and that’s something we won’t have answers on until sometime this fall, as I’ve indicated. I’m not able to confirm that any new monies will be coming to the communities at this point that will allow them to set their own priorities and if bylaw officers happen to be something that communities want to hire, that would be up to them. We do not have a program for bylaw officers right now. Thank you.

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

Further Return To Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

MR. LAFFERTY: Mahsi, Mr. Speaker. Mr. Speaker, I’d like to thank the Minister for that answer, because the department is reviewing the budget and he stated that there’s some insufficient funds going to the communities. Actually that’s true for Behchoko. Behchoko is also in need of bylaw officers. It has been an issue this past year with the break and entering. So I’d like to ask the Minister if during the business planning process if that can be identified for Behchoko and the three outlying communities, that it’s necessary to have bylaw officers in the community. Although it’s block funded, but if they could work with the communities to identify that area. Mahsi.

MR. SPEAKER: Thank you, Mr. Lafferty. Mr. McLeod.
Further Return To Question 64-15(5): Need For Bylaw Officers In Tlicho Communities

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I did not state that the communities were...the funding was insufficient. I stated that several communities have raised that issue. We are looking at reviewing the operation and maintenance funding for the communities, governance funding, and we can’t commit that we will identify bylaw officers as a specific initiative that needs to be funded outside of the block funding. We are moving towards more of a block funding, more giving the community more autonomy and letting them make their own decisions. If it does result in additional funding, that may allow more flexibility for communities to hire bylaw officers. That’s as far as I can commit to, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLeod. At this time I’d like to recognize in the gallery Suzanne Pellerin from Hay River. Suzanne is doing lots of travelling these days back and forth. She’s doing French translation for the Department of Justice, actually.

---Applause

Anyone else in the gallery that wasn’t here when we did recognition of visitors in the gallery, welcome. It’s always nice to have an audience and I hope you’re enjoying the proceedings.

Oral questions. The honourable Member for Great Slave, Mr. Braden.

Question 65-15(5): Northern Residence Income Tax Deduction

MR. BRADEN: Thank you, Mr. Speaker. My question this afternoon is for Mr. Handley, the Premier, and they’re in connection with the motion that this Assembly passed last February, Mr. Speaker, on the northern residence income tax deduction. Mr. Speaker, in that motion we asked the Premier and the Finance Minister to get in touch with their counterparts in our sister territories, as well as in northern provinces and Ottawa, to gage their interest and their commitment in approaching Ottawa to increase the northern residence income tax deduction, Mr. Speaker; something that has not been addressed since 1991 and something that could, in a very significant way, make a big difference for everyone living in the North to address the high cost of living. Mr. Speaker, has the Premier been able to follow through on this request to make contact with their counterparts and what has the reaction been? Thank you, Mr. Speaker.

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

Return To Question 65-15(5): Northern Residence Income Tax Deduction

HON. JOE HANDLEY: Thank you, Mr. Speaker. The answer is yes, I have discussed this with my northern counterparts and with some of the provincial Premiers, and the Member is correct that this is a national program. It would mean having to make changes not just in the northern zone, but in what we call the intermediate zone, as well. Mr. Speaker, in looking at this with the Premiers from the Yukon and Nunavut, it was our decision to put this one on the back burner until we had made more progress through the expert panel on our territorial financing formula and also on resource revenue sharing, Mr. Speaker, the reason we did that is any increase or decrease, sorry, increase in the northern allowance residence deduction would also cost our government money. That was an issue not just to our territory, but the other territories. For example, if we raised it from the current $5,475 to $8,500 per year, that would mean over a $3 million loss for us. Collectively we determined that it was best to keep our eye on the ball on the resource revenue sharing and financing formula. Thank you, Mr. Speaker.

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

Supplementary To Question 65-15(5): Northern Residence Income Tax Deduction

MR. BRADEN: Thank you, Mr. Speaker. That’s a very useful answer. It gives me some indication that, you know, perhaps we should not be quite so literal, if you will, in saying, look, simply increase this deduction. There may be other ways that we can actually get Canada to recognize there’s a higher cost of living here, but also that there may be other ways of achieving that end objective. I’m wondering, you know, where the Premier said this has been put on the back burner, is it still on the radar screen though? Is this still something that there is a collective will to do something with, Mr. Speaker?

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

Further Return To Question 65-15(5): Northern Residence Income Tax Deduction

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, this is still on the radar screen. It’s still something we want to consider. But we need to determine what our fiscal situation will be as a government first through the financing formula and also through resource revenue sharing. Mr. Speaker, other jurisdictions, and we have looked across North America, in fact, I have, what other jurisdictions are doing to reduce the cost of living. Some Members have mentioned to me that in Alaska, for example, there is no Alaska income tax. There’s federal income tax, but no Alaska income tax, and that’s true in some other jurisdictions in the United States.

Mr. Speaker, our objective still has to be to lower the cost of living for northern residents, but we have to do it in a way that’s affordable for us. I think the important piece is that we know what our revenue stream is going to be, and I’m sure the Minister of Finance can speak quite eloquently on this issue for us of how we balance our revenue, our loss of revenue, people’s cost of living and so on. But, Mr. Speaker, in summary, yes, this is very much on the radar screen and one that we do want to look at because we realize that if we do not lower the cost of living, it makes it difficult for people to live here or to attract new people to come live here. Thank you, Mr. Speaker.

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

Supplementary To Question 65-15(5): Northern Residence Income Tax Deduction

MR. BRADEN: You know, Mr. Speaker, we can see this on the back burner for a long time. Mr. Roland told us
earlier today of his optimistic reaction to the expert panel on financing. I share that optimism. But there are so many other initiatives that are going to take their time to sort of grind out through the system. Mr. Speaker, I think as one of the Members who is involved in this motion -- I moved this motion last February -- I'd like to press the Premier to see if he could have a look at this again, speak with his northern counterparts, and see if we could put some kind of a time frame on advancing this. I'm not expecting instant results, but if we could maybe put something within the next 12 to 24 months that would give us all a gage to measuring our progress. Would the Minister consider going back to set up an actual plan for this, Mr. Speaker?

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

Further Return To Question 65-15(5): Northern Residence Income Tax Deduction

HON. JOE HANDELY: Mr. Speaker, I am meeting on at least three occasions with the other Premiers across Canada over the next three months or so. During that time I will raise this one again, but I must say that we have talked about it and we do want to move aggressively in getting the federal government to respond to the expert panel reports that have been out and ask them to deal with that quickly. We are looking at trying to resolve that one by this fall and hopefully then have a better idea of what kind of breaks we can afford to give to our residents. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. Final, short supplementary, Mr. Braden. Thank you, Mr. Braden. Oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

Question 66-15(5): Rental Subsidy Program

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, my question today is to the Honourable Charles Dent, the Minister of Education, Culture and Employment. It's regarding the public housing rental subsidy, Mr. Speaker. Mr. Speaker, one particular community in my region is having some difficulty in terms of the understanding of this new rental subsidy and it's causing quite a chaos, havoc for some people. Actually, they're actually thinking about moving out of these houses. I want to ask the Minister, Mr. Speaker, if there's any way that his department can go into Fort Good Hope and talk to people on this rental house subsidy because it's causing some concern for a number of families there. Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Member for Education, Culture and Employment, Mr. Dent.

Return To Question 66-15(5): Rental Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. Yes, I'd be happy to arrange to have people from the regional office visit the community at a convenient time for both them and the community to have a public discussion about public housing subsidies.

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

Supplementary To Question 66-15(5): Rental Subsidy Program

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, can the Minister then inform the House and the people in Fort Good Hope that some time within the next couple of days, I guess, that's what they're looking for in terms of having them come in. There are some people that are crying foul here in terms of how this program is being administered. The rent increases have increased in their homes and families are prepared, they're packing their bags and ready to move out. So can the Minister go in there as soon as possible and explain to the people on this new change in the housing subsidy? Thank you.

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

Further Return To Question 66-15(5): Rental Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. I'll be in touch with the department immediately to see how quickly we can arrange that. I can't promise within the next two days, but we will ensure that it happens as quickly as possible. Thank you.

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

Supplementary To Question 66-15(5): Rental Subsidy Program

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I appreciate the Minister's response and I think that's what the people in Good Hope want to know, is that the department will bring in some people to clearly outline how the housing subsidy is being administered now, because right now they're seeing a high increase in the rent as when it was administered by the NWT Housing Corporation. So can we stop them from moving out of their houses? Again, I appreciate the Minister to go there and thoroughly explain, and then can he have a translator also provided at this meeting here? Thank you.

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

Further Return To Question 66-15(5): Rental Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. Yes, I'll ensure that the department knows that there needs to be an interpreter/translator available for the meeting and will work to get that done as quickly as possible. Thank you.

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

Supplementary To Question 66-15(5): Rental Subsidy Program

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, will the Department of Education and Culture review the public housing rental subsidy initiative next year or so, within the next six months, and see was it a good thing, was it not so bad or is it a good move on our department, or are we serving our people or are we hurting our people? Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. Mr. Dent.
Further Return To Question 66-15(5): Rental Subsidy Program

HON. CHARLES DENT: Thank you, Mr. Speaker. As the Member knows, we’re in the process of reviewing our income security programs, all of them right now. Over the course of the next six months to a year, yes, we will be looking at all of our programs. But there are some specific aspects of the public housing rental subsidy that we will be looking at definitely in the next six months and one of them is the change in the way that the month is used to determine what your rent is. Previously, the housing associations were using the rent based on, for instance, if you went in on February 28th and said here’s what my income was for the month of February, you were told what your rent was for March 1st and you had to come up with it the next day. The way that we’re trying to do it is we’ll say, well, if your rent was this much for February, that’s what your rent will be for April instead of for March, and give people a month to be ready to pay that salary. That may cause some people who are in seasonal jobs some problems, but we’re going to monitor that over the next six months and see if that isn’t a better way to operate. We think it will be, but we’re certainly going to look in six months to see if it’s worked out. Thank you.

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

Question 67-15(5): Public Service Performance Review

MR. VILLENEUVE: Mahsi, Mr. Speaker. I was talking earlier in my Member’s statement about the lack of improvement, I guess, in the government’s Employment Equity Program and new human resources amalgamation that a few Members have brought up in the past to the Minister of FMBS. I guess my first question to the Minister with the human resources service level agreement that rolled out in 2004 on the performance recording process, if the level targets and their achievements have been documented in annual reports to date and if the human resource performances have been monitored to date. Is there any reports on those initiatives? Thank you.

MR. SPEAKER: Thank you, Mr. Villeneuve. The honourable Minister responsible for FMBS, Mr. Roland.

Return To Question 67-15(5): Public Service Performance Review

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, later on today I will be tabling the Public Service Annual Report that will give some information on how the work has evolved at this point, not specifically to the amalgamation process, that we are providing some more information on that side of it. Earlier the Member spoke of the employment equity policy. That is not in place yet. We’re still using the affirmative action policy in the work we do, but we are working on a paper to bring forward to Members of this House. Thank you.

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

Supplementary To Question 67-15(5): Public Service Performance Review

MR. VILLENEUVE: Mr. Speaker, affirmative action, employment equity, it’s all the same to me, but in the Human Resources Services Agreement that was drafted up in 2004 there’s continuous improvement where review teams will be established on a regular basis with the goal of reviewing the service performance and identifying opportunities for process and improvement, and the membership on the review teams will be fluid to reflect the issues of current interest or concerns, Mr. Speaker. I think that’s one of the most important aspects of this whole human resource amalgamation, is to make sure that, you know, we’re spending a lot of money on this amalgamation, you know. I want to ensure that it’s actually improving things in the government workforce and in the NWT economy as a whole. You know, if we’re spending $1 million on the review of the amalgamation, I want to see these review teams put in place, and is the Minister going to ensure the northern residents that, yes, we do have review teams that are looking at their human resource amalgamation and employment equity or affirmative action policies to ensure that there is some reviews done on an annual basis? Thank you.

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

Further Return To Question 67-15(5): Public Service Performance Review

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, we are tracking the work that has been done as a result of the amalgamation and, as well, looking at further process that we operate under and are working to improve them. That’s one of the reasons why we have the contract with the Hackett Group, is to further look at our processes and how we’ve aligned ourselves, how we’re using our computer environment to ensure we’re being most efficient in what we do, and there are changes coming about. I will be tabling information on the work around the human resources in this House later in the session. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Short supplementary, Mr. Villeneuve.

Supplementary To Question 67-15(5): Public Service Performance Review

MR. VILLENEUVE: Thank you, Mr. Speaker. You know, $450,000 for the review is pretty expensive. That’s a lot of public money. I just want to ask the Minister, the membership on these review teams, are they going to be independent members that ensure that there’s some objectivity and non-biasness, or are they just going to consist of FMBS employees and department employees of FMBS, because if they do, then what’s the use of even having these review teams in place, Mr. Speaker? Is the Minister going to create an independent arm’s length body to do the reviews for the government? Thank you.

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

Further Return To Question 67-15(5): Public Service Performance Review

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I’ll have to get information on the actual makeup of how we’re going to form these review committees. Initially, my understanding is that we’re going to look at doing it from within our own forces. If we have to hire outside help to help us in that review, we will do so, much as we’ve done to date, but I will get further information on that piece. Thank you.
Supplementary To Question 67-15(5): Public Service Performance Review

MR. VILLENEUVE: Thank you, Mr. Speaker. I guess I’m sure a lot of the other Members here would agree, I couldn’t stress the importance more of having an independent, objective review committee in place to do this whole human resource amalgamation review, to do a review of the Employment Equity Program, to do a review of the Affirmative Action Program. I think that would be something that this government has got to prioritize and ensure northerners that the review committee is going to be at arm’s length from this government to ensure there is objectivity, and I don’t think northerners are going to accept anything of the lesser. Can the Minister commit to that? Thank you.

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

Further Return To Question 67-15(5): Public Service Performance Review

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, at this time I will not commit to looking at an independent review process. We’ve got a lot of work to do within the amalgamation to complete it before we can do a final review. But at stages, as we are in this case with the Hackett Group, looking at the processes we have, the operating environment and seeing where we need to improve on that, and once we have that established would look at the next phase of how we go about this. But as I said, throughout the amalgamation process and the work we’re achieving, I would be happy to continue to inform Members of how that work is progressing. Thank you.

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

Question 68-15(5): Comparative Analysis Of The Novel Housing Project

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the Minister of Housing Corporation. It’s in regards to the number of questions that I have been raising about Novel housing. Mr. Speaker, I know that the questions and the statements I’m making on this issue are working to improve this project if anything, and anything I can do to improve this project, if this is going to happen, I’d be prepared to take full credit when this is done. So I’m going to continue to ask these questions also, because I’m motivated by lots of calls and e-mails I’m receiving from communities who are concerned about this project as well.

Mr. Speaker, the last time we spoke on last Friday, when the Minister was answering questions on this, he suggested that this project will give him and the government a 40 percent advantage. But the problem with this math is, Mr. Speaker, that the Minister refuses to compare this Novel housing project in a equal footing. He has to start comparing apples to apples, not apples with oranges. So the only reasonable comparison to make is a comparison between new mobile homes with Novel housing, which is used, converted and almost new product. So where is the advantage? How could he come up with 40 percent, because that’s a comparison with the new stick-built housing? So where do you start making comparison in a fair way? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. The honourable Minister responsible for the Housing Corporation, Mr. Krutko.

Return To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, if we are able to put someone into a homeownership package for $130,000 and someone is buying a home here in Yellowknife for $330,000, I think that alone should tell the people then what they’re paying here in Yellowknife. Thank you.

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

Supplementary To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I would certainly expect that when he has created an ADM position -- and I know he’s got people working a lot on this project -- then I would expect better comparison and better analysis and better numbers than going by anecdotal evidence. Mr. Speaker, what evidence, what has he done to compare the advantage and I want to be shown the advantage? I’m prepared to support this as long as there’s an advantage that he says there is. So I would like to know is he prepared. When would he do a comparison between this Novel housing with what’s in the market in a comparable way with another manufacturing home setting? Thank you.

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

Further Return To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

HON. DAVID KRUTKO: Mr. Speaker, I’ve gone to committee time and time again, which the Member is a chair of, which basically made presentations which show them the difference between what it costed for stick built, which is roughly about $195 a square foot compared to about $100 a square foot for Novel, which is 1,400 square foot home in regards to what it’s costing with stick built. We’ve given that presentation to committee and basically have updated committee every time there’s been a change, basically new information being provided. Mr. Speaker, at the end of the day this is a project that’s moving forward with the endorsement of CMHC, which is a federal agency for housing in Canada, and also FMBS is basically the responsibility for financial accounting of this government who, again, are proceeding on the basis that the information that we provide to committee is as up to date and as current as possible. So if the Member is missing something, I think that at the end of the day, this project, we will continue on on the basis of negotiating the best deal that we can and also knowing at the end of the day there is a project for this to happen. Without a pipeline, without federal dollars and also with our assurance that this is not economically viable, it will not proceed. Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. Supplementary, Ms. Lee.
Supplementary To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

MS. LEE: Thank you, Mr. Speaker. I’d like to thank the Minister for that non-answer and if he wishes, I’d be happy to make all the information that we’re getting, we have been getting in the committee for public consumption, because, as far as I’m concerned, there’s nothing in there that is anything other than a big song and dance on behalf of the project. The Housing Corporation is so enamoured with this project they are failing to do the due diligence on a project as big as $200 million.

AN HON. MEMBER: Hear! Hear!

MS. LEE: It’s scandalous for any government to go with a project that big and not do any analysis. So I ask the Minister again, why would he not do an independent analysis, hire somebody and do a real comparison? Because if he wants help, I can tell you, Mr. Speaker, that the best number he has shown us in committee is that Novel housing will cost about $117 per square foot and I think he owes it to the people of the Territories and the potential owners of these homes that he asked industry what could they come up with, something close to that number with mobile homes. I’m not talking stick built, we’re not talking stick built anymore and I accept that, but for new and things that don’t need to be converted and transported and all that, why would he not ask industry how better they can do?

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

Further Return To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, the thing I am afraid of is unless we find a new mechanism to deliver housing in the Northwest Territories over the next 10 years, we will always have a housing crisis that basically people in our communities will be crying for more housing. I think it’s responsible for ourselves as government to ensure that we are finding new ways and new arrangements of putting houses on the ground in the future and this is one of them. I think that CMHC and ourselves as a Government of the Northwest Territories are looking at alternatives. This is not unique only to the Northwest Territories. There’s groups in northern Quebec, Manitoba, aboriginal communities are looking at this initiative to improve housing in aboriginal communities. So, Mr. Speaker, if that’s not good enough for the Member, I don’t know what will be good enough for that Member.

MR. SPEAKER: Thank you, Mr. Krutko. Your final supplementary, Ms. Lee.

Supplementary To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

MS. LEE: Thank you, Mr. Speaker. The things that I’m afraid of is that we’re the guinea pig in the front line of this massive project that would only, as far as I could see it, benefit the company. They’re doing a fine job, but the Minister has other obligations and that I don’t want to see $200 million desperately needed housing money going down the drain because this Minister and this government refuses to do the necessary due diligence. So I’d like to ask the Minister, Mr. Speaker, and I’d like to know if he’s so confident about this project and if he’s so committed to the needs of people who need social housing, why would he not get somebody to look at this project and see how they compare to other comparable products?

MR. SPEAKER: Thank you for your question, Ms. Lee. Mr. Krutko.

Further Return To Question 68-15(5): Comparative Analysis Of The Novel Housing Project

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, we are basically working to ensure that we are putting housing on the ground with the dollars we can afford. I think the Member is basically not really revealing the facts. We are not paying any company $200 million. The $200 million investment that the federal government and ourselves is going to make is get these units after the pipeline is concluded, move them into the communities where there’s a cost associated with that, have the individual communities do the conversion and the dollars will remain in the Northwest Territories for those communities and our northern economy; $150 million will be there. We’re not buying these off of any company. We’re basically negotiating with the pipeline company to ensure us that we have access to these units once the pipeline is concluded at no cost. Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. Oral questions.

The honourable Member from Inuvik Twin Lakes, Mr. McLeod.


MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, my questions today are for the Honourable Charles Dent, Minister of Education, and it’s to do with the student financial assistance. I’d like to ask the Minister how the department comes up with the figures for student financial assistance, because a student that’s going to school in Montreal or Toronto, Edmonton, would get the same amount as a student going to school in Yellowknife or Inuvik. So I’d like to ask him how they come up with the figures and are these reviewed every year? Thank you.

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

Return To Question 69-15(5): Student Financial Assistance Amounts

HON. CHARLES DENT: Thank you, Mr. Speaker. The amounts are looked at on a regular basis. It’s not a formal review every year. There hasn’t been a formal review of the amounts since I think the year 2000 when we had a commission that did a study and made some recommendations that the government-of-the-day acted on. This year, for instance, we will be increasing the amount of support for tuition; we’ll be increasing the amount of support for books. So it is an area of support that the department looks to whenever we can make the argument successfully for new funds that we add to the program. The cost of going to school in a high cost centre like Toronto is probably even higher than it is in Inuvik, believe it or not, and the Member is right, though, that we have not reflected the cost of living throughout the various areas that a student might be attending school. It is the same amount all across Canada. Thank you.
Supplementary To Question 69-15(5): Student Financial Assistance Amounts

MR. MCLEOD: Thank you, Mr. Speaker, and I'll thank the Minister for that response. He mentioned a full-blown review hadn't been done since 2000. Would the Minister commit to doing a review and finding out how much it's costing nowadays? Like, the tuition and that, the government does a good job, as far as I'm concerned, in helping with the tuition and the books and everything. My question is regarding the allowance that these students get. So would the Minister commit to doing another review of the assistance plan? Thank you.

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

Further Return To Question 69-15(5): Student Financial Assistance Amounts

HON. CHARLES DENT: Thank you, Mr. Speaker. I'm not prepared to commit to a full-blown committee to go out and conduct hearings to hear what people think we should be doing with student financial assistance. I'd rather put the money into the program if we could afford that kind of thing. What I will commit to is the Member has raised a good point and that is that we should make sure we are encouraging people to attend our northern college. We have a real investment in the northern campuses and we need to make sure that we are supporting people to go there. I have already directed the department that over the course of the next year, that we take a look at whether or not it wouldn't make sense to ensure that the levels of support do, in fact, encourage northerners to attend the northern college where we offer the programs. Thank you.

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

Supplementary To Question 69-15(5): Student Financial Assistance Amounts

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, the intent of the program, from my understanding, was to help with a lot of single students going to school. The Minister was up in Inuvik with us attending the convocation of Aurora College. I think he noticed that there was a lot of graduates there who were raising families. Is the size of families and the extra support they have to pay factored into the figures the department comes up with? That's why I say we need to have another review. Thank you.

MR. SPEAKER: Thank you. Mr. McLeod. Mr. Dent.

Further Return To Question 69-15(5): Student Financial Assistance Amounts

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, on the needs assessed loans, the answer is yes. On the regular grants, no, the size of the family isn't always factored in. Again, the Member has raised a good point and it is an area that I have also suggested that we need to take a look at ensuring, particularly for northern students, that we are encouraging those students to attend the college. I think we do need to recognize the higher cost for single parents. I have already asked that we take a look at doing that. I don't think we need a full-blown commission to do it. I think we have enough expertise within the department and within our colleagues at the college to help us understand that needs to happen, and that's the direction that I have provided. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Thank you, Mr. McLeod. Oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

Question 70-15(5): Funding Support For Day Care

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, in my last round of oral questions, I heard the Minister of ECE reference that there was some old federal commitments for cash for childcare. I am wondering if the Minister could elaborate on that and let me know exactly how much cash we are talking about here. Thank you.

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

Return To Question 70-15(5): Funding Support For Day Care

HON. CHARLES DENT: Thank you, Mr. Speaker. The amount of money we are proposing to include in the supplementary appropriation is based on the contribution we got from the federal government last year and that is some $940,000. Thank you, Mr. Speaker.

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

Supplementary To Question 70-15(5): Funding Support For Day Care

MR. RAMSAY: Thank you, Mr. Speaker. I would like the Minister to provide a breakdown of how that $940,000 is going to be spent on childcare initiatives. Thank you.

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

Further Return To Question 70-15(5): Funding Support For Day Care

HON. CHARLES DENT: Thank you, Mr. Speaker. The department is proposing that we put $200,000 of that money into the Language Nest Program. That program was started as a three-year pilot project and when we brought it forward three years ago, we proposed that the funding would decrease over time because we believed that the operators would find economies of scale and there wouldn't need to be as much training each year and the cost would go down. As it's turned out, almost all of the operators are using the funding to pay salaries. So the reduction, which is about $200,000 this year, is something that would impact on the delivery of the program. So we are proposing for this year to put $200,000 of that money into the program to bring it up to its former level.

We are proposing that there be a $500,000 program of grants to existing operators to help them with minor capital, whether that's safety improvements or for toys or other needs for the programs to help them improve the program delivery. We are going to take $240,000 and use that for training for operators of licensed day care operations. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dent. Supplementary, Mr. Ramsay.
Supplementary To Question 70-15(5): Funding Support For Day Care

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, the $940,000, I didn’t hear the Minister say there was any money going to try to open up additional day care spaces. What is the plan to try to get some additional day care spaces? I think we have an opportunity with the $940,000 to at least get a program off the ground or establish some type of program to get more spaces. People need day care spaces and I think it’s incumbent upon the government and Minister to come up with a plan to address that need. How are we going to get more day care spaces? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Ramsay. Time for question period has expired; however, I will allow the Minister to answer the supplementary. Mr. Dent.

Further Return To Question 70-15(5): Funding Support For Day Care

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, first thing we have to do is make sure the existing day care operators are well supported. We know a lot of them are struggling, so we think the first thing we have to do with this money, since it’s one-time money, we can’t count on it being ongoing, in fact, we know for sure it won’t be ongoing money, we were looking for opportunities to help existing day care operators to better survive. If we create new day care spaces without having resolved the ongoing operations concerns, that isn’t helpful in the long run. The Member is right; we need to look for ways to improve how we can get more day cares in operation. One of the things we are hoping to do is, through the money that’s coming from the federal government, the $100 a month, we expect that that can be turned into fees. We are hoping to increase what we provide for user subsidies, that on top of what we provide now for operator subsidies, start-up grants. We think at that point we will have a program that will be sustainable and will lead to more spaces in all of our communities, Mr. Speaker.

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

Supplementary To Question 70-15(5): Funding Support For Day Care

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I agree with the Minister that it’s important to shore up the day cares that we do have and I know the Minister has heard me stand up in the House in February and again today talking about inequities that exist between operators, some are in government-owned facilities and some aren’t. I would like to ask the Minister, of the $500,000 that he has suggested will go to grants to assist operators, is some of that money going to be earmarked for operators here in Yellowknife to level that playing field that I talked about earlier? Thank you, Mr. Speaker.

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

Further Return To Question 70-15(5): Funding Support For Day Care

HON. CHARLES DENT: Thank you, Mr. Speaker. The money is proposed to be allocated on a regional basis. So, yes, there will be some money available for operators in Yellowknife. We believe that this money will help the operators. If they are facing a financial challenge, for whatever reason, this money will be available to them to defray other expenses that they would otherwise have to take out of their operation. So, yes, we think that this money will help the operators in Yellowknife. Thanks.

MR. SPEAKER: Thank you, Mr. Dent. Time for oral questions has expired. Written questions. The honourable Member for Range Lake, Ms. Lee.

ITEM 8: WRITTEN QUESTIONS

Written Question 6-15(5): Comparative Analysis Of The Novel Housing Project

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister responsible for the NWT Housing Corporation.

1. Please provide an independent analysis of the comparison between the cost (per unit and per square foot) of the average Novel housing as proposed by the government with brand new manufactured/mobile homes of similar size and quality, taking into consideration the possible volume discount advantages that could be had by ordering 830 mobile homes from any company in the industry.

2. Please provide the cost-benefit analysis of the potential cost savings possible in building multi-unit as opposed to the single unit, single lot limitation imposed by the use of Novel housing.

Written Question 7-15(5): Compliance With The Valic Decision

My question is for the Minister responsible for the Workers’ Compensation Board, Mr. Speaker.

1. Please provide the rationale for taking the policy change WCB proposes to make to comply with the Valic decision back to the court as a reference question. This was not done under the Martin decision situation in Nova Scotia where the WCB made changes to the policy according to the court decision.

2. Please provide info on any other jurisdiction WCB is aware of where policy changes were not made in accordance with unit decisions.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. Written questions. Returns to written questions. Replies to opening address. Petitions. Reports of standing and special committees. Reports of committees on the review of bills. Tabling of documents. The honourable Minister of Finance, Mr. Roland.

ITEM 13: TABLING OF DOCUMENTS


HON. FLOYD ROLAND: Thank you, Mr. Speaker. I have two documents for tabling. Mr. Speaker, I wish to table the following document entitled Report of the Staff Retention Policy, Year Ending March 31, 2006.
The bill adopts national drug schedules established by the National Association of Pharmacy Regulatory Authorities. Certain drugs may only be dispensed under the authority of a prescription and requirements for valid prescriptions are specified.

A process for the review of conduct of pharmacists is established, including a complaints mechanism, a description of unprofessional conduct, an option for alternative dispute resolution and a hearing process.

The existing Pharmacy Act is repealed and transitional matters are provided for. CONSEQUENTIAL amendments are made to the Evidence Act, the Midwifery Profession Act and the Tobacco Control Act. Thank you, Mr. Speaker.
Bill 11: Tourism Act

HON. BRENDA N BELL: Mr. Speaker, I move, seconded by the honourable Member for Deh Cho, that Bill 11, Tourism Act, be read for the second time.

Mr. Speaker, this bill enacts the Tourism Act which replaces the Travel and Tourism Act. The bill provides for the licensing of persons conducting or offering to conduct guided commercial tourism activities. Tourism special management areas may be designated so that limits or restrictions may be placed on tourism activities in areas that are archaeologically, culturally, historically or spiritually significant or that are ecologically sensitive. Provision is made for a Tourist Deposit Assurance Program so that a tourist may be reimbursed for a deposit that he or she paid to a tourism operator for a tourism activity that the tourism operator failed to provide. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. There is a motion on the floor. The motion is in order. To the principle of the bill.

SOME HON. MEMBERS: Question.

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

---Carried

Bill 11 has had second reading and, accordingly, stands referred to a standing committee. Second reading of bills. The honourable Minister of Justice, Mr. Bell.

Bill 12: Garnishment Remedies Statutes Amendment Act

HON. BRENDA N BELL: Mr. Speaker, I move, seconded by the honourable Member for Deh Cho, that Bill 12, Garnishment Remedies Statutes Amendment Act, be read for the second time.

Mr. Speaker, this bill amends the Creditors Relief Act to provide that the wages or salary or a debtor may be garnished for a period of one year. Other incidental amendments are made to the act in respect of this amendment. The Exemptions Act is amended to impose a maximum amount that may be prescribed. The Territorial Court Act is amended to revise the provision relating to the Territorial Court’s jurisdiction in garnishment proceedings to correspond to the amendments made to the Creditors Relief Act. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. There is a motion on the floor. The motion is in order. To the principle of the bill.

SOME HON. MEMBERS: Question.

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

---Carried

Bill 12 has had second reading and, accordingly, stands referred to a standing committee. Mr. Yakeleya.
MR. YAKELEYA: Mr. Speaker, I seek unanimous consent to return to item 14 on the orders of the day.

MR. SPEAKER: The Member is seeking unanimous consent to return to item 14 on orders of the day, notices of motion. Are there any nays? There are no nays. We shall return to item 14, notices of motion. The honourable Member for Sahtu, Mr. Yakeleya.

REVERT TO ITEM 14: NOTICES OF MOTION

Motion 3-15(5): Extended Adjournment Of The House To October 17, 2006

MR. YAKELEYA: Thank you, colleagues. Mr. Speaker, I give notice that on Thursday, June 8, 2006, I will move the following motion: I move, seconded by the honourable Member for Frame Lake, that notwithstanding Rule 4, when this House adjourns on Thursday, June 8, 2006, it shall be adjourned until Tuesday, October 17, 2006, and further, anytime prior to October 17, 2006, if the Speaker is satisfied and after consultation with the Executive Council and Members of the Legislative Assembly, that the public interest require that this House should meet at an earlier time during the adjournment, the Speaker may give notice and thereupon the House shall meet at the time stated in such notice and shall transact its business as has been duly adjourned at that time.

MR. SPEAKER: Thank you, Mr. Yakeleya. Notices of motion. Before I go on, Members, I would like to draw your attention to the gallery to former a Speaker, Mr. David Searle, in the House.

---Applause---

MR. SPEAKER: Consideration in Committee of the Whole of bills and other matters: Committee Report 4-15(5), Bill 1 and Bill 2, with Mrs. Groenewegen in the chair.

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

CHAIRPERSON (Mrs. Groenewegen): I call Committee of the Whole to order. We have Bill 1, Bill 2 and Committee Report 4-15(5). What is the wish of the committee? Mr. Menicoche.

MR. MENICOCH: Thank you, Madam Chair. The committee wishes to consider Bill 1, Supplementary Appropriation Act, No. 4 and Bill 2, Supplementary Appropriation Act, No. 1.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Is committee agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Is committee agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed. Then we will do that after a brief break.

---SHORT RECESS---

CHAIRPERSON (Mrs. Groenewegen): I will call Committee of the Whole back to order. As indicated before the break, we said we were going to deal with Bill 1, Supplementary Appropriation Act, No. 4, 2005-2006. I would like to ask Minister Roland if he would like to make opening comments. Minister Roland.

HON. FLOYD ROLAND: Mr. Chairman, I am pleased to introduce Bill 1, Supplementary Appropriation Act, No. 4, 2005-2006. This bill requests authority for additional appropriations of $850,000 for operations expenditures for departmental over-expenditures in the 2005-2006 fiscal year.

The request is being made to comply with the authorization process for over-expenditures of appropriations as provided for in the Financial Administration Act. Details of the over-expenditures are as follows:

1. $620,000 for the Department of Justice, which represents the over-expenditure resulting from higher than anticipated costs in corrections and court services.

2. $230,000 for the Department of Transportation, which represents the over-expenditure resulting from higher than anticipated costs due to the unseasonably warm winter. The above-normal temperatures required additional maintenance on airport runways and winter roads.

That concludes my opening remarks. I would be pleased to answer any questions Members may have.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Do you wish to bring in witnesses?

HON. FLOYD ROLAND: Yes, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): I would ask the Sergeant-at-Arms to please escort Mr. Roland’s witnesses to the table.

Mr. Roland, could you please introduce your witness, for the record?

HON. FLOYD ROLAND: Thank you, Madam Chair. With me today I have the secretary to the FMB, Mr. Mark Cleveland. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Roland. Committee members, general comments.

SOME HON. MEMBERS: Detail.

CHAIRPERSON (Mrs. Groenewegen): Not seeing any general comments and since committee has agreed, then we will go to clause-by-clause review of the bill. If I can direct committee’s attention, then, to page 5, Justice, operations expenditures, not previously authorized, community justice and corrections, $620,000, total department, $620,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Department of Transportation, operations expenditures, not previously authorized, airports, $230,000; total department, $230,000.

SOME HON. MEMBERS: Agreed.
Mr. Rolande, Minister McLeod.

HON. MICHAEL MCLEOD: Madam Chair, this year we had unusually warm weather and it really caused a lot of problems in the area of building the roads in the North Slave region, especially to the communities of Wekweet and Gameti that required us to do some extras in the actual construction of the roads. It required lighter equipment because of the thin ice. We had to get lighter equipment that was not in the contract and we also had to...In a number of cases, the rivers or the creeks started flowing so we had to go back and reconstruct some of those roads, or in some cases provide detours. This was all over and above the standard contract and we did have success in getting the communities resupplied, but we had costs that were over and above what was included in the actual contract and we had to have our own maintenance crews out there in a lot of cases. We had to pay a lot of overtime because of the amount of time they were required to spend out there maintaining and ensuring the road was safe and providing the detours and constructing, in some cases, new roads because of the washouts.

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

HON. MICHAEL MCLEOD: Thank you, Madam Chair. I’m just having a little hard time in trying to understand here. If I can ask the Minister, won’t lighter equipment be a lot cheaper than heavier equipment, especially where ice road maintenance is concerned? Wouldn’t renting a quad with a plough on the front as opposed to a grader be a lot cheaper if it requires that? Also, in the shortened ice road maintenance season, wasn’t there any savings realized from that at all that could be applied to this over-expenditure? Thank you.

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

MR. VILLENEUVE: Thank you, Madam Chair. I can understand that, but didn’t we save any money on the winter ice road maintenance because of the short winter ice road season? Isn’t there some kind of a balance? Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam. Chairman. If we can have the Minister of Transportation respond to that. He, I believe, has more detail. Thank you.

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

HON. MICHAEL MCLEOD: Madam Chair, this year we had unusually warm weather and it really caused a lot of problems in the area of building the roads in the North Slave region, especially to the communities of Wekweet and Gameti that required us to do some extras in the actual construction of the roads. It required lighter equipment because of the very thin ice. We had to get lighter equipment that was not in the contract and we also had to...In a number of cases, the rivers or the creeks started flowing so we had to go back and reconstruct some of those roads, or in some cases provide detours. This was all over and above the standard contract and we did have success in getting the communities resupplied, but we had costs that were over and above what was included in the actual contract and we had to have our own maintenance crews out there in a lot of cases. We had to pay a lot of overtime because of the amount of time they were required to spend out there maintaining and ensuring the road was safe and providing the detours and constructing, in some cases, new roads because of the washouts.

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

HON. MICHAEL MCLEOD: Madam Chair, the season was, in some communities, Wekweet especially was pretty well basically the same as what we had historically. Gameti and Wekweet of course usually have a shorter season than other communities anyway, but this year we had problems constructing the road to the community...
because of the warm weather and it didn’t change the fact that we still had to have equipment out there for the whole period, because we started constructing the roads the same time as we start construction. Every year we start in January if we had our equipment out there and we had the contractor in place and beginning to start construction. So it doesn’t change. The equipment still has to be out there; we still have to have people out there and this year we had to have extra resources allocated to the road, we had to have lighter equipment. I think they’re called Haglunds that we had to bring in that we don’t normally use, but because of the thin ice we had to have lighter equipment. This is over and above the contract. It was an extra and we also had to have more people working longer hours over weekends and that created overtime requirements. So there was really no savings by not having the road open for a specific period of time. We still had to have all our equipment out there and even more so this year because we needed specialty equipment to start working on the thin ice and being able to meet the resupply requirements of the communities. It would have, I guess it resulted in a lot of savings because we weren’t required to fly any of the fuel in; we weren’t required to fly any of the resupply in. We did have to have more equipment on the ground and we had to have more people out there and longer hours, but it resulted in us being able to resupply the communities.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. Back, then, to the bill as a whole.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed, thank you. Does committee agree that Bill 1 is ready for third reading?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed, thank you. Bill 1 is now ready for third reading.

Now onto Bill 2. I would like to ask Minister Roland, then, did you already give comments on this one? Oh, you would like to give your comments from there. Thank you. Minister Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair and colleagues. I am pleased to introduce Bill 2, Supplementary Appropriation Act, No. 1, 2006-2007. This bill requests authority for additional appropriations of $69.246 million for operations expenditures and $45.411 million for capital investment expenditures in the 2006-2007 fiscal year.

Major items included in this request for operations expenditures are as follows:

1. $33.4 million for the Department of Municipal and Community Affairs to continue to flow contribution funding to community governments pursuant to the community capacity building initiative. These contributions are funded by the federal government’s Northern Strategy trust fund. Funding for these contributions was approved and lapsed in 2005-2006.

2. $3.5 million for the Department of Education, Culture and Employment for the provision of French and aboriginal languages in the Northwest Territories. The expenditures will be offset by revenues from the federal government.

3. $3.0 million for the Department of Public Works and Services to undertake pile inspections and repairs on Government of the Northwest Territories buildings.

4. $2.2 million for increased costs resulting from the rise in fuel prices in the NWT since 2003.

5. $1.9 million for increases to the northern allowance as provided for in the Collective Agreement between the GNWT and the Union of Northern Workers.

The operational funding request also includes $15.3 million for contribution funding for the continuation of infrastructure projects not completed in the 2005-2006 fiscal period. Funding for these projects was approved and lapsed in 2005-2006.

The major request for capital investments expenditures is $40.3 million in capital carryovers from the 2005-2006 fiscal year.

That concludes my opening remarks. I would be pleased to answer any questions Members may have. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Roland. General comments. Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I guess where I’d like to start with this is the fact that the government is lapsing a number of projects from one year to the next and, as the Minister knows, this causes me a great deal of concern. The reason I bring that up -- the Minister spoke of it in his opening comments -- is the fact that it begs the question of what the various departments out there are doing. Are they doing all the work that they’re supposed to be doing? Are they contracting what should be their responsibilities as employees out to various contractors in the hopes that they can do the work for them? What is the real issue on why, as a government, we’re lapsing so much in capital projects and we’re faced with this supp today? I think the Minister should explain for the record why he believes the government is lapsing so many projects this year. Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, a number of factors play in the size of this supplementary appropriation document. It is a larger amount than we normally do at this time of year. Every year we have done capital carryovers from projects that were not completed in the previous fiscal year and carried over for the following year. What we see in large increases in this amount are results, as I stated in my opening comments, the funding that’s flowing to communities through the community capacity building initiative and that’s over $30 million there. As well, the large amount that we’ve incorporated in our capital plan for Municipal and Community Affairs that would help out communities, this capital plan that was put out in 2005-06 was the start of a larger than normal. Previous years we normally spend about $50 million in new capital program. We went up to $75 million, recognizing the fact that we had a number of schools and so on that needed significant repair or replacement and those were put into
the plan. If you have one school, for example, start in that fiscal year and doesn’t get the majority of funds spent, then that money is then transferred over and we could have large fluctuations from one project numbering into the millions of dollars. So there’s a number of factors. One, the new capacity money from the federal government and the increase in our capital program overall. We are having difficulty, however, getting our work done in a heated environment that we are in when it comes to the economic side of the scale.

The government contracts at one time were seen as the contracts of choice that people wanted to get, but with as much activity that’s happening we’re having difficulty getting bidders on some of our projects. The costs on a number of the projects are coming in higher than anticipated and departments are having to go back to the drawing board or request more money and then delays issuing contracts as well. Thank you, Madam Chair.

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

MR. RAMSAY: Yes thanks, Madam Chair. Madam Chair, I think the $40.3 million that’s being carried over this year, as I mentioned, causes some concern for me and it perhaps causes some concerns for other Members, but I think that the Minister has to provide some more leadership and some more direction to the departments in order for them to carry out the work that they’re supposed to carry out. As is evidenced by the carryovers this year, that work is not getting done. I’d like the Minister to give us what his plan is to make sure that departments are carrying out this work, otherwise why should we approve another capital plan next spring in our budget session if the work is just not going to get done? Like why even bother? Why don’t we just put the brakes on all of our capital spending, let them finish the projects that they have and then we’ll look at some more? But I think if we keep going down the path that we’re going down, there’s going to be a huge backlog and this work’s not going to get done. Concentrate on the projects that you’ve got, finish them and then come back. I just want some assurances, and I haven’t heard them yet, from the Minister that he’ll direct the departments to carry out the work and get some work done. Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, a number of factors, as I already laid out, have built to the size of the supplementary appropriation. For example, I’ll just run down and give it a department-by-department breakdown of the capital portion of this supplementary appropriation. Municipal and Community Affairs is just over $3.7 million; Public Works, $7.8 million; Health and Social Services just over $7 million; Justice, $1.7 million; Education, Culture and Employment, over $13 million; Transportation, $5 million; Industry, Tourism and Investment, $600,000; and Environment and Natural Resources just under $400,000. So that’s a substantial amount of carryover. But when you look at what’s happening in our communities and the increase in the capital amount that we’ve, as a government, approved, has had an impact with what can get done in some of our communities. A number of factors that we have to look at government-wide is how do we get more involvement from our business sector in bidding on our capital projects, how do we have competition that would result in more favourable prices? If we can’t get more favourable prices, then, yes, we’re going to have to review the capital program as to the dollars that are there because our dollars are capped. The capital program cannot keep growing. We’ve highlighted approximately $75 million in projects. If those projects don’t get off and are delayed and we continue to carry over projects, the more projects we carry over, the less money is going to be allocated for future capital programming and that’s something we’re going to have to deal with for sure in trying to get, as I stated earlier, some involvement from our business community as to taking up this work.

As well, further to that, as a government, we’ve had a number of departments who were downsized in the mid-’90s because of the government’s fiscal situation at the time and reduced the capital program significantly so staff that are within departments that would normally be able to do some of the plans are not there any longer, and that’s why you would see the increased use of outside sources of help being consultants in a number of areas to help departments get on with the work. Thank you, Madam Chair.

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

MR. RAMSAY: Thanks, Madam Chair. According to some of the, I guess, excuses for the work not getting done, it was the consultants that were also not completing work on time or getting things done and I think the message that I do want to send, Madam Chair, to the Minister, is the work isn’t getting done and I think I just want to send that loud and clear to the Minister. I don’t believe we’re doing enough to make sure the work does get done and I’ll leave it at that, Madam Chair. Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, I already know that the work is not getting done. I’m having to carry this forward to the Assembly with a larger than normal amount in capital carryovers and we’re going to have to deal with that one more in a sense that we have a capital program that has a limit to it and we are now at that limit as we move forward and if projects don’t get done and we can’t find new funds for newer projects, we’re going to have to move forward on that and look at some initiatives of how we exactly do that. Further to that, and that’s something we have to finish here, if we’re going to put more forces to work here, departments are going to be requesting more funding on ongoing O and M. So that’s another hurdle we would face in trying to move some of these initiatives forward. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Next I have general comments, Mr. Braden.

MR. BRADEN: Thank you, Madam Chair. Similar to Mr. Ramsay’s concerns, I was looking at the quantity both in terms of the number of projects and the dollar value that seems to be kind of accumulating from one year to the next and there is a trend, Madam Chair, based on a kind of a preliminary analysis that proves to me that we are, if you will, losing ground in this area and at least for the last three years the trend is that most projects are lapsing and more money is accumulating on the carryovers. While on
one hand certainly there’s a number of circumstances that we need to look at and accept, and I’m prepared to deal with as to why this is occurring. But I’m wondering at what stage, Madam Chair, are we going to encounter some kind of a gridlock here where we are backed up with so many projects and so much money moving from one year to the next that we’re going to lose sight of what needs to be done and how we are doing it? Sort of the old adage, if you will, should we really take on new projects and new initiatives when we are falling, as I say, the trend seems to be, Madam Chair, we are falling behind on looking after the ones we’ve already committed to.

I guess just to give you a bit of this analysis, Madam Chair, if we look at some of the departments that have the larger capital budgets. Health and Social Services three years ago lapsed 44 percent of its capital dollars. Two years ago 16 percent lapsed. So in the current fiscal years here, 65 percent lapsed. These are not small amounts of the budgets. We’re not just dealing with single digits or maybe in the teens, but over half of the money that the department asked for and we approved is lapsing. So this just gives me pause, and I think my colleague Mr. Ramsay too, to say just how are we going to be able to cope with the quantity of projects and approvals and things that we’d like to do that we need to do, given our track record in completion? So if I’m going over some old ground here that Mr. Ramsay has already talked about, Madam Chair, whether there’s any new aspect to my comments that the Minister would like to look at and this is in the general comment area, Madam Chair.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, the issue of gridlock, when we hit gridlock, if you talk to a number of departments they would say that we are already at that stage. The capital program we approve on an annual basis does not permit us to deal with all the requests departments put in. The process would work as we do our business planning and look at our capital program. The projects that would be approved by this Assembly, we would go back to the drawing board in the sense of a capital program that may have been approved. If there isn’t an actual contract tie to that project, it would go back into the mix as we review the capital projects on an annual basis as we prepare our business plans. On that basis, departments would have to then justify if that project can stay in. That goes through a number of working groups in departments, then a deputy minister review, and then it would come to the FMB table for final review before me preparing and coming into this House for final approval.

The situation we would have, and have now, is when departments feel that they have a high enough priority project that does not get the funding, it would get what we call red flagged and would be addressed to the next level. We would review that to see if we should try to find the money to improve or increase our capital program, or if we would bump another project off that program to fit something that is now more critical. That’s the situation we’ve been in for awhile. Yes, the amount of carryover that we do ties up the dollars available. If we don’t proceed with those, there is less and less wiggle room or room for new projects to be put on the books and that is a growing problem that we are going to have to deal with. We are going to have to find a way of either moving along with some of these projects or deferring them because, for one reason or another, they are not at the stage that was anticipated.

For example, if a department had requested funds for a specific project and that project then gets a change from the department aspect, they want to change some of the work that’s happening in a renovation or adding to a new facility, that would go back to the drawing board, or if this Assembly directs a Minister to review the plan or take a look at for Health how to deal with the master plan, that would affect the capital plan.

That’s the situation we find ourselves in. Yes, it’s a growing problem we are going to have to deal with. The more we continue to carry things forward, the less that gets done in the sense of projects being completed. We must also realize many of our projects are into the multimillion dollars and would require a multi-year commitment as we move forward, whether it’s health facilities, education facilities or some of our larger municipal infrastructure. Thank you.

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

MR. BRADEN: Thank you, Madam Chair. I appreciate the discussion here and the acknowledgement or confirmation that this is not something that seems to be happening; it is something quite tangible. The Minister has told committee that it’s a growing problem and one we are going to have to deal with. Would the Minister advise or commit to coming back to perhaps standing committees with some outline of what the status of this growing problem is, and perhaps come back to committees with some options on how we can help address it, Madam Chair? Thank you, Madam Chair.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. I have already had a number of discussions with my colleagues. More importantly, I have had a discussion within one of the departments that deals with client departments, that being the Department of Public Works, and reviewing why we’ve had such poor responses from some of our projects that we put out there for tender or RFP and having to look at how we can try to increase the competition level or deal with our capital program. One of the issues we have to look at is how our capital program is put together. For example, when a department comes forward for an estimate on a school, that initial estimate is done three to four years prior to actually being established in the capital plan and approved by this Assembly. When that number is first estimated, that is quite a time shift to look at. When it finally gets approved here and the department goes out for a tender or RFP and it comes back quite off the mark, that’s one of the reasons, especially since the last few years we’ve had quite an impact on labour forces and also materials available to us. That’s something we are going to have to look at, is how we do some of these cost estimates as they come forward to this Assembly for approval in giving more accurate figures, so we don’t have projects that go out and the bids come in high and the departments have to go back to the drawing board and either drop some of what their requirement is or request more funding. Thank you, Madam Speaker.
CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Next on the list for general comments is Mr. McLeod.

MR. MCLEOD: Thank you, Madam Chair. I am concerned, too, with the amount of projects that have lapsed and having to come back in an appropriation. I want to ask the Minister if one of the reasons a lot of these projects are lapsing is because I see the word consultant a lot and I have seen that delay a few projects. I am also wondering if the fact that the government enters into negotiations for contracts with some groups, if that has bearing on the amount of programs that have lapsed because they couldn't come to agreement. Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, there are quite a number of reasons why there is a large carryover. As I stated earlier, we’ve increased the amount of dollars available to communities for Municipal and Community Affairs, as well as the funding through the northern trust that was established. That is a lot of money now available to communities that some communities were not prepared for. If you look at a lot of this, whether it’s a pool remediation or a community office upgrade, water treatment plant upgrade, there are a lot of projects that aren’t high in value but they still require some planning as we proceed. It’s equipment, as well. Communities have had to have some discussions in that area or could not procure the equipment in time. One of the other areas is when we enter into discussions on projects with organizations or a bidder even, for example, if it’s a public tender and we get three tenders and they are all over the price we have established, we would have to request more funding or change the scope of their program. If they think they can come up with the money, then they can enter into discussions with the potentially lowest bidder. Sometimes those discussions are not fruitful at the end of the day and they end up going back to the drawing board.

Is there an increase, for example, in negotiated contracts? That’s another avenue. Whenever you enter into the negotiated contract process, you still have a dollar value attached that the department cannot go over on a specific project. That can have an impact, because usually that discussion can go back and forth for a way to come up with agreement on that.

As well, if a community is not satisfied with what is being proposed, the community itself, in trying to work with a community on a location for a facility, for example, a tank farm or another community facility, that can have an impact on moving forward. Thank you.

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

MR. MCLEOD: Thank you, Madam Chair. Thanks to the Minister for that. Again, I am not a big fan of negotiated contracts. I think that does delay a lot of projects, but I can understand the government making a commitment and trying to accommodate organizations and aboriginal groups and negotiate contracts and, to me, not being able to agree on a price will delay projects. Has this always been a problem historically and was there this much of a problem when most contracts were publicly tendered? Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. We haven’t done a review specifically if it’s negotiated contract process or a public tender. As I stated, one of the reasons this is larger than normal is because of the amount of money that was put into the capital plan increased significantly in prior years. Previously our capital plan was targeted at $50 million. We are now targeted at $75 million. So just the volume of capital projects approved has increased significantly as well as the dollars that came through the Northern Strategy trust fund. That is added to that, as well as the federal gas tax contributions. That has increased the amount of money that’s available and a lot of communities were not prepared to deal with that type of a volume initially. As we go through this process in future years, that will start to take care of itself.

One of the other concerns, a bigger one we will have to deal with, is how do we ensure there is competition amongst some of the contracts. A lot of our larger construction companies that dealt with the multi-million dollar contracts we have in place are no longer in the North, or are not dealing with the North, or think, for one reason or another, that there is less risk in other jurisdictions rather than the Northwest Territories and have moved out of the Northwest Territories to focus on their work. So that is one of the areas we are having to have a look at.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. General comments. Any further general comments?

SOME HON. MEMBERS: Detail.

CHAIRPERSON (Mrs. Groenewegen): Could I please then direct Members’ attention to page 5 of Bill 2? Legislative Assembly, operations expenditures, not previously authorized, office of the Clerk, $6,000; total department $6,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Executive, operations expenditures, executive offices, not previously authorized, executive offices, $19,000; total executive offices, $19,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Executive, continued, operations expenditures, Financial Management Board, directorate, not previously authorized, $3,000; directorate, $11,000; government accounting, $3,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): We are on page 7. Let’s start this again. Directorate, $3,000; government accounting, $11,000; budgeting and evaluation, $3,000; Audit Bureau, $2,000; total Financial Management Board Secretariat, $19,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Executive, continued, operations expenditures, Human
Resources, not previously authorized, directorate, $61,000; total Human Resources, $61,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Executive, continued, operations expenditures, Aboriginal Affairs and Intergovernmental Relations, not previously authorized, Aboriginal Affairs and Intergovernmental Relations, $8,000; total Aboriginal Affairs and Intergovernmental Relations, $8,000; total department, $107,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Department of Finance, operations expenditures, not previously authorized, directorate, $6,000; total department, $6,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Onto the Department of Municipal and Community Affairs, operations expenditures, not previously authorized, directorate, $58,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Community operations, $35.882 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Lands administration, $297,000. Mr. Braden.

MR. BRADEN: Thank you, Madam Chair. With the information provided in the bill, it is suggested here that $297,000 be allocated to provide funding for the continuation of land development projects funded by infrastructure contributions. An offsetting amount was lapsed from last year for $47,000. The area I wanted to ask about, Madam Chair, was providing funding to complete the remediation plan for the common areas of the Con and Rycon trailer courts. The detail provided says, “The remediation costs will be recovered from the revenues received from the land leases entered into with the residents of the trailer courts.” The amount requested, Madam Chair, is $250,000. We were advised that the total cost of reclamation and remediation for the Con and Rycon trailer courts was somewhere in the neighbourhood of $900,000, Madam Chair. The aspect I wanted to inquire about was whether or not or just how, as the detail suggests here, the remediation costs will be covered from the revenues received from land uses.

When the GNWT leases land, Madam Chair, does the revenue go towards specific projects or purposes as suggested in the bill, or does it go into general revenue? It’s a bit of a process or procedure technical question, Madam Chair.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, the process is the Department of Municipal and Community Affairs was tasked with dealing with the land remediation out at the Con and Rycon trailer court area. One of the reasons why it was proceeded with is it was based on the initial plan that there was going to be a recovery to that. This is the area on the land that is multiple use or not specifically on each property. Each property owner would have to take care of their own. This would deal with other common areas within those areas. It was established that there would be a recovery to this. That was approved. The money and leases that would come to the government would then go into general revenue.

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

MR. BRADEN: So there is no direct application, or the leaseholders here aren’t being assessed a certain portion of these remediation costs over time. A lease fee structure has been determined. That money goes into general revenue and that department gets what it needs from general revenue to fix the job here. What I am trying to determine here, Madam Chair, is are the people who are the tenants on these leases being charged directly or indirectly for the cost of remediation as opposed to a standard lease which has a standard fee structure and a regular way of handling it, Madam Chair?

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

HON. FLOYD ROLAND: Thank you, Madam Chair. In this case, the leases that are there would incorporate the cost for this work that’s been done and we’ve approved the money upfront so they can get the work completed. As it’s recovered, it would go back into the general revenues. So in a sense, those who have leases in that area would pay additional cost tied to their leases. So the leases would be renewed and the term of the leases would incorporate the remediation that has been done. Thank you.

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

MR. BRADEN: That’s all. Thanks, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 11, Municipal and Community Affairs, operations expenditures, not previously authorized, directorate, $58,000; community operations, $35.822 million; lands administration, $297,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Page 12, Municipal and Community Affairs, operations expenditures, not previously authorized, regional operations, $11.070 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Mr. Ramsay.

Committee Motion 21-15(5) To Delete $100,000 From MACA’s Regional Operations Activity In Bill 2, Defeated

MR. RAMSAY: Thank you, Madam Chair. I move that $100,000 be deleted from the Department of Municipal and Community Affairs regional operations activity in Supplementary Appropriation, No. 1, 2006-2007 dealing with the Icicle Inn.
MR. HAWKINS: Thank you, Madam Chair. I will be voting with the motion to delete that amount. What concerns me on this is it seems like a lot of money for investigation to a problem that I am not sure is our fault. The bottom line is if we have assumed an asset through whatever process, did we assume the liability with that knowingly? If we did, I guess we are on the hook for this amount. I don’t know if it is going to cost $100,000 to do an assessment, but I was hoping there would be other ways to look at it. I am sort of like Mr. Braden, I would like to find out answers with regard to the environmental aspect of it. I don’t know if it is going to cost $100,000 to do an assessment, but I was hoping there would be other ways to look at it. I am sort of like Mr. Braden, I would like to find out answers in terms of how come it’s costing so much. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. To the motion. Mr. Hawkins.

Mr. Hawkins.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. To the motion.

MR. RAMSAY: Thank you, Madam Chair. The reason we are suggesting that this be deleted from MACA’s regional operations activity that appears in the supplementary appropriation is the government has taken over responsibility for the building and the land that it sits on and is also responsible, as we are told, for environmental liability and remediation work that has to take place on that property. We weren’t, as a group, satisfied that the government should accept that type of responsibility in taking over this property. That is the reason this motion is before us.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Ramsay. To the motion.

MR. BRADEN: Madam Chair, what I was hoping for was in the course of this discussion that we could get some answers to the area of liability here, which is really what I need to determine before I can vote on this. I would like to find out about what kind of liability we assume here and why did we allow ourselves to be put in this position, it seems, Madam Chair, of a liability for something that may not have been our cause? I need that information before I can vote. Can you help us get it? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Yes, hmm. This is an interesting process issue. The whole idea of having the motion was to ensure and facilitate some debate on these items that are being promoted for being deleted. Now that the motion is on the floor, I don’t know what the process is for the Minister to answer any questions about that. Pardon?

Okay, the Minister could speak to the motion at some point here, but maybe what we will do is ask the Minister to take note of a few comments here. To the motion, Mr. Pokiak.

MR. POKIAK: Thank you, Madam Chair. I was hoping I could find out a few more answers with regard to the environmental aspect of it. I don’t know if it is going to cost $100,000 to do an assessment, but I was hoping there would be other ways to look at it. I am sort of like Mr. Braden, I would like to find out answers in terms of how come it’s costing so much. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Pokiak. To the motion. Mr. Hawkins.

CHAIRPERSON (Mrs. Groenewegen): Mr. Hawkins.

CHAIRPERSON (Mrs. Groenewegen): Mr. Ramsay. To the motion.

MR. RAMSAY: Thank you, Madam Chair. Madam Chair, the reason we are suggesting that this be deleted from MACA’s regional operations activity that appears in the supplementary appropriation is the government has taken over responsibility for the building and the land that it sits on and is also responsible, as we are told, for environmental liability and remediation work that has to take place on that property. We weren’t, as a group, satisfied that the government should accept that type of responsibility in taking over this property. That is the reason this motion is before us.

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

MR. RAMSAY: Thank you, Madam Chair. Madam Chair, what I was hoping for was in the course of this discussion that we could get some answers to the area of liability here, which is really what I need to determine before I can vote on this. I would like to find out about what kind of liability we assume here and why did we allow ourselves to be put in this position, it seems, Madam Chair, of a liability for something that may not have been our cause? I need that information before I can vote. Can you help us get it? Thank you.
there. The Government of the Northwest Territories, due to arrears on that property, took that property over. There are a number of buildings that were built by the federal government. There is a weather station in 1954 and again more work was done in 1980 on that area.

There is work, as they do this remediation, to find out what, in fact, it entails. There are avenues that are going to be pursued about how much the federal government we feel may be responsible for. So that is something that is going to be looked at. The fact is, it is within the municipal boundary. It is on Commissioner's land within the community of Sachs Harbour. The process, again, was initiated through a tax arrears situation that we ended up with the property. Knowing the situation here, we are in a position where we have to do an assessment of that and come up with a remediation plan. Once we have that, there are possible avenues to try and have the federal government pay for some of the actual areas of remediation that need to be done. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. I guess the rules indicate that people can only speak to the motion once. It doesn't matter if you were the mover of the motion, you still only get to speak to it once in Committee of the Whole. That's not the rule in the House, in the Chamber, when we are in session, but in Committee of the Whole that is the rule. I hope that provides you with enough information. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

CHAIRPERSON (Mrs. Groenewegen): Question is being called. All those in favour of the motion to delete? All those opposed? The motion is defeated.

---Defeated

CHAIRPERSON (Mrs. Groenewegen): Municipal and Community Affairs, operations expenditures, not previously authorized, regional operations, $11.070 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I just wanted to get it on the record, I think the reason there were some issues around the $100,000 being spent at the Icicle Inn at Sachs Harbour was for the very reasons the Minister just explained, that the responsibility, in my mind, falls on the federal government. I think it's incumbent upon the Minister of MACA and the Department of Municipal and Community Affairs to come up with a remediation plan and get the federal government to pay for it, because this is no fault of the GNWT that we ended up with this property and we ended up with his environmental liability. I think it's kind of a farce really that we are having to pay this $100,000. The reason the motion came forward earlier in our proceedings is because I don't believe, and some of the Members of this House don't believe, that the department did its homework and the rightful people are paying this bill. I just wanted to put that on the record, Madam Chair. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Ramsay. Municipal and Community Affairs, operations expenditures, not previously authorized, regional operations, $11.070 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Municipal and Community Affairs, operations expenditures, not previously authorized, regional operations, continued, total department, $47.307 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 14, Public Works and Services, operations expenditures, not previously authorized, directorate, $36,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Asset management, $3.656 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Total department, $3.692 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. Madam Chair, during our deliberations on this, I had a discussion about the $3 million for Pile Inspection and Repair Program. I didn't get answers that I really was looking for. Obviously, what happened in Inuvik with the school and the pilings failing, that happened. What I see this as is a knee-jerk reaction by Public Works and Services to go out and do some of this work without really truly knowing what the cost is. I would suggest it's much more. If you get into a situation like you had in Inuvik, it's going to cost a tremendous amount of money to repair pilings and fix them. Whether or not some are fixed as a band-aid or some are fixed permanently, who knows? Who knows where all the buildings are? What's going to be inspected in what communities? It's a big piece of work. I think before we agree to spend $3 million each year for the next three years, that Public Works and Services goes out and does all of its homework, finds out exactly which buildings need what and then come back for the appropriate dollars to carry out that work. This, to me, is just scraping the surface, Madam Chair. I think there's a lot more work that needs to be done. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Ramsay. Public Works and Services, operations expenditures, total department, $3.692 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 15, Health and Social Services, operations expenditures, not previously authorized, directorate, $44,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Program delivery support, $715,000.

SOME HON. MEMBERS: Agreed.
CHAIRPERSON (Mrs. Groenewegen): Health services programs, $336,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Community health, $55,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Total department, $1.150 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 16, Justice, operations expenditures, not previously authorized, services to government, $217,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Legal aid services, $167,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Community justice and corrections, $91,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Total department, $475,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. NWT Housing Corporation, operations expenditures, not previously authorized, NWT Housing Corporation, $1 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Total department, $1 million. Mr. Braden.

MR. BRADEN: Madam Chair, the detail we were provided with here says that the funding is required to ensure the corporation has the capacity needed to deliver new housing units through the three-year Affordable Housing Strategy and improve inspections and maintenance of new and existing housing stock. Could the Minister provide us with more detail on what is comprising this capacity valued at $957,000, Madam Chair?

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

MR. BRADEN: Thank you, Madam Chair. Thank you, Mr. Minister, for the information. The bill says that this is a three-year strategy. Are we anticipating then that all of these positions will sunset after three years, Madam Chair?

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

HON. FLOYD ROLAND: Madam Chair, at this time, the request is for the position so that the Housing Corporation can deal with a majority of land situations or problems they found in communities. They have a backlog of files, to date, that they need to deal with. For example, there are about 600 parcels out there that the Housing Corporation needs to deal with, never mind the ones going ahead. At this point, it's requested to proceed. They are not term positions. Thank you.

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

MR. BRADEN: So we are taking on what will amount to a $1.6 million commitment in perpetuity here initiated by a three-year housing program and, Madam Chair, a chronic, almost constipated situation at the Housing Corporation with lands. This has been going on for years. The current Ministers needn't take total responsibility for this because we have heard about this for years now, just how bunged up things are at Housing Corporation with lands issues. I am anxious to find out here, Madam Chair, a three-year Affordable Housing Strategy, we are taking on how many lands officers here, five, six, seven, at least eight. At least half of these positions, Madam Chair, are to do with lands. Now, are all of these extra lands positions only going to be required to satisfy the Affordable Housing Strategy or are we actually finally going to get down and tackle the whole lands problem within the Housing Corporation? As the Minister referenced, Madam Chair, the Minister said something like 600 parcels still have problems. Just how limited or how broad is the scope of the assignment here, Madam Chair?

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

HON. FLOYD ROLAND: Thank you, Madam Chair. I have to correct a pretty fundamental thing here. I had referenced that these would be going forward. In fact, they are tied to a three-year strategy. So it isn't ongoing. A big correction there. Looking at our information here it is, in fact, tied to the program. So it would lapse at that time. If there are further programs that bring more dollars to the North, then that would be reviewed and brought back to this forum. So that is the situation that the request is going forward. So it would be tied to the three-year strategy. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Mr. Braden still has the floor, but I have Mr. Menicoche, Mr. Ramsay, and Mr. Pokiak. So anything further, Mr. Braden?
MR. BRADEN: Madam Chair, I’ll give the floor over to my colleagues. I’m sure they’re probably going to ask some of the questions I have on my plate.

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

MR. MENICOCHE: Thank you very much, Madam Chair. Just with this particular line item on $957,000. The government indicates it’s part of their Affordable Housing Strategy. The concern on this one is that, is it what we, will there be new money allocated towards the O and M for the next three years or does this money come from the $50 million part of the fund that’s been discussed from the federal government? Just how does that impact? I know that the $50 million from the federal government with our $50 million is a $100 million strategy. So does that necessarily mean, Madam Chair, that new money from our government, from our own sources is half of this? What are the implications here, Madam Chair, on government funds?

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, in our work with, or the Housing Corporation’s work I should say with the federal government on this program, it has been recognized and identified that the existing program the Housing Corporation is involved in would be our share towards that. The new money is the $50 million tied to the existing programs that the Housing Corporation is involved with. The request for this is O and M, salary and benefits, and O and M as well for the total, as I stated earlier, of $1.6 million, and this portion for this fiscal year is $957,000. It is more money that we would have to vote to help provide the successful completion of the additional housing units going up.

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

MR. MENICOCHE: Thank you very much, Madam Chair. It’s still not clear to me whether… I think it’s $1.6 million annually after that. Is that all our own-source funds then, Madam Chair?

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

HON. FLOYD ROLAND: Thank you, Madam Chair. It is from our own source. That’s why we’re voting it in in this manner. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Roland. Anything further, Mr. Menicoche?

MR. MENICOCHE: Yes, okay. Our government commits $50 million towards a $50 million input from the federal government and I’m not too sure how come we’re fronting the money for O and M if it’s part of the three-year strategy. How are we benefiting from the proposed cost sharing from the feds then, Madam Chair?

CHAIRPERSON (Mrs. Groenewegen): All right. Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, the benefit is the fact that a large number of the public housing stock can be replaced through these funds. The funding that the Housing Corporation has allocated again has been a proposal that was worked out and given to CMHC or the federal government and it was recognized that the work that’s already being done, in the sense of the new units going up, would count towards our share of that. So the new units going up as a result of the Housing Corporation’s plans right now that are in place will count as ours. So the new money would go towards further public housing in the Northwest Territories, as well as some of the other programs identified in that proposal that they forwarded to the federal government. 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. Madam Chair, I’ll start off by saying obviously I don’t agree with any of the new positions coming in. I don’t believe I’ve been given enough information by the Housing Corporation and the Department of Municipal and Community Affairs that they’ve done a complete and thorough examination of their staffing. I don’t think they’ve covered all the bases in terms of maybe re-profiling some employees to carry out this work. I think the lands officers definitely belong with MACA. They don’t have any place, as I see it, inside the Housing Corporation. I’m happy to hear that these positions are tied to the program and, Madam Chair, the risk that we run as Regular Members is, you know, we try to turn down some of these positions and all of a sudden we’re the big bullies and we get the blame that the program’s a failure. It kind of makes you wonder, if we approve it and it’s… We just can’t seem to win. That’s what I’m trying to say, Madam Chair. It’s impossible to win at this game and it seems like the Housing Corporation, I mean, last year, for example, we had the supp and we turned down some positions that were associated with the social housing policy at ECE and that was $460,000. Within six months, ECE found the money somewhere. They went to the Housing Corporation and expropriated the $1.3 million to carry out the work. I still have not been given an explanation as to what the people who were in the Housing Corporation that were responsible for the $30 million in social housing, what they are doing today. Madam Chair, I know the Minister says that these are term positions, they’re tied, but I find that that’s very hard for me to believe that will be the case. I think once these new positions are brought on stream, they’ll be there forever and, you know, it’s a real shame that this is the way that things seem to work around here. If we do turn the money down, they’ll just find it somewhere else. I guess that’s the risk we run, but I think, the message I’m trying to send is, I believe the expertise and the human resources are out there in both MACA and the Housing Corporation to carry this work out. Maybe not so at the regional level, but definitely at headquarters. It’s there and I just don’t, I don’t agree with us rushing out to spend this type of money.

There are some things about that Affordable Housing Strategy, too, that just don’t add up for me right off the top. One of those things, and I’ll just mention it here really quick, Madam Chair, is the $100 million. We’re expected to build 530 units with that $100 million. As well, that $100 million is supposed to go to land development costs. Well, if it’s supposed to go to land development costs, I don’t know if the Minister’s developed any land lately, but you can expect to eat up 15 to 20 percent of that $100 million right off the top in land development. Absolutely. So where
does that leave you? You’re not going to build 530 units. You might be able to build 430 units once you use the money to develop land. It’s not starting off, for me, in the best light, but again, I just don’t like to have the gun pointed at your head and you have to do this, otherwise the affordable housing program is not going to proceed and it’s not going to be a success. I mean, Madam Chair, I want this program to be a success. I really do. I think out of all the issues out there, housing and affordable housing is something that all Members of this House are faced with. We’re trying to put more homes on the ground, more units into our communities so that people have a place to live. I mean, that’s a fundamental thing. We just have to move forward with this. I think I’ll leave it at that, Madam Chair, but later on, after everybody has had a chance to speak, I’ve got a motion as well to look after some of this funding. Thank you.

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

HON. FLOYD ROLAND: Thank you, Madam Chair. Madam Chair, the question of the role of Municipal and Community Affairs and the Housing Corporation when it comes to lands, the Municipal and Community Affairs’ role in land development is one that is responsible for administration and control of Commissioner’s land in the Northwest Territories. It involves transferring land in fee-simple title or through lease arrangements to community governments, or to the Housing Corporation to be made available for residential use. Land development would be the area of subdivisions, whether it be residential, commercial or industrial. The area the Housing Corporation is involved with would be more to the lot development side of things. But for example, the Housing Corporation has provided the information to show that, in fact, there’s a significant backlog related to land tenure matters. In the Delta-Sahtu communities, approximately 600 lease files are to be completed as a result of the exemption of land pricing policy. Some of these policies were put in place as a result of the negotiations going on with other organizations in the territory. But there’s that need to deal with that backlog, as well as deal with the Affordable Housing Strategy.

Right now in the Housing Corporation, there are two positions within the Housing Corporation that deal with land related functions and right now the Housing Corporation is stating quite simply that they will not be able to meet the targets that are out there. The Member is quite right; the Housing Corporation has targeted over 500 affordable housing units. But the fact is if the prices continue to go up for products and for labour, the Housing Corporation will indeed have to revisit their target numbers. Thank you, Madam Chair.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Just so the Members are aware, Mr. Ramsay still has the floor, but I have Mr. Pokiak, Mr. Yakeleya, and Mr. Hawkins still all on this item. Mr. Ramsay.

MR. RAMSAY: That’s fine, Madam Chair. I’ll leave it at that.

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

MR. POKIAK: Thank you, Madam Chair. I, too, am still not convinced that they require all those three positions, but I think most of the comments that I was going to make Mr. Ramsay pretty well took care of those and the responses from the Minister. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Very good. Thank you, Mr. Pokiak. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Madam Chair. For this amount here, I said it before in other meetings that it’s about time that Housing and MACA gets off the ground and gets busy because you know the backlog in our region. The need for lot development, the need for, we heard it on the radio the other day on the town of Norman Wells. Of course you hear it from my communities that I represent. This is way overdue, so I think we need to have an extreme makeover at the Housing Corporation and start putting these units in our communities, preparing them for lot development. Right now when you do lot development, you bring in the gravel in the springtime; May, sorry, April, March, and then you start building houses in June. It’s ludicrous how these houses are going up in our communities. Do some proper development with the dollars, proper work with the communities, and let’s do a proper job, quality housing. So Housing’s really got to step it up and for this type of dollars, I hope it will go well in our communities. I want to say that this type of funding that goes into our regions is long overdue, so I’m going to be supporting Housing on this initiative here. It’s long overdue. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Yakeleya. I didn’t hear any questions there. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chair. I just have a couple things to say on this matter. First of all, I support this initiative that’s coming forward. When I was in Fort Good Hope last year you could see that the housing need has reached crisis state and the Housing Minister has constantly talked about the need for housing, sensible housing throughout the Northwest Territories. I’ve been to a number of smaller communities throughout my northern career of almost 30 years here and you can see that there is a troubling state. This is one positive solution to work towards helping make that problem I should say go away, which is we need lands officers to help develop and identify proper land to put proper housing on. This will add to the sensible housing unit about putting housing on the ground. Because if we don’t take smart steps like this by getting the right professionals in place to do land identification and then the transactions about putting land through the land titles process, even surveying it. I mean, it’s a long, long process. The instruments of land require a lot of expertise and unfortunately the skills just do not exist in a lot of communities and I feel that’s very unfortunate, but I see this as an opportunity to get someone out into the communities when they point out that five officers will be sort of outside of headquarters region. All that said, raw land needs to be developed in a smart and planned way and I see this as an initiative working towards that end and it will help continue the flow of putting good, solid, affordable housing in our community that will help those in need. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. I don’t have anyone else on the list. NWT Housing Corporation, operations expenditures, not previously authorized, $1 million, total department, $1 million. Mr. Ramsay.
Committee Motion 22-15(S) To Delete $367,000 From NWTHC In Bill 2, Defeated

MR. RAMSAY: Thank you, Madam Chair. I move that $367,000 be deleted from the Northwest Territories Housing Corporation, NWT Housing Corporation activity, in Supplementary Appropriation, No. 1, 2006-2007.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Ramsay. The motion is in order. We're going to give... Has the motion been circulated? It has been circulated? Everyone has a copy of it? To the motion, Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I listened closely to some of the comments from my colleagues on this issue and I think this is a fair compromise. The $367,000 that's going to be deleted from the Housing Corporation activity is, in effect, the positions that are located in headquarters, and that's here in Yellowknife. It doesn't impact the work that's needed on the ground in the regions. That's the 10 positions, five technical officers and five lands officers, and those are in the regions. The six positions that this money, the deletion of this $367,000, calls for are the positions that are located at headquarters. So as a compromise, I hope that Members will support this motion that's before you. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Ramsay. To the motion. Mr. Braden.

MR. BRADEN: Madam Chair, I support the motion. The information that I have is that the Housing Corporation has really not exercised any kind of degree of creativity or flexibility in this. It just wants to continue doing business the same way. Let's just add some more PYs here, let's just continue growing this government instead of looking at what I believe, Madam Chair, would be opportunities within headquarters. As Mr. Ramsay has indicated, the intent of this motion is to say where are existing resources, PYs, where are priorities that could be shifted and that could be applied to look after this new opportunity or this new situation. We're not being, I think, very nimble or certainly very efficient in this venture here. So the consequence of this motion being approved, of course, is that the corporation will be then forced to go back into its own resources, into its existing shop and say, okay, what can we do better? How can we use existing resources to get a better job done? That is the point of this motion, Madam Chair, and that's why I'm supporting it. Thank you.

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

MR. MCLEOD: Thank you, Madam Chair. I am going to support the motion because, like some of my colleagues were saying, it seems to be wanting to grow and grow and grow. I like the five technical officers in the district. If I had my way, the lands officers would not be in here at all. I would make a motion to put them as technical officers who can do some land work. The technical officers, the ones I know, can do a bit of everything. To have lands officers going into the district office, I would just as soon they be technical officers. That would give us 10 in the districts and I would be willing to support something like that. With that, Madam Chair, I will be supporting this motion. Like a lot of my colleagues, I think there are existing resources within the Housing Corporation that could cover a lot of this work. I truly believe there are existing resources in all departments that could cover a lot of the work that we keep wanting to add new positions for. Thank you.

--- Applause

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. McLeod. To the motion. Mr. Menicoche.

MR. MENICOCHE: Thank you, Madam Chair. I know that the Housing Corporation has been having lots of problems delivering programs to the regions. I know that this is one of the ways that they want to address it. I know they have been asking for positions time and time again and there is just no support for it then. But now that the federal government is contributing some $50 million and we have a chance to get housing on the move beginning immediately, I am going to vote against this motion.

Often when I am travelling to the regions and communities and talking about their frustrations about getting their housing delivered, like Fort Liard, this is the third year that housing has not been delivered and a lot of the problems are because of a backlog and administration. This is one of the ways they are going to address it. They did hire a new president that I hope will be on the ground and getting out into the communities really quickly, and get out there with his new eyes and address all our housing strategy needs in the different regions and communities. It's because the corporation had no eyes for a little bit that I believe nothing was happening. Just overall, Madam Chair, my gut feeling is telling me it's not helpful to be deleting these positions, especially when it comes to housing. With that, I will be voting against this motion. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. Mr. Hawkins, to the motion.

MR. HAWKINS: Thank you, Madam Chair. On the matter of the motion before us now, I won't be supporting it. I see that we often complain about not delivering housing and meeting housing needs in the communities, and this is certainly going to cut them right at the heels and the delivery of the programs. I don't think we are doing it any favours. Either we are in the housing business or not. If we start cutting half of this and half of that, we won't have anything left over.

As far as identifying headquarters positions versus district positions, I don't find that very responsible. I am not comfortable with that. Headquarters is in Yellowknife. Here we are creating an opportunity here in our community and I think it's unfair that we have targeted Yellowknife specifically, because it's Yellowknife and I can't stand for that. We are focussing in on jobs that just go to Yellowknife and we are should cut those, that's ridiculous. I can't support that.

Lastly, I want to say when we talk about just the Yellowknife positions, those who want to cut them, I see that as lack of vision. We are cutting out the leadership and the administrative process on this. In other words, it makes it very difficult for the lands officers without the administrative component. At the end of the day, I am not comfortable with that. I will be voting against the motion. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. To the motion.
CHAIRPERSON (Mrs. Groenewegen): Question is being called. All those in favour of the motion? All those opposed? The motion is defeated.

---Defeated

NWT Housing Corporation, operations expenditures, not previously authorized, $1 million, total department, $1 million.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Education, Culture and Employment, operations expenditures, not previously authorized, directorate and administration, $59,000; education and culture, $6.8 million; advanced education and careers, $1.007 million; income security, $696,000; total department, $8.562 million.

SOME HON. MEMBERS: Agreed.

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

Motion To Extend Sitting Hours, Carried

MR. MENICOCHE: Thank you, Madam Chair. Madam Chair, I move that in accordance with the Rule 6(2) that we extend sitting hours to conclude the item under consideration.

CHAIRPERSON (Mrs. Groenewegen): Your motion is in order. It's not debatable. All those in favour? All those opposed? The motion is carried.

---Carried

Page 20, Transportation, operations expenditures, not previously authorized, corporate services, $536,000.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Mr. Ramsay.

MR. RAMSAY: Thank you, Madam Chair. I just had a couple of questions on the $222,000 for airports not previously authorized. It gets back to discussions we had with the Minister of Transportation last year, actually it was two years ago now, about the $6.2 million coming from CATSA. In my estimation, and I wanted to ask this question, whether or not the Government of the Northwest Territories knew upfront that this bomb detection equipment and the baggage screening system would require us to have an on-staff electrician and an on-staff millwright to look after this equipment on an ongoing basis. It's $168,000 a year. If we weren't advised by CATSA that that was the case, it seems to me that they should be paying the price for that, not the Government of the Northwest Territories. They imposed us to have this type of security measures at our airport, so why aren't they paying? I guess that's the question, Mr. Chairman. Why is CATSA not paying to have this work carried out? Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, this request has come in and it impacts on a number of things. One is the size of the footprint of the building is one of the areas that has increased the impact of O and M that is required. Yes, the department is requesting two more positions -- one electrician and one millwright -- as the Member stated.

As well, there is a change in contract for janitorial services as a result of the increased size of the facility. As well, because of the increased size of the facility, the power consumption has increased as well.

One of the issues that is outstanding and the department is continuing to try to negotiate with CATSA is around the recovery from them. At this time, we've only got a commitment for about $22,000. So the baggage and screening system, the total amount there is $219,000. Other commitments that are not related to that total $138,000. Those are those two positions, as well as some other minor areas and the janitorial contract, less the pre-approved amount of $210,000. The department is now requesting $222,000 to deal with the areas and overrun areas in this project. Thank you.

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

MR. RAMSAY: Thank you, Mr. Chairman. Mr. Chairman, I am still trying to understand why it is that CATSA is not paying these additional costs. I haven't heard that from the Minister yet. Why isn't CATSA paying for the additional costs? The other thing is, I find it incredibly hard to believe that we need an electrician and a millwright to look after the conveyor system at the airport. Why can't we go out and hire a millwright that is an electrician? Why do we need two people? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. In the area of the recovery being sought from CATSA, the department has identified the fact that most jurisdictions right now are having their difficulty accepting what CATSA has put forward as their amount. There seems to be a unified amount for these areas of O and M. I don't believe many jurisdictions have agreed to that, so the discussion is ongoing. For further discussion around the CATSA discussions, we could probably have the Minister of Transportation provide a little more detail in that area in what has occurred in other jurisdictions as well. Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, the conveyor system is very complicated and requires technical people to operate it. It has 16 independent conveyors which lead to the main conveyor belt. The cost associated with operating has been fairly large. We recognize that. We had anticipated initially to recover a good portion of this from CATSA. The amount of $222,000 is something we have been discussing with CATSA in terms of compensating a portion of it. Our ask on this was $150,000. They have taken the approach that they will only fund $22,000 of it. This is based on their application of national policy. I believe that's what they call it. They are taking the same approach to all other airports. We are still negotiating this arrangement with CATSA. We are certainly not satisfied with the response to date. However, we have new additional costs for personnel, an electrician
and a millwright. I am not sure if we can combine the two. I don’t know if our agreements will allow us to do that. There is an increase of power for $24,000; there are replacement parts; there is a contract with the manufacturer. That’s what adds up to $222,000. We have to recognize that we have increased the footprint of this facility by 62 percent and that’s really added to all our costs. Should we have forecasted this…We did an initial forecast. Unfortunately, we looked at facilities in other jurisdictions and tried to make our best evaluation. However, we always anticipated that we would negotiate this with CATSA, at least a good portion of it, and we haven’t been able to make that come to a successful conclusion. We still are trying. However, the position they have taken has been fairly firm and we are not making a lot of headway.

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

MR. RAMSAY: Thank you, Mr. Chairman. Mr. Chairman, when the airport in Yellowknife was renovated to accommodate the security screening equipment — and I believe at the time the entire project was just over $11 million, $11.2 million — I think it was $6.2 million that the Government of the Northwest Territories was going to receive from CATSA and the difference was going to be made up by increased landing fees. I believe, or some fees at the airport. Maybe I could just ask the Minister which fees those were that were increased to offset the capital cost of this renovation project and why can’t we look at drawing from that to pay this $222,000? Why wasn’t that an option? Thank you, Mr. Chairman.

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

HON. MICHAEL MCLEOD: Mr. Chairman, when the airport in Yellowknife was renovated to accommodate the security screening equipment — and I believe, or some fees at the airport. Maybe I could just ask the Minister which fees those were that were increased to offset the capital cost of this renovation project and why can’t we look at drawing from that to pay this $222,000? Why wasn’t that an option? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. As the Minister stated in this area, the department had put forward negotiations in the area of over $150,000 anticipated for this. CATSA has come across with their national standard, I guess is the way to look at it, of $22,000. Most other jurisdictions were in the same position to say that is not adequate. The department has done a fair bit of calculations in doing this work. They have used the manufacturer’s technical information to build an estimate of what this would cost. As well, because the footprint is bigger, there is more space to heat and so on. They have done the work in that area to look at the non-related issues of the conveyor belt system.

MR. BRADEN: Mr. Chairman, three years ago, not long after the calamity of 9-11, security across every transportation system in Canada was ordered to strengthen and for good cause and good reason. As we know, of late, our country is still dealing with the consequences of international terrorism threat to our safety. So it was not something that there was any real grounds to objecting to on fundamentals. But the impact on our market, if you will, and our community of a safety system or an inspection system that the federal government alone contributed over $4 million to has a consequence of us, we determined that we were going to spend $6 million more than that to bring it into play, gave me great concern when it was first rolled out, Mr. Chairman. We had basically an imposition put on us with no room to negotiate or work with the federal government to how these costs could be absorbed by our relatively small market. As the Minister just told us, just of late, these increases just came into play on the 1st of April this year where we are adding to the cost of doing business of the airlines and we are adding to the cost of travelling and freight for consumers up here. These are all things I take a great deal of interest in, Mr. Chairman, because they are costs which fees those were that were increased to offset the capital cost of this renovation project and why can’t we look at drawing from that to pay this $222,000? Why wasn’t that an option? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. As the Minister stated in this area, the department had put forward negotiations in the area of over $150,000 anticipated for this. CATSA has come across with their national standard, I guess is the way to look at it, of $22,000. Most other jurisdictions were in the same position to say that is not adequate. The department has done a fair bit of calculations in doing this work. They have used the manufacturer’s technical information to build an estimate of what this would cost. As well, because the footprint is bigger, there is more space to heat and so on. They have done the work in that area to look at the non-related issues of the conveyor belt system. Their consumption, based on the manufacturer’s technical information, was $23,748. The service contract for maintenance of this system as well is another $14,000, and replacement parts and so on to have on hand over a two-year period is estimated to be $35,000 per year for maintaining a minimum inventory of replacement parts in that area, as well the positions that were discussed that need to help deal with that. Part of this is the electrical consumption estimates are about $74,000 per year and the propane consumption increased by another $44,000 in
that area. So they have done a fair bit of detailed estimates on this. Unfortunately, as the Minister stated, our position is opposing what the CATSA group has provided for ongoing O and M and as with other jurisdictions, discussions are still ongoing. There is no timeline as to when we might get conclusion to those discussions. Thank you.

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

MR. BRADEN: Mr. Chairman, when this project got rolling and got up and started to take form and shape, did we negotiate a fixed amount CATSA was going to reimburse us for O and M before we really knew what the true costs were going to be? Did we negotiate ourselves into a corner on this by agreeing to a fixed amount and now we really have no recourse, we have to swallow this one, Mr. Chairman?

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

MR. BRADEN: Well, Mr. Chairman, I don't quite know where to go from here. The federal government really has a big hammer on this and the question that we have, I suppose, as the Minister is asking today, is that we take this unanticipated, unrealized, and take it out of general revenue rather than pass it on to the consumer. Is that what the Minister is seeking?

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the negotiations that were concluded were the capital program. The negotiations for O and M were always ongoing and no conclusion has been brought to those. Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The reason it has come forward this way is, yes, if we have approval of funds in this manner, there will be no other additional costs passed on to the consumer. If we cannot have approval of these funds, the department will have to look at its approved base of operations. If we can't find it from there, it would have to come back with another fee structure. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Braden. General comments. Page 20, Transportation, operations expenditures, corporate services, not previously authorized, $536,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Airports, not previously authorized. Mr. Villeneuve.

Committee Motion 23-15(5) To Delete $222,000 From Transportation’s Airports Activity In Bill 2, Defeated

MR. VILLENEUVE: Thank you, Mr. Chairman. I move that the $222,000 be deleted from the Department of Transportation airports activity in Supplementary Appropriation, No. 1, 2006-2007. Mahsi, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): The motion is in order.

SOME HON. MEMBERS: Question.

CHAIRMAN (Mr. Pokiak): To the motion. Mr. Braden.

MR. BRADEN: Mr. Chairman, thank you. I will not be supporting the motion until I receive the information. I was very much prepared to see this money deleted from the bill. I guess related to the experience that we have already suffered as a consequence of CATSA’s approach to this kind of thing and the department’s ability to pass these costs on to consumers through more fees, Mr. Chairman, I am more prepared to say that the general revenue of the Government of the Northwest Territories should take this hit rather than it being passed on yet again to consumers. That is my reason for not supporting the deletion.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Braden. To the motion.

SOME HON. MEMBERS: Question.

CHAIRMAN (Mr. Pokiak): Question has been called. All those in favour? All those opposed? The motion is carried. I am sorry; the motion is defeated.

---Defeated

Sorry. Page 20, Transportation, operations expenditures, airports, $222,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Transportation, operations expenditures, total department, not previously authorized, $758,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 21, Industry, Tourism and Investment, operations expenditures, corporate management, not previously authorized, $65,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Energy, mines and petroleum resources, not previously authorized, $350,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Economic development, not previously authorized, $183,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Industry, Tourism and Investment, operations expenditures, corporate management, not previously authorized, $598,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 22, Environment and Natural Resources, operations expenditures, corporate management, not previously authorized, $114,000.

SOME HON. MEMBERS: Agreed.
the House earlier this week with caribou and how it is that we seem to be just having a haphazard approach to looking at and counting herds or caribou from east to west. If you look at the numbers, we are going to spend $550,000 on a Caribou Management Strategy, but we really haven’t had a meeting with all the stakeholders involved, a sit down, a heart to heart with everybody. It hasn’t happened. Here we are; we’re going to go out and spend $30,000 on Cape Bathurst, $40,000 on Bluenose, $30,000 on Bluenose East and who knows which animals are where on any given day? Like I mentioned, and many Members in this House have mentioned, these herds cross boundaries, they don’t know boundaries. They intermingle, the come together. I mean you can count them on one day and you’ll have a completely different count three weeks from then. It’s absurd why we would continue with that type of mentality, I would say, and I would think what really should happen is we should count them as all-encompassing, everything, and then you get a clear picture what’s really happening. To me I think it’s a waste, really, and I can’t put it any more bluntly than that. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. This area of caribou management, the information provided by the department in this area is the monitor of…(inaudible)...distribution movements through the use of satellite collars. There’s 20 of them being identified, public information and education programs, an inventory compliance activity in consultation with community stakeholders for a total of $525,000. It’s an area that has come up as a result of the monitoring that has been going on and the decline in the count that has happened and the environment that we work under with our co-management bodies. The discussions have been ongoing with the groups throughout the territory in this area. As the Member stated already, in this area of doing a caribou summit or something of that nature, that hasn’t been discussed, but it is requested by the Minister in the consultation with community stakeholders as part of this $525,000 is $140,000. Thank you, Mr. Chairman.

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

MR. RAMSAY: Thank you, Mr. Chairman. I thank the Minister for that. The last thing I’ll say is that I believe wholeheartedly that the sooner you get all of the stakeholders under one roof to discuss issues that are relative to everybody, then and only then can you come up with a management plan and until you do that you really, like I said, it’s like you really don’t know what the target is, you don’t know what the end game is, you don’t know what the results are going to be. You have to get everybody together. So I’d just leave it at that, Mr. Chairman, and I know the Minister was listening to my statement the other day and the questions I had for him and I would suggest this caribou summit take place the sooner the better. Thank you, Mr. Chairman.

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

MR. VILLENEUVE: Thank you, Mr. Chair. Just to the respect of the caribou mismanagement strategy here for $525,000, I know that this government here has been studying caribou right until they’re blue in the face here and we’ve had so many studies on caribou, you know, right until they’re blue in the nose. We have stacks of information on caribou numbers, migration routes and community consultation processes and all this, and now we’re spending another $140,000 on more consultation. I don’t know what really is going to come out of it, because I’m sure we’ve spent millions of dollars on consultation and other companies also spent a lot of money on counting caribou.

The West Kitikmeot South Slave Study has been studying caribou and other wildlife for the last 10 years also. You know, we have just tons of information out there and I think that the $200,000 even for 20 satellite collars, that’s $10,000 a satellite collar, Mr. Chair. Like what are they doing? What are they renting to go and track down these caribou, because to me that’s pretty expensive collar... anyway for caribou, the ones that especially are nearby, I don’t think it costs $10,000 to go and collar one in one day. That’s quite a waste of money I think. Just with the consultation, $140,000 is not going to get you much consultation. I know that just from what I hear in talking to a lot of elders and a lot of hunters and trappers, that it’s just the government biologists are just dictating what the government should do with caribou management and these biologists aren’t even from the North and they have never even lived in the North and they’re just here driving their own agendas into the government’s management regime as far as when it comes to caribou. I don’t think that the government, whether they consult with the locals and the hunters and trappers and the stakeholders or anything, is going to make any significant changes that will help any of these stakeholders in caribou management. I couldn’t say for sure whether there’s a large decline in all of these herds, but I know that some of them have just taken different routes that they’re just not seeing as often anymore and that’s the word I get.

So I can’t speak anymore to the topic, but I just wanted to let the Minister of ENR know that I hope something really positive comes out of this whole management strategy at the end of the day that works for the outfitters, works for the hunters and trappers and works for all the stakeholders involved, because it sure is a real waste of money as far as I’m concerned. Thank you.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, I appreciate the comments from the Members. I don’t agree with them, but I appreciate the opportunity to exchange these views.

First in regards to a caribou summit, I publicly announced that a number of months ago that we’re going to do that, but it’s predicated on the necessity to have information. There’s no use to get all the people together, there’s no use to get all the leaders and all the user groups together if we don’t have information to talk about, that if we just sit around the table with each other and say well how many caribou have you heard, how many caribou have you heard that there are. I mean it would be sort of a pointless exercise unless we have all the best evidence we can get, which is what we are currently doing. We also have an obligation, a legal obligation to work with the land claim groups. It’s written into the land claim agreements and it makes very good sense with the wildlife board to have this
shared responsibility, and we work very closely with them, and we consult with them and they give us their advice, and we most of the time agree and sign off the requests or recommendations they make to us in terms of their suggestions of how to deal with the wildlife, including caribou. We are the only agency, the only group that is doing any information gathering. Nobody else does that. We involve the wildlife boards, we use local people when we’re flying over their territory when we’re doing the counts, when they’re doing the surveys and we’re making every effort to be inclusive.

So we have a major issue here. There is significant decline in one of the major wildlife species in the Northwest Territories, as well as Yukon, Nunavut and across Northern Canada. We have to take all the necessary steps to get the evidence together and then start doing more coordinated planning and this is what this money is intended to do. Thank you.

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

Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chair. I won’t speak too much about this anymore until we find out what happened and what kind of a strategy rolls out of this. Maybe I just want to ask the Minister when is this strategy going to come to some fruition, I guess, and when is the summit going to happen? You know, another caribou summit, aboriginal summit, housing summit; you know, every time there’s a crisis situation, let’s have a summit. So anyway, what’s the deadline for this strategy anyway? Thank you.

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

Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chair. Mr. Chairman, I’m starting to suffer from what they call cognitive dissonance; I hear one Member saying caribou summit right now, today, yesterday, last week and I have another Member three seats down saying summit this, oh it’s a waste of time. The reality is we have an interim plan that we rolled out in the winter where we had some measures that are going to carry us over the last winter and the coming winter. We’re doing all the scientific census taking and the surveys and the counts and the predation studies now. That information will be ready in late fall/early winter and once we get that information in, we’re going to be looking at before the end of winter having a gathering of the appropriate groups, the aboriginal governments, the stakeholders that look at what the information tells us both in the specific areas, as well as what do we do as a territory when we look at if all the herds are continuing to decline then we’re going to have to have some broad territorial-wide strategies. So this is a very, very important issue and that’s the process and this is going to be one of the biggest issues you’re going to be dealing with in the rest of the life of this Assembly, in my opinion. Thank you.

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

MR. VILLENEUVE: Thank you, Mr. Chair. I don’t want to downplay the importance of caribou in the territory or in Nunavut or in the Yukon, that’s for sure, but I think a better community-based comprehensive approach has to be taken. A traditional knowledge approach to how we manage caribou has got to be taken up by this government and maybe that’s why it’s in decline, is because we’re just listening to too many biologists and people that just have never hunted a day in their lives and they’re telling us how to manage our caribou and our wildlife. I think that’s the approach that we really have to incorporate a lot of traditional knowledge on what is the best approach to managing wildlife and it’s long overdue definitely. Maybe that’s why it’s in decline and I hope that when we do get all this information that comes out of this management strategy and the recommendations that come of out of these stakeholders, especially the hunters and trappers and the people that are actually out on the land that make these recommendations, this government actually uses those recommendations. Like a lot of the recommendations that come to this House and we have piles of reports of recommendations on improved programs and services and nothing gets done. So I really hope that something positive and we actually move forward on this whole initiative, because I sure in heck wouldn’t want to see a good management strategy that costs a half million dollars come through this House and it gets shelved because, oh, all of a sudden now they didn’t make an accurate count of one herd or another herd, oh, the numbers weren’t really that good so let’s just shelve all the recommendations of the strategy in five years from now. Thank you, Mr. Chair. That’s all.

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

MR. YAKELEYA: Thank you, Mr. Chair. The issue here is about our life as people in our region. When you talk about caribou, that’s our life. I wonder a lot of people who depend on caribou for their livelihood. This is exactly their life. You know, we have a decline or there’s some serious issues as some of the caribou are not as populated in the region as we think they are, then our elders get very concerned. I think that’s where I support what Mr. Landry is saying about we have a summit where real stakeholders are the elders who live off the caribou for the earliest time of their life. Us, we’re okay; we can go to the stores and that, and once in a while we go hunting.

By the way, Mr. Miltenberger, did I ever tell you about my hunting story? This is what the elders depend on and this is who should be at the summit, are the ones who know about the caribou, who depend on, who grew up on the
caribou. I think they can work cooperatively with these new biologists coming out of universities who have all their high school and technology in terms of how to track the caribou. Well, that's only one method. The other method has to be by the traditional knowledge and I think that's where you've got to have a real good balance of the traditional knowledge and the technology as satellite, collaring the caribou. All the elders don't like that, but you have to talk to them and you have to listen to them to have them explain to you why they don't like the collaring of the caribou. Sometimes we don't take those suggestions or advice too kindly because it just might as well collrar them.

So anyhow, I really want to support you on this summit here, having some regional discussions with our stakeholders. I think the other key ingredients here on this one here is we educate our children.

I got excited last year when somewhere you mentioned that there was going to be some cabins along the winter roads for monitoring caribou. I'm not too sure if that come about, but that's a real key in terms of having the youth go out there with the wildlife officers and have educating programs with caribou. So I think that's a real key in terms of the education programs and I support what you're doing here, because, as you said, this is the first of many and we're doing this and you have to certainly consult the land owners in the Northwest Territories. There's a couple land owners that need to be consulted. So I look forward to the summit. I look forward to some of the older people, the hunters, I look forward to them being at this summit here. That's their life you're talking about.

So that's really key here. So this is a really serious issue for my people and they depend on this caribou. So I'm just going to make that comment to the Minister and I think he's taking all our comments into consideration for this important issue here. Without caribou, my people said there's not going to be many of us left here. Caribou is their life. So we're talking about the aboriginal people's life here and this is serious. So I really want to say that this is what the elders say when they sit and they talk about caribou. People in Colville Lake, we know this history of Colville Lake people and the caribou and there's a mountain there that if you ever took the time to listen to Colville Lake people, ask them about that mountain and how their people come about. It's from the caribou. Really listen to those old timers. They're serious here so we can't mess around with this stuff here. My people are depending on this issue here. They're experts in there. I don't know why we're not using those experts in the small communities, Paulatuk, Sachs, Whati, Colville Lake. There's lots of experts sitting there... (inaudible)... so heavily, there's experts sitting right now in the communities wondering what they're going to do with their life and they don't have the paper, but they have a paper in their head. As the elder said, my paper is up here. They ask him for a certificate on First Aid. It's all up here, he says. Because I don't have the paper, they don't hire me. So I think that this is their life that you're talking about. I ask the Minister to have some consideration when you talk to stakeholders, when you talk to people monitoring it, talk to the original people of the land that can also help the biologists. By far we can help the wildlife technicians coming in here and they certainly can help us.

So it's got to be a balance, Mr. Minister, Mr. Roland, on this issue here. So I'm looking forward to a summit, as Mr. Landry said. I'm looking forward to a good summit and I certainly support hearing you're pushing for a good summit, a strong summit for the people. So I just wanted to say that for my people, set my people free. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, first and foremost, the Minister must have a supplementary appropriation approved for his request here and, as stated, the consultation with communities and stakeholders is something that is mandated by the agreements we have in place now with those that have settled claims and co-management boards as well. Through that process, hopefully much of what the Member has discussed could be incorporated through those co-management boards that have their renewable resource councils and so on on the ground in their communities and if the co-management boards want to involve them in that process, there's a door right there. So first and foremost the issue and the importance of the caribou is why the department has come forward for this request. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland, Mr. Yakeleya, any more general comments? Thank you.

MR. YAKELEYA: Mr. Chairman, thank you. I appreciate what the Minister is saying. These are comments just on behalf of the region. So he's got my full support in terms of this issue here. So 110 percent from me.

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

Page 22, Environment and Natural Resources, operations expenditures, corporate management, not previously authorized, $114,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Environmental protection, not previously authorized, $560,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Forest management, not previously authorized, $992,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Wildlife, not previously authorized, $525,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Total department, not previously authorized, $2.191 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 23, Municipal and Community Affairs, capital investment expenditures, community operations, not previously authorized, $624,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Regional operations, not previously authorized, $4.037 million.

SOME HON. MEMBERS: Agreed.
CHAIRMAN (Mr. Pokiak): Okay, page 23, lands administration, special warrants, $394,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Regional operations, not previously authorized, $4,037 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Municipal and Community Affairs, capital investment expenditures, total department, special warrants, $394,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Total department, not previously authorized, $4,681 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Page 24, Public Works and Services, capital investment expenditures, asset management, not previously authorized, $1.085 million.

Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I'm just wondering, again, I want to know why this amount, the $320,000 appears in the supplementary appropriation given the fact that it's public knowledge that now Public Works and Services has $320,000 earmarked to study office space in Inuvik and something about that just doesn't make sense to me how Public Works and Services could go out and put a number, suggest a number of $320,000, put it in a public document and then go out and issue a tender for completion of the work. To me it's saying we've got $320,000, why don't you just come and get it? It just doesn't make a lot of sense for me, nor do I believe that it takes $320,000 to complete the work that is suggested in here. That's insane that it's going to cost that much money to study office space in the town of Inuvik. I would even hazard a guess that Public Works and Services has a contractor already earmarked to complete the work and he or she has told them it's going to cost you $320,000, you'd better go out and get it because this is what it's going to cost. I'm just looking at this from the outside looking in and this is what I see, and I'd like if maybe the Minister could explain that to me. Why do we show our hand, why do we put this in a public document if we're going to go out and get this work done? Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the simple facts are that the Department of Public Works can't go out there and request or go and on the sly get an amount from any contractor. The money is not there for approval to go out and spend that type of money. This is a result of the office building that the Department of Public Works, Department of Education, Culture and Employment, Transportation, Financial Management Board were in a building in Inuvik and safety concerns came up and we had to remove all personnel from the top three floors of that facility. The main floor is still being used by the Department of Public Services as a result of moving out the staff and all the materials within the upper floors of that facility. With this situation on hand -- and the landlord that we're dealing with is not moving at this time -- there has been discussions around the remediation that would be required. Structural engineers have looked at that facility both from our end as well as from the landlord's end, and there hasn't been a successful remediation plan put in place. So right now we have a number of departments in other spaces around the community. We've taken all available spaces, whether they're efficient or not for departments to use, because that's all that was available.

The community of Inuvik will only be growing and the demands for space will only be growing, as well, as we look at the issue of accommodating not only government, but the private sector within that community. The government has been hearing from departments for quite some time, whether it be Education, Culture and Employment where their main office is up there, or the Department of Health and Social Services, with their Public Works office and their location, income support and where their location is, we've had complaints in the past about adequate space, useable space. So dealing with the fact that we are now out of a space that we were occupying and the fact that we're going to have to look at some new office space, this had come to the forefront. The amount requested of $320,000 is not just for one contract. There would have to be a consultant hired to conduct planning and functional programming for the office space in Inuvik and that would involve a number of departments, as well as departments within the department. There would be some travel undertaken; there would be looking at existing land situations and once a suitable place was looked at, then we need the geotechnical work to be done. So the $320,000 wouldn't be just for a consultant. It is a request for the obvious, that we need to put a plan in place to deal with the office situation in Inuvik.

The situation we'd normally find if this was in our capital plan, for example, within Education or Health and Social Services when a project is approved, the first year of planning already has these dollars identified in it for planning and programming and a functional review. Because we don't have a capital plan in place and we need to come up with a plan that we'd have to bring forward and then put in, if there was acceptance, put it into the capital plan process. So that's why you see this one on its own, as normally it would be part of a capital plan process in your first year of expenditures. Thank you, Mr. Chairman.

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

MR. RAMSAY: Thank you, Mr. Chairman. Just a couple of other questions. I guess the first one, the obvious one, is why isn't the private sector involved in the procurement of office space? You know, if you do have office space requirements in Inuvik, why aren't you going out to the private sector to have an office building built? Why are you hiring a consultant to run out and do this work when you don't even know what you're doing?

The other thing I'd like the Minister to provide me with is a breakdown of what this $320,000 is going to be spent on, because I really am having trouble trying to understand why we would go out and do geotechnical work. Are we building an office building, or are we going to get somebody else to build an office building? Thank you, Mr. Chairman.
CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as I stated, the money would be used for a number of areas. One is a consultant to conduct planning and functional programming. As well, we would have to, for the departments and travel and for our own staff to talk with other departments that would be directly affected. As well, the surveying that would have to happen at a site, and geotechnical review. There are a number of locations of land that’s owned within the community by the Government of the Northwest Territories. We have to see if they’re in fact suitable sites to look at an office space.

The fact that we do have to get a plan together before we can go out to the private groups out there to see if they would be willing to enter into an arrangement where we’d see new office space, right now in fact the private sector is directly involved in the sense of accommodating the staff that were removed out of the Parry Building. For example, we’ve had a number of staff housed in the Mack Travel building; the Eskimo Inn; the Tuma Group Home, which was actually an owned facility that some of the staff are in; as well as the remaining left in the Parry Building itself. We cannot stay in this situation for much longer. As well, the Parry Building itself, if we have to move the Public Works staff out of there, then we would be in warehouses. That’s probably the situation we have to go to.

The fact is, we have to get a plan together to be able to deal with whether we go out to the private sector for whether it’s a lease-to-own or a leased facility, or we look at our own capital program. So there is going to be opportunity for the private sector once that decision is made. How many of our staff would we look at moving into a facility, or how many of the other landlords out there when we have agreements that are going to expire, lease agreements, those things have to be taken into consideration. So that’s some of the things that we need to work on. Thank you, Mr. Chairman.

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

MR. RAMSAY: Thank you, Mr. Chairman. Again I didn’t get a breakdown of what the $320,000 is going to be spent on. I’d like that. In addition to that, doesn’t Public Works and Services, just as a matter of regular day-to-day business, keep track of, you know, the disposition of office space, future needs, how they’re going to react? Like isn’t some of this work already, or should have already been done? Isn’t that somebody’s job, to be looking after that type of issue? You know not just in Inuvik, but here in Yellowknife or Hay River or wherever the government leases office space, shouldn’t somebody have a finger on what’s going on? Again, I’m just, you know, shocked that we’re going to spend $320,000 to find this information out. I don’t think we’ve done enough homework and I don’t think we’re going out to the private sector, and I think the Minister and his department should look to the private sector to fill their office requirement needs. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, we’ve been told on a number of occasions, do it from within in-house. We get told to go out to the private sector. So we try to accommodate as much as we can on both sides of the scale. I just believe no matter how much homework we do, it’s not going to be enough for the Member.

The fact is, we do have people who monitor our assets, our lease arrangements. But the fact is also, we weren’t counting on one of our leased facilities that houses four departments to be shut down because of structural reasons, and spread the rest of the departments over a number of spaces. You can talk to the staff within the community of where they’re housed and they would tell you how unhappy they are in the places they were put. So we’ve had to, on occasion, go to older facilities and out to the private sector and they would renovate an older space, and that’s what we would have to take because that’s what’s available. Now we’re in a position where we have to come up with new space. Whether it’s lease-to-own leased or if it does get approved for capital program, that’s something we now have to come up with a functional plan, a program that we could actually come up with some estimates and then go out to the private sector for an RFP or tender. Before we do that, we also would have to that discussion around this table to see if we would use a leased program instead of the typical capital program that we enter into. So there’s a fair bit of work that needs to be done.

The Department of Public Works and Services has four houses in-house that right now deal with the functional program and review of all the projects that the client departments bring to us, and there’s a four-month backlog on that. So if we want to do it in-house, then we would have to look at what other programs we bump to accommodate this. Because we don’t have adequate office space, it would take priority over some other projects out there. That’s why it’s coming forward in this basis for additional funds. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Page 24, Public Works and Services, capital investment expenditures, asset management, not previously authorized, $1.085 million. Mr. Ramsay.

Committee Motion 24-15(5) To Delete $320,000 From PWS’s Asset Management Activity in Bill 2, Carried

MR. RAMSAY: Thank you, Mr. Chairman. I move that $320,000 be deleted from the Department of Public Works and Services asset management activity in Supplementary Appropriation, No. 1, 2006-2007.

CHAIRMAN (Mr. Pokiak): Motion on the floor. Motion is in order. To the motion. Mr. Braden, Mr. McLeod. Mr. Braden.

MR. BRADEN: Mr. Chairman, with reluctance I’m going to vote for the motion to delete. The amount of information that the Minister’s providing is not enough to convince me that for $320,000 we’re getting value for money. I really have difficulty accepting a request for this amount here. The information given us originally here to provide funding for planning and the functional program, the new consolidated office complex in Inuvik. It doesn’t go far enough as to say we’re getting detailed drawings or architectural design. That’s going to be another part. You know, Mr. Chairman, given the kind of descriptions and information that I’m used to from the government here, there’s going to be a lot more money spent on planning before a single board is put in place for this complex. I’m
not arguing that it is needed, but as with so many of the other objections that you've heard us raise, it is with the process and the stages and the steps that we're taking to get there, and truly are we receiving value for money. I don't have a full enough sense of what the stages are and where we are going with this to approve this. That is my objection, Mr. Chair.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Braden. Next I have Mr. McLeod.

MR. MCLEOD: Thank you, Mr. Chair. I was originally going to make this motion, but I had to give it some thought here. I mean I know this applies to Inuvik and my problem is not that we don't need an office space in Inuvik, I mean that's something that should have been identified a long time ago and the plan should have gone into the works for that. And $320,000, you know I'm arguing trying to get a couple more bucks for SFA; I'm arguing trying to get a little $1,200 from someone that was travelling on a medical trip to Edmonton, and we toss around $320,000 like nothing and I have a hard time with that, I really do. We need the office space. I don't think it's going to cost $320,000 to hire a consultant. Consulting is a word that seems to be used a lot here. Consult with us before it even comes into here. You know, I would appreciate that. Give me a good business case of why it should be in here.

AN HON. MEMBER: Hear! Hear!

MR. MCLEOD: Now, the thing that I'm having difficulty with, it says Inuvik. That's the only thing.

---Laughter

---Interjection

MR. MCLEOD: Actually, it's not.

---Laughter

But I really have difficulty with it. Mr. Chair; $320,000, and, like somebody said, you have to go with your gut feeling. I hate to admit it, but my gut feeling just is the word Inuvik. I think it's bad planning. Mr. Chair, I really think it's bad planning and I really have a difficult time, especially when we're trying to scrape a few bucks together for some other I think more worthy programs. Too much money, in my opinion, is going into consultants. Maybe I put too much stock into our 4,300 workers within the Government of the Northwest Territories. Maybe I think they can do the job. But I see the amount of consultants that are brought in and outside help for us, hiring extra people for that. Maybe I was wrong. Maybe I put too much stock in the people that work for us, thinking they have the in-house resources to do something like this, which I think wouldn't be that hard.

So, Mr. Chair, I didn't state a position. I am going to listen to what the rest of my colleagues say, but gut feeling says Inuvik. Thank you.

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

MS. LEE: Thank you. Just a few short comments to add to this, Mr. Chairman. I think Mr. McLeod is right when he said that around here we lose the concept of money. We throw around $100,000 here, $200,000 here, $200 million like it's just numbers, you know, and $330,000 is at least $100,000 more than my house is worth. Three hundred twenty thousand would get us at least three teachers, or at least five special education assistants. It would get us at least three Novel housing, according to the Minister of Housing's math. It really is a lot of money. On the basis of what we're hearing, that is not going to get us...I mean we just don't have enough detail. I think I'm voting for the motion as a deferment for the Minister to come back with more information.

I just want to add, as I think it's been repeated by lots of other Members here, something's going on with the way this government studies and hires people for everything. I mean it's about time they trust their own judgments and their own powers and the work of the government workers, you know? I mean I talked about the consulting report of the educational facilities review, for example. I mean just let me not even get started on that. But I don't know when we just do our work, and you know $330,000 to start planning for a building is just too much. So I'm going to vote for the motion just to defer and to get more information as to why we need to do this and if we can do any better. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. To the motion.

MRS. GROENEWEGEN: I agree with what Ms. Lee just said. Three hundred twenty thousand dollars is a lot of money. There are other things going to be coming up here later on, too, which have to do with how this government spends capital and how they consult on spending capital. I suggest to you that you could probably in the private sector build most things for the price that you spend just on the soft costs and getting, you know, consulting done. Like I said in the committee the other day, I said I think that this government probably goes to design and everything else when they build an outhouse.

---Laughter

AN HON. MEMBER: They do. They do.

MRS. GROENEWEGEN: They do. I'm not kidding you. Like the PWS, I'm sorry, but if they're going to build a fire hall in Enterprise and they're going to build exactly the same one in Kakisa, they're going to go back to the architects and get it designed again. That is the truth.

AN HON. MEMBER: Sad truth.

AN HON. MEMBER: Reality.

MRS. GROENEWEGEN: And $320,000 is a lot of money. I could give you other examples of what you can do things for in the private sector. But like Ms. Lee said, that's more than the house she lives in. You know, I think it's more than the house that most of us live in, and yet we talk about it like it's nothing. Let's just get an opinion. You've got nothing at the end of the day on this consultation. What have you got, a report? You might accept it; you might not accept it. That's a lot of money. How can I stress this to you, Mr. Chairman? Anyway, I can't support the $320,000. Sorry.

CHAIRMAN (Mr. Pokiak): Thank you. To the motion.

SOME HON. MEMBERS: Question.
CHAIRMAN (Mr. Pokiak): Question has been called. All those in favour? All those opposed? The motion is carried.

---Carried

---Applause

Page 24, Public Works and Services, capital investment expenditures, asset management, not previously authorized, $765,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Technology Service Centre, not previously authorized, $77,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Petroleum products, not previously authorized, $7,045 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Public Works and Services, capital investment expenditures, total department, not previously authorized, $7,887 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): We will now take a short break. Does committee agree?

SOME HON. MEMBERS: Agreed.

---SHORT RECESS

CHAIRMAN (Mr. Ramsay): I will call Committee of the Whole back to order. Committee, there was a bit of an oversight on page 11. Can I draw your attention back to page 11 of Supplementary Appropriation, No. 1? We failed to mention special warrants. I am going to call special warrants, $182,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Special warrants, page 12, regional operations, $3.212 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 13, special warrants, total department, $3.394 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you, committee. We are now on page 25, Health and Social Services, capital investment expenditures, not previously authorized, program delivery support, $101,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Health services programs, $5.422 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Community health programs, $1.554 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total department, $7,077 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you. Page 26, Justice, capital investment expenditures, not previously authorized, legal aid services, $297,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Courts, $1.089 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Community justice and corrections, $305,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Services to the public, $93,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total department, $1.784 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 27. Education, Culture and Employment, capital investment expenditures, not previously authorized, education and culture, $12.336 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Advanced education and careers, $4.867 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Total department, $17.203 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 27, Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, the item for $3.520 million for the Deh Cho Hall in Fort Simpson, I had some questions for the Minister on that one. How old is that building and how much extra life does he anticipate we will get out of it by spending $3.520 million? Thank you, Mr. Chairman.

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

MRS. GROENEWEGEN: Thank you, Mr. Chairman. Mr. Chairman, the item for $3.520 million for the Deh Cho Hall in Fort Simpson, I had some questions for the Minister on that one. How old is that building and how much extra life does he anticipate we will get out of it by spending $3.520 million? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The building was originally constructed as a student residence in 1957. The amount we are requesting is the amount identified of $3,520 million would deal with code compliance for the building to keep it open for two to four years.

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

MRS. GROENEWEGEN: Mr. Chairman, $3.5 million to extend the life of a 50-year-old building by two to four
years? This makes the $320,000 in Inuvik to talk about design of office space pale in comparison. The folks that are in that building, we've visited that building, we've gone there for retreats and meetings, we have even had meetings in that building. Yes, certainly it's an old building but it seems to be one that is held in some endearment in that community. I can understand the code. I can understand the reports of fire marshals and that kind of thing, but they have been kind of nursing that building along and using it and getting some value out of it. Has the department considered other options other than this very extravagant amount of money for such a short extension of life? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. This facility has been looked at for a number of years as to what options could be undertaken to either keep the facility, renovate the facility or replace the facility complete. In our estimates in 2004 for the renovation, it was identified as $12 million. For replacement of the new facility, it was an estimate in 2004, for the same size, was approximately $19 million. The fact is there has been discussion back and forth between Education, Culture and Employment, the community, and options were sought from Public Works. The work that was done and what options may be went back and forth for some time. Finally, the fire marshal's office became involved and looked at the deficiencies in that facility. The work that was done with the fire marshal was to get his okay to do the minimal amount of code upgrades, to get the blessing of the fire marshal's office to allow us to use that facility until a replacement facility could be constructed. Thank you.

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

MRS. GROENEWEGEN: As I understand it then, you are going to put $3.5 million worth of renovations and upgrades into this building and in two to four years you are going to tear it down and replace it anyway. This has got to be the ultimate case of throwing good money after bad here and I do respect the fire marshal and the code, but the fact of the matter is that usually upgrades to code and bringing things up to standard don't come into play until there is a major renovation in the building. Once you start that process and start that ball rolling, then you have to comply with the newest codes. There is just a whole lot of things about this. How many square feet is the building and how much of it is used? If the building is replaced, tell me what the square footage would be of a new building. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the new facility would have to incorporate the Dehcho Education Council, Education, Culture and Employment's regional office, Aurora College program delivery administration, the Department of Justice and the community wellness worker. The other occupant of the building would be the community library, the Multimedia Society, cultural centre, day care and Fort Simpson Historical Society. They would not be housed in a new facility. I don't have the exact square footage. It would not be the same size, as a lot of the building right now is unoccupied because it was a student residence. There was a fire years back and that portion has not been occupied since. Thank you.

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

MRS. GROENEWEGEN: Thank you. So the new building's projected cost in 2004 was $19 million and would be considerably smaller and require less square footage for the proposed occupants than what is there right now. Have you talked to the fire marshal's office to discuss this to find out if there is anything of a lesser extent that could, on a temporary basis, satisfy the safety requirements? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the office of the fire marshal became involved in May of 2002. There have been ongoing discussions with that office in trying to get agreement as to what needed to be done with that facility to get the fire marshal to agree with the occupancy. There were some orders for immediate corrective action and that was done initially and, at that time, the office of the fire marshal determined that the building was not in compliance with a number of applicable National Building Codes of Canada and the National Fire Code and directed that specific improvements be made as a condition to remain in the building until 2006. Beyond 2006, at that time we were informed that we would have to do full code compliance. Full code compliance means exterior wall upgrades, vapour weather barriers and insulation upgrades, new floors designed to carry commercial office space loading, new and renovated foundation to support increased loading, all new windows, doors, sprinkler and fire alarm systems, renovated heat system, new ventilation system, all new electrical and plumbing systems, new firewalls in some areas, asbestos abatement, additional exterior door for fire safety reasons. Those were the items that we were told we would have to bring up to full code compliance. Based on that, Public Works looked at the estimates, brought that to Education, Culture and Employment and looked at what options were available. Upon further discussions with the office of the fire marshal to see how much longer beyond 2002 we could use the facility and if we had a plan in place to replace it, what we would have to do to meet the minimum requirements. That's what we have brought forward now. This facility has been looked at, reviewed, discussed with community, with the Department of Education, Culture and Employment. Unfortunately, no satisfactory result came about until we were in the situation now with the fire marshal in having to do a minimum amount of work until we can get ourselves, or get the department, into a new facility. Thank you, Mr. Chairman.

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

MRS. GROENEWEGEN: Thank you, Mr. Chairman. If that long list you read off to bring it up to code is considered a minimum amount of work at a price tag of $3.5 million, I would say that that has been...So it wasn't that list that you read off then. Okay. I understand my time is running out, so I want to tell you what I think you should do. I think you should go right away to tender for a private developer to build you the space to replace the required square footage in that building. You know what? I
guarantee you they will build a whole building for $3.5 million and you can lease it for a reasonable rate. Talk to the fire marshal. It’s our government to our government. Talk to the fire marshal. Go to tender right away for office space. A private developer, I guarantee you, will come in there and give you a reasonable deal. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mrs. Groenewegen. Next on the list I have Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chairman. I haven’t been a resident of Fort Simpson for quite a number of years myself. I know basically the Deh Cho Hall inside out. I know it’s an old building. Half of it is storage space. I don’t think the Department of Education, Culture and Employment, the education council, Justice and community wellness are all departments that take up...Some of the offices in there are 20 by 40 feet offices in that building. That’s way overkill. I think that the government could use something that is probably half the size and just as functional for the same cost. Just a question to the Minister, is the upgrade going to keep the library open, the Multimedia Centre and the day care centre. The bingo hall that’s in there, are they going to benefit out of $3.5 million, or is this just for the government portion of the building and the Deh Cho Hall itself? Is it for the whole building upgrade or just the government’s section? Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. The requirement for the upgrades that we’re requesting here would be to allow the occupancy of all those that are presently in that facility. Thank you, Mr. Chairman.

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

MR. VILLENEUVE: My next question is how much of this $3.5 million is the government contributing in-kind to all these other facilities to bring them up to standard to keep their doors open? Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, for the record, again, the occupants within that facility are the Department of Education, Culture and Employment, Dehcho Divisional Education Council, Aurora College and the Department of Justice. There are non-government occupants; the John Tetso Memorial Library, Open Door Society Family Resources Centre, Multimedia Society, cultural centre, day care centre and then there’s a community wellness worker and the Fort Simpson Historical Society with approximately 27 staff working in that facility. Thank you, Mr. Chairman.

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

MR. VILLENEUVE: Yes, I guess it’s quite obvious that the other community societies that are occupying that building comprise more than 50 percent of the whole building itself, just thinking about the building itself. Is the government going to be looking at ways to recoup any of this $3.5 million, or is roughly $2 million of that $3.5 million going as a grant-in-kind to all these societies, the historical society, the Multimedia Centre and the library? How much of that money is going as a grant-in-kind?

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the money right now identified to keep the facility open would be charged against Education, Culture and Employment. There is no grant-in-kind being proposed to those other organizations. Thank you, Mr. Chairman.

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

MR. VILLENEUVE: Thank you, Mr. Chairman. If there is no grant-in-kind, if you bring the library up to standard, the Open Door Society up to standard, the cultural centre and the Deh Cho Hall up to standard, who pays for that? Is that coming out of the government coffers because we are such good people or the building is of such high sentimental value to the community? What are the reasons for the government to agree to do all these upgrades at no charge? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Chairman. Any further, Mr. Villeneuve?

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the total amount to keep the facility open as it stands now, the parts that are being used, is $3.5 million. If we decide we are going to shut other sections of the building down, then that’s what we would be doing if we decided to just upgrade the main departments. The decision, as the facility is constructed, your heating system is going to run throughout, your existing fire suppression system would have to be maintained, those things, electrical would have to be maintained as well. So the amount requested for keeping that facility open, as has been discussed with the fire marshal’s office, our estimates are $3.5 million. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Anything further, Mr. Villeneuve?

MR. VILLENEUVE: Thank you, Mr. Chairman. Just one more quick question. If you are going to run a sprinkler system through the library and the cultural centre and the Open Door Society offices, you don’t have to if you didn’t want to keep them open. So why incur that extra cost if the government isn’t going to recoup it somehow through their community capacity building initiatives or all this Northern Strategy money the government is throwing around, the gas tax money? Why don’t we get a contribution from the community on that portion of the building that we are paying for to keep them open? Why haven’t we looked at that and downsized this supp? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the work that’s been done with the fire marshal on continuing the occupancy for a minimum amount of time to get us to the situation where we would have a new facility in place, the required amount of work based on our estimates and in discussions with the fire marshal’s office as well as electrical inspectors is going to cost $3.5 million
is our estimate. Whether or not we decide we are going to shut down other portions of the building, I am not sure
what the impact would be on these estimates. Thank you,
Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister.
Anything further, Mr. Villeneuve?

MR. VILLENEUVE: No, that's fine.

CHAIRMAN (Mr. Ramsay): Mahsi, Mr. Villeneuve. Mr.
Braden.

MR. BRADEN: You know, Mr. Chairman, I think the town
of Fort Simpson really deserves better, much, much better
from this government in terms of assessing what we know
is a vital piece of infrastructure for this community as well
as for our government. The Minister has told us some of
the history of trying to get a solution and get resolve on a
plan that would suit everybody, and he hasn't been able to
do so. The issue for me is the amount of time that the
future and the issues regarding this building have been in
play. I guess that's the question I would like to ask, Mr.
Chairman, or start asking, is just how many years has the
future of the Deh Cho Hall been in question and how is it
that now we are faced essentially with an ultimatum that
the fire marshal has called on and now we have to look at
this situation almost in desperation? How long has this
been in play, Mr. Chairman?

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. This
facility has been discussed, plans have been devised and
discussed with the Department of Education, Culture and
Employment with the community for quite a few years. As
I stated earlier, the fire marshal's office became involved
in 2002. I can say that the departments have bent over
backwards trying to accommodate the community. Public
Works has revised a number of options, gone back to the
drawing board a number of times trying to satisfy the client
departments as well as community requests and
concerns. We have now come to a stage where we have
run out of options with the fire marshal's office and a
minimum code upgrade is required. We have done that
estimate. Even if we were to, for example, look at portable
units, the timeline of getting those units built from a factory
somewhere in Canada, shipped up to the community, built
or put in place, even for temporary means, even if it's a
year or two until a new facility can be built, we are still
looking at a substantive amount of dollars.

So looking at the facility and what options are available,
the decision now to replace the facility, we are going to
need a minimum of two to four years to get a new facility
in place. Thank you.

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

MR. BRADEN: The timeline we are looking at here, $3.5
million to get an extra four years of life... I'm sorry?

---Interjection

MR. BRADEN: Two to four years, thank you. Two to four
years' life out of this building and even then we are
looking at shutting it down. Mr. Chairman, this pushes the
notion of value for money way out there into the
stratosphere. It's almost extraordinary that the
department would bring such a scenario to the floor of the
Assembly and ask for approval of it. If we do the math on
this, as the Minister has already advised us on some
previous projects, we are looking at an annual increase in
the capital construction costs in the Northwest Territories
of at least 10 percent per year. So we take something we
know would cost us $19 million now, it's going to increase
by about $2 million a year for every year that we don't do
something about it. So even if we go the four-year window
here, we're talking about adding somewhere in the
neighbourhood of nine to $10 million by the time you
compound it. We're looking at a $30 million building in four
years that today would cost 19. I don't want to deny the
people in Fort Simpson this kind of facility, but, Mr.
Chairman, to ask us to approve this money and then still
have nothing on a go-forward basis is astonishing.

Mrs. Groenewegen asked a very good question right
upfront: what kind of options has the government looked
at? Where are the private sector partners or in fact the
aboriginal partners? The Dehcho aboriginal government
has, by very skilful negotiating, managed to tap some
fairly significant federal dollars. Are they interested, for
instance, in making an investment in their own region, in
their own infrastructure, just as one example of a potential
partnership that's out there to help to do this? What I'm
getting at, Mr. Chairman, is thinking outside the box,
getting creative and involving the whole community, not
the whole region, into some answers. I cannot support this
appropriation based on what we know, Mr. Chairman.

So that's the question that I would give back to the
Minister is what other options, or is the Minister ready to
go back to the region and back to the communities and
give them the same ultimatum that he's presenting to the
Assembly here and say what can we do to come up with a
good solution that's going to suit everybody's needs and
have some long-term use for it and some value for
taxpayers' money, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr.
Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr.
Chairman, as I stated earlier, there have been numerous
options looked at and reviewed, presented to the
department for decision and working with the community.
The community wanted for quite some time to keep the
facility and have it renovated. When we looked at those
options for renovation and the value for money, it was felt
that the best investment is for a new facility. That
decision was made. Unfortunately from the timeline the initial
discussion started to where we are now, we have been
burning the candle at both ends, so to speak, and are now
in a position where to proceed we need to have some
space so that it'll carry us to the next stage. If we do,
which the government will have to look at is, again, as I
stated earlier, the capital plan that we have is fully
subscribed to. There is little to no room for additional
capital programs. So as a government we're going to have
to look back to the situation of leasing instead of owning
some of our own facilities. The new facility, who would be
housed in the new facility would be the Dehcho Divisional
Education Council, the Education, Culture and
Employment regional office, Aurora College program
delivery and administration -- so that's the learning centre
as well -- and the Department of Justice. Those would
be the occupants of a new facility. The other occupants that
now would not be in a facility as we're not mandated to
build those spaces into a government space, the Dehcho First Nation government, if they're interested, could work as we have suggested in other communities if they wanted to put additional space into that space. They could work with us and provide the funds in those areas. But these core areas of service delivery are GNWT areas of mandate, so we have to be doing that at a minimum on our own. That's the decision that's made, is to replace with a new facility for the mandated departments I've just listed off and we're still going to need a minimum of two years to get a new facility on the ground. In the meantime, we're going to have to do minimum code requirements to keep this other facility open. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Braden.

MR. BRADEN: Yes, briefly, Mr. Chairman. What is so disappointing about this discussion is just the inability of the Minister, and I'm assuming the client department here, to broaden their horizons, to look at innovation and new thinking that could really work in the best interests of the whole community for the long term. I just don't get the sense that the government is capable of doing that and it is terribly disappointing and now we have this ultimatum in front of us.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Next on the list I've got Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I know this is not an easy decision and it really does impact the community. It's a very important building, it's a community building. I know the building extremely well and I realize the importance of it. I was there in Fort Simpson not that long ago and I got to walk through it again and see the day care and the important infrastructure that it provides to the community and you can definitely realize how critical it is to the community. I shouldn't just say Fort Simpson, I should call it the community at large.

The trouble is, are we giving value to the community? I'm cautious, because if for $3.5 million are we giving the community just a temporary band-aid solution? I'm concerned that the delay on this process that started I don't know how many years, and maybe that's what I should ask the Minister first is, when did this report first come out about these doom and loom, or whatever the phrase goes, as when these problems sort of arisen? So when did this report come out that the fire marshal said that the building needed to be shut down? When did his officials put their stamp on it and say that something needed to be done today? When did that clock start ticking? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. As I stated earlier, the indication I have, the fire marshal's office became involved in 2002 and looked at a number of things and looked at the occupancy until 2006, as well as other timelines. So it's been a number of years. Quite a number of options were looked at. Other options can be re-reviewed.

If we want to go back to the drawing board and try it again, the fact is there is no dollars identified for the Deh Cho Hall right now in the capital plan. Any work to do any improvements or to even look at portable units to put in the community interim, we need the funds. There are no funds right now in the plan to deal with that facility. Unfortunately, we are in this situation. The work was reviewed quite a number of years ago, but the plan wasn't accepted and, based on that, I can only go on why it never made the cut whenever it came forward for funding either for renovation or replacement in previous years. I know from our involvement at this point we've looked at a number of options, we've worked with the client department, the client department has now come forward with a request for the fact that this needs to be done to continue occupancy of the building. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. Mr. Minister, I appreciate those answers and it certainly feels as if the decision to do this was made at the last minute, whereas now we're forced with a really tough decision. Do we spend a lot of money to save a community building that truly is the heart of the community, or do we look like bad guys and say that we're not getting good value for money? The fact is, are we doing the community a disservice, because if we spend $3.5 million and if we get who knows how many years, I mean, some are saying two, some are saying four, but even if we get $3.5 million at three years worth of service, I mean, how much more will it cost to go beyond that? I mean, will it cost us another couple million dollars to go a couple more years? And at that time, I mean, how long do we have to sit on our hands before we make the right decision, which is this community deserves a proper building, a proper facility to run their day care, to run their community centre programs, to run the education offices, the library, the Minister knows all this. We don't need to lecture the Minister. But it's a shame that the wisdom, I should say or lack of wisdom, through the FMBS process that it's left us to the last minute to make this cruel decision. I'd like to hear from the Minister on how much it would cost to tear that building down. How much has there been an assessment, an environmental assessment, on the extensiveness of what it would cost? You know? I'm sure that this building is inundated with asbestos and lead paint and who knows what else. On top of that, if renovations were to start today, that $3.5 million renovations, how long would it take to do them? Would it take a year to do them? A year and a half? Did the clock start ticking the day one if we approve the renovations? Would we impede on the fact that the three years of life actually turns out to be a year and a half or two years? Are we again getting value for money? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, this is not a result of the FMB or FMBS process. This is a result of a plan that was tried to be worked out with the community and the client department, being Education, Culture and Employment, looking at a number of options. What was presented wasn't satisfactory with the community and a revised plan was worked on, put forward. Unfortunately the situation has gone on that the fire marshal has said this is the minimum requirements that are required at this point. So, Mr. Chairman, I don't know how many times I've got to say and repeat, the fact is there are no dollars identified right now in the capital plan to deal with the Deh Cho Hall. The only way there's
going to be money to deal with this in the temporary or long-term process would be to get approval from this Assembly. That’s why the department has now gotten to the stage of doing that. They’ve looked at options to try and keep the facility open. The fact is a new facility, and this is what I think was of concern to the community as well, partly for the department, is that the new facility would only address the GNWT’s need for space. That would be the Dehcho Divisional Education Council, Education, Culture and Employment’s regional office, Aurora College program delivery and administration, and that means their learning centre as well, and the Department of Justice. So, Mr. Chairman, the many questions that keep coming out as a result of this, yes, when we look at value for dollars being spent this is not the best way to spend money, but ultimately we’ve got to have office space to keep these places open at a minimum until we get a new place. The department has identified they’re going to go for a new facility and they would have to come in and get into the capital process through the business planning stage to get the dollars approved for a new facility. So, Mr. Chairman, I guess instead of delaying the fact and just continuing to repeat myself over and over here, if the committee’s got a motion, then let’s have somebody read the committee motion and get on with the day. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you very much for the suggestion, Mr. Roland. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I appreciate the stand the Minister has made, but I’d still like to know what the cost would be to tear that building down and has there been a full environmental assessment of that building, recognizing that it’s probably full of asbestos and lead paint and who knows what else? To add to that question I asked earlier, what class of estimate was this $3.5 million pegged at? Was it a class A, class B, class C, or even a class D? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the demolition of a facility would be taken into the plan for a new facility. Whenever we plan a replacement facility, the demolition costs of an existing facility would be incorporated into that. This estimate is very recent. I can’t give you an actual class of estimate, but it is based on the actual code requirements. For example, we would have to inspect the structural integrity, that’s the columns right into the basement and crawlspace; deficiencies should be repaired or shall be repaired; required sign and stamp certification by an engineer; architectural fire separations, current code where possible, without tearing out existing; basement mechanical room, fire rating there; sprinkler system. There are a number of different things listed under there, as well as code things, fire system and other things. So there are, it’s fairly recent, this is dated January 25, 2006, what we would have to do. Our estimates based on that information, I’d give you a breakdown. An A and E contract would be identified at less than $300,000; administration for $30,000; upgrade estimate is $2.5 million; a contingency is also built into there of 25 percent. So $3.5 million. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Roland. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I think at this time my last question would be what type of schedule are we talking about and what would the time frame be affecting potential future usage? If this $3.5 million, and it’s very unheard of to have any estimate to come with a 25 percent contingency, which tells me that people are nervous who put a number on it to begin with. But the fact is, when does that start? So when does the potentially three years of life start on this building? When do the day renos start or does it start when renos have finished? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as all work we would do, once the work is completed, then we would get a stamped approval or a letter of occupancy or certification. At that point the clock would start ticking. The work would be done once we get approval. If approval is granted by the House, there would be a contract issued for the architectural engineering and then other work would begin once that is done. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you. Next I have Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Chairman. My comments and questions are also with the continuation of the operation of the Deh Cho Hall. I just want to advise my honourable colleagues that this is not a new project, nor is it something that came out of the blue. It’s something that myself as MLA for Nahendeh and Fort Simpson that I’ve been working with the people on, on how to address the office needs. In 2002, when the fire marshal came out with his report, he’s saying that in 2006 the building is going to have to be shut down or renovated. Everybody said that’s great, let’s just renovate this building or even retrofit it and extend the life by 10 or 20 years that Members are questioning. But we all know how retrofits work and renovations. It costs almost the same as a new building. Do the Minister’s estimates include an amount for a complete renovation and can you tell this committee how much it was? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, if we were to do the full requirement of complete renovation for that facility to get another between 10 or 20 years, I believe, a full renovation would be $12 million. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Chairman. That’s something that kind of weighed a lot on the community decision as it went along. They’re like myself and anything that government does, why does it cost so much even a simple estimate for office space? As we discussed earlier in the day, it’s like $320,000. I’m not too sure why it is, but in the construction field the cost of labour and materials are just astronomical. A new project such as this, we’re looking at $3 million. If Members of this side of the House had the power to get the government to spend money, I would certainly champion the motion to spend $20 million and get this new building created right
away. But when there’s other factors in the way here, and I’m sure that there’s lots of pressures on our government on how to spend their capital dollars and one of them is to hang on to their $40 million courthouse that’s here in Yellowknife that nobody from the region ever wanted. But aside from that, this is something that the community...I’ve been working with them and trying to get this on the ground, trying to find the best solution, and the best solution right now is to extend the life and to continue to work with government and look at other ways of creating a new building. One of my colleagues mentioned getting the governments involved or the Dehcho governments involved in creating a new building. But that’s still some time away and unfortunately we’re stuck where we are today. That is maintaining an office building because I can ask the Minister as well there, Mr. Chairman, you know? Do nothing. What is the option if we do nothing at all, Mr. Chairman?

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Menicoche. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the option of doing nothing would not be the responsible option of government because the fire marshal would, based on the discussions and the requirements that we need to do to keep this facility open for a couple of years until we get to a new facility would be, for example, they require having a plan in place to either bring the building up to code or to vacate the building. The fire marshal at any point here can step in if they feel the minimum upgrades don’t begin ASAP, they may be directed to vacate the building. Closing the building has also been identified. So we would be in a very bad situation. Not only would the non-government organizations be out in the cold, so would a number of departments.

Just for the record, Mr. Chairman, the estimates prepared in 2004 totalled $12 million and that’s bringing the building right up to code. The 2004 estimates also identified to replace the existing facility, all the space being used, was $20 million. The most recent estimates to accommodate only the GNWT staff and Aurora College has been approximately $10 million. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Menicoche. Mr. Roland. Mr. Menicoche. Thank you. Next I have Mr. McLeod.

MR. MCLEOD: Thank you, Mr. Chairman. Just a quick question for Mr. Roland. You continue to say that the minimum code requirements will get you two to four years more out of the building. Now, is that set in stone? I mean, do the renovations, are they not going to be code in two or three years? Is it possible that the life of the building could be extended a little longer? Because I thought when you brought something up to code, you got longer use out of the building. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, in discussions with the fire marshal’s office, the minimum amount of upgrade required if we only intend to use the building for another two to four years is what’s been identified. If we intend to use it beyond that timeline, then we have to upgrade the rest of the code requirements that are put in place, and that’s where we get into the $12 million figure. To meet the minimum requirements that we have been directed to, we’re looking at the $3.5 million. So ultimately it’s if we were going to go beyond the two to four years, then we’re going to have to increase the amount of work to another level. Thank you.

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

MR. MCLEOD: Thank you, Mr. Chairman. I find it kind of odd that we’re only going to get two to four years if we do minimum code requirements. You’re in a house and somebody says you have to change your wiring. You change your wiring, now you’re up to code. That’s going to last longer than two to four years. I’m just making a point that I just find it kind of odd that the minimum code would only be good for two to four years and then expires. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. McLeod. Mr. Roland, did you want to respond?

HON. FLOYD ROLAND: Thank you, Mr. Chairman. It’s not that the work that we’re going to do expires. It’s that if we’re going to use it for longer than the years we’ve identified, other requirements are going to have to come into place. That’s what we’ve been told from the fire marshal’s office is if we’re going to use it beyond this year, here’s the amount of work that is required. That’s what we’ve based the estimate on. If we’re going to go beyond those years, here are further things that you’re going to have to repair. So that’s what we’ve been directed. Thank you, Mr. Chairman.

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

MRS. GROENEWEGEN: Mr. Chairman, the more I hear the less believable this story becomes. You know, it is no wonder we have a capital infrastructure deficit in the Northwest Territories when you look at the kind of money and the way that we’re going about doing things. I mean, it’s no wonder we don’t have enough money. So in answer to the question, how long have we known we have a problem, we’ve known we’ve had a problem for four years. Now there’s no money budgeted. We’ve known since 2002. This is 2006. So we’ve known for four years that we have a problem and that a D-day was coming here on this with the fire marshal. But now with no, and I think I heard that there’s no money in the budget for this, there’s nothing planned, this is it. So, like, whose excellent planning was that? I think that’s terrible. I still haven’t got an answer from the Minister on how many square feet we are talking about. You can’t tell me the building costs $19 million and not be able to tell me how many square feet you’re going to, you know, if you’re going to take your core government client departments with you to the new building, how many square feet is that? How much square feet are you occupying now with the NGOs and all the extra people you have in the building? Those are two fundamental numbers that are just so germane to this analysis. I need to know those numbers. Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as for the planning and how it got through to this stage, the client department would have to probably best answer that. The square footage, I would have to
come back with that number. I know we have it, I just don’t have that level of detail with me. The information I’m provided is the existing renovation estimates based on an estimate done in 2004 is $12 million. That’s for the facility as it is. To replace the facility with the same size as being used and occupied right now with government and non-government occupants, is the $20 million. For just GNWT staff and Aurora College, then we’re looking at $10 million and I would have to get the square footage detail for the Member. Thank you.

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

MRS. GROENEWEGEN: Well, before we can, I think, make any decision on what we’re doing here, we need to have that kind of information. I mean, this is like a very significant amount of money. I have to say that I thought Mr. McLeod’s questions were excellent too. I mean, how can you say upgrade it to this code, but in two years…that just seems like a very arbitrary decision. In two years, those upgrades are no longer any good. What? Is the code going to change in two years? I mean, that’s a very good point. Either the building is safe and it’s up to code or it isn’t. You know? It isn’t, you know, we’re just going to go a little ways and then everything is going to be fine. So unless the fire marshal’s anticipating that the building’s going to deteriorate further in the next two to four years...

But anyway, I go back to my point, Mr. Chairman. My point is that this is a wonderful opportunity. We do owe the people of Fort Simpson better than $3.5 million thrown into something that we’re going to tear down in two years. The Minister says two to four years before we can get anything done, before we could even get a building plan. Again, another example, two to four years before you can get a building up? I mean, I’m telling you, as a matter of fact, I just went out to the Member’s lounge and phoned a contractor and asked a question. How long reasonably would it take, you know, to build a building in Fort Simpson if the government went to tender for office space? Let me tell you, it wouldn’t take two to four years. So again these are artificial, inflated, unreasonable numbers and time frames that the government puts around these things. I bet you could have a building designed that would be an asset to a community. You could probably get the local aboriginal development corporation involved; you probably could get a private developer involved, and you could probably have this thing up and operational with ready to turn the key in the door in probably six to 12 months. Because you know on the upgrades I want to tell you something, there’s going to be lead time on the upgrades. The $3.5 million, you just can’t go out to tender for that unless you get all that work done. I mean to take the lead time, what it would take to put out the tenders for the upgrades is probably longer than it would take you to go to tender for the whole space and get somebody in the private sector to do it. It would be a real economic boon to the community. You could get a whole lot of people who are in the contracting business involved in that, perhaps even to the region. So I’d like to ask the Minister if he would consider doing that. There is no way that I, for one, quoting the phrase from my good friend from the Mackenzie Delta, that I, for one, am going to support this. This is the irresponsible use of government money.

So lead time. Let’s talk about lead time. If you’re going to go to tender for upgrades, how long is it going to take you? Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, I guess Public Works would be hoping that there are contractors out there saying that they can build things for cheaper than we’ve estimated. All our numbers so far have come in higher than what we’ve estimated, so if you pass on that number for me and maybe we can get some business done.

The fact is, one of the reasons we have so much delay is that our estimates have come in lower than the results of tenders or RFPs. We would hope that once a decision is made…The Department of Education, Culture has made a decision now that they’re going to go to a new facility. They’re going to have to get it in a capital plan and it’s going to have to make the grade with others, or, as a government, we’re going to have to change our process in how we get some of our space. So if we go to a lease, that is a possibility. We’ve done those before and we’ll continue to do a number of those. So those are the things we would look at.

The lead time, I’d have to get somebody with more technical background than I have to give that, but again we can provide that for the Member. Thank you.

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

MRS. GROENEWEGEN: Thank you, Mr. Chairman. I’ve got three seconds here. I’m still telling you it’s going to take less time, it’s going to take no more time to go to tender for a private developer to lease you the space. You don’t have to worry about the capital dollars; it’s just O and M. You can just lease the space. It's going to take you no more time to put out that tender than it is for the tender for all of the upgrades, and that's the point I'd like to make, Mr. Chairman. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, what I've been saying for a number of responses now, the community has been involved in this process. Initially we tried to accommodate the request of the community to stick to a renovation rather than going to a new facility. But all our work, the accountant looked at the value of dollars spent and the lifespan of the facility; going new is the best method to use. Yes, like I said, the department has now made the decision that they'll go to a new facility. As a government, if we say it will be a leased facility, we can go out there for space and have a private developer come up with that. But the fact is, the department still has to have this program established in the business plan. It still has to go through that stage, and we need to start someplace. That's why we're at this situation and, yes, admittedly it's not the situation we'd like to be in where we're going to spend as much money as this in a short period of time and then go to a new facility. Unfortunately, in all our talks, all the discussions, all the work that has been done back and forth, we've burnt the timeline up. So that's why we're here today; the department has requested this; FMB reviewed it and has
agreed to put it in here, and that's why it's in as a supplementary appropriation, is waiting for the authority of this House to either say yea or nay to it. Thank you.

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

MR. RAMSAY: Thank you, Mr. Chairman. I'm not going to go on at length. I think a lot of ground was covered by my colleagues here in terms of this proposed expenditure of $3.5 million. I guess there's a couple of fundamental things I just wanted to mention and I guess the first one is the Minister, in discussions we've had with him previous to this on the Deh Cho Hall and the upgrades that were required there, I think he should have come here this evening with the numbers in hand on what the square footage is; at the bare minimum, what the square footage is today that's being utilized by our government employees and other tenants in that building, and the square footage that would be needed in a new building. I think at the very least the Minister should have come here prepared with that.

Mr. Chairman, I wanted to again just mention this. This has been an issue now for four years. Why isn't it in the capital plan? Why isn't there a new building for Fort Simpson? I know other Members have mentioned this. We're letting the residents of Fort Simpson down here. We haven't come up with a plan. We haven't worked this through, and here we are at the 11th hour with a gun pointed at our head, either you spend $3.5 million or we're going to shut this building down. There's no wiggle room, there's no anything. I don't think it's fair for the Minister to put us in that position and I think it's irresponsible of Public Works and Services to put the Members of this House in that position. Absolutely. Mr. Chairman, I'm really quite upset that this has been allowed to take place. Why are we here discussing this? Other Members spoke earlier of this. It shouldn't be allowed to come to this, Mr. Chairman. Thank you.

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

HON. FLOYD ROLAND: Mr. Chairman, I've been a Member of this Assembly for almost three full terms and I've been part of many processes where grandstanding is part of the game plan or part of the process to draw more attention to it. The fact is, Public Works is not putting this House in this position. Public Works has done work for a client department. The client department has worked with the community and there has been no satisfactory result or a decision made at that point. The fact is, the client department in charge of the project would have to make decisions and would have to bring that project to the table. Education, Culture and Employment has now brought that project to the table. It will now be put into the mix for dollars to be identified. Even if it was to be a leased facility, we would still have to identify the dollars for that leased facility. If it's going to be our own facility, we have to come up with...still identify the dollars but come up with the capital up front.

Mr. Chairman, I don't know what else we can say to this. The fact that, admittedly, the process that was used in trying to incorporate the wishes of the community by the department and the requests of the client department back to Public Works for further work was done. Unfortunately, we end up in this position. So it's not Public Works that's putting Members in this position. It's been the fact that the government's tried to work department to department with the community and, unfortunately, has run itself out of time in not making a decision. That decision has now been made and the client department is now requesting those funds to proceed at a minimum with this.

If the Members don't like the process, disagree with what's been done, I can't go back and turn the clock back to a decision that was made four years ago, or why it wasn't made four years ago or five years ago. All I can do is speak to it when we've been involved, and the processes we've tried to put in place.

If the Members wanted the exact square footage and I had advance notice of that through our previous discussions, I would have had them at the table, yes. I was aware of some concerns, requested the client department to come back with more detail, I've tried to provide that to Members. Ultimately, yes, we're in a bad spot. The client department has come forward, requested money to keep this facility in use until we can get new office space in play. Whether we go down to a private developer to put that space in, we still need the money and authority from this House. So at minimum, we need to keep the department in space that they occupy right now and then we can get to the next stage.

Unfortunately, yes, hindsight is 20/20. If I had the opportunity to advise the Minister-of-the-day to say make a decision today so we can get on with it, get it in the capital plan, that would have been done. We are in a position now where a decision needs to be made and this House will make that decision and we will have to live by it. Thank you, Mr. Chairman.

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

MR. RAMSAY: Thank you, Mr. Chairman. Mr. Chairman, in my comments I guess I should have spread some of that irresponsibility factor over to the Minister of ECE in this, because I think somewhere along the line there has been some irresponsibility here and as a Member of this House I don't appreciate that too much, having to agree basically to flush $3.5 million down the toilet after two to four years. What have we got after two to four years after we spend the $3.5 million? We've got no guarantees at all. It's not a good expenditure of public funds.

AN HON. MEMBER: A condemned building.

MR. RAMSAY: It's close to being a condemned building, as other Members have suggested. Again, I think the government is not or should not bring this forward in this fashion. All the homework has definitely not been done in this area and I would challenge the government to prove that all the bases have been covered here. The Minister of ECE, I mean the client department, Mr. Chairman, who ultimately is responsible for this getting to this stage? Would the Minister say it's the client department, would he say it's the community of Fort Simpson? Who is it? Who takes responsibility that we're in this situation today?

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Ramsay. Mr. Roland.
HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, I've just been provided a note that the Deh Cho Hall right now is 320 metres squared, existing facility. I don't have the detail of the actual new building that would be required. The fact is, the client department would have to make a decision based on information provided, and they would have to decide whether they would renovate, how much they would renovate, if they didn't like the options or they wanted some change in the scope of the review, that they would go back to Public Works and Services for that information.

As I stated, there was plenty of to and fro discussions, reports provided and ultimately it comes down to each client department, whether or not they have enough money or they need to get more money, they would have to go to FMB for that requirement. So in this case, because there is no capital project for the Deh Cho Hall, the client department, based on reports that it was given, whether it's Public Works done or through a consultant, they would have to take that report and come up with their plan as to how they were going to either come up with a facility or renovate that. So that's how it would work. Each, whether it's Health and Social Services, Education, Justice, they would have to make their decision, bring it forward based on their requirements. Thank you.

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

MR. RAMSAY: Thank you, Mr. Chairman. Mr. Chairman, again I just want to state for the record, it's not a good position to put Members of this House in, it's not a good position to put the residents of Fort Simpson in especially. Mr. Chairman, this is just another example of poor government planning and us having to make a decision based on poor planning, and, Mr. Chairman, I don't like to see that. It's absolutely poor planning on the government's part. You know, it just begs me to say somebody is ultimately responsible for this. Now I don't know which one of the Cabinet Ministers wants to take responsibility -- the Premier, the Minister of ECE, or perhaps the Minister that's sitting in front of us here -- but somebody ultimately has to take responsibility, gentlemen. This shouldn't be allowed to happen. I can't put it any more clearly than that. Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as I stated, I guess I would say that as the Government of the Northwest Territories we would not rather bring something like this to the table. But unfortunately, with the work that was done, the process that was used, trying to bring agreement to the table around this facility has ended us in a situation where this needs to get done. A decision had to be made and it is now here at this table for either the endorsement or the House's disagreement with what's being presented.

Yes, it is not a good position to be in and it's not a good position for Members to be in. It's not a good position for FMB to have to bring this forward. But between the discussions, planning and process used, a decision wasn't made in a timely fashion and now we're in this situation where there is a requirement being placed about us by those that have the authority to do so, to meet minimum requirements, and that is what is being brought forward to this House. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chairman. Mr. Chairman, I just want to ask the Minister, because he said the plans are in the works now to put into capital, maybe, the new facility for people in the Nahendeh and Deh Cho, so we call it Deh Cho Hall. That facility is in Fort Simpson so it's in that area. So is there plans to put a new facility in replacement of this building that we're talking about? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Yes, Mr. Chairman, the client department has made a decision to replace this facility with a new facility. But as I stated, now the process would be required that it would go into the capital planning process that we have established, and then we would have to identify the money or make a decision to go to a leased facility once that is approved within the capital plan and business plan process. So the decision has been made to go to a new facility. Unfortunately, we're in a situation where we have to make the minimal code requirements to continue with this facility until we get a new facility put in place. Thank you, Mr. Chairman.

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

MR. YAKELEYA: Thank you, Mr. Chairman. Mr. Chairman, the Minister, in some discussion around here, has stated clearly that it's time to make a decision, and for whatever reason that decision wasn't made four years ago, we can't really say. So today we have to think about what the people in Fort Simpson or for that Deh Cho Hall want to do. There are a number of people in that facility that's going to be impacted or affected for the next couple years. I think to do the proper thing, there was some good suggestions around the House here in terms of I guess we could have laid back and said, well, we could have done this, we could have done this, and think about this and that. So I think the Minister's got a clear message in terms of doing this in a responsible way, I guess, if you call it that, in terms of what could be planned for upcoming projects such as this new facility. So I guess I'm looking at more of the people who are using that facility and how they're going to be impacted by our decision today. There's people in the Deh Cho or the Nahendeh region that use this facility. It still bothers me why people still want to live in an old residential school unit and fix it up. That's anther issue here. It's a good facility. I have been in there. I still get the creeps as I walk through those hallways.

Anyhow, that is another story, Mr. Chairman. I want to say that I think the way we are going about it, I am satisfied with the Minister's explanation. I don't like it, but I am satisfied with how it's come about and why four years later we are debating it. I am going to support this budget item here and get on with the work.

SOME HON. MEMBERS: Get on with it!

MR. YAKELEYA: I am going to say that as a comment, Mr. Chairman. Thank you, Mr. Chairman.
CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Next I have Mr. Hawkins.

MR. HAWKINS: Mr. Chairman, I just have a question. How much money would be required to approve this in order to create a full renovation plan that would satisfy the needs of the fire marshal? Would it require, for example, $100,000 plan in order to satisfy the fire marshal on an interim basis while a strategy comes forward to renovate the whole facility? As I clearly heard here, $12 million would buy us a smaller facility, $10 to $12 million would buy us full reno on this building. Money has to be spent to tear down the siding, ripping down the insulation anyway, so it’s like we would breathe new life into it. I think this would be a good temporary solution to the problem. No matter what we do, we are going to have to clean up the environmental problem whether we tear it down or renovate it. So we would be killing two birds with one stone. So how much money would be required as of today that would satisfy the fire marshal in order to build a plan to renovate the whole building for the $12 million or $10 million figure in the existing size and space? The fact remains if we spend any money, we are still going to have to spend $10 or $12 million in two to three years. So then it’s a $14 million problem. So how much money in the short term? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I have used a number of numbers now, but for the record again, to meet the requirements for occupancy of the existing facility, if the choice was made to renovate, it would be $12 million for the existing facility. To go new for the existing facility, that’s a full amount and I am going to have to double check the square metres for occupancy now. I will have to confirm that with the number I gave earlier. It could possibly be out substantially. The fact is $12 million for a renovation of the existing facility based on 2004 numbers. It is a $20 million renovation...New facility for existing space, $10 million just for the government departments of new space. The amount to meet the requirements that are in place is $3.5 million. Thank you.

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

MR. HAWKINS: Mr. Chairman, from the Minister’s point of view, is that $3.5 million lost if we treat it as an interim investment to complete the renovations? In two or three years, can he just come back and say to renovate the building at 100 percent, as he has pointed out, is $12 million. Can we take the $3.5 million off that end total and continue to renovate the whole building, or do we have to start from scratch and it’s the whole $12 million? I want to know if we are investing in a long-term solution, or are we just throwing that money away? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Mr. Chairman, if the decision is to go back to a renovation, then this money would be an investment and knock down that overall amount. So if we’ve gone back to not a new facility but a renovated facility, then this is an investment that we can continue to build on. Ultimately, though, the lifecycle of that building would only be increased to approximately 20 years for a full lifecycle renovation. The decision has been made to proceed to a new building because of the dollar figure. If it is the direction of this House that that doesn’t happen, instead a renovation happens, then we would look at that option as well and go back to the drawing board and make the initial investments and build on it from there. Thank you, Mr. Chairman.

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

MR. HAWKINS: Thank you, Mr. Chairman. It’s given me a lot to think about. If you treat it as a renovation over the long term, it sounds like a different approach. I was concerned that we were initially going to spend $3.5 million, have to throw it away and in three years we would have to walk away from our investment. I think that’s where the concern really comes from and I am sure Members on this side of the House would see it that way if we would completely have to walk away from $3.5 million, because I don’t know how anyone on this side of the House can spend $3.5 million for three years and walk away from it, or even two years. If we are talking about an approach that we can turn around and continue the same size of the building, it’s got me thinking in a different direction, which means debate has worked in this particular case. If you walked in the House thinking that this is a waste of money, but then hearing the debate and thinking that all it is a makeup in two to three years, another $8 million and at the end of the day we are going to get a solid building renovated and whatnot. I think in this particular case, I am going to have to support this. Debate has worked in this particular case and it has changed my mind. Thank you, Mr. Chairman.

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

HON. JOE HANDLEY: Thank you, Mr. Chairman. I think Members have raised some good points here. There are some requests for information that neither the client department or Public Works have tonight. We can go on and on about why things didn’t happen or why we didn’t do this or that, or we could do a vote and make another decision that a lot of people feel is foolish or wrong. With that, Mr. Chairman, I think it’s necessary to get more information. ECE doesn’t know how much space they would need if they were going to build a new building. We need that kind of information. So, Mr. Chairman, with that, I move that we report progress.

CHAIRMAN (Mr. Pokiak): Thank you. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

I shall rise and report progress. I would like to thank the Minister of Finance for appearing, and his witness.

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

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MR. POKIAK: Mr. Speaker, your committee has been considering Bill 1, Supplementary Appropriation Act, No. 4, 2005-2006, and Bill 2, Supplementary Appropriation Act, No. 1, 2006-2007, and would like to report progress with one motion being adopted, and that Bill 1 is ready for
third reading. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Pokiak. Do we have a seconder? The honourable Member for Sahtu, Mr. Yakeleya. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Third reading of bills. The honourable Minister of Justice, Mr. Bell.

ITEM 21: THIRD READING OF BILLS

Bill 3: An Act To Amend The Legislative Assembly And Executive Council Act

HON. BRENDAN BELL: Mr. Speaker, I move, seconded by the honourable Member for Deh Cho, that Bill 3, An Act to Amend the Legislative Assembly and Executive Council Act, be read for the third time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. There's a motion on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

---Carried

Bill 3 has had third reading.

Third reading of bills. The honourable Minister of Justice, Mr. Bell.

Bill 4: An Act To Amend The Supplementary Retiring Allowances Act

HON. BRENDAN BELL: Mr. Speaker, I move, seconded by the honourable Member for Deh Cho, that Bill 4, An Act to Amend the Supplementary Retiring Allowances Act, be read for the third time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. There's a motion on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

---Carried

Bill 4 has had third reading.

Third reading of bills. The honourable Minister of Industry, Tourism and Investment, Mr. Bell.

Bill 5: An Act To Amend The Territorial Parks Act

HON. BRENDAN BELL: Mr. Speaker, I move, seconded by the honourable Member for Deh Cho, that Bill 5, An Act to Amend the Territorial Parks Act, be read for the third time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. There's a motion on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

---Carried

Bill 5 has had third reading.

Third reading of bills. Mr. Clerk, orders of the day.

ITEM 22: ORDERS OF THE DAY

DEPUTY CLERK OF THE HOUSE (Mr. Schauerte): Orders of the day for Wednesday, June 7, 2006, at 1:30 p.m.:

1. Prayer
2. Ministers’ Statements
3. Members’ Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motion for First Reading of Bills
16. Motions
17. First Reading of Bills
   - Bill 9, Write-off of Assets Act
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
   - Bill 2, Supplementary Appropriation Act, No. 1, 2006-2007
20. Report of Committee of the Whole
21. Third Reading of Bills
   - Bill 1, Supplementary Appropriation Act, No. 4, 2005-2006
22. Orders of the Day
MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, June 7, 2006, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 20:54 p.m.