NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY

5th Session  Day 6  16th Assembly

HANSARD

Wednesday, March 24, 2010

Pages 4719 - 4756

The Honourable Paul Delorey, Speaker
Legislative Assembly of the Northwest Territories

Members of the Legislative Assembly

Speaker
Hon. Paul Delorey
(Hay River North)

Mr. Glen Abernethy
(Great Slave)

Mr. Tom Beaulieu
(Tu Nedhe)

Ms. Wendy Bisaro
((frame lake)

Mr. Bob Bromley
(Weledeh)

Mrs. Jane Groenewegen
(Hay River South)

Mr. Robert Hawkins
(Yellowknife Centre)

Mr. Jackie Jacobson
(Nunakput)

Mr. David Krutko
(Mackenzie Delta)

Hon. Jackson Lafferty
(Monfwi)

Minister of Justice
Minister of Education, Culture and Employment

Hon. Sandy Lee
(Range Lake)

Minister of Health and Social Services
Minister responsible for the
Status of Women
Minister responsible for
Persons with Disabilities
Minister responsible for Seniors

Hon. Bob McLeod
(Yellowknife South)

Minister of Human Resources
Minister of Industry, Tourism and Investment
Minister responsible for the
Public Utilities Board
Minister responsible for Energy Initiatives

Hon. Michael Miltenberger
(Thebacha)

Deputy Premier
Government House Leader
Minister of Finance
Minister of Environment and Natural Resources

Mr. Dave Ramsay
(Kam Lake)

Hon. Floyd Roland
(Inuvik Boot Lake)

Premier
Minister of Executive
Minister of Aboriginal Affairs and Intergovernmental Relations
Minister responsible for the
NWT Power Corporation

Mr. Kevin Menicoche
(Nahendeh)

Hon. Michael Miltenberger
(Thebacha)

Deputy Premier
Government House Leader
Minister of Finance
Minister of Environment and Natural Resources

Mr. Dave Ramsay
(Kam Lake)

Hon. Floyd Roland
(Inuvik Boot Lake)

Premier
Minister of Executive
Minister of Aboriginal Affairs and Intergovernmental Relations
Minister responsible for the
NWT Power Corporation

Mr. Norman Yakeleya
(Sahtu)

Hon. Robert C. McLeod
(Inuvik Twin Lakes)

Minister of Municipal and Community Affairs
Minister responsible for the
NWT Housing Corporation
Minister responsible for the Workers’ Safety and Compensation Commission
Minister responsible for Youth

Officers

Clerk of the Legislative Assembly
Mr. Tim Mercer

Deputy Clerk
Mr. Doug Schauerte

Principal Clerk of Committees
Ms. Jennifer Knowlan

Principal Clerk, Operations
Ms. Gail Bennett

Law Clerks
Ms. Sheila MacPherson
Ms. Sarah Kay

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**.......................................................................................................................................................... 4719

**MINISTERS’ STATEMENTS** ............................................................................................................................. 4719

16-16(5) – Supplementary Health Benefits (Lee) ................................................................................................. 4719

**MEMBERS’ STATEMENTS** ............................................................................................................................ 4720

2010 Arctic Winter Games (Krutko) ...................................................................................................................... 4720

Deh Cho Bridge Project (Yakeleya) ...................................................................................................................... 4720

Taltson Hydro Expansion Project (Abernethy) ...................................................................................................... 4721

Taltson Hydro Expansion Project (Beaulieu) ...................................................................................................... 4721

Taltson Hydro Expansion Project (Bromley) ...................................................................................................... 4722

Taltson Hydro Expansion Project (Ramsay) ...................................................................................................... 4722

Taltson Hydro Expansion Project (Hawkins) ...................................................................................................... 4723

Escort Eligibility under the GNWT Medical Travel Policy (Menicoche) .......................................................... 4724

Taltson Hydro Expansion Project (Groenewegen) ............................................................................................... 4724

Taltson Hydro Expansion Project (Bisaro) .......................................................................................................... 4724

Beaufort-Delta Spring Carnivals (Jacobson) ....................................................................................................... 4725

5th Annual Aboriginal Hand Game Tournament (Lafferty) .............................................................................. 4725

**RECOGNITION OF VISITORS IN THE GALLERY** ....................................................................................... 4725

**ORAL QUESTIONS** ........................................................................................................................................ 4726, 4736

**RETURNS TO WRITTEN QUESTIONS** ............................................................................................................ 4746

**TABLING OF DOCUMENTS** .......................................................................................................................... 4748

**NOTICES OF MOTION FOR FIRST READING OF BILLS** ........................................................................... 4748

Bill 6 – Supplementary Appropriation Act (Infrastructure Expenditures), No. 2, 2010-2011 ......................... 4748

**MOTIONS** ..................................................................................................................................................... 4748

5-16(5) – Request for Special Audit by the Auditor General of Canada on the Deh Cho Bridge Project (Ramsay) ........................................................... 4748

**FIRST READING OF BILLS** ........................................................................................................................... 4755

Bill 6 – Supplementary Appropriation Act (Infrastructure Expenditures), No. 2, 2010-2011 ......................... 4755

**CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS** ...................... 4755

**REPORT OF COMMITTEE OF THE WHOLE** .................................................................................................. 4755

**ORDERS OF THE DAY** ................................................................................................................................. 4755
Mr. Abernethy, Mr. Beaulieu, Ms. Bisaro, Mr. Bromley, Hon. Paul Delorey, Mrs. Groenewegen, Mr. Hawkins, Mr. Jacobson, Mr. Krutko, Hon. Jackson Lafferty, Hon. Sandy Lee, Hon. Bob McLeod, Hon. Michael McLeod, Hon. Robert McLeod, Mr. Menicoche, Mr. Ramsay, Hon. Floyd Roland, Mr. Yakeleya

The House met at 1:37 p.m.

---Prayer

SPEAKER (Hon. Paul Delorey): Good afternoon, colleagues. Welcome back to the Chamber. Item 2, Ministers’ statements. The honourable Minister of Health and Social Services, Ms. Lee.

Ministers’ Statements

MINISTER’S STATEMENT 16-16(5):
SUPPLEMENTARY HEALTH BENEFITS

HON. SANDY LEE: Thank you, Mr. Speaker. Mr. Speaker, as we begin our public meetings on supplementary health benefits, I would like to take this opportunity to reiterate the substance of the changes being proposed.

Mr. Speaker, we want to improve “ACCESS” to the program. Our proposed changes will expand access to a group of people in our population who are currently shut out or have limited access. This will ensure that access to supplementary health benefits is no longer determined by a specific condition or by age but by income level. This is the accepted practice across the country. The change will also mean that high income earners, people who can afford to contribute, will be asked to pay a percentage of the cost of the benefits.

Mr. Speaker, depending on the final determination of the income threshold, supplementary health benefits could be provided to between 1,700 and 2,300 people, primarily children, who currently have limited or no access. This would also mean we will no longer have to tolerate a situation where a single parent making $50,000 a year, with no employer benefits, has to go without dental benefits for their children while a single person, with no dependents, making $190,000 a year with third-party insurance, still get their dental coverage under this program. The existing program is exclusive, unfair and inequitable and it is time that we rectify this situation.

Mr. Speaker, the response to our public discussion paper has been highly productive. Our residents generally support the direction of this proposal but they would like to know how the changes would impact them personally. Therefore, we will include in our public discussions going forward two options. The starting thresholds of $30,000 net income or $50,000 net income as defined by line 236 on the federal income tax form.

The number of people who will be covered at 100 percent and those who would have to pay a co-payment varies depending on net income and number of dependents. Moreover, unlike the previous proposal, benefits will not be eliminated when the income threshold is reached. Instead, residents will be asked to contribute a co-payment to their supplementary health benefit coverage. The co-payment will start at 20 percent and increase in 5 percent increments every 20,000 as net income increases.

This means a single person or couples who make $190,000 net income would still have access to the benefits, albeit with a co-payment, making this program one of the most robust in the country. In fact, Mr. Speaker, under the proposed changes, 55 to 75 percent of our non-aboriginal population will have 100 percent coverage in Supplementary Health Benefits Program. The remaining 25 to 45 percent of the population would pay a co-payment depending on their income level.

Mr. Speaker, this is not about reducing the basket of benefits. The program will continue to cover prescribed vision care, dental benefits and prescription drugs and supplies.

During last session, Members of this House passed a unanimous motion calling on the government to come up with an anti-poverty strategy. The changes being proposed under supplementary health benefits are a step forward in poverty reduction and addressing the cost of living issue in our Territory.

Mr. Speaker, the Supplementary Health Benefits Program has been reviewed for over 10 years because so many of our residents do not have full access to it. Let me be clear: doing nothing is not an option nor is it in the public interest. Expanding access without rectifying the inequity and unfairness in the program may be a quick fix and perhaps the easiest action to take, but it is not a good public policy. The changes proposed are going in the right direction in the most inclusive, fair and equitable manner.
Mr. Speaker, I urge everyone to seek out the information they need from reliable sources and to use the formal channels that have been provided for feedback. I would also urge everyone to attend public meetings on the proposed changes, which started yesterday in Fort Simpson and which will continue on to Hay River, Fort Smith, Norman Wells, Inuvik and Yellowknife.

Mr. Speaker, it is imperative that we make these changes so that those who need this program will have access to them as soon as possible and not have to wait another 10 years of studying, reviewing and talking about them.

Mr. Speaker, with constructive and productive public discussion, this process will be able to conclude this spring. In coming weeks I look forward to continue our work with all Members of this House and the standing committee to implement the changes necessary to ensure this program is available to those who need it the most, regardless of specific conditions or age. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. Item 3, Members’ statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

Members’ Statements

MEMBER’S STATEMENT ON 2010 ARCTIC WINTER GAMES

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, the Arctic Winter Games were held in Grande Prairie, Alberta, March 6th to the 14th, in which many athletes took part. I would like to mention the athletes in the Mackenzie Delta riding who came home with a record number of ulus.

The representation of the games from my region was 39 individuals who represent the region. Mr. Speaker, they took part in dog mushing, snowshoeing, snowshoe biathlon, Dene games, female hockey, cultural events, volleyball, indoor soccer and cross-country skiing. I would like to congratulate each and every one of these athletes and all the athletes in the Northwest Territories that took part in the Arctic Winter Games. They demonstrate their commitment and also fair play.

Mr. Speaker, the Arctic Winter Games gives our athletes in small communities an opportunity to participate at the regional, territorial and national level and represent the Territory. The success that is given to our athletes and, more importantly, our communities, is not only the success of the individual but the communities they come from. With the commitment, dedication, community volunteers, family members and the many hours of volunteers it takes to assist our athletes to get to these games, I would like to thank each and every one of the individuals who took the time to support our athletes and the residents of the communities who assisted to ensure our athletes were able to take part in these games.

Mr. Speaker, at this time I would like to congratulate all of the athletes from the Mackenzie Delta who came home with gold, silver and bronze ulus and wish them well as they move into their future years of competition. Mahsi.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Member for Sahtu, Mr. Yakeleya.

MEMBER’S STATEMENT ON DEH CHO BRIDGE PROJECT

MR. YAKELEYA: Thank you, Mr. Speaker. People in the Northwest Territories have been dreaming about building a bridge over the Mackenzie River for the last 50 years. A bridge will provide year-round, reliable access to the North Slave and eventually down the Mackenzie Valley. Toll fees will provide revenues.

Every week, all year round, Buffalo Airways flies loads of freight, fresh food and mail up to the communities in the Sahtu from the Yellowknife Airport. All of that will cross the new bridge, so I know the new bridge will be good for the Sahtu.

In a year and a half we have fulfilled the dream of having a bridge. However, this is a bridge over troubled waters. The bridge has been delayed due to the need for a redesign of a portion of the bridge’s superstructure. The original construction contractor pulled out. The project management team was removed. Delays cost money and to cover the costs we are forced to pass a supplementary appropriation bill of $15 million. Given the delay, the lenders called the loan provided to the Deh Cho Bridge Corporation. The list goes on.

What have we learned from this experience? Have we learned that there must be caution when undertaking a public/private partnership? It seems that when things go sideways, always the GNWT alone is left accountable. Have we learned that it may not be wise to go forward with an innovative superstructure when a more economical, tested and true design exists? The project management team and engineering firm should be selected by a competitive process rather than sole sourced.

We must improve policies and practices to ensure that we do better in the future. In order to learn from this experience, I will be supporting a motion to have the Auditor General of Canada review the Deh Cho Bridge Project. What we learn should be reflected in the revision to the government’s financial and procurement policies or a new P3 policy.

All said and done, the Deh Cho Bridge is going to be a great achievement. It will be a bridge over troubled waters right now, but we will sort this out.
This generation and future generations will benefit from this bridge. It will open up the Mackenzie Valley to reduce the cost of living and to allow for responsible development.

We need to get going. Let’s get on with it and let’s build this bridge.

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Member for Great Slave, Mr. Abernethy.

MEMBER’S STATEMENT ON TALTSON HYDRO EXPANSION PROJECT

MR. ABERNETHY: Thank you, Mr. Speaker. Yesterday I made a Member’s statement with respect to the Taltson expansion and the importance of making decisions on a territorial resource that is in or for the public good. I followed that statement up with questions to the Premier and encouraged him to put the interests of the people of the Northwest Territories at the forefront of Cabinet decision-making on this project.

I strongly encouraged the Premier to work with Deze in the best interest of the people and, as a stakeholder, encourage them to consider alternate routes where long-term benefits are greater for the people. The Premier’s response, as presented in yesterday’s unedited Hansard, was, “alternate routes have been looked at by the Hydro Corporation and the Power Corporation.” He went further and indicated that, based on those reviews, “this project will not work. We will not be able to sell energy to the mines for an acceptable rate. They will not sign power purchase agreements for a cost higher than they’re able to develop it for in today’s environment.” This is a rather defeatist attitude and suggests that the only opportunity we have to make this work is to rely on the existing diamond mines.

I suggest that there are other opportunities. There are other mining development possibilities, and with access to local and reasonably priced power in the North Slave Geological Province we may find greater amounts of exploration and development, which is good for the entire Northwest Territories.

Further, the Premier must not fail to consider the advantages of linking existing systems by way of grids; grids which would open the possibility for exploration and development in areas which could access power from resources such as Snare Hydro where their current capacity is completely consumed by Yellowknife. This project has huge potential for all of the Northwest Territories. It must not be given away for short-term gain.

Related, I was concerned that the Premier discussed only one alternate route. Specifically, he said, according to yesterday’s Hansard, “Adding approximately $100 million-plus to the project by going around the west side of the lake would put that project in a place where it is uneconomical and we have no project.” There are other alternatives. Yes, the western route is the most expensive, but other routes like the trans-island route, which has a projected cost of base plus $40 million, are not that much more and put power within reach of Yellowknife, the diamond mines, and other mining opportunities such as Avalon’s rare earth metal project north of Great Slave Lake. This cannot be ignored.

Regardless, once we have signed supp No. 2 later this week, the GNWT will have no room in its borrowing limit and this whole thing can’t go ahead unless a reasonable and responsible third-party partner is found. I encourage the Premier to refocus this project to find a third-party partner who, in addition to understanding the value of making a profit, understands the social importance.

I seek unanimous consent to conclude my statement.

---Unanimous consent granted.

MR. ABERNETHY: I encourage the Premier to refocus this project and find a third-party partner who, in addition to understanding the value of making a profit, understands the social importance of this project and that the people of the Northwest Territories are stakeholders and owners of the Northwest Territories Power Corporation and the NWT Hydro Corporation, and that their desires and wishes must be heard and addressed as the Taltson expansion moves forward.

Thank you, Mr. Speaker. Later today I will be asking the Premier some questions based on my Member’s statement. Thank you.

MR. SPEAKER: Thank you, Mr. Abernethy. The honourable Member for Tu Nedhe, Mr. Beaulieu.

MEMBER’S STATEMENT ON TALTSON HYDRO EXPANSION PROJECT

MR. BEAULIEU: Mahsi cho, Mr. Speaker. [English translation not provided.]

Mr. Speaker, today I weigh in on the proposed Deze project. I realize we are just in the process of approving the Deh Cho Bridge costs by taking over the debt as the GNWT. Furthermore, the revenues that flow from the Deh Cho Bridge are largely predicated on the fuel haul to the diamond mines. Meanwhile, we are contemplating the Deze proposal, which will reduce the need for that fuel in those same mines. In addition to that, Mr. Speaker, I understand the route favoured by Deze is not acceptable to the Lutselk’e First Nations.

Mr. Speaker, I support the expansion of Taltson in order to provide more efficient clean energy to the diamond industry. However, Mr. Speaker, we need to look beyond just the diamond industry. Deze needs to look at an alternative route and they must look at the route that takes long-term users into
consideration. Mr. Speaker, a route that considers Avalon and the city of Yellowknife could allow the supply of hydro power through the Snare Hydro to the diamond mines by tying the Taltson into the Snare River grid.

Mr. Speaker, I’m no expert in this area, but I feel that Deze must give up on the route that goes through the Lutselk’e territory and look at alternatives as soon as possible. I firmly believe that the extra costs of the alternative route that I speak of will have a greater cost recovery potential in the long term. I believe that rare earths and the city of Yellowknife will be around long after the diamond industry runs their course.

Meanwhile, Mr. Speaker, when considering this proposal we must need to ensure that we act responsibly and act with due diligence and strive to take into account properly all of the various interests of all parties affected by this project and only move forward in a fair, open and transparent process. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Beaulieu. The honourable Member for Weledeh, Mr. Bromley.

MEMBER’S STATEMENT ON TALTSON HYDRO EXPANSION PROJECT

MR. BROMLEY: Thank you, Mr. Speaker. Mr. Speaker, earlier this month I made a statement on the Deze Corporation’s Taltson Hydro development and transmission routing to the diamond mines, suggesting that we might get far greater benefits from our $13-plus million investment by giving straightforward consideration to the public good.

Environmentally and socially sound economic development remains a priority of this government, and I believe this project needs a critical look to ensure that our public and our regional economies are well served by the work. I would like to see us sharpen our pencils and come up with new estimates of alternative routings to the current Reliance proposal, estimates that should be developed as if we really mean it.

Along with these estimates we need an analysis of what the broader range of benefits are that can accrue from the alternative routings. What is the value of finally having the Taltson and Snare grids linked into one system that runs through mineral rich territory, that serve larger communities currently depending to some degree on diesel power and which would allow the diamond mines to be serviced from Snare Hydro? What is the value to project proponents of adding very long-term customers at current or competitive rates?

In the NWT Hydro Strategy our first strategic goals are promoting economic development and diversification and aboriginal partnerships that serve communities and regional economic benefits. To my mind, linking our hydro systems into one grid, a grid that focuses on communities and their environs is best served by routing of the Taltson transmission line that achieves that linkage. This is not to say that the system would not serve the diamond mines, but rather that it must also serve our larger goals and thus strive for long-term public benefits rather than just large and immediate profits for our private partners.

In our Hydro Strategy we state that our first underlying socio-economic goal for residents is to stabilize and reduce over time the energy component of the high cost of living. Focusing on alternative routing that actually links existing grids and complements community energy systems will directly serve this goal.

Mr. Speaker, on March 3rd, in response to my questions, the Premier said, from unedited Hansard, “If we want to, as a government, go alternate routes, then let’s take a look at that.”

Mr. Speaker, I would like to take the Premier up on his offer and go forward with him to take a critical look at the cost and benefits of alternative routing to the Taltson transmission line.

Mr. Speaker, I seek unanimous consent to conclude my statement.

---Unanimous consent granted.

MR. BROMLEY: I would like to take the Premier up on that offer and just to be clear, because the Premier suggested earlier that I do not put enough weight and bearing on our aboriginal partners, perhaps as we have with the Deh Cho Bridge project, I insist that we include our aboriginal partners on this as we go forward, they ensuring financial return and we ensuring public benefit. Mahsi.

MR. SPEAKER: Thank you, Mr. Bromley. The honourable Member for Kam Lake, Mr. Ramsay.

MEMBER’S STATEMENT ON TALTSON HYDRO EXPANSION PROJECT

MR. RAMSAY: Thank you, Mr. Speaker. Today I would like to join in on voicing my concern over how the government is handling the Taltson Hydroelectric Expansion Project. Mr. Speaker, this government is currently in the middle of dealing with the $181 million Deh Cho Bridge saga. I would like to think that somewhere along the line Cabinet has learned some valuable lessons when it comes to letting others do our bidding for us we end up holding the bag.

Mr. Speaker, it is little doubt that our participation in the bridge project was ill conceived and it will go down in history as being one of the biggest government blunders of all time.

Mr. Speaker, that leads me back to the Taltson Hydroelectric Expansion Project. I have always supported the expansion of the Taltson River Hydro
Project since becoming a Member of this Assembly in 2003 and today I still support the expansion. What I want to take issue with today is our government’s involvement in the expansion project and the lack of any clear progress being made on routing and power purchase agreements with the existing mines in the Slave Geological Province.

I agree with what some of my colleagues are saying about the routing. Whose interest are we serving when the proposed route goes directly to the diamond mines? Only the shareholders. It will not be in the public’s best interest to pursue this route. My belief is the routing should be or should try to achieve a social component. It should take a route most beneficial to our residents, not just to the shareholders. As a government, we cannot continue to overlook the future infrastructure needs of our residents.

Mr. Speaker, decisions were made in haste on the Deh Cho Bridge. We had a government that committed to a $165 million deal just days before the last election. My fear is, Mr. Speaker, that we have not learned from this mistake.

Like I said yesterday, if we are going to do something, we have to make sure that we are going to do it right. I believe we need to take a look at all of our options in the routing. I am left wondering why all of the focus of Deze and the Hydro Corporation seems to be on the existing mines. Should they not be doing everything in their power to accommodate potential other mineral projects like Avalon’s Nechalacho project that has the potential of being in place for well over 100 years? We have to base decision-making on concrete cost-risk-benefit analysis.

Mr. Speaker, I seek unanimous consent to conclude my statement.  
---Unanimous consent granted.

MR. RAMSAY: Unlike the Deh Cho Bridge, we have to base decision-making on concrete cost-benefit analysis that will completely take into account all of the environmental, social and economic factors not only for the shareholders but for everyone who lives here in the Northwest Territories. I will have questions for the Premier at the appropriate time. Thank you.

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

MEMBER’S STATEMENT ON TALTSON HYDRO EXPANSION PROJECT

MR. HAWKINS: Thank you, Mr. Speaker. Like my colleagues today, I would like to chime into the Deze Taltson expansion issue. Mr. Speaker, I feel very strongly that any hydro expansion needs to be based on environmental and economic opportunities. I believe strongly, as well, that this shouldn’t continue to be a direct initiative pursued by our Legislature.

Mr. Speaker, the risk at this time is solely on the shoulders of the GNWT. As I understand it, the cash to date has only come from the GNWT pockets. This Legislature has found ways to waive the PUB review process and with our one-third partnership, I often wonder what’s left for the other two-thirds partnerships to contribute other than to wait for their own dividends.

The question of public accountability continues to be made about who Deze is truly accountable to. With a one-third partnership of Northerners being represented through this House, do we really have accountability? This raises the issue of the lack of accountability for public interests, because it is certainly not seen there.

The business case has been based solely on the fact that the diamond mines will be there to support this project. To date it is my understanding that there is still no power purchasing agreement to be signed. Great rhetoric would hail the fact that if this was such a wonderful opportunity, these diamond mines would be dragging us to the table to sign this deal. I have yet to see their enthusiasm and I keep continuing to hear that they don’t want it and they continue to stall it as long as possible.

We will hear that the east side of the lake route seems to be the best one according to Deze. Let us remind the Members and the public that this is through a national park that only represents the business case of the Deze Corporation.

It is my view that we have never fully and fairly considered the alternative routes that we’re all familiar with: the ones over the Simpson Islands or underneath the water. That may add an additional $20 million to $50 million, but Deze believes, as I understand it, that this is either too much of a cost and the rate of return will either be way too slow or way too low. These routes could provide significant public benefit for everyone. If those costs are true and are being given fair evaluation, we could use that as an opportunity to take a business case to the federal government to say with your assistance we could help to continue lowering the price of power throughout the Northwest Territories, providing assistance to lowering the cost of living throughout the Northwest Territories.

In closing, the hydro dam is a public resource. We need to ensure that the public is seen as a partnership in this resource. I will have questions later today for the Premier.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Member for Nahendeh, Mr. Menicoche.
MEMBER’S STATEMENT ON
ESCORT ELIGIBILITY UNDER THE
GNWT MEDICAL TRAVEL POLICY

MR. MENICOCHE: Mahsi, Mr. Speaker. [English translation not provided.]

Thank you, Mr. Speaker. Today I would like to talk about the concerns of constituents regarding the lack of escorts for people who must be sent to hospital on medevac flights.

A constituent told me that at Christmas her husband was rushed to Yellowknife by plane in critical condition. He was in distress and not able to think or speak clearly. She was very worried and concerned about her husband, so she drove to Yellowknife as soon as possible. She reached the hospital some eight hours later. The doctor in charge was very relieved to see her as there had been no one to answer questions on her husband’s behalf. The doctor thought she should have been with her husband. As well, medical staff members were looking for her to sign required forms.

Recently there was a similar circumstance with another constituent from Fort Simpson who was sent to Edmonton without his spouse as an escort.

It is concerning to me that spouses who are very ill and disoriented are being medevaced without their spouses to assist in providing necessary information to doctors and to understand medical forms that need signing. The patient is isolated, may be medicated, and cannot understand guidelines and medical procedures necessary for their treatment.

The other factor is that costs for spouses that travel after their partners are out-of-pocket expenses because they have not been assigned or designated as an escort. Their first thought is to be with their spouse and the second is to recover costs, which are often for a lengthy stay.

I raise these concerns because I am getting frequent occurrences. I urge the Minister of Health and Social Services to ensure that when spouses are in severe need of support from a spouse or close family member, that our medical staff designate them as an escort as needed.

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

MEMBER’S STATEMENT ON
TALTSON HYDRO EXPANSION PROJECT

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I would like to join my colleagues today who have very eloquently spoken to the issue of the Deh Cho Bridge Corporation. This corporation actually had its origins in a previous government and it does have similarities to the Deh Cho Bridge Corporation.

This was the idea and brainchild of a government and of people who are not any longer sitting at this table. Yet we here as a government... Oh, well, some of them are still here.

---Laughter

The idea of the structure and ownership of this corporation has merit in the fact that I think recognition should be given to the First Nations people on whose land this project will either be transmitted or even those who have an interest in the Taltson. However, to give so much of it away that this government then does no longer have control over what happens makes a mockery of what we’re trying to do here as a government. We have to look out for the public interest; the Deze Energy Corporation does not. We’re here for all the people of the Northwest Territories.

I have to tell you, we talk and boast of our huge hydro potential and all of our resources here in the Northwest Territories, but every time a reasonable project comes up that could benefit in ways that we haven’t even quantified -- employment, training, business, economic opportunities -- what’s the first thing we say is the biggest deterrent? Can’t afford the power. It doesn’t matter if it’s a pellet mill at Patterson’s in Hay River. It doesn’t matter if it’s a processing plant for Avalon at Pine Point. It doesn’t matter what kind of a manufacturing project it is.

Every time it comes down to the same common denominator: we can’t afford to do these things in the North because we can’t afford the power bill. Yet here we are with all of this potential for hydro and we have to ensure that this route of transmission of power from the Taltson, once the Taltson dam is expanded, goes on a path and route that picks up the most opportunity possible, serves the most communities, the most people and the most potential for economic development.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The honourable Member for Frame Lake, Ms. Bisaro.

MEMBER’S STATEMENT ON
TALTSON HYDRO EXPANSION PROJECT

MS. BISARO: Thank you, Mr. Speaker. As we consider the difficulties encountered by the Deh Cho Bridge Project and the resulting financial implications for this government, my mind cannot help but jump to another large project that this government is involved in. Of course, I speak of the Taltson Hydro Expansion Project. I, too, will weigh in on this subject today.

We MLAs have had quite a few briefings and updates on the Taltson project over the last two years that I’ve been here. As I cleaned up my office last week I found a few of those update documents. Interesting reading, they were. As mentioned by Mr. Abernethy yesterday, a prominent component of
the project, according to the information we’ve been given, is to examine an interconnected electricity grid. Yesterday the Premier advised the House that an electricity grid is a long-term objective in the government’s Energy Strategy. Fair enough; achieving that objective will certainly take time.

Since 2002 this government has pumped some $13 million into the Taltson project and there’s little sign of any let-up on our giveaways that I can see. What are we getting for the money that we’ve spent? If, as we continually hear, this project is a business enterprise, will the GNWT be paid back for the millions we’ve invested? If we will not, what control do we have over these financial investments? How is that money spent?

A one-third interest in Deze Energy Corporation does not give us much control, from what I can see. The Taltson project is looking more and more like the bridge scenario and I find that very scary. Are we heading down the same path with the Taltson Expansion Project that we followed for the Deh Cho Bridge Project? Will the GNWT once again be left holding the bag of debt for a megaproject, our finance perched precariously on a ledge just waiting for a strong breeze to blow us off into disaster?

In February of last year during a presentation from the Premier on the Taltson Expansion Project one of the bullets stated, “Project needs GNWT backstop for construction.” That sounds way too similar to the parameters of our recently collapsed P3 bridge project. Are we guaranteeing the Taltson project’s debt? What financial safeguards exist for this government in regard to the project and how much are we on the hook for? I will have these and other questions for the Premier at the appropriate time.

MR. SPEAKER: Thank you, Ms. Bisaro. The honourable Member for Nunakput, Mr. Jacobson.

MEMBER’S STATEMENT ON BEAUFORT-DELTA SPRING CARNIVALS

MR. JACOBSON: Thank you, Mr. Speaker. This afternoon my Member’s statement is on the carnivals that are starting to happen in the Beaufort-Delta this coming weekend.

We have the Muskrat Jamboree coming up this weekend. I look forward to seeing the dog races, the Isaac Simon 20-mile dog race, the snowmobile races, games on the river, and starting to dance. I see Mr. McLeod’s ready to go dancing soon. We’re looking forward to it and I hope everybody has a safe weekend in Inuvik and has a good time, sees some family and friends.

After that, next week is the Aklavik 100th Anniversary Carnival. Really looking forward to that. The dog races as well, the skidoo races. The best thing about that is you get to see some family that you never see all winter. The sun is back as well. It’s a lot warmer. I wish everybody to have a good weekend in Inuvik again.

Tuk’s carnival, Beluga Jamboree, is on April 19th this year. I’m really looking forward to that, so anybody in the Leg., if you’re there, drop by for a coffee and I’ll cook you breakfast.

Other than that, I just wish everybody a good carnival season, a safe one, and I look forward to seeing everybody out there.

MR. SPEAKER: Thank you, Mr. Jacobson. The honourable Member for Monfwi, Mr. Lafferty.

MEMBER’S STATEMENT ON 5TH ANNUAL ABORIGINAL HAND GAME TOURNAMENT

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. I’ll also throw in a twist to my Member’s statement on the hand games tournament.

[English translation not provided.]

Mr. Speaker, this past weekend... [English translation not provided.]

...as far as northern Alberta. The community was full of excitement, fully energized. You can hear the drum beat. We as the Dene people call it the heartbeat. You can hear it from miles away.

The event brought families together, friends united, and new acquaintances. It was time to share, time to connect with old friends, time to respect, time to heal and, most importantly, a time to carry on a tradition of our way of life.

First place was Wekweeti; second Tulita; third was Wrigley; then Deline, Behchoko and Fort Simpson.

I seek unanimous consent to conclude my statement.

--- Unanimous consent granted.

HON. JACKSON LAFFERTY: Mr. Speaker, I’d just like to highlight the results that there’s been a sixth place finishing, as I highlighted. I’d just like to congratulate all the teams and the community of Behchoko for having a most successful hand games tournament... [Microphone turned off.]

...from across the Northwest Territories to this community. Mahsi, Mr. Speaker.

[English translation not provided.]

MR. SPEAKER: Thank you, Mr. Lafferty. Item 4, returns to oral questions. Item 5, recognitions of visitors in the gallery. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Recognition of Visitors in the Gallery

MR. HAWKINS: Thank you, Mr. Speaker. Thank you, colleagues. It’s with appreciation I recognize Paige Elkin here in our Assembly.
[Microphone turned off.]

MR. SPEAKER: Item 6, acknowledgements. Item 7, oral questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

Oral Questions

QUESTION 65-16(5): COMMUNITY RECREATIONAL TRAIL SYSTEM DEVELOPMENT

MR. KRUTKO: [Microphone turned off.] …show that we can compete regardless of where we come from, but again... [English not provided.]

…or even allowing for those out there to achieve high results and be able to perform even at the national level, from what we’ve seen at the Arctic Winter Games, because of something I think that we can build on. We have shown that these people can compete, so I’d like to ask the Minister of Municipal and Community Affairs, are there any programs out there to develop capacity in the communities so that these athletes can continue their participation in the sport that they represent.

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

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. We are very proud of the fact that during these past Arctic Winter Games, 27 of the 33 communities across the Northwest Territories were represented, and it’s our goal to get the other five communities in so when we go to Whitehorse in 2012 that we will have all 33 communities represented.

We have started the After School Program to try and encourage kids to get into the sport. Some of the money was able to be used for purchasing of equipment. As well, there was the federal money that we had allocated to some of the communities, the recreation infrastructure funding that some of the communities had applied for. We’re continuing to search for alternative funding out there that we could pass on to the communities, because we would like to see the day come when we have more and more athletes from the NWT competing at a national level. Thank you, Mr. Speaker.

MR. KRUTKO: Mr. Speaker, I’d like to ask the Minister, I know there was a previous program called the Community Trails Program, and I think it was a joint program between the Government of the Northwest Territories and the federal government. So I’d like to ask the Minister, does that program exist and if it does, how much resources are in that program.

HON. ROBERT MCLEOD: Mr. Speaker, I’d have to follow up on that. To my knowledge, I don’t know if the program exists anymore, but I will follow up and get that information and pass it on to the Member. Thank you.

MR. KRUTKO: Mr. Speaker, I believe that these types of programs do develop community capacity, but more importantly, it allows our athletes to be able to train similar to other athletes in the larger centres but train on facilities that are designed for their activity, regardless if it’s cross-country skiing or snowshoeing or even the ability to be able to use that facility for community usage. So I’d just like to ask the Minister, can his department consider looking at some sort of an initiative that allows communities to work on a program that develops Community Trails so that it can be used for recreational purposes.

HON. ROBERT MCLEOD: Mr. Speaker, there is the money that we do pass on to the communities through the gas tax and the community infrastructure money that they’d be able to use for developing trails, if that was one of their priorities. I think we’re starting to see the results of a lot of the money that has been expended towards recreational facilities towards the development of our athletes, and I think the fact that we had 27 communities represented in the Arctic Winter Games goes a long way in showing that the money is being invested and is being used wisely by the communities. Thank you.

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

MR. KRUTKO: Mr. Speaker, I believe there’s a need in our communities also for firebreaks, and I think that’s probably a perfect opportunity for the Department of Municipal and Community Affairs, working with the Department of the Environment, to use those dollars that are going to be expended to develop firebreaks around communities as, basically, fire protection. So I’d like to ask the Minister, will he consider talking with his colleague from the Department of Environment if there’s such an opportunity for communities to use those dollars to not only develop firebreaks but also use them to develop multi-use trails which could be used as a firebreak and also that can be used for trails and used for ski trails or, basically, snowshoe trails around our communities. Thank you.

HON. ROBERT MCLEOD: Mr. Speaker, there are also some communities that have some trail programs and there are a lot of ski trails from the old TEST Program that they’re starting to groom again. But for the communities that have put together trail programs, I’d commit to the Member that I’ll follow up on some of his requests and get some information as to how they went about doing it and pass that on to the Member. I’ll also have a discussion with any other departments. We look for any opportunity we can to improve the infrastructure in the communities. Thank you.
MR. SPEAKER: Thank you, Mr. McLeod. The honourable Member for Frame Lake, Ms. Bisaro.

QUESTION 66-16(5):
TALTSON HYDRO EXPANSION PROJECT

MS. BISARO: Thank you, Mr. Speaker. Mr. Speaker, my questions are addressed to the Minister responsible for the Power Corp. I spoke in my Member’s statement about the fact that we continually hear that the Taltson Expansion Project, Deze Energy Corporation, is a business, and that the enterprise and the expansion is itself a business, but the GNWT, as I mentioned, has put quite a few millions into this particular project. I’d like to ask the Premier whether or not the GNWT will be paid back for the millions that we have invested in this project. Thank you.

MR. SPEAKER: Thank you, Ms. Bisaro. The honourable Minister responsible for the NWT Power Corporation, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the project is indeed based on the business model of a partnership. The partnership of Deze Corporation is made up of our NWT Energy Corporation No. 3, the Akaitcho Energy Corporation and the Métis Energy Company that make up the one-third partners on this project. We have, as the GNWT, over a number of years invested, through the Power Corporation, in the neighbourhood of $13 million, I believe it is, up to this year in getting ready for the environmental phase that we’re in the closing of and that business modelling that was prepared and getting the expertise to help us with that business model.

If the project is to proceed, the dividends that would be received from that project after the initial investment was paid back, we would start to see that return to the Government of the Northwest Territories long term, yes.

MS. BISARO: Thanks to the Minister for that explanation. It doesn’t really help me much. It’s going to be an awfully long time before we get any money back, but I guess I have to assume that eventually we will get back our $13 million.

I mentioned in my statement that one of the bullets on a presentation that we received some time last year was that there needs to be the GNWT to backstop this project for construction. I’d like to ask the Minister to explain what that means. Are we providing a financial guarantee to the Taltson Expansion Project? Thank you.

HON. FLOYD ROLAND: Mr. Speaker, the business case that was put forward, the modelling, the request for support from federal funds, as well as this total project being based on the power purchase agreements that are to be signed with the mines. Without those power purchase agreements, there is no project. The issue of the construction phase is until the construction is done and the delivery of power happens, the revenue source isn’t there yet, so that’s the construction phase that they are seeking to have some commitment from the Government of the Northwest Territories or the federal government to deal with that construction piece.

As the GNWT, as the Minister of Finance has stated, we are unable to guarantee that level of debt to the Power Corporation. Hence the discussions of finding partners beyond ourselves to help carry this project through. Thank you.

MS. BISARO: Mr. Speaker, I guess if we are and we have already input some $13 million into this project, we are going to get paid back through dividends, if I understood the Minister correctly, but I would think that if we are one-third partners and there is a dividend of, say, $30, we are only going to get one-third of that $30 dividend. We are only going to get $10. My understanding is that the other partners in the Deze Corporation have put in minimal money compared to our $13 million. In getting paid back through dividends, are we going to get an equal share of any dividend or are we going to get a larger share because we will have put in far more money at the outset than any of the other two partners? Thank you.

HON. FLOYD ROLAND: Mr. Speaker, the partnership agreement that is to be signed will spell out all of that detail. We are in the final… There are a couple of months that the Cabinet has requested to review that initial document that has been put together by the partners. We have yet to sign an agreement that would see this go forward, but we have supported the groups coming on board. We fully realize that the investment we have to make up front is from the Government of the Northwest Territories or the Power Corporation to help move it along, because the partners themselves at this present time without a power purchase agreement are unable to find those resources.

As earlier, a number of Members were speaking in Members’ statements about capacity in the North and seeing a broader partnership and a revenues build coming to the aboriginal governments and organizations, this is a way of doing that, is to provide them the support up front and have them build on a capacity as this project is built. Thank you.

MS. BISARO: Mr. Speaker, thanks to the Minister. I understand that things are being negotiated and so on, but I guess I am concerned, as I mentioned in my statement, that we are entering into this project. We are, at this point, backstopping the project without any sort of financial safeguards. I think the Premier mentioned yesterday, in response to a question from Mr. Abernethy, that some part of this project is coming up to this government for
approval in the near future. Could I get an explanation of what he meant by that? Thank you.

HON. FLOYD ROLAND: Mr. Speaker, as this project is moving along, the work on the partnership agreement as well as the power purchase agreements have been going parallel with the environmental review process. We are, as a Cabinet, having to look at that partnership agreement and decide if we can sign that or not or if we would tell the remaining partnership that they would have to go seek outside partners to help bring this project along. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Member for Great Slave, Mr. Abernethy.

QUESTION 67-16(5):
TALTSON HYDRO EXPANSION PROJECT

MR. ABERNETHY: Thank you, Mr. Speaker. My questions are in follow-up to my Member’s statement. On March 3rd, in responding to questions from my colleague Mr. Bromley, the Premier said, according to the unedited Hansard, “We have looked at this project and this project has been built on a clear case of a business model. If we want to establish more to it, then we can do that.” Later, in response to another question, he indicated, according to unedited Hansard once again, “So if this project goes, and it will go only by the fact that it’s a business case model, if we add more to it, then we lose the business case and there is no project.” I was wondering if the Premier can help me understand the contradiction in those two statements and help me understand whether or not there is an opportunity for us to actually change this project and go with alternate routes that actually have greater benefits to the people of the Northwest Territories over the long term. Are we stuck to this eastern route or nothing? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Abernethy. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. There is no contradiction. There is, in fact, if the Government of the Northwest Territories wants or this Assembly wants to see alternate routes, this Assembly would have to come up with money to afford that, because, as I had stated, this project has been built on the business case, not offsets from the Government of the Northwest Territories, no subsidies, purely on a business case of the ratepayer being, in this case, the diamond mines. If they don’t sign onto this and make it feasible, then there is no project.

The developer’s assessment report that’s been filed through the environmental review process has been moved forward. We’ve updated Members on that of that process and recently it’s gone through its final extension that was put in place for public input and we’ve heard some concerns in that area and are looking at adjusting. Deze is looking at adjusting the routing to deal with the issues raised by those around the original routing and Lutsel’ke itself. We’ve done work based on that. The initial review that was done and the original information was requested along routing lines. That work was done and provided through the environmental review process. Thank you.

MR. ABERNETHY: With respect to routing lines, there are several different options and there has been some costing suggested, but the costing was actually provided by Deze themselves and the NWT Hydro Corporation, both obviously proponents of a particular route. I was wondering if there was any opportunity or could the Premier facilitate the acquisition of costing that wasn’t done by the two organizations that want to go a particular direction. I think it would be interesting to get an independent assessment that would cross the islands, the island route or outside the sub-islands or even the western route would be from somebody who wasn’t 100 percent convinced that the only route doable was the East Arm route. Thank you.

HON. FLOYD ROLAND: The Power Corporation contracted out much of the expertise that’s required in doing some of these assessments and pulling some of the costs together. The Member has talked about a number of routes: submarine that would be under the lake or at the bottom of the lake; the trans-island route, as discussed; and the western route. We’re talking of the base case plus, for example, the submarine. The estimates were about $50 million more; trans-island was about $40 million more; the western route was looking at $200 million or more.

Again, the partnership has looked at this purely on the business case. We have to be able to say if we are going to make this work, be able to sell power to the industry, in this case the mines, for a lower cost than what they can produce right now and that is diesel generation and hauling the fuel up to their sites, otherwise they have no interest because they have already invested in the infrastructure.

The one case scenario is Gahcho Kue where they have yet to make a decision if they are going to go to a mine development. They are looking to see if we, as a government, are going to provide the hydro side or will they have to provide for their own power initially and that could affect their decision about go or no-go.

So we’ve had to fully base this on the ability to provide power at or better than they can develop right now and that’s been driving the business model we’re into.

Now, Members would like to see this additional information. I will see and provide again an update to Members on who put this information together for
us and provide that to Members and see where that goes. Right now, the Member asked earlier, this business call, the developer's assessment report that went on is based on the routing that was laid out, that has gone through the hearing and we've got some feedback there. Deze is looking at doing some rerouting to adjust for the concerns of the band and others in the area. Thank you.

**MR. ABERNETHY:** I get a business case, I understand it. Quite frankly, it makes sense to me. If you want to make a lot of money, the eastern route is the best thing. If I was a businessman or a member of Deze, that's what I would want as well. But I'm not. I'm a territorial politician and so is the Premier and what we need to be doing is we need to be working in the best interest of the people of the Northwest Territories.

I'm not convinced that is the best route. I am happy the Premier is willing to meet with us and give us some additional information, but what I want to ask the Premier is if it's too late to change gears on this project and bring it back into the interest of the public.

The people are speaking. The people are telling us they want to see grids, they want to see opportunities going to other places, other routes considered. Is it too late to resist something that we could still do in the best interest of the people of the Northwest Territories, remembering that I'm not a businessperson with Deze, I'm a politician for the Northwest Territories and so are you.

**HON. FLOYD ROLAND:** The development assessment report that went in for environmental review is the business case to model we have used. They have asked for alternate routes. That information was provided. There has been an acceptance that that is the area that makes the best-case scenario for us. The adjustments that are being looked at are the result of the recent hearings that were held.

If Members want to see this change, then we would have to pull it back. There would be a full additional review done. That would delay anything there. That would run out of additional years of mine life. In some cases some of our older mines have limited life. That could potentially affect the go or no-go of a new mine.

Let's talk about the best-case scenario for the people of the Northwest Territories. The diamond mines have brought to the Government of the Northwest Territories $1.1 billion in GDP. In a time when the economy was starting to severely wane because of the gold mines in shutdown mode and slowing down and the oil and gas was stagnant, it was purely on GNWT and transfers from Ottawa. Through the mining industry and the diamond mines in particular we have been able to shore that up and bring it up so that we're one of the fastest growing jurisdictions in GDP across Canada.

With that in mind, our interest at this point, knowing that they are the game in town, in a sense, we need to ensure that we can supply them power, that they can extend their mine life so that GDP can continue to remain or grow instead of shrink.

Let's talk about the power to the Slave Geological Province. We're talking the potential to grow our northern economy in the area of 700 jobs. When you look at the construction of this facility, long-term revenues would accrue to the aboriginal governments and public sector shareholders, that being ourselves, in extending the mine life that grows our economy long term. Yes, we have to look at other areas. If we run the line around to the other sides and hook our communities up, then that falls into the PUB and the rate base. Those customers cannot afford that extension. It would have to be purely a government contribution outside of that PUB process. Then we'd be asking for the $100 million-plus if we go around the western side, for example.

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

**MR. ABERNETHY:** Thank you, Mr. Roland. Thanks to the Premier once again for all that information. I couldn't agree more. That's all good information and that's where the Taltson expansion could benefit us regardless of the route. If they go around the east, we get the same result as if we go across the islands. It's a little bit more money. We hit the diamond mines, we hit Avalon, we open up the North Slave Geological Province; everything that he just said happens regardless of whether we take either one of those routes. The difference is with the across-the-islands route someday we're going to be close enough to Yellowknife that we can grid in easily. There are social benefits to that route. If we grid in, then we can use that power from Snare. My question is, why are we so set on this East Arm route when the same advantages that the people of the Northwest Territories expect and want, plus many, many more, exist from an alternate route across the islands? It may be a bit more expensive, but the long-term benefits far outweigh the benefits of going around the East Arm route.

**HON. FLOYD ROLAND:** This is one of the difficulties we face, is when the government-of-the-day puts the business model and gets behind a project. The government-of-the-day, and even this government, realizes we have limited capacity in subsidizing any projects of this nature. So this has purely been on a business case. That is the kilowatt-hour sale that could make this project go that could then deliver revenues to the partnership, that could then grow capacity, that could fuel further development potentials in the area. So we have looked at those options, as I stated earlier, through the environmental review process. The additional
cost deemed it unaffordable based on the business model.

Yes, we see the long-term objective as a government of connecting a grid in the Northwest Territories through all our hydro and up the valley when you look at our 11,000 megawatt potential that we have and the sale to southern Canada through that potential. Those are long-term goals and projects beyond our capacity. We'd have to find partners for that. The partnership would have to be sure that they could sell this at a profit and not require subsidy from governments.

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

QUESTION 68-16(5):

TALTSON HYDRO EXPANSION PROJECT

MR. HAWKINS: Thank you, Mr. Speaker. Like my colleagues, through Members’ statements and questions, I will continue the issue of the Taltson expansion and the Deze partnership.

We have to be very clear, the GNWT represents the social interests of all residents of the Territories. To be crystal clear, the Deze interest is a group of partners that are represented strictly on economic interests, not public and social interests.

The challenge I see here is who represents the public interest in this partnership. That's the question to the Premier right now, how will the public be plugged into this partnership through accountability and in the context of public interest in this deal.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. The public interest is represented by the Government of the Northwest Territories as a shareholder through the Power Corporation or through the Hydro Corporation itself. The public interest being served by the fact that there would be revenues accrued from that. The public interest would be in supporting aboriginal governments and building capacity and having long-term revenue sources going into them so that they can build on their capacity. The public interest would be reducing 100 million litres of fuel. The public interest would be 280 kilo-tonnes of CO\textsubscript{2} reduced annually. That's where our public interest is. That's where the big picture is.

MR. HAWKINS: The Premier did not talk about how the public interest has a position in this. The public interest was not discussed in his answer about how the public interest gets represented. If we represent a one-third interest in a corporation outside of the territorial government, that's way beyond arm's length, then the public interest is lacking. What is stopping the Premier from evaluating fairly and strategically with all the proper information about the route that we've discussed in this House, which is either over the Simpson Islands or under the water? What is stopping this department of NWT power from evaluating that fairly and weighing and balancing the social interest and social benefits of this opportunity?

HON. FLOYD ROLAND: The interests are being represented, one, to help growth of the Northwest Territories through an economically viable project. Members have already said on a number of occasions that we do not want a repeat of where we are guaranteeing or backstopping and having to put additional dollars at risk. This model is based purely on the business-case scenario.

What I think I'm starting to hear is that, well, as a government maybe we should step in and put more involvement from the government side. That is a different scenario altogether. It's been based on a business case. It's been built on building capacity with our aboriginal partnership in the Northwest Territories. It's built on a business case of extending mine life which would keep growth and revenue coming overall to people working, companies keeping their jobs and the Government of the Northwest Territories keeping its corporate taxes going.

The additional routing through the environmental phase has been done. That information has been provided. Again, if it's the government's will that we do this, then we have to accept that we're going to stop the process where it's at. We're going to potentially add to the uncertainty of our economic climate at a time when that's not the best solution.

MR. HAWKINS: Earlier in a response to Mr. Abernethy the Premier was touting the GDP growth because of this opportunity. To be honest, GDP growth in the Northwest Territories is all either theoretical or useless, because the piper being paid is Ottawa over the Northwest Territories. Yes, people are working, but those who are getting the money from the resources and those revenues go straight to Ottawa.

The Premier says this is all based on a business case. I'd like to hear the Premier explain to this House where the money will be coming from for this potential project as we all well know this is worth way more than any money that this territorial government could ever raise even at a one-third partnership. Where is the money?

HON. FLOYD ROLAND: The partnership that has been put together that has built this business case, this model is based on the fact that the power purchase agreements make this project viable. That is why the most economical routing has been put forward. If we decide as a government to socially engineer this, as some of the wording that has been used, then the Government of the Northwest Territories needs to find some of its own-source
revenues to offset that cost, otherwise it gets passed on to the rate base. Who in the communities along that side can stand an increase in power generation and the cost of power generation from their existing areas of power generation?

The other part of the Member’s question leading up to that is, yes, the federal government gets the royalties from those mines. But let's not forget that we just passed a budget that had over $800 million of transfer back to this government from the federal government.

MR. HAWKINS: The Premier raised the issue of power purchase agreements. Those are all well and good. But to date I have yet to see these power purchase agreements. As I said in my Member’s statement, if they are such a great deal for the diamond mines company, they would drag us to the table kicking and screaming and make us sign them with them. The point being, Avalon wants to sign a deal, Fortune mines is interested, the City of Yellowknife has a life of in perpetuity that we could be hooking up. Don’t forget about Detah, Ndilo, Behchoko, Whati, and many other customers that we could create a grid with. The point being, the power purchase agreements are here today in living proof, not short-term mine life. Where are the power purchase agreements that they keep waving that are the key to this deal?

HON. FLOYD ROLAND: The city of Yellowknife and the surrounding area served by it, hydro facilities up to the city of Yellowknife over 70 percent is served by hydro. We have to run the diesels from time to time to offset some of the outages and the high demand times. The fact is if we were to build this project purely on the existing rate base, it is unaffordable. We could not pass that extra cost on to the individuals.

The Member spoke about Avalon. We would like to see that development occur. The issue is, at six cents per kilowatt hour we’re unable to develop any new extension of our facilities at that cost. We don’t have the customer base for that. Those are some of the areas that we’re looking at new customers to pay for this. That right now would be the mines.

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

MR. HAWKINS: Thank you, Mr. Speaker. Where are the power purchase agreements? That really is the question. Where are the diamond mines who are willing to sign on the dotted line and say they are willing to buy power at ‘X’ rate? Where is the proof that they are behind this project? That could settle a lot of uncertainty today.

HON. FLOYD ROLAND: There have been ongoing negotiations for quite some time with the mines. In fact, there will be a meeting held in the very next...probably within the next week with the key folks from the mines. That will tell us if in fact we’re going to put any more effort into this. It is based on power purchase agreements that have to be signed off. But before we can get there, much like the Mackenzie Gas Pipeline, much work needs to be done to build the business model to go through the environmental phase, then a final decision on should the project go or not. We’re faced with the same scenario in the Taltson system.

MR. BEAULIEU: Mahsi cho, Mr. Speaker. Mr. Speaker, I, too, will talk about the Taltson expansion. I’ll try to ask some questions that are different than the questions that the Minister responsible for the Power Corp has already answered. My first question is: what is the GNWT’s overall management role in the Taltson Hydro expansion? Who has the lead management role in this expansion? Thank you.

MR. SPEAKER: Thank you, Mr. Beaulieu. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the GNWT, through the Hydro Corporation and more specifically the NWT Energy Corporation No. 3, is a partner in the discussions and the Deze partnership. It is through that involvement that we’re involved and, again, our relationship through the Minister responsible to the Hydro Corp exists through that avenue. Thank you.

MR. BEAULIEU: Mr. Speaker, another question I have for the Minister: what is the GNWT’s long-term financial plan insofar as the Taltson Hydro expansion goes, including any corporation owned by the GNWT aside from and including the diamond industry? Thank you.

HON. FLOYD ROLAND: That would be difficult to provide an answer at this point. The long-term fiscal plan, again, of the partnership is, one, the partnership will have a board of governors, a governance council set up to make these business decisions. The business model that’s been put in place sees this project being viable because of the power purchase agreements and the return on investment through those after paying down the initial portion that would grow, of course, would grow faster if we were to do the full expansion up to I believe it’s 56 megawatts. Thank you.

MR. BEAULIEU: Mr. Speaker, considering the difficulties, I believe that this expansion or the partners in this expansion are going to have to go through the area, the eastern route, to negotiate anything with the Lutselk’e First Nations. I can’t see any of that being settled ahead of the land claim, and I can’t see that being settled after the land
claim because of the position as taken and the value that Lutselk'e First Nation considers on the land. I would like to ask the Minister what examination has occurred for other potential users insofar as in relation to where the transmission line runs, actually, to try to get them to see if he’s examined other routes due to potential users or so on. I’m trying to say that. Thank you.

HON. FLOYD ROLAND: Mr. Speaker, as a result of the environmental review process, additional routing is being looked at, and that’s to incorporate the concerns raised by the Lutselk’e band when it comes to especially the area of the Lockhart River and the importance that river is held in by that band. So there is alternate routing looked at in that area still along the East Arm to try and deal with that and still get power through the process.

Right now, if we were to talk in today’s business case, there are no other potential customers except existing customers. There are future potential customers that could be looked at, but we don’t even know if, until they get through a regulatory phase, there will be a mine and how it will be done. We’ve got a long journey on that side to go. We see that as a potential future customer, yes, and we will have to look at how we go forward on that basis. But right now this business case is built on existing customers that we could bring on to our grid system. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Your final supplementary, Mr. Beaulieu.

MR. BEAULIEU: Thank you, Mr. Speaker. Can the Minister tell me if the Taltson Hydro expansion has potentially viable partners? Thank you.

HON. FLOYD ROLAND: Mr. Speaker, the partnership that’s been formed, the partnership agreement that’s been started and worked on and has been initialled by the other partners, we, as the GNWT, as the sole shareholder of the Hydro Corporation and down through to, well, it would be the NWT Energy Corporation, have yet to sign that. We have to review that to see if, in fact, that is the agreement that’s been started and worked on and that and still get power through the process.

Right now, if we were to talk in today’s business case, there are no other potential customers except existing customers. There are future potential customers that could be looked at, but we don’t even know if, until they get through a regulatory phase, there will be a mine and how it will be done. We’ve got a long journey on that side to go. We see that as a potential future customer, yes, and we will have to look at how we go forward on that basis. But right now this business case is built on existing customers that we could bring on to our grid system. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Member for Kam Lake, Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I’d like to join my colleagues in asking the Premier some questions on the Taltson Hydroelectric Expansion Project and the government’s involvement with Deze Energy Corp.

First of all, I think the question that I’d like to ask the Premier, and I know a number of folks across the Northwest Territories watch the proceedings of the House, I’d like to ask the Premier if he could explain to the public and to the Members of this House exactly how the $700 million or the estimated cost of the expansion and the transmission line is going to be paid for. Thank you.

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

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the project will be paid for by the power purchase agreements, the sale of energy to the mines. That’s how it’s going to be paid for. Thank you.

MR. RAMSAY: Mr. Speaker, once the power purchase agreements are signed, then those are bankable in the sense of being able to go out and go to the financing market so that they can then get the money to build this facility. The issue, as was laid out to Members and was raised earlier, was during the construction phase, until the power can flow there needs to be a backstop. There were initial requests made in the previous government to have a request made to the federal government to give an exemption around this project. The last government, the response wasn’t favourable to that request. The work has continued and the idea…and there’s been some discussion lately about finding a private sector partner to step in and carry that and see that part of the project started. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: Mr. Speaker, once the power purchase agreements are signed, then those are bankable in the sense of being able to go out and go to the financing market so that they can then get the money to build this facility. The issue, as was laid out to Members and was raised earlier, was during the construction phase, until the power can flow there needs to be a backstop. There were initial requests made in the previous government to have a request made to the federal government to give an exemption around this project. The last government, the response wasn’t favourable to that request. The work has continued and the idea…and there’s been some discussion lately about finding a private sector partner to step in and carry that and see that part of the project started. Thank you.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, once the power purchase agreements are signed, then those are bankable in the sense of being able to go out and go to the financing market so that they can then get the money to build this facility. The issue, as was laid out to Members and was raised earlier, was during the construction phase, until the power can flow there needs to be a backstop. There were initial requests made in the previous government to have a request made to the federal government to give an exemption around this project. The last government, the response wasn’t favourable to that request. The work has continued and the idea…and there’s been some discussion lately about finding a private sector partner to step in and carry that and see that part of the project started. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: Mr. Speaker, once the power purchase agreements are signed, then those are bankable in the sense of being able to go out and go to the financing market so that they can then get the money to build this facility. The issue, as was laid out to Members and was raised earlier, was during the construction phase, until the power can flow there needs to be a backstop. There were initial requests made in the previous government to have a request made to the federal government to give an exemption around this project. The last government, the response wasn’t favourable to that request. The work has continued and the idea…and there’s been some discussion lately about finding a private sector partner to step in and carry that and see that part of the project started. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.

HON. FLOYD ROLAND: Since the start of this, the concept of this has been put together. It’s been, I believe, and I’ll have to double check the information, but I believe it’s in the neighbourhood of $13 million of investment since the previous government into the life of this government. Thank you.

MR. RAMSAY: There certainly are some parallels here between the government’s participation with the Deh Cho Bridge Corporation and Deze Energy Corporation. We backstopped the Deh Cho Bridge Corporation in the early stages, to the tune of almost $10 million. I’d like to ask the Premier how much investment the Government of the Northwest Territories, through the Power Corporation and the Hydro Corporation, have invested in Deze Energy. Thank you.
oversight as a government to the work of Deze Energy. I’ve been a Member here since 2003 and we’ve talked about power purchase agreements in this House for years and there still aren’t any bankable power purchase agreements that the corporation, the Hydro Corporation, the Power Corp and Deze have entered into with any mine. I’m just wondering, again, when can we expect any movement on power purchase agreements, because it is taking an inordinate amount of time for these guys to work out a deal with the existing mines. Thank you.

HON. FLOYD ROLAND: Mr. Speaker, to be fair, the previous governments that initially got this concept together put the pieces together, presented to Members the idea on how to move forward through this partnership. At that point there is no number to be able to say through, for example, the environmental review process could add additional dollars much like by the environmental review process looked at it, adjusting the line through the East Arm, that could add some dollars to this project. We could not sign power purchase agreements until we get through the environmental phase, because we need to know the final numbers and cost of construction. That could be then calculated to the kilowatt hour sale of energy. We are expecting in the very near future to be able to come forward on that, because, again, there is no project without these power purchase agreements. Thank you.

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

QUESTION 71-16(5):
RECONSTRUCTION AND RESURFACING
OF HIGHWAY NO. 1

MR. MENICOCHE: Thank you, Mr. Speaker. I won’t be asking the Premier any questions. Mr. Speaker, my questions are actually for the Minister of Transportation just with regard to the commitment to get the section of Fort Providence junction towards Fort Simpson, I believe is Axe Handle, chipsealed in this coming fiscal year. I would just like to ask how much work has begun on the process of awarding the work or getting the work underway early in this spring. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Menicoche. The honourable Minister of Transportation, Mr. Michael McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. I am trying to remember if the Member asked this once or twice before. Mr. Speaker, I could actually go to our staff and get some firm dates of when we are anticipating the contract to start. The contract went out for tender last year, I believe. We have a contractor that was awarded the contract, except timing of the season and weather do not permit or was not favourable to move that forward, so we expect that would happen as soon as the weather warms up and the conditions are favourable; early in the summer season or late spring I would anticipate. Thank you.

MR. MENICOCHE: Mr. Speaker, constituents want assurance that work will be completed with all the talk of the Deh Cho Bridge and debt wall, et cetera. I think the Premier did indicate in yesterday’s Minister’s statement that this coming fiscal year there will be no impact. I would just like to get the Minister’s assurance as well. There are several other Transportation contracts for the Nahendeh riding that work will proceed this coming year. Once again, I urge to get these contracts out of the gate as early as possible. Thank you, Mr. Speaker.

HON. MICHAEL MCLEOD: Mr. Speaker, so the Member could sleep at night, we will assure him that all the projects are moving forward as we have projected and as we have reported to the Members with our capital planning over the last year and this year. We don’t anticipate any effect as a result of the Deh Cho Bridge. The projects that were carried over will move forward as soon as possible if conditions are permitting and the other contracts are already being considered for awarding too. I think we are going to see a lot of work happening this summer. We should have a good construction year, again depending on rain and weather. Thank you.

MR. MENICOCHE: Mr. Speaker, I am glad to hear those reassurances from the Minister. My constituents will be pleased to hear that. As well, I would like to ask the Minister, come this spring, if he will come to the riding and we will do a bit of a tour to each community and discuss all the other Transportation related important projects. Mahsi cho.

HON. MICHAEL MCLEOD: Mr. Speaker, I would welcome the opportunity to attend a visit to communities in the Member’s riding given that we are investing so heavily in his riding that we have the opportunity to share that information and to also discuss other issues that the Member has been raising over the last while and have a chance to talk to the leadership. So I would certainly accept the invitation and make arrangements to travel with the Member to his riding. Thank you.

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

QUESTION 72-16(5):
TALTSON HYDRO EXPANSION PROJECT

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I think that this dialogue we are having today on the Taltson expansion and the delivery of hydro to the diamond mines is a very good discussion. The
Premier has been doing an excellent job of responding to these questions. I would bet you the people out there in the Northwest Territories listening to this are getting a much better understanding of how this whole thing is working. I have been trying to listen to it through objective ears. I think we are accomplishing that.

Mr. Speaker, we cannot deny that the diamond mines have been a tremendous asset to the economy in the Northwest Territories. They have brought jobs. They have spent money. The expansion of the Taltson and the construction of the new transmission line would also bring tremendous economic benefits to the Northwest Territories during the construction phase. The power to the diamond mines would definitely reduce greenhouse gas emissions. That is also a good thing.

Mr. Speaker, what I hear my colleagues saying, if I can put it in this kind of analogy, is that we have this tremendous hydro resource in the Northwest Territories, but the only people who can afford to access it are entities such as the diamond mines. It is like having a banquet and we own the banquet hall and we are putting on the food, we are doing everything but we can’t afford to buy the ticket to come to the banquet because we don’t have that kind of resources.

The diamond mines have got the money, the power purchase agreement. They have the money, but what we are asking for our people who want us to be involved in businesses that require cheaper power and for our residents who could have their cost of living positively impacted by the hydro is we are asking, other than the 30 percent ownership of the GNWT and the dividends, is there any other way that we can configure this so that we could pick up benefits for our residents and our small businesses along the way. We just want to in some way benefit from this resource. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker.

I think those benefits in a number of ways are felt throughout our communities. For example, the IBAs that are signed with the mines to do that. More importantly, through the contracts that the mining companies have in a number of our communities, through the growth of our communities, because we have new residents who moved into our communities and bought homes.

It was not too long ago when we looked in our communities and Hay River would be one of those where the housing market wasn’t as strong, has now turned around and is healthy. I wish I could say the same in a number of other communities.

I think when we look at those pieces to try to find the benefits, there are a number of factors and that would be for our corporate tax, for our personal income tax that flow into our general revenues. The other issue which becomes a problem for us is if we looked at connecting a new grid to our existing rate base. The cost that would be borne by that rate base is too heavy. For example, right now we are living off the life of industry in the past that has provided hydro now to our communities. We have benefited largely from that, but if we had to replace those facilities purely on the rate base of our customers now, that would be very difficult indeed. Thank you.

MRS. GROENEWEGEN: Mr. Speaker, the Premier went on to elaborate more on the benefits of having the diamond mines here. I am not arguing that at all. It is a tremendous benefit to the Territory. Hay River, Yellowknife, the IBAs, the many benefits that we have realized from the development of these diamond mines is unquestionable. However, we also have amazing hydro potential. What the Premier is saying is that we do not have the ability to finance that or pay for that for the private customers and residents of the Northwest Territories, but this single customer base by way of the diamond mines is the only business case that can be made for the distribution of additional power from the Taltson. Is that what he is saying? Thank you.

HON. FLOYD ROLAND: Mr. Speaker, without a customer at the other end, the project itself from a government perspective is unviable unless we are to get a huge influx of cash from the federal government or if we at this Assembly were to say take a portion of the dollars and put it purely towards this project.

This business case has been built on a customer; a number of customers in the sense of the mines. Future development, for example, and the Member has raised this issue of Avalon going forward, is important for us and looking to the future, but until we know if they’re actually going to make a decision to proceed, we have to weigh that with the fact that we know there’s a customer in place now.

The potential for our hydro development is to sell that power to a southern customer base is another option, but without a grid from southern Canada up here, again that is not economical for us. The future can spell that out for us and we have to keep those open. That is why I have directed and had our staff looking at having discussions between the Minister of ITI and companies like Avalon as well.

MRS. GROENEWEGEN: Let’s just say going forward that our 30 percent interest in this project, in this business case as the Premier speaks of it, if the dividends from that flow to this government are significant, is there any way of channelling, designating, allocating that dividend to do something to explore green and affordable energy options for other residents and businesses in the Northwest Territories?
HON. FLOYD ROLAND: I thank the Member for that clarification. In a forward looking position with PPA signed, with energy flowing, with the dividend being paid, and that’s how we would be able to do it. Right now through our Power Corporation, for example, we received a dividend to help offset our Territorial Power Support Program. We could use those funds as a dividend and target it towards alternative energies and enhancing that throughout the Northwest Territories. That is a possibility that we could do that as a shareholder in this partnership and draw down that cash and use it for things of that nature.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Member for Weledeh, Mr. Bromley.

QUESTION 73-16(5):
TALTSON HYDRO EXPANSION PROJECT

MR. BROMLEY: Thank you, Mr. Speaker. I’d like to pursue our long-suffering Premier here with another round on the Taltson project. This project, of course, is embedded within the context of our NWT Hydro Strategy which was put out in 2008. I’ve commented in the House here and in committee a number of times on that draft strategy. I believe other Members have. There is no evidence that I have seen that any of those comments have come to roost anywhere. I think that it’s time that we did finalize that strategy, because a good vision would help guide the development of projects such as this and avoid this sort of situation where we’re trying to do things a little bit Johnny-come-lately.

Will the Premier commit to leading now a final discussion towards a vision for a 50-year Hydro Strategy?

MR. SPEAKER: Thank you, Mr. Bromley. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I would say I believe one of the Members mentioned 2003, 2003-2010 is not a Johnny-come-lately approach. In fact, it has been well thought out and coming up with a business case that makes this work more. So towards the Member requesting that the Hydro Strategy be looked at again and updated with a more updated vision as to where we go, yes, let’s sit down together in committee. I believe there has been some commitment made and the Ministerial Coordination Committee along with Members would be glad to sit down and renew that strategy and update it. Many things have changed since that was initially put together.

MR. BROMLEY: Thank you, Mr. Speaker. I said Johnny-come-lately because this side of the House at least is not convinced at all that sufficient consideration has been given to the public good in this project.

New considerations such as we have seen here today will not stop the process as the Premier implied. In fact, just last month Deze Corporation and the Hydro Corporation came up with a brand new un-consulted place to cross Great Slave Lake. So now there’s a whole new process starting there. Of course, that means we don’t know what the routing is from the north side of the lake to the mines.

Another clarification is of course that what we’re saying does not preclude servicing the diamond mines at all. I don’t think we want that. So there is no settled route yet to the mines from the north side of Great Slave Lake, nor obviously a crossing point. This is an opportunity to focus on a crossing point that is selected in a way that provides the benefits of which we have been speaking. Will the Premier direct the Hydro Corporation to acknowledge and act on this direction?

HON. FLOYD ROLAND: The developer’s assessment report is out there. It has gone through hearings and, in fact, the Member has stated that the alternative line or routing in that one area is a result of that environmental review and the request by the band to go around the very significant and important area of the Lockhart River. That is being looked at. That option is being developed and will be presented on that basis. That additional cost would have to be borne by the project. That is what I keep going back to, to look at other routings, and we have provided that information to Members of that estimates of alternate routings, then add to the sale of kilowatt hours we need the customer base to be able to sell it to. If we can’t sell it, then we are unable to build it as we would have it in this day and age.

Again, I could request the Hydro Corporation representatives to make a presentation to committee on the latest.

MR. SPEAKER: Thank you, Mr. Roland. The time for question period has expired; however, I will allow the Member a supplementary question. Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Speaker. I appreciate both commitments from the Premier there. Just to follow up on the greenhouse gas emissions, again the alternative routing does not preclude this, indeed, nor would we want it to. I think that’s a major objective that we want to retain. The Hydro Corporation has shown incredible patience in awaiting agreements with the diamond mines for the power. Would the Premier direct the Hydro Corporation to also have discussions and this gets to his last point -- with Avalon, with Tyhee, with NICO, with Yellowknife, with Behchoko, to establish their interest and ability to pay for additional power, as some or all of these are somewhat diesel power consumers, as are the mines?
HON. FLOYD ROLAND: As the Government of the Northwest Territories we are keenly interested in working with partnerships out there and expanding our hydro, for example. I think the Member can, although we said earlier that he has spoken on a number of occasions around the Hydro Strategy and alternative energies and has not seen any fruition, I would say, to take a little bit of claim here. We over the next number of years are going to invest $60 million in alternative energies, run-of-the-river technology. So we’re starting to move in that direction. It is a slow process, granted, but we are in fact moving in that direction. We’ll continue to have that direction. I will send a message back to the board that they need to in fact engage with these partners, potential partners and potential customers, for replacement of our diesel facilities. That they continue that as well as our Ministerial Energy Coordinating Committee.

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

MR. BROMLEY: Thank you, Mr. Speaker. Of course the last two points we’ve raised means that they could operate together with an alternative routing to provide both for the diamond mines and these other customers in a way that would join the grids and we would enjoy those benefits.

My last question is related to the diamond mines. We’ve recently had occasion to meet with some of the companies and we’re pleased to hear that they’re extending their mine life considerably as they find new reserves and come up with lower cost means of production. This provides again a window of opportunity that might add a little tolerance to if this sort of approach did take another six months in the process.

How much have the diamond mines lives been extended, does the Premier know, in the last two or three years? My impression is it’s quite considerable and would reflect positively on the power agreements that we’re working on establishing.

HON. FLOYD ROLAND: I don’t have that information offhand, but my understanding -- and we’ll provide the accurate information from Minister Bob McLeod’s office -- for example is that Diavik is talking in the neighbourhood of 20 years. We’ve got Gahcho Kue about to potentially come on-line, which was a whole new mine. We have BHP that is the shortest mine life right now. And Snap Lake’s underground operation I have yet to get the information there, but 12 years, as I understand. If we were able to provide a cheaper form of energy that could potentially grow, that’s something that we hope to achieve through this process and is one of our goals.

MR. SPEAKER: Thank you, Mr. Roland. Item 8, written questions. The honourable Member for Nahendeh, Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Speaker. I seek unanimous consent to return to item 7 on the Order Paper.

---Unanimous consent granted.

MR. SPEAKER: The honourable Member for Sahtu, Mr. Yakeleya.

Oral Questions (Reversion)

QUESTION 74-16(5):
TERRITORIAL BRIDGE
INFRASTRUCTURE REQUIREMENTS

MR. YAKELEYA: Thank you, Mr. Speaker. I want to ask questions to the Minister of Transportation in light of the Minister’s comments to the Deh Cho Bridge that we’re out of the water. I think we’re out of the water and may be high and dry on the land, but we’re moving on. I want to ask the Minister about the Deh Cho Bridge situation. There are other bridges to be built in the Northwest Territories. I want to ask the Minister, once we’ve done -- hopefully we’re done dealing with the Deh Cho Bridge issue here -- that we can focus and concentrate on other bridges in the Northwest Territories. Would the department consider looking at a strategy as to how do we start looking at the other bridges in a serious manner such as the one we’ve been dealing with on the Deh Cho Bridge in terms of having it completed so the people in the rest of the Northwest Territories can also have bridges to cross?

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Minister responsible for Transportation, Mr. Michael McLeod.

HON. MICHAEL MCLEOD: Right now we still continue to work on some of the Mackenzie Valley bridges through the Building Canada funding. I think we are going to have to see the Deh Cho Bridge come to a conclusion and regroup to see and revisit the concept of P3 to see if that’s still something that the Members of this House would support. Failing that, I guess we would have to wait for the federal government to provide money to build the bridges.

MR. YAKELEYA: If we stay on target and time frame, the completion of Deh Cho Bridge will be November 2011. I hope between now and 2011 the department can give some serious consideration to looking at the other bridges and thinking outside the box, as the Minister says, and being innovative and creative. How do we put together some bridges like the Peel, the Bear, and Liard bridges that need to be looked at? We still need to have a P3 concept proposal in front of us to approve it and go ahead with it. Certainly we have learned a lot there. I’m just asking the department if they would begin some initial discussions on concepts and how do
we go about, with the help of Members on this side, to have bridges in the Mackenzie Valley.

HON. MICHAEL MCLEOD: I’m glad there are still some fans out there that support the concept of P3. I still think it is a mechanism and tool for us to look at ways we can approach some of our infrastructure that doesn’t involve the federal government coming forward to fully fund a project. We need to do that. We have to take stock of how things have transpired over the last while with the Deh Cho Bridge.

We have certainly a number of bridges out there that would need to be built over the next while. The Liard, and the Peel and the Bear are all part of that, Bosworth Creek. We need funding for those projects, and I think some of those may be included as part of the assessment of the work that’s going to be done through the project description reports that we have embarked on. We’ve signed agreements with the Inuvik-Tuk people and the PDR work is already completed there and the report is available. The Gwich’in has just recently signed an agreement with us to do a lot of work on the lands that they represent. The Sahtu has also moved forward to do some work on a PDR. The Deh Cho has indicated they want to have some discussions on a portion of the Mackenzie Highway, PDR work that needs to be done in the area that their traditional lands are on.

So we would anticipate that that would include bridges and infrastructure that would allow a Mackenzie Valley Highway to be built, so those things would be costed out and those things would be included as part of the package. There are other projects, of course, such as the Peel that is outside of the Mackenzie Valley Highway system and the PDR work that’s being looked at. So I think we have to try to be creative as we move forward. There’s not a lot of room when it comes to projects of that nature and that size, and we have to be able to either attract federal dollars or look at the P3 type where there’s a partnership arrangement. Those things have to be considered and that’s what we have to look at as we develop our new plans.

Thank you.

MR. YAKELEYA: Mr. Speaker, I’d like to ask the Minister, in light of what he said, will the department, sometime within the life of this government, come forward with a bridge strategy in the Mackenzie Valley in terms of the bridges that I listed off, come to us and we could have some discussion and know, hopefully, that we can put as much energy as we have done into the Deh Cho Bridge into the other bridges that we need in the Northwest Territories?

HON. MICHAEL MCLEOD: Mr. Speaker, we have put a lot of energy in bridges and upgrading our highways outside of the Deh Cho Bridge. The Deh Cho Bridge, of course, has received most of the attention, but we did a lot of work on the Bear River Bridge, for example, right to the point of where we’re ready to do construction. However, we failed to attract federal investment and the project was priced out of our budgeting ability.

We have, to date, I think, built 39 bridges, mostly in the Member’s riding, so we have put a lot of attention, and, of course, not all of it is recognized and given credit for, but we are working hard on bridges. There are still, I believe, five major bridges that have to have some kind of a strategy included. I can’t guarantee that’s going to happen in the life of this government. Some of it is going to be included in the project description report studies that are being done and those could take up to two years, So there is a time factor and, of course, our term is going to be up in two years. It will be close. Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I would encourage the Minister to certainly have a drive with me on the Sahtu goat trail there and look at our bridges and see what type of repairs and work that needs to be done on them.

Mr. Speaker, again, if the department then would look at the P3 policy -- I know it’s somewhere within the House here, in the committee -- in terms of having that established. We’ve certainly got to look at some creative and innovative ways to start building some of these major bottlenecks into the Sahtu region or the Gwich’in or to the Deh Cho, Nahendeh, sorry, to capitalize on the wealth and the economics that the region could offer to the Northwest Territories. Right now it’s certainly been lacking in terms of what we can contribute to the rest of the GDP in the North here.

HON. MICHAEL MCLEOD: I have driven on the road, the Mackenzie Valley, all the way to Norman Wells, a beautiful, scenic ride, a smooth ride. I didn’t see any goats, Mr. Speaker. However, it is a nice ride and there are certainly bottlenecks along the route. There are places that a bridge would address a lot of the concern and extend the season.

The Bear River is a challenge every year. It’s an area that has overflow; it’s an area that takes a long time to construct an ice road. There is a very large detour that we have to build annually and it’s costly. So I would like to be able to, at some point, come forward with some more information as we compile all the work that’s been done. Some of the economic assessments on this highway and others have proven that it’s very beneficial to improve the infrastructure. It lowers the cost of living and it certainly generates a lot of employment and economic opportunities. So that’s something we have to pursue. We are at a point where we have to
upgrade all our strategies and that’s what we’ll be embarking on. Thank you.

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

QUESTION 75-16(5):
ESCORT ELIGIBILITY UNDER THE GNWT MEDICAL TRAVEL POLICY

MR. MENICOCHE: Thank you very much, Mr. Speaker. I just want to follow up on my Member’s statement wherein I spoke about the Medical Travel Policy and some of the issues around non-medical escorts. I’d just like to ask the Minister of Health and Social Services, maybe she can remind the public some of the details around the Medical Travel Policy and non-medical escorts, because that’s where I seem to be having the issues. Just as a starter, Mr. Speaker, perhaps she can detail some of the Medical Travel Policy guidelines. Thank you.

MR. SPEAKER: Thank you, Mr. Menicoche. The honourable Member responsible for Health and Social Services, Ms. Lee.

HON. SANDY LEE: Thank you, Mr. Speaker. Mr. Speaker, our Medical Travel Policy allows for our residents to be provided with one escort. Sometimes it’s because the patient needs physical support or mental support or language support. So that is the policy we have. Thank you, Mr. Speaker.

MR. MENICOCHE: With regard to the non-medical escorts, who makes the actual call to have the non-medical escorts accompany... In the two cases that I spoke about in my Member’s statement, there were spouses there, Mr. Speaker. So who would actually authorize or designate these non-medical escorts to travel along with the spouse in the medevac plane and/or immediately soon thereafter? Thank you.

HON. SANDY LEE: Generally speaking, it would be between the patient or the patient’s immediate family and the health care professional on the ground. They would talk about the need for a person to be medevaced, whether it’s Yellowknife to any other places, for what reason and that there would be all the people involved working together.

The situation that the Member described in his Member’s statement, I don’t want to get into the details of it, and I do not know the details other than what he said. But I would like to say that in certain circumstances, the medical personnel on a medical flight may say either they don’t have room for any other person than the patient or it could be a medical situation where any other non-medical person could interfere with the treatment that the patient has to receive. I’d be happy to follow up with the Member on details if he wishes to share that privately. Thank you.

MR. MENICOCHE: But still, like even if there’s no room on the medevac, you can still designate a non-medical escort. What that designation does there, Mr. Speaker, is it authorizes expenses to be covered for the spouse. Because in these two cases they travelled after their spouses. Their first thought, of course, is the care and concern and the health of their spouse, and the second one is now they’ve got all these out-of-pocket expenses, which they now have to worry about. My issue is that the spouses were not designated as non-medical escorts right off the start there, Mr. Speaker. I am not too sure why this is. The injured spouses were incapacitated. They didn’t understand forms. They were heavily medicated. In fact, the doctors were wondering where the spouses were. My issue is that this is becoming more and more of a trend, Mr. Speaker. I would like to ask the Minister to see if she can make an inquiry about it, or was there a policy change that we are trying to save money by not sending non-medical escorts, Mr. Speaker. Thank you.

HON. SANDY LEE: Mr. Speaker, there have not been any changes to the Medical Travel Policy. The policy is that we do provide an escort for eligible patients. In normal circumstances, the health care professional would consult with the family to see who is the best person to go. Going by the description of the situation, it might have been a situation where the medical staff had to respond right away to send this person and that is probably why that is how that person was designated. Thank you.

MR. SPEAKER: Thank you, Ms. Lee. Final supplementary, Mr. Menicoche.

MR. MENICOCHE: Thank you, Mr. Speaker. I chose to raise this issue because it is, like I said, becoming two incidents within the last three months. It is quite disturbing to the family. Now they had to recover costs and worry about that, but initially I still do not understand. The family still does not understand why the spouse who was injured or very sick was not assigned or designated an eligible spouse. That is the issue I would like to raise with the Minister. I would like her to check into it. Maybe there is an internal memorandum that has to go around and say, look, are we applying the policy correctly in these cases. Thank you, Mr. Speaker.

HON. SANDY LEE: Mr. Speaker, yes, I would be happy to commit to follow up on this and work with the Deh Cho Health and Social Services Authority to see what happened in those two cases. I am sure that they have lots of information to help us with that, and if there are any clarifications or enforcement needed, I would also present that to them. Thank you.
MR. SPEAKER: Thank you, Ms. Lee. The honourable Member for Mackenzie Delta, Mr. Krutko.

QUESTION 76-16(5):
RECONSTRUCTION AND RESURFACING
OF DEMPSTER HIGHWAY

MR. KRUTKO: Thank you, Mr. Speaker. My questions are to the Minister of Transportation in regards to the area of chipseal or basically some sort of program that can be used to upgrade or resurface the Dempster Highway. At some point we are going to have to resurface that highway. We are already looking at the widening, which hopefully in the next couple of years will be concluded, but we will have to find a product to surface the Dempster in the future.

I would like to ask the Minister in regards to the possibility of a pilot project. I know I have asked this to three previous Ministers of Transportation. They thought it was a great idea then, but still it hasn’t seen the light of day. I would like to ask the Minister of Transportation, would he seriously consider looking at the possibility of a joint effort between the Hamlet of Fort McPherson and the Department of Transportation to look at some sort of a resurfacing of the Dempster. Also, I believe the Hamlet of Fort McPherson is also considering investing some of their dollars to do some upgrades in the community. I think it is important that we work in conjunction with each other. I would like to ask the Minister, has his department had an opportunity to consider this idea and whereabouts is it.

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister of Transportation, Mr. Michael McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. I think it is a great idea.

---Laughter

Mr. Speaker, the Member has raised the issue of the Dempster for quite a few years now. We have been working hard to address some of the issues in terms of reconstruction that was required for that portion of the road in the North. It is something that has been quite challenging as finances have been difficult to acquire over the last while. We have managed to set a budget of I think about $8 million now annually to move a little quicker and getting more on that road. That has been our focus to respond to some of the concerns out there, try to get the road widened, to try to get the section straightened and put a lift on other areas that would help this road become more and better improved.

We also had committed to the Member that we would look at seeing how we could incorporate at least a test of doing some kind of dust suppression on it. I think, up to now, we have only been covering about 100 kilometres of this road with dust suppressant, calcium. We started looking at it. We have not talked with the municipality. We were not aware that we were at a stage where they are considering doing some chipseal, but we will commit to doing that. We have done some work on our own and the economics of it, but we certainly can commit to talking to the community. Thank you.

MR. KRUTKO: Mr. Speaker, I had the opportunity to sit down with the hamlet and also Fort McPherson is one of the communities that did receive main street chipseal funding in which they chipsealed the main street. Again, at some point they are going to have to upgrade it, extend it or find a way of maintaining that strip of chipseal. I think it is important that they do consider their options. One of their options is to look at the possibility of working on other streets in the community and also maintain what they already have, so build off of that.

I would just like to ask the Minister exactly how soon is it possible for himself or his department to sit down with myself and the community of Fort McPherson to the hamlet council and see if there is a possibility of a project that we can work on jointly coming forward and hopefully it could be brought by way of maybe by this summer starting the feasibility and the planning and see exactly where we can go from there. I would just like to ask that from the Minister.

HON. MICHAEL MCLEOD: Mr. Speaker, sitting down with the municipality we can do right away including the MLA. We will have to work around our schedules. We have done some financial analysis and looked at different options that we have in front of us. I think we can probably rule out the concept of pavement overlay. That is expensive even on the southern parts, even in Alberta. It is a very expensive undertaking. Chipseal we know is something that is relatively cheap compared to pavement. There are other products that are in between, in terms of cost. We have to take a look at that.

Of course, the Member’s riding is clearly quite far on the northern end of the Territory. We need to take that into consideration. Our work in terms of financial analysis is not complete yet. Having heard that the Member’s community is anticipating to do some work either this summer or next summer, I think it would certainly help us in terms of economies of scale.

We will commit to sitting down with them right away. Of course, the final issue would be to see how we would pay for it. We haven’t factored in a budget because we don’t know what it is going to cost. We know that chipseal is around $30,000, $40,000, or $50,000 per kilometre and everything else is probably in the hundreds of thousands of dollars, quite expensive to do, so we need to have a budget figure. We need to know what the
community is doing now and move forward. We will sit down as soon as possible. Thank you.

**MR. KRUTKO:** Mr. Speaker, again, I believe that in order to accomplish this, we are going to have to do it as a pilot project. Like you say, it is one of those projects that we have to test out and see exactly how it will be applied and, more importantly, how it will hold up on the Dempster Highway and other roads in the region. I think it is something that we have to look at in light of climate change and other effects we are seeing. I think that this is something that we as government have to seriously consider. I would just like to ask the Minister again, is it possible to come forward with some sort of a pilot project? I know that it is not going to happen this summer. It probably could happen by next summer. Again, we do have to start those discussions. I would like to ask the Minister again if he can possibly get his people to work along with myself and the Hamlet of Fort McPherson and set up a meeting as soon as possible and see if we can get those discussions going anyhow. Thank you.

**HON. MICHAEL MCLEOD:** We certainly can commit to doing that. I think as a government we’re convinced that chipseal is a good way to protect the surface of the road. It’s also a safety mechanism in terms of dust suppressant. We don’t know what it’s going to cost to do it in the Delta. We need to find that out. We don’t know if it’s going to stand up in terms of having it built in that area of the NWT. Those things are going to be taken into consideration. We can’t commit that we’ll do it all this year but we can certainly do the planning, the costing, and try to include it in next year’s budget. We’ll commit to do that and meet with the community as soon as possible.

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

**MR. KRUTKO:** Thank you, Mr. Speaker. Again, I think this is a perfect opportunity for the region of the Beaufort-Delta to have this capacity, develop the capacity, and keep it in the region. There are other projects being looked at. I know Inuvik is doing a resurfacing job this summer and there’s the possibility of the extension of the Inuvik airport. There is also work in other airports. I think we have to look at the regional economics of this to see how feasible developing this industry in the Inuvik region is. With the potential of the Mackenzie Highway, this is something that we can look into the future of possibly needing this for more than just the Dempster Highway and other highways in the region, other airports, other infrastructure. I’d like to ask the Minister if he could look at the infrastructure that’s going to be needed to develop this industry in the North, make it a northern-based industry, keep it in the North so that we can do other communities and highways in the Northwest Territories.

**HON. MICHAEL MCLEOD:** As we move forward on trying to develop our roads, reconstruct our roads, we also want to improve the amount of chipseal and hardtop that we have on our infrastructure. We know that by having a long-term plan and commitment that, providing it’s feasible, providing it’s viable, providing it’s something that will be durable enough to put on to the Dempster and into the Delta, this will create opportunity. We know, having looked at the southern end of the Territories where we have been doing it for quite a few years now, we have companies here in Yellowknife and in Hay River that are generating a lot of work from the projects that we have. I’m assuming that the opportunity will open up a business possibility in the Member’s riding or Inuvik once we make the commitment to do the long-term work.

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

**QUESTION 77-16(5): ROADSIDE EROSION NEAR ENTERPRISE**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. My questions are for the Minister of Transportation and it’s about a road situation in his constituency, but my constituents have to drive over the road. I know I’ve talked to the Minister about this before. My constituency ends at the Hay River/Enterprise border. Your constituency starts at the same spot. But just beyond there, on the highway -- and I know your people have gone out and looked at it and you may have gone out and looked at it too -- there is an erosion on the roadside there that literally when you look down it’s a straight down cliff. It’s like the water that must be coming from under the road has actually carved out a gorge going down there. Now, somebody I assume from Transportation put some of that orange snow fence across this gorge. I don’t know if that’s meant to catch the people who go through when the road caves in or if it’s meant to catch boulders that are going down in the erosion. I’m not sure what the snow fence is intended for. Would the Minister tell me, has he seen what I’m talking about?

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister responsible for Transportation, Mr. Michael McLeod.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. I haven’t seen what the Member is talking about, but the Member has told me three times now that there is a problem. I think the day after it was brought to our attention we had our people go out to the area that is of concern. There are some issues that have to be dealt with there. I believe we have a plan to remedy the situation, I just don’t have it with me today. I certainly can commit to
providing that information to the Member about the project in my riding.

MRS. GROENEWEGEN: The Minister mentions that I’ve brought this up three times. He must think I’m nagging him. I would like to know, I know he sent his people out to look at it, but I would like to know if the Minister would commit to having some kind of an engineer or somebody that builds roads look at this. Because I am very serious; the last time that I drove over that little spot and looked down there I was surprised. Even myself, a layperson, I could see that there had been further erosion. What I’m afraid is that there could be something that needs to be X-rayed under the road to see if there is some kind of a cavern developing under there, because it would be a very sad thing if somebody went over that and the road washed out. It could create a very serious injury for a person driving a motor vehicle there. I’m not saying there aren’t engineers in Hay River, but could we get an assessment of what’s causing that and what the remedy is?

HON. MICHAEL MCLEOD: That cause for concern has been looked at for a couple of years now. Our people have been monitoring the situation. As the Member brought the issue forward to me last year, I had our officials confirm that there is an issue there. They went to the site again and there are plans being made to remedy the situation. We’ll share that information with the Member and provide the reassurance that it’s not going to collapse or that the testing is done to ensure the safety factor will not be a concern anymore.

MRS. GROENEWEGEN: This will be my final supplementary. I do know the Minister does drive that road from time to time. Just before he gets to Paradise Gardens, if he could just look down to the right. It’s just before Paradise, but the person who hits that road when it caves in will be going to Paradise. If he could just commit to visually himself look at it so he’s familiar with it, I would really appreciate it.

HON. MICHAEL MCLEOD: I’m familiar with where the Paradise...

---Laughter

...the problem is and I will certainly stop and take a look at it. In fact, the next time I’m in the area I will go there with some of our officials and take a look at it personally.

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

QUESTION 78-16(5):
NWT POWER CORPORATION BILLING AND DISCONNECTION POLICIES

MR. YAKELEYA: Thank you, Mr. Speaker. I have some questions for the Minister of NTPC. I notified the Minister today of the issues with billing services in my region when it’s minus 27, minus 23, minus 30 and there’s a disconnection of services to some of the houses by NTPC for billing of about $300 or $400. Is there a policy within NTPC regarding disconnection to houses that the families are not there, they are on duty travel or in the bush and there’s no one there to deal with the billing issue? Is there a policy within NTPC for disconnecting a home at temperatures that are below a certain degree?

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Minister responsible for the NWT Power Corporation, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I believe there is a policy that is used by the Power Corporation. I will have to get that and provide that to the Member.

MR. YAKELEYA: I would also appreciate if this policy is there, that it be communicated to the area staff members who have to deal with regional billing issues and that the staff at the NTPC are somewhat flexible when people are on duty travel or out, to give them sufficient time to deal with their current billing issues before their power is disconnected, because that causes other serious issues.

HON. FLOYD ROLAND: The issue of disconnection and disconnection notices is one that has been raised a number of times either through this forum or directly to myself. I have forwarded that on to the board. I will again ask that that information be brought forward to look at it and see if there are particular issues the Member would like to have addressed that I could forward on to the board.

MR. YAKELEYA: I did give the Minister some information this morning, so I appreciate his quickness of looking at this issue with the board. It concerns some of the Sahtu. I want to also ask the Minister about his discussions with the board, if there are any type of future discussions about having NTPC locate an office in the Sahtu to deal with some of the issues that could be a lot less stressful to my constituents.

HON. FLOYD ROLAND: Over the years the Power Corporation has tried to stabilize its costs and has structured billing payment plans with offices throughout the NWT and communities. I will get the appropriate information. I know that the Power Corporation, as well as the annual report gets tabed in this Assembly, that that could be looked at and the corporate plan as well. I’d have to go to the board and get that information and provide that to the Members.

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

MR. YAKELEYA: Thank you, Mr. Speaker. Fair enough. The Minister is correct that we are looking at certainly some cost-effective measures here. In
saying that, would he also consider maybe then having our own NTPC staff in our communities take on a greater role in some of the billing and situations that could be done there rather than calling the Inuvik area office as my region has to do? They could deal right with the community representative about some of the administrative stuff that needs to be handled through this type of issue.

HON. FLOYD ROLAND: I know that, for example, in the NTPC review that was done, the issue with communications with the customer base is one that was brought up. I know we have to do an overall review and a response to that area to see if we can improve that. I've shared that communication side with the board as recently as this morning in fact. That is an area that we need to work on both from our side as the GNWT as well as from the board and sharing that information back and forth. As for the establishment or enhancing that level of service in communities by existing staff, I will check if there are any plans in place to do something along those lines.

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

QUESTION 79-16(5):
WAIT TIMES TO SEE MEDICAL SPECIALISTS IN THE NWT

MS. BISARO: Thank you, Mr. Speaker. My questions are addressed to the Minister of Health and Social Services. I hope the Minister has recovered from my apparent attack yesterday and is willing to give me some answers on wait times, which was actually my intent yesterday.

I know that we have significant wait times for specialist doctors, but I would like to know from the Minister whether or not we have identified standards for wait times both in Canada and in the NWT.

MR. SPEAKER: Thank you, Ms. Bisaro. The honourable Minister responsible for Health and Social Services, Ms. Lee.

HON. SANDY LEE: Thank you, Mr. Speaker. There are a number of specialist services and other services we provide at Stanton and other facilities. Different services have different wait times depending on the demand versus available personnel. I'm not aware and I need to check whether there are strict standards put on wait times. I would like to advise the Member, however, that our residents do receive procedures they require if it's an emergency and acute cases, and obviously our medical professionals are on constant watch to make sure that our people get the services they need.

MS. BISARO: Thanks to the Minister. I would appreciate knowing whether or not we do have certain standards which are out there which we should attempt to adhere to. I do remember a conversation from a couple of years ago on the federal scene that we were trying to reduce wait times for patients. I'd be interested in seeing standards, if there are any.

The concern for my constituent, in October of 2008 he was advised that it was a one-year wait to see an orthopaedic surgeon. I wonder if the Minister could tell me what kind of a wait it is at this particular time now that we're in March of 2010.

HON. SANDY LEE: First on the topic of patient wait time guarantee, it is a big national issue. Wait time issue is a national issue. The federal government has made some investments, but I don't believe it's about setting the standard and making everybody meet the standard. It's about changing the system and better aligning health care professionals, using technology, just better management of the resources we have so that we maximize and, therefore, reduce the wait time.

I am aware that for general surgery, which could include -- I don't want to get highly technical because, obviously, I am not a doctor -- it will be difficult for me to say what is the wait time for orthopaedic procedures. This will be like any other procedure where the orthopaedic surgeons at the hospital would look at all the cases, and cases will be moved up depending on the need and the seriousness or the urgency.

In general, we have a one-year wait time for general surgery at Stanton. Thank you.

MS. BISARO: That's kind of a damning statistic, if one has to wait a year to get into general surgery. I know that actually our wait times in the NWT are probably better than in some of the provinces in the South.

To the Minister, I understand that we have a policy that if we have a specialist in the NWT -- this is what my constituent ran into -- we have orthopaedic surgeons within the NWT and even though it's a year or 18 months to wait for surgery or a particular injury in this case, if we have a specialist here, our patients cannot be referred to the South. So I'd like to ask the Minister whether or not that policy is indeed accurate and whether or not we could change that policy so that we could, in one case, reduce the list of patients that need to have orthopaedic surgery, such as in this case, and provide better service to our residents. Thank you.

HON. SANDY LEE: The wait times we're talking about are similar across the country. So the services we need for our residents, we either provide them in Yellowknife or in Edmonton. Sending them south would not necessarily reduce the wait times. We do send our patients down south because that's where the services are provided. So, for example, for orthopaedic surgery, our residents
may get services here or in Edmonton. My point being we have medical specialists at Stanton in constant contact with patients that are waiting for the surgery and whether or not they need to be moved around to get the services they need, sending them south would not necessarily reduce the wait time. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. Your final supplementary, Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Speaker. Thanks to the Minister as well. I guess I would encourage the Minister to consider there may be cases where sending a patient south might actually speed things up and, if that is the case, I would encourage the Minister to consider doing that. I understand it’s probably unlikely, but we have to keep all doors open, in my mind.

The Minister mentioned something about wait times are about changing the system. If we have wait times as long as a year for one particular specialty, I’m sure there are others that happen to be longer. I would like to ask the Minister what we as a government or what we as a Department of Health and Social Services are doing to change the system to reduce the wait times for our residents. Thank you.

**HON. SANDY LEE:** Just to state again sending our patients south to see if we can reduce their wait time, my understanding is that actually most general surgeries, Alberta or any other provinces, one year is the norm. It is a national issue and it is a serious issue.

Secondly, Mr. Speaker, Stanton and the department is working hard to look at the entire specialist delivery service to see how we can lengthen the wait time and better provide service. For example, we are aware of the fact that some of the delays at Stanton happened because of the bed shortages. We are looking to review that. Our medical directors are working together to see how we can move our patients around faster and we are also looking at moving some of the services like diagnostic services to Hay River so that we could free the bed. So a lot of work is being done and I would be happy to share that with the Members once it’s complete in a few weeks. Thank you.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Member for Sahtu, Mr. Yakeleya.

**QUESTION 80-16(5):**
**NWT POWER CORPORATION BILLING AND DISCONNECTION POLICIES**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, climate change has threatened the water quality in the Sahtu. Between 1985 and 2000, mercury, DDTs, PCBs doubled in fish in the Mackenzie River to a level just below Health Canada’s set maximum safe level for humans. Mr. Speaker, pollution and climate change is a great concern to us. I want to ask the Premier if he’s aware of the recent study that was conducted near Fort Good Hope in terms of this type of information that came to light.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Premier, Mr. Roland.

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, I am not aware of the recent study that was done and I would have to get the information from the appropriate department. Thank you.

**MR. YAKELEYA:** The study, when I did my research, I was led to believe that our water is not as pure as we think it is. I would like to ask the Premier if he could let the House know what type of protection people have from toxins, like I mentioned, in our water supplies. What type of protection do we have now?

**HON. FLOYD ROLAND:** There are a number of protections built in place when it comes to whether it is community drinking water, whether it is regulatory issues around the environment or around worksites and so on. More importantly, through the guidelines for Canadian drinking water quality, they set maximum acceptable concentrations for some of those areas of concern or the contaminants in the water that would be deemed acceptable. One of our other departments of Environment and Natural Sources does some work on the total water ecosystems that we operate within the Northwest Territories and are affected by other jurisdictions. I know the Minister is working on a strategy with our aboriginal partners across the Northwest Territories. Beyond that, I would say I would have to go to the appropriate department and get the information and share that with Members.

**MR. YAKELEYA:** I am pleased that the government is investing in monitoring the quality of water in the Mackenzie River. I am pleased to hear that we are developing a water strategy, but I would like to ask this government to urge, in an urgent situation, to address serious emerging issues. The Alberta tar sands today is the greatest threat to our water quality in the Northwest Territories, so can this government act very aggressively to put together a very strong transboundary agreement to protect our water for the life of our future generations?

**HON. FLOYD ROLAND:** In working with the Alberta government, we have secured, along with the western provinces, a spot at the table when it comes to transboundary water issues. That is over and above the work of the Mackenzie Basin. I don’t have the accurate terminology with me right at this point, but that is the western jurisdiction of Saskatchewan, Alberta, B.C., ourselves and the Yukon when it comes to the basin and catchment area of our water supplies and the transboundary
issues. The federal government is part of that and our Minister of Environment and Natural Resources is involved in that area as well. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Speaker. I am aware also that particles of toxins from southern pollution like the Alberta tar sands do stick to the algae that the fish eat. Fish is the main food in many of our homes in the Northwest Territories, especially my people in the Sahtu. So I want to ask the Minister in terms of what type of current monitoring is happening in the Northwest Territories to the water and to the fish. Thank you.

HON. FLOYD ROLAND: The jurisdiction of water, although not in the Northwest Territories area of responsibility, through our Water Strategy and working with our aboriginal partnership, we are coming up with a comprehensive planned approach to the water issues in the Northwest Territories. Right now the Department of Fisheries and Oceans does that work when it comes to waterways and testing. We can also bring it from time to time, for example if there is an environmental issue, the Department of ENR could be drawn into that. Again, I would have to get the appropriate departments to provide that information and the necessary steps that are taken. Thank you.

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

QUESTION 81-16(5):
EVALUATION OF SITES FOR CONSTRUCTION OF NEW HOSPITAL IN HAY RIVER

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Recently the Minister of Public Works and Services visited Hay River and had an opportunity to have a firsthand look at some of the potential sites that have been identified for the construction of a new hospital in Hay River. I was wondering if Public Works has any kind of an update on the evaluation of those sites. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. The honourable Minister of Public Works and Services, Mr. Michael McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. We did have the opportunity to visit Hay River, along with yourself and Mrs. Groenewegen, to look at one of the potential sites or relocation, providing the hospital project goes ahead with some sites that they require movement of other departments. We had a very good visit. We had a facility that was very attractive. We had indicated at that time that we would provide some staff to do further follow-up in terms of what it would cost, what operating costs are, what kind of land is available and things of that nature. I also had the opportunity to look at a number of sites that the hospital had or the review had considered. I saw firsthand. It also allowed me to go onto the reserve and visit some facilities there. We have not, or at least I have not, had an update. The due diligence is being done right now. It has been worked on for quite a while. I don't have any update to provide at this point. Thank you.

MRS. GROENEWEGEN: Mr. Speaker, we have had the construction of a new hospital on the agenda for Hay River for quite a number of years now. There has been a lot of work that has gone into the development plan and trying to determine what is best needed in the community. Now we are down to trying to decide where such a facility would be best located. Mr. Speaker, the Minister of Health and Social Services indicated to me that there could be some time sensitivities around identification of a site for a large capital project. I was wondering if the Minister of Public Works and Services could tell me what is that date by which a site should be identified if the Hay River hospital would make it onto the capital plan of this government for this year. Thank you.

HON. MICHAEL MCLEOD: Mr. Speaker, I don't have a date for the Member. There is a review team that is looking at the different proposed sites. Depending where the hospital will be located, it may require further relocation. For example, if the site where the ENR facilities are at currently, if that is the area that is going to be chosen, then it will require either a co-location or movement of some of the facilities off that base site. That hasn't been decided yet.

I think we expect to have some reports fairly quickly in the next couple of weeks. We are waiting for that information. We would need to have it in a timely manner so that we can ensure that the project is on the books. I think we have already made room for that. It is just a matter of getting some of the locations worked out.

There are a number of locations that have been brought forward. I think there were 29 locations brought forward initially but we are down to two. We did look at three, but we are down to two sites that are potential for the hospital. There have been some preferences brought forward by a committee that was put together. There were also some preferences brought forward by the municipality. All of these things will be taken into consideration by our review team. Thank you.

MRS. GROENEWEGEN: Mr. Speaker, as one of the MLAs for Hay River, I am most concerned that we do not pass this date by which capital projects need to be into the mix for the upcoming year. A capital project of this size, actually, funding is allocated over a number of years, but you have to start somewhere and I had hoped that some of the capital required would be identified in the capital
budget and it would be voted on in this Assembly in the fall, but there is a date by which a site would need to be designated in order for that to be accomplished. That is the date that I am concerned about Public Works and Services working to so that this assessment of potential sites is...that work is completed. Does the Minister know what that date is? Thank you.

HON. MICHAEL MCLEOD: Mr. Speaker, I am checking in my binder to see if I can find that date. Mr. Speaker, I want to reassure the Member that we, in my discussions with our staff -- and I apologize that I don’t have the date on the top of my head -- but in our discussions with our staff, Public Works, we don’t anticipate that there will be any slippage on the time frame. We are working toward the site. We are also working towards schematics and things of that nature, so it is all being moved forward as a package. I can reassure the Member that we will have those decisions made in a timely manner so the project is going forward as scheduled. Thank you.

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

MRS. GROENEWEGEN: Thank you, Mr. Speaker. The work of the CEO of the hospital, the public administrator, yourself, Mr. Speaker, and I had met to go over some of this preliminary information. I believe that when this site is decided on or determined, I would hope that we are certain that the stakeholders have been consulted. I know that the Town of Hay River has a very keen interest as well in being kept fully apprised of what is happening with this project. I don’t know why there were no representatives from the town at some of those planning sessions that we were part of, but I would just like to get the Minister of Public Works’ commitment that the affected stakeholders, MLAs, town, hospital administrator and CEO will be kept fully apprised of where the planning for this very important piece of infrastructure is at. Thank you.

HON. MICHAEL MCLEOD: Mr. Speaker, I can certainly commit to that. I think there is still a lot of time to do a proper consultation. We have done a lot of work in that area. There is a lot of discussion that has been happening with the different people in the community. It is our policy to make sure everybody is involved, including the MLAs. We will provide that information. We will make sure we have an actual date so that the Member is aware of it. We will make sure that there is no slippage on this project. Thank you.

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

QUESTION 82-16(5): PELLET MILL IN HAY RIVER

MRS. GROENEWEGEN: This is great. This is the first time I had a set of questions back to back. Thank you, Mr. Speaker. I will make this very brief.

The prospects of a pellet mill at Patterson Sawmill in Hay River have been supported by this government by way of a study that has been composed. Mr. Speaker, just to make a long story short, the cost of the infrastructure and the operations, significantly the power, is a huge consideration in this. Although there is product out there to be harvested that could make the manufacturing of pellets in Hay River viable, the upfront costs and some of the ongoing costs would be cost prohibitive.

Mr. Speaker, I would like to ask the Minister of ITI if there are any programs out there not as a loan but as a pilot project. Since we have now got government infrastructure that will be burning wood pellets in their boilers, we have some major work that is being done in converting the schools in Hay River off of diesel or off of propane and onto wood pellets. I would like to ask the Minister of ITI, is there any program currently available in this government that could possibly see the construction of a pellet mill in Hay River that I guess the financial viability would come in the ongoing product they would produce. It would not be able to carry a significant start-up cost. Thank you.

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

HON. BOB MCLEOD: Thank you, Mr. Speaker. As the Member is aware, this government has taken the unprecedented initiative of identifying $60 million over three years in order to look at alternative energy opportunities so that we can reduce our reliance on fossil fuels. As part of that $60 million, we have identified approximately something in the neighbourhood of $4 million to $6 million over a three-year period to develop a biomass strategy and to implement that strategy which includes utilizing wood pellets and manufacturing wood pellets et cetera. Thank you, Mr. Speaker.

MRS. GROENEWEGEN: Mr. Speaker, the feasibility study has been concluded, as I said. The ability of the business to support all of the initial start costs, which I believe would be in the neighbourhood of $3 million, this work has now been done with the support of this government. So going forward, what would the next steps be to see if any of the funding that Mr. McLeod has referred to could be allocated for the establishment of a pellet mill in Hay River? Thank you.

MR. BOB MCLEOD: I should also point out that my colleague the Minister of ENR, who is not here,
is the lead with regard to biomass and forestry. I guess the single most important requirement in this project would be the ability to secure a supply of timber. That would be the first consideration. Secondly would be power, as the Member has indicated. Thirdly, we think our tool kit of business programs would allow us to be able to work closely with the proponent so that we can provide funding or to work with him to identify and attempt to access other sources of funding. Thank you, Mr. Speaker.

MRS. GROENEWEGEN: I have very recently met with the person who would like to be the proponent for this project, understanding, though, that it may need to be a government project so to speak, but then the economy would come in where we would have a savings on the fuel and the economy could be created by the people who would be participating in the harvesting of the material to make the wood pellets.

Mr. Speaker, this has been quite a long while in the works and I had just recently met with Mr. Patterson, Mr. Patterson Jr., and he had asked me to request the Minister if we could have a sit down, face-to-face meeting about next steps and how we can get what could be a very valuable project on the go. I would like to, at this time, publicly invite Minister McLeod to come to Hay River to meet with the proponent and the MLAs and see if we can get this off the ground. Thank you.

MR. BOB MCLEOD: I’d certainly be quite pleased to come to Hay River and to meet with the proponent and the other MLAs who ever else could add to the project, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. McLeod. The time for question period has expired. Item 8, written questions. Item 9, returns to written questions. Mr. Clerk.

Returns to Written Questions

RETURN TO WRITTEN QUESTION 3-16(5):
ADDITION TREATMENT OPTIONS AVAILABLE IN THE NWT

CLERK OF THE HOUSE (Mr. Mercer): Mr. Speaker, I have a return to written question asked by Mr. Hawkins on March 3, 2010, regarding addiction treatment options available in the NWT.

The Nats'eejee Ke'h (NJK) Treatment Centre is the territorial residential addictions treatment centre and is located on the K’atlodeeche First Nation Reserve near Hay River. It is a 30-bed facility which offers gender-specific alcohol and drug treatment programs as well as follow-up programs (relapse prevention) for adult men and women. The Department of Health and Social Services (HSS) funds NJK through a third-party contract in which the Deh Cho Health and Social Services Authority (DHSSA) receives core funding annually to support NJK. For the 2008-09 fiscal year NJK received $2.043 million in funding to operate the treatment centre and treated 156 clients.

The Community Counselling Program (CCP) addresses the areas of mental health, addictions and family violence. The CCP specifically provides community-based addictions treatment programming as well as prevention, assessment, referrals for residential treatment, counseling and aftercare. The CCP addresses all addiction areas such as substance abuse, gambling and other compulsive behaviours.

HSS provides $6 million annually to the CCP via the eight health and social services authorities. The CCP serves all NWT residents, either directly through the health and social services authorities or through contributions to non-governmental organizations (NGOs). A breakdown of the funding provided to support NGO community-based addictions treatment programming is as follows:

1. Through the Yellowknife Health and Social Services Authority, the following addictions programming is provided:
   a) $351,026 is provided to the Tree of Peace in Yellowknife for addictions, counseling, community wellness and the coordination of treatment referrals and aftercare.
   b) $63,093 is provided to the Yellowknives Dene First Nation for addictions counseling and community wellness in Ndilo and Dettah.
   c) $468,000 is provided to the Salvation Army in Yellowknife for their Withdrawal Management Program. There are a total of six beds for this program.
   d) $276,249 is provided for Lutselk’e Mental Health and Addictions for counseling, intake, referral services and cultural coordination in the community.
   e) $78,775 is provided to the Deninu Kue First Nation for addictions counseling and community wellness in Fort Resolution.

2. Through the Beaufort-Delta Health and Social Services Authority, the Tl’oondih Healing Society receives $75,000 to provide mental health and addictions counseling services in the community.

3. The DHSSA provides $73,500 to Zhahti Koe Friendship Centre in Fort Providence for Family Life Program for counseling and family violence. In addition to funding NJK as mentioned above, the DHSSA is working in partnership with NJK through an agreement between HSS and Health Canada to fund a youth treatment project.

4. As part of its regular funding from HSS, the Fort Smith Health and Social Services
Authority also provides a 16-week community-based treatment program called Matrix in Fort Smith. The program’s objectives are as follows:

a) For those who do not want to or cannot go out to a residential treatment centre, the program seeks to educate, in a group setting, the facts of the potential harm and damage caused by living an addictive lifestyle.

b) To educate facts and reinforce them of healthy alternatives.

c) For clients to understand their personal triggers/co-dependencies and understand the patterns of unhealthy-dysfunctional behavior.

d) To enable clients to live within their social/family setting and reduce their addictive behavior, by developing healthy coping skills.

e) The program is based upon cognitive behavioural skills and enhanced motivational skills.

f) The program works on harm reduction as an initial step, leading to long-term abstinence.

All addiction behavior has similar roots and causes and these are identified to clients before education on specifics such as alcohol, all illegal substances including drugs, prescription drugs and gambling. A client may then deal with their specific addictive issues within the mandatory “one-to-one” counseling session each week with a therapist.

Attendance rates are around 12 clients at each Matrix. Both adult and teen Matrix programs are run.

HSS has been working closely with the Gwich’in Tribal Council (GTC) and the Inuvialuit Regional Corporation (IRC) to establish and pilot community-based, culturally relevant addictions programming in the Beaufort-Delta region. Through the “Building Our Future” investments, HSS will provide $600,000 over three years at $100,000 each to the GTC and the IRC for community-based addictions programming beginning with the following 2009-2010 projects:

• The IRC intends to begin work by supporting parents who are struggling with addictions by offering community workshops.

The IRC is also leading comprehensive community-based consultations to identify needs for mental health and addictions services in the Beaufort-Delta region in partnership with the BHSSA. Following these community consultations, the IRC plans to take the information gained from their research and support an addictions aftercare pilot project in the community of Tuktoyaktuk.

• The GTC plans to establish a youth worker position in Inuvik to provide prevention and promotion activities around addictions targeted to youth. The GTC also plans to support the T’loondih Healing Society in Fort McPherson to enhance existing community-based mental health and addictions counseling and support services.

This work is unique in that community-based organizations are being provided the opportunity to design their own mental health and addictions programming based on their understanding of their needs and their unique understanding of solutions that will work for them. These pilot projects will be offered in addiction to mainstream HSS programming, such as the CCP and residential addictions treatment, to broaden the continuum of services.

Individuals requiring highly specialized addictions treatment and support services that are unavailable in the NWT are referred to the Out-of-Territory Review Committee (OOTRC). The OOTRC approves all referrals for alcohol and drug treatment outside of the NWT.

There are no statistics in regards to success rates. Relapse is a normal part of recovery from addiction as individuals attempt to make changes within their lives. Therefore, it is difficult to measure “success” in terms of “relapse.” Many other indicators of success would be broad in scope and also difficult to capture and/or attribute to a particular program such as lower rates of substance abuse, suicide, family violence, impaired driving, addictions-related health issues and so on.

HSS is committed to offering quality mental health and addiction services to all residents of the NWT so that all people are supported to achieve optimal mental health and personal wellness. Therefore, I have directed HSS to conduct a review of the system of service delivery for mental health and addictions. HSS staff will be meeting with and speaking to community-based staff to gather their input around what can be done to improve the current system and what can be done to make it flexible enough to meet the needs of all NWT communities. The results of this review will be utilized to inform the development of an action plan for mental health and addictions services delivery.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Clerk. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. The honourable Member for Weledeh, Mr. Bromley.
Tabling of Documents

TABLED DOCUMENT 12-16(5):
LETTER FROM IMPERIAL OIL TO THE NATIONAL ENERGY BOARD ON THE MACKENZIE GAS PROJECT HEARING, MARCH 15, 2010

TABLED DOCUMENT 13-16(5):
LETTER FROM LAWSON LUNDELL TO THE NATIONAL ENERGY BOARD ON THE MACKENZIE GAS PROJECT HEARING, MARCH 22, 2010

MR. BROMLEY: Thank you, Mr. Speaker. I would like to table two documents. The first one is from Imperial Oil dated March 15th to the National Energy Board relating to economy feasibility studies of the Mackenzie Gas Project. The second one is from Lawson Lundell on behalf of GNWT to the National Energy Board dated March 22, 2010. Thank you.

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

TABLED DOCUMENT 14-16(5):
LETTER FROM HAY RIVER SENIORS’ SOCIETY TO MINISTER LEE ON SUPPLEMENTARY HEALTH BENEFITS, MARCH 19, 2010

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I would like to table a letter that has been sent to Minister Sandy Lee. It is from the Hay River Seniors’ Society regarding supplementary health benefits and signed by John Brockway, president. Thank you.

TABLED DOCUMENT 15-16(5):
SUMMARY OF MEMBERS’ ABSENCES FOR THE PERIOD FEBRUARY 27, 2010 TO MARCH 22, 2010

MR. SPEAKER: Thank you, Mrs. Groenewegen. Pursuant to Section 5 of the Legislative Assembly and Executive Council Act, I wish to table the Summary of Members’ Absences for the Period from February 27, 2010 to March 22, 2010.

Item 15, notices of motion. Item 16, notices of motion for first reading of bills. The honourable Premier, Mr. Roland.

Notices of Motion for First Reading of Bills

BILL 6:
SUPPLEMENTARY APPROPRIATION ACT (INFRASTRUCTURE EXPENDITURES), NO. 2, 2010-2011

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I give notice that on Friday, March 26, 2010, I will move that Bill 6, Supplementary Appropriation Act (Infrastructure Expenditures), No. 2, 2010-2011, be read for the first time.

MR. SPEAKER: Thank you, Mr. Roland. Notices of motion for first reading of bills. Item 17, motions. The honourable Member for Kam Lake, Mr. Ramsay.

Motions

MOTION 5-16(5):
REQUEST FOR SPECIAL AUDIT BY THE AUDITOR GENERAL OF CANADA ON THE DEH CHO BRIDGE PROJECT, CARRIED

MR. RAMSAY: Thank you, Mr. Speaker. WHEREAS Members of this and previous Assemblies have expressed numerous concerns about the economic viability of the Deh Cho Bridge Project and the far-reaching impacts of this project on the financial well-being of the Northwest Territories;

AND WHEREAS the Deh Cho Bridge Project has been described as a public/private partnership between the Government of the Northwest Territories, the Deh Cho Bridge Corporation and a private builder;

AND WHEREAS the fundamental features of this partnership, including the long-term liabilities and obligations of the Government of the Northwest Territories, are included in a concession agreement that was executed in the final days of the 15th Legislative Assembly and has never been made public or scrutinized by the Legislative Assembly in a public forum;

AND WHEREAS the increasing costs, changing responsibilities and the uncertainty over the status of the signed partners to the concession agreement have led to serious uncertainty as to the potentially grave long-term implications of this project on the financial health of the Government of the Northwest Territories;

NOW THEREFORE I MOVE, seconded by the honourable Member for Sahtu, that this Legislative Assembly requests that the Auditor General of Canada undertake a special audit of the Deh Cho Bridge Project and report thereon to the Legislative Assembly;

AND FURTHER, that this audit investigate the long-term financial implications of the partnership arrangements, compliance with the Financial Administration Act, Deh Cho Bridge Corporation Act and the financial policies of the Government of the Northwest Territories, value for money considerations, control, appropriation authority, reporting and adherence to standard public procurement practices;
Mr. Speaker, Mr. Ramsay: Thank you, Mr. Speaker. This motion that comes before us today I believe is very timely. I’ve often stood up in this House and asked for some responsibility and accountability when it comes to this project. I’ve questioned this project since becoming a Member of this House back in 2001.

The deal, and I won’t give a long history lesson here as we talked at length yesterday about this project, but it was signed off three days prior to the last territorial election. This project did make some sense at one point in time when the project in its entirety was self-financing. That wasn’t the case when the former Premier came to the Regular Members and said he had a contractor, it was going to cost $165 million and, by the way, folks, we’re going to have to ante up another $2 million a year on top of our already agreed to commitment of the ferry operation money and the ice road crossing money, which was about $1.8 million a year.

So when that happened, this project changed. The complexion of this project changed immensely. It became a different kind of project. Members of this House, up until just recently when we approved the $15 million supplementary appropriation, had never had a chance to debate the merits of the project, to debate any of the financial implications of the project, and that is something I do believe we need to take a look at. We need to have the Auditor General come in and have a look at it.

I still don’t fully comprehend how the government could agree to proceed with a project that judging by the most up-to-date cost-benefit analysis would indicate that we’d be facing a negative $53 million cost if we proceeded with the project. But the government proceeded with it. You’re left wondering why we ventured down that road.

We had no support from the federal government. All along the path the former government and the former Premier kept saying that the project wasn’t going to go ahead unless we had some substantial capital dollars coming from the federal government. Those never materialized. The federal government did not come to our assistance with the project. My belief is that is because they realized the negative cost-benefit analysis, they realized that this type of expenditure to service 25,000 people who are inconvenienced a few weeks out of the year just because we wanted a bridge, I think the Government of Canada didn’t come to the table for a reason. I think eventually they would have under a different set of circumstances, that would have seen them be a partner with our government and the aboriginal governments that are or were, who knows what the disposition is currently, involved with the project. I think under different circumstances the federal government may have come around on that.

This project certainly has the possibility of crippling our finances. That is a real and present situation that we find ourselves in. One hundred sixty-five million dollars, whether we take five years or 10 years to have that specially accommodating by the federal government if and when that happens, that’s out there as well whether in fact that is going to happen. Eventually we’ll have to pay for this bridge. I know some of it is self-liquidating. Some of it will come off as a matter of course over time. Initially we are going to have to pay the price for this bridge.

Getting back to the responsibility and accountability that comes with being in a position where you can exercise your authority, you can exercise decision-making, and decisions are made in our government by Cabinet Ministers around the Cabinet table. This decision was made by the previous government, as I mentioned earlier, in the very dying days of the last government, on information that anybody looking at it on the surface would question whether or not that was a good deal to be getting ourselves into. We all know full well the situation that the government currently finds itself in.

I think we need to put closure to this project. We need to finish the project. We need to conclude that. But at the end of the day I think the residents of the Northwest Territories, the people who elect us here to this Assembly, deserve and have the right to get to the bottom of the responsibility and the accountability side of this.

My hope in bringing this motion forward today is that the Auditor General of Canada can help us get some of those answers, can help us get some recommendations that moving forward this government can look back on and make better
sound decisions on behalf of the residents and the taxpayers here in the Northwest Territories. The Auditor General should have the unfettered ability to get into the details of this project so that as a government, again, we can use this information and the recommendations that will fall out of it as a way to make better decisions.

That, in a nutshell, is what the motion is saying. I hope Members can support this motion. I think it’s a step in the right direction. It will help us put some closure on this even though the bridge is only... Well, it’s debatable whether it’s halfway constructed or 35 or 40 percent constructed, but we’ll go with the Minister and say it’s half constructed. Again, I hope Members do support this motion and I thank them very much for their support.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Member for Sahtu, Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Speaker. Thank you, Mr. Ramsay, for the motion. I will be supporting the motion. I want to say that in the history of this Deh Cho Bridge Project that the federal government wasn’t there due to other things that they had to deal with. We certainly want to involve them in this project here; however, they had their own reasons for not stepping forward and helping out with the start-up of this whole project here. They had dealt with the Deh Cho Bridge Corporation and the community of Fort Providence and they worked with them on some equity issued there, so in a sense they did come, in terms of steps, they did give baby steps, so to speak, in terms of their involvement with the Deh Cho Bridge Corporation.

I want to also say that when the Deh Cho Bridge, as has been put, and we’re out of the water, however, we were left high and dry, so to speak, and we’ve dealt with this yesterday in terms of the federal government now coming to the table on the word of the Finance Minister to increase our limits on the borrowing for the GNWT. So their involvement has been very soft in terms of what we really wanted them to come forward to.

However, I do support the motion because it raises a bunch of concerns. I look at this motion as more of a really hard learning lesson for the whole GNWT, people in the Northwest Territories and also it gives you a clear picture as to our relationship with the federal government in terms of megaprojects like this, in terms of how our relationship has been with the federal government, in terms of our aspirations and wishes for the Northwest Territories. It raises a number of concerns in terms of when we want projects to go ahead and what things that we have to do, what things that we are challenged with, and also I see this motion to see some strength in terms of our P3 initiatives if we are to move forward on those types of discussions and we certainly need to be accountable and transparent in terms of this public government and it should be scrutinized and we should have that discussion in this Assembly in terms of our obligations to our people and to the Northwest Territories. This also gives a clear picture of some of the things that went right and some of the things that didn’t go so right here. So, for me, I look at now finding, hopefully, the Auditor General giving me a clear picture to really say what happened again. But there’s another clear picture after that so, you know, I hope that the Auditor General does have some flexibility in terms of how do we go forward in this type of project and having a clear picture.

Mr. Speaker, I look forward to having someone outside the glasshouse to look at some of the projects that we’re doing here and that she could offer her valuable opinion as to how things maybe could be looked at and give us something to look at in terms of putting some solid information on documentation that could go forward in terms of building the infrastructure this size or bigger here. For example, I hope that we do get some support for the Mackenzie Valley Highway construction. This type of information would be so valuable in terms of going forward with this type of information. Or even the Taltson Hydro Project, this is another area that we need to look at in terms of what can come out here in terms of us going forward.

So I just want to say in closing that I look forward to the support from Members. I thank MLA Ramsay for bringing this motion forward, and also just to say let’s take this motion here as a lesson in how to go forward and learn from it. Otherwise, we may be back in this situation again with some other projects that we just recently had some discussions about. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. To the motion. The honourable Member for Frame Lake, Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Speaker. Mr. Speaker, I am in support of this motion. We’ve talked a lot about this particular project, certainly in the last day and a half. The impacts of the recent events regarding this particular project are many, and they are far-reaching, and I think they are well known to all of us.

I’d like to thank my colleagues for bringing this motion forward. I have spoken earlier about the need for an audit of the Deh Cho Bridge Project, and I think this goes a bit beyond that. We’re formally asking the Auditor General to do that for us. I think everyone in the House knows that there are many, many questions that surround this project. Many of us, on this side of the House at least, feel that this project has been circumspect from the start, from the very signing of the concession agreement and onwards until where we are today.
Anytime something breaks down it’s my belief that the reasons for that breakdown should be investigated and should be analyzed, and that, to me, is what this motion will do. It’s going to look at the project from the very beginning of the establishment of the Deh Cho Bridge Corporation Act and following it forward until where we are now. I feel that we need to know why we had such problems with the Deh Cho Bridge Project. I think each of us in the House has our own beliefs as to the why, but we don’t have the expertise to go there, and we’re asking somebody else to do that for us. We need to know if the public/private partnership that we entered into was a good one. Was the P3 relationship the fault of our problems? Maybe, maybe not. If not, what was? Was the right project oversight in place? Were the financial controls adequate? Did the project, as established, follow GNWT legislation, regulations, policies and so on?

All of this and more can be looked into for us by the Auditor General of Canada and in a truly non-subjective or objective way. In my mind, there’s no more thorough or respected organization or person or department, for lack of a better word, who does this kind of evaluative work, and I believe that we need to get this work done. The recommendations from the Auditor General’s office, to me, will help us to fix what is broken with our system, and I do believe that we have something that is broken or else we wouldn’t be in the situation we are now.

I think it’s in the best interests of all Members of this House to support this particular motion. We need to learn from our mistakes. You’re probably going to hear that from every one of the Members as we speak, but we need to learn from the mistakes that we’ve made on this project and make the necessary changes to our policies and procedures to ensure that we don’t end up in our current situation sometime in the future.

So as I said at the outset, I certainly support this motion. I urge all Members on both sides of the House to support the motion. I think Cabinet Members should vote on this. There really is nothing in the motion which requires the government to do anything. We’re asking the Speaker to contact the Auditor General, and I would encourage all Members to vote. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Bisaro. The honourable Member for Nahendeh, Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Speaker. I, too, rise in support of this motion that’s put before us on the floor here today. I believe one of the primary reasons that I’ll be voting in support, certainly, is that the members of the public and the members of the Nahendeh public certainly do want to see more detailed information on the bridge project. Constituents are really worried about the impacts that it will have throughout the North and this will just be another, I believe, good forum in which to provide as much information to the public once it’s completed and it’s tabled in the House, Mr. Speaker. Thank you very much. Mahsi cho.

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

MR. BROMLEY: Thank you, Mr. Menicoche. The honourable Member for Weledeh, Mr. Bromley.

Thank you very much, Mr. Speaker. Mr. Speaker, I will be supporting this motion. I think quite a number of points have been raised by Members of this Assembly, at least since the beginning of the Assembly, and presumably in previous Assemblies as well, that have not been resolved satisfactorily and an audit such as this can go a long way to doing that. Some of the important concerns that are still ongoing in our current situation are the long-term implications with taking this on our debt, what prevention measures can be conceived of and put in place, and, as has been mentioned, the value of P3 projects, lessons and cautions to be learned.

The amount of debt that we’re taking on, Mr. Speaker, is 33 percent of potential debt limit and after five years of payments it will be 31 percent of our debt limit. This is a long-term situation we’ve entered into here, we are entering into, and I think that needs to be part of the consideration. So there are a number of things that could be included in the Auditor General’s investigation and we’ve provided for that possibility. I thank the author of this motion for that in some of the paragraphs they’ve provided.

I am looking forward to seeing the results of this. I hope it is timely. I hope it gets broad support. I think we all agree it has been a rough road. There are lessons to be learned. The best way to do that is with an objective look. I don’t think that should preclude the government looking at many of the questions, looking and responding to the many questions that have been raised this week. However, I will be supporting this motion. Thank you.

MR. SPEAKER: Thank you, Mr. Bromley. To the motion. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I know the Members have raised continuously, since the start of this Assembly, the concern about the Deh Cho Bridge and the project, to the point where we dealt with the item yesterday and will continue to deal with it for the next couple of days.

On this particular motion, one of the things that I must put out there clearly, although it is a furthermore within the motion, that we officials acted and appointed officials actively cooperate with the Auditor General. That is bordering on stating we don’t. In fact, we do. Every year we work with the Auditor General cooperatively in providing information. In fact, Mr. Speaker, on the Deh Cho Bridge Project, we have worked with the Auditor...
The Department of Finance provided the Office of the Auditor General documents. That is the concession agreement and the audited statements of the Deh Cho Bridge Corporation for the two fiscal years. The Department of Finance also provided the Office of the Auditor General with access to review all Financial Management Board records and decisions that relate to the Deh Cho Bridge Project.

The Auditor General’s office obtained selective working papers from independent auditors for the Deh Cho Bridge Corporation in relation to the financial statement audit, and in August 2009 the Auditor General’s office met with representatives of the departments of Transportation and Finance to receive a briefing on the project at the time that the Auditor General’s office requested and provided additional documents, and that is Ravi Associates production report, a report on key lessons learned after the first 12 months and recommendations for improvements going forward; KY Lin International design report recommendations to improve the design of the bridge, BPTEC and DNW Engineering Limited design report recommendations to improve design of the bridge and the Department of Transportation’s threat risk analysis of the Deh Cho Bridge Corporation. On top of that, the concession agreement, the cost-benefit analysis and other relevant documents posted on the Department of Transportation’s site. In fact, when the Auditor General’s report on the GNWT public accounts was tabled with the accounts on February 9, 2010, the report did not mention the Deh Cho Bridge and the Auditor General has yet to indicate whether a comprehensive audit of the Deh Cho Bridge project would be initiated.

Needless to say, if the Office of the Auditor General does do an audit specifically on this project, we would cooperate fully with their office, as we have done to date, to ensure that any areas of concern are addressed by that. We wait to see the results of that.

We feel, as the Government of the Northwest Territories, through the Minister of Transportation, through the Minister of Finance, through providing all the documents and the meetings we have had with committee on this, that we have provided the full gambit of information there and dealt with this to the level that we have come to this House with. Unfortunately, in the sense that the supp document that this House has yet to deal with. On that basis, feeling that we have already provided a lot of information and will continue to work cooperatively, we will be abstaining from the vote on this. Thank you.

Mr. Hawkins: Thank you, Mr. Roland. To the motion. The honourable Member for Hay River South, Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Speaker. I will be voting in favour of the motion.

Mr. Speaker, the Premier points out the furthermore that all employees and officials actively cooperate. I think that raises an interesting point, not to suggest that this government has not or would not fully cooperate with the Auditor General. However, Mr. Speaker, this is an unusual project where much of the activity was undertaken by a third party, the Deh Cho Bridge Corporation. That information and that documentation are things that were not always readily available to this government perhaps, but certainly not to this side of the House.

I think it is important that if we are going to be looking at this fully, the folks at the Deh Cho Bridge Corporation would also be fully participating and cooperating in their compliance in handing over of information so this can be assessed. It has been an unusual practice of this government. It is really the first time that we have undertaken a major project through this process. It is important, I think, that we fully evaluate what the positives and what some of the weaknesses were of going about a project of this nature through this manner. I think that is the kind of information that this will bring out.

For me it is not about the government isn’t withholding something and it is a big secret and we have to get the Auditor General to go and rip it out of their hands. To me it is not about that at all. It is about looking at this as a large, major capital project which we undertook to procure in an unusual manner that we have never done before. It is basically a debrief that is a post mortem on the process. I will be supporting the motion. Thank you.

MR. SPEAKER: Thank you, Mrs. Groenewegen. To the motion. The honourable Member for Yellowknife Centre, Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Speaker. I have thought about this motion quite a bit actually. I think to myself, why couldn’t I support a motion that requests an audit? I have no issue with that on that principle, because many projects deserve a second look going over and whatnot. I think it deserves probably that respect and due, especially considering, respectfully, the number of questions that have come out of this whole process.

Mr. Speaker, I also question the value of this, considering that the Auditor General has already been requested once before and rejected doing the special audit. As the Premier has mentioned, this has been on the public accounts for a number of years. They have been forwarding information to review. They did not pursue it. I can’t speak to why they chose not to, but I think ultimately we know all of the problems already. I stress respectfully, of
course, but a lot of the problems had to do with the organization and how this was put together. We don’t need a special audit to tell us that.

I stress respectfully again, but the Deh Cho Bridge Corporation I think was a little over their head in this particular project. We don’t need a special audit to say that, when we got what we thought was a fixed price, a guaranteed contract and certainly a completed design, to find out later it was a design that was completely inadequate and that could not be built safely in any manner. We had a report like TY Lin International that says that. Do we have to look at long-term financial implications? I think we understand that today. We discussed at length about adding this to our books and the difficulty that will arise and certainly the challenges before this. I am not against an audit that wants to put all of this information together once again, but I think we already do know and fully understand the implications of this.

Mr. Speaker, the fact is I am of great belief that the Department of Finance and the Department of Transportation probably worked quite aggressively and honestly with good steward of our policies, to make sure that they did comply fairly and honestly, but I just worry and I caution, sort of, the House on this. Is this an exercise just to continue to keep taking punches at the Deh Cho Bridge and the Deh Cho Bridge Corporation throughout this process? I think we are well aware of the failings that have come about from this. We are all well aware of people who worked very hard to make this process go forward and bring it back on the rails. Further investigation, although I certainly won’t stop it in any way by arguing against it, I think it is just going to continue to find out what we already know.

It is a sad case. I will definitely say it is sad to say that this could be a scar on our Territory’s finances for many years to come that we will have to find ways to avoid. This is a project that the train has left the station long ago. It is up to this Assembly to make wise decisions, as well as obviously it is up to many other Assemblies to figure out how to balance them out.

Just in closing, I’ll vote in favour of the motion. I don’t believe in abstaining. I believe you either vote in favour or against. But I will certainly vote in favour of it because I’ve never believed in abstaining. In this particular case I don’t see any reasonable way of standing against it. I’ll allow it to pass in my view. I definitely think this information is already before us and we’ve heard a lot of details.

MR. SPEAKER: Thank you, Mr. Hawkins. To the motion. I’ll allow the mover of the motion closing comments. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Speaker.

MR. SPEAKER: Sorry, Mr. Ramsay. Before closing comments. I’ll go to the Minister of Transportation, Michael McLeod.

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. The Premier has already outlined the scrutiny that this project has been under since inception. This motion that has been put forward by the Member is really a call for what already occurs. The Auditor General already conducts an audit of the Deh Cho Bridge Project through the consolidated financial statements. We as a department, as well as other departments, cooperate fully with the Office of the Auditor General as they perform this audit. In the past year we’ve already provided reports and other information requested by their office and will continue to do so.

I think it’s pretty clear in the last couple of days that our focus has been on moving forward with the completion of this project, the Deh Cho Bridge Project. I’m a little concerned that it would not be very helpful to impede some of the good work by initiating an audit midstream. These reviews, audits of this type, are usually done at the end of a project to ensure that all decisions that have gone into a project are taken fully and considered.

I’ve already made commitments in this House to do a thorough review of this project when it is completed. Of course I would certainly support further review by the Auditor General, if the Auditor General thinks it’s appropriate. However, she makes her own decisions to that end and decides which projects and programs warrant further scrutiny. The question is not whether or not there should be a performance audit by the Auditor General but rather when that audit should occur. Should it be now or should it be at the usual time when projects are at their completion? Having said that, we would welcome any opportunity to demonstrate how we as a government have been working at this and managed this project and made decisions related to this project.

I do want to point out, however, that I’m a little concerned that there is some suggestion by the wording of this motion as to all employees and officials actively cooperating. It almost implies wrongdoing by our department officials. I take offence to that. I think if that’s the intent, then we need to have some evidence to that front. Maybe the wording should be changed. I don’t think that’s very appropriate to say that we almost suggest that we would not cooperate. That is something we would do and have done in the past. I think the staff, our staff that work very hard, would take some offence to that and I certainly do.

MR. SPEAKER: Thank you, Mr. McLeod. The honourable Member for Mackenzie Delta, Mr. Krutko.
MR. KRUTKO: Thank you, Mr. Speaker. I will be supporting this motion, because I believe that the situation we find ourselves today, this is one of the largest P3 projects that we’ve taken on. We’ve established legislation that was supposed to protect us, that being the Deh Cho Bridge Corporation Act. We had a concession agreement we were hoping spelled out the terms and conditions and now we find ourselves in the situation we’re in today where we have to take on $165 million into our books and deal with the effect that is going to have going forward.

Not having a P3 policy in place that clearly identifies these type of arrangements, I think it’s better to learn at the front end from your mistakes than find out down the road that you’re well over your head in regard to these types of scenarios. I think it’s important that we take the time and allow for those questions to be asked by the Auditor General and review those documents that we have in place whether it’s the Deh Cho Bridge Corporation Act and exactly what was in the concession agreement and how the financing of this was handled.

Yes, there were some things out of our control, but at the end of the day we are now burdened by a project that totally ended up being out of control. I think it’s important that we can direct the Auditor General from this House to consider certain matters that we feel are important and that she takes the time to assess those particular matters. That’s what this motion is doing.

It’s important to realize that we, if anything, want to ensure not only ourselves here in this House but the public that we are doing due diligence by allowing this project to be scrutinized by the Auditor General to ensure that everything was done in our power so that next time we get into these type of arrangements we have the legislative tools in place to protect the public purse and ensure the transparency that is required and that we are able to avoid these type of situations to happen in the future.

With that, I will be supporting the motion.

MR. SPEAKER: Thank you, Mr. Krutko. To the motion. I will allow the mover of the motion closing comments. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Speaker. First off I’d like to thank all the Members that have stood up and indicated they will support the motion that we have before us today.

Just to a few of the comments I heard, yes, the Auditor General was too busy to look into the process that allowed the Deh Cho Bridge Corporation and the relationship between the Government of the Northwest Territories and the Deh Cho Bridge Corporation. That was a few years back. We all know much has changed in that time.

For example, the contractor of record, ATCON Construction, of which we had a $165 million negotiated contract, is gone. The Deh Cho Bridge Corporation, for all intents and purposes, is finished. The $165 million is on the back of the residents of the Northwest Territories. That is a lot that has changed.

Again, I think, for me, responsibility and accountability and transparency are words I do not take lightly and I do not use lightly. I’ve been after answers and trying to hold people to account for making decisions they have made. I hope through an effort like this with the Auditor General of Canada we can hopefully put some closure to this, get some recommendations from the Auditor General of Canada that will point us in the right direction on what went wrong so that we can learn lessons as we move forward.

I’m very disappointed that the Premier and his Cabinet are going to abstain from this vote. This motion is not calling on this government to do anything. I feel badly that my colleagues across the way cannot stand up here today with their colleagues across the floor and support a motion like this knowing full well that mistakes were made, that there were major issues with our relationship with the Deh Cho Bridge Corporation, the process that allowed it to happen, and the fact that we were here for I think it was over five hours yesterday debating a supplementary appropriation for $165 million. Again, I think you’re making a mistake by not standing up here. I really do believe that. I think you should stand up. I think you guys should have the courage to stand up and vote with us on this motion. That’s how strongly I feel about this motion.

The other thing I heard from some of my Cabinet colleagues across the way was the word “cooperate” was causing them some consternation. I believe they’re reading too much into the motion. The word “cooperate” is a nice word. I think all of our officials, whether they were working for contractors or the Department of Transportation, there’s nothing, there’s no negative connotation to the word “cooperate” in this motion. It’s not implying anything. I think these guys are again reading too much into this motion. I would encourage them to vote in favour of it. It’s the right thing to do. It’s the responsible thing to do.

I thank those that are going to have the courage today to hopefully direct the Auditor General of Canada to have a good look into the Deh Cho Bridge Project and the troubles that it’s caused this government and the people in the Northwest Territories. We don’t even know the future ramifications of those problems yet.

I’d also like to request a recorded vote.

MR. SPEAKER: Thank you, Mr. Ramsay. The Member is requesting a recorded vote. All those in favour of the motion, please stand.
RECORDED VOTE

CLERK OF THE HOUSE (Mr. Mercer): Mr. Ramsay, Mrs. Groenewegen, Mr. Hawkins, Ms. Bisaro, Mr. Yakeleya, Mr. Krutko, Mr. Bromley, Mr. Abernethy, Mr. Menicoche.

MR. SPEAKER: All those opposed to the motion, please stand. All those abstaining from the motion, please stand.

CLERK OF THE HOUSE (Mr. Mercer): Mr. Lafferty; Ms. Lee; Mr. Roland; Mr. McLeod, Deh Cho; Mr. McLeod, Inuvik Twin Lakes; Mr. McLeod, Yellowknife South.

MR. SPEAKER: The results of the recorded vote: nine for, none against, six abstaining.

--- Carried

Item 18, first reading of bills. The honourable Premier, Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I seek unanimous consent to proceed with first reading of Bill 6, Supplementary Appropriation Act (Infrastructure Expenditures), No. 2, 2010-2011.

--- Unanimous consent granted.

First Reading of Bills

BILL 6:
SUPPLEMENTARY APPROPRIATION ACT
(INFRASTRUCTURE EXPENDITURES),
NO. 2, 2010-2011

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I seek unanimous consent to proceed with first reading of Bill 6, Supplementary Appropriation Act (Infrastructure Expenditures), No. 2, 2010-2011, be read for the first time.

--- Carried


Consideration in Committee of the Whole of Bills and Other Matters

CHAIRMAN (Mr. Krutko): I'd like to call Committee of the Whole to order. We have Tabled Document 4-16(5), Executive Summary of the Report of the Joint Review Panel for the Mackenzie Gas Project, with Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. I move that we report progress.

--- Carried

Report of Committee of the Whole

MR. SPEAKER: Could I have report of Committee of the Whole, Mr. Krutko.

MR. KRUTKO: Mr. Speaker, your committee would like to report progress and that the report of Committee of the Whole be concurred with.

MR. SPEAKER: Thank you, Mr. Krutko. A motion is on the floor. Do we have a seconder? The honourable Member for Frame Lake, Ms. Bisaro.

--- Carried

Item 22, third reading of bills. Mr. Clerk, orders of the day.

Orders of the Day

CLERK OF THE HOUSE (Mr. Mercer): Orders of the day for Thursday, March 25, 2010, at 1:30 p.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Reports of Standing and Special Committees
5. Returns to Oral Questions
6. Recognition of Visitors in the Gallery
7. Acknowledgements
8. Oral Questions
9. Written Questions
10. Returns to Written Questions
11. Replies to Opening Address
12. Petitions
13. Reports of Committees on the Review of Bills
14. Tabling of Documents
15. Notices of Motion
16. Notices of Motion for First Reading of Bills
17. Motions
18. First Reading of Bills
19. Second Reading of Bills
   - Bill 6, Supplementary Appropriation Act (Infrastructure Expenditures), No. 2, 2010-2011
20. Consideration in Committee of the Whole of Bills and Other Matters
21. Report of Committee of the Whole
22. Third Reading of Bills
23. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Thursday, March 25, 2010, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 5:11 p.m.