## Members of the Legislative Assembly

**Speaker**  
Hon. Jackie Jacobson  
(Nunakput)

### Ministers

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| Hon. Glen Abernethy   | Great Slave           | Minister of Health and Social Services  
                      | Min. responsible for Persons with Disabilities  
                      | Min. responsible for Seniors                                           |
| Mrs. Jane Groenewegen | Hay River South       |                                                                           |
| Mr. Robert Hawkins    | (Yellowknife Centre)  |                                                                           |
| Mr. Kevin Menicoche   | (Nahendeh)            |                                                                           |
| Hon. Glen Abernethy   | Great Slave           |                                                                           |
| Hon. Tom Beaulieu     | (Tu Nedhe)            | Minister of Human Resources  
                      | Min. of Transportation  
                      | Min. of Public Works and Services                                     |
| Ms. Wendy Bisaro      | (Frame Lake)          |                                                                           |
| Mr. Frederick Blake   | (Mackenzie Delta)     |                                                                           |
| Mr. Robert Bouchard   | (Hay River North)     |                                                                           |
| Mr. Bob Bromley       | (Weledeh)             |                                                                           |
| Mr. Daryl Dolynny     | (Range Lake)          |                                                                           |
| Hon. Bob McLeod       | (Yellowknife South)   | Premier  
                      | Min. of Executive  
                      | Min. of Aboriginal Affairs and Intergovernmental Relations  
                      | Min. responsible for Women                                             |
| Hon. Robert C. McLeod | (Inuvik Twin Lakes)   | Minister of Municipal and Community Affairs  
                      | Min. of Lands  
                      | Min. responsible for the NWT Housing Corporation  
                      | Min. responsible for Youth                                            |
| Mr. J. Michael Miltenberger | (Thebacha)     | Government House Leader  
                      | Min. of Finance  
                      | Min. of Environment and Natural Resources  
                      | Min. responsible for the NWT Power Corporation                         |
| Mr. Alfred Moses      | (Inuvik Boot Lake)    |                                                                           |
| Mr. Michael Nadli     | (Deh Cho)             |                                                                           |
| Hon. David Ramsay     | (Kam Lake)            | Minister of Justice  
                      | Min. of Industry, Tourism and Investment                                |
| Hon. Jackson Lafferty | (Monfwi)              | Deputy Premier  
                      | Min. of Education, Culture and Employment  
                      | Min. responsible for the Workers’ Safety and Compensation Commission |
| Mr. Robert C. McLeod  | (Inuvik Twin Lakes)   | Minister of Municipal and Community Affairs  
                      | Min. of Lands  
                      | Min. responsible for the NWT Housing Corporation  
                      | Min. responsible for Youth                                            |
| Hon. Robert Ramsay    | (Kam Lake)            | Minister of Justice  
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                      | Min. of Aboriginal Affairs and Intergovernmental Relations  
                      | Min. responsible for Women                                             |
| Hon. David Ramsay     | (Kam Lake)            | Minister of Justice  
                      | Min. of Industry, Tourism and Investment                                |

## Officers

**Clerk of the Legislative Assembly**  
Mr. Tim Mercer

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YELLOWKNIFE, NORTHWEST TERRITORIES

Monday, February 16, 2015

Members Present

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

The House met at 1:30 p.m.

---Prayer

SPEAKER (Hon. Jackie Jacobson): Good afternoon, colleagues. Before we begin, I would like to take a moment to remember and honour family and friends who have recently passed on. When our small communities lose a family member, we all feel the loss.

On behalf of this House, I want to express sincere condolences to Marcus Ruben and family on the recent passing of Ida Sarah Ruben. Ida was born in Aklavik on March 20, 1945, to Johnny and Ruth Kayotuk, and grew up with her siblings, Moses, Leland, Eva and Lena. Ida attended school in Aklavik and later Stringer Hall in Inuvik, where she met a lot of people and made a lot of friends.

On May 5, 1960, Ida married Marcus Ruben and they raised 10 children together. Ida dedicated her life to her family and enjoyed spending time out on the land with her husband, where they hunted and prepared food for the year.

Ida was a caring and loving wife, mother, daughter, auntie, sister, friend and nanuk. She touched the lives of many and was known to everyone as Nan. Ida will be missed, but never forgotten.

Roger "Malinik" Kuptana passed away peacefully December 1, 2014. Roger was born to William and Sarah Kuptana in the Mackenzie Delta north of Aklavik in May 1951. As a young boy, Roger learned the culture and traditions of his ancestors, living on the land, hunting and trapping.

At the age of 12 or 13, Roger attended school for the first time and quickly recognized the opportunities he saw before him. He continued his high school education in Fort Smith and then pursued military training in Ontario, where he began a three-year apprenticeship to become an aircraft engineer. Roger returned to the North and continued his apprenticeship with Reindeer Air Services Limited in Inuvik. Later he moved to Yellowknife to work with Wardair where, in 1976, he became the first Inuvialuit in the territory to become a licenced aircraft engineer.

In 1977 Roger moved to Sachs Harbour, where he married his wife, Jackie, and adopted two children, Jeff and Catherine. In Sachs Harbour, Roger returned to a more traditional way of life and spent a great deal of time teaching others about his culture. Roger also became involved in sport hunting and in 1991 opened a bed and breakfast, which is now known as the PolarGrizz Lodge.

Roger knew the best of both worlds. He was successful in business and strong in his culture. Roger was generous and known for his sense of humour. Above all else, Roger valued his family. He will always be loved and remembered by all who knew him. On behalf of this House, I send condolences to Jackie Kuptana and all of the Kuptana family on their loss.

On behalf of the House, I also want to extend condolences to Bessie Ann Tedjuk and Ronald "Inung Senior" Felix and family on the passing of Ronald Norman "Inung Junior" Felix Tedjuk.

Ronald Junior was born in Inuvik on September 2, 1992. Growing up, Ronald loved hunting and fishing with his father and spending time with his brothers, family and friends. Ronald always had a smile for everyone and would always help out if somebody was in need. He loved spending time with friends, drinking coffee, playing poker and just being together. Ronald will be remembered fondly by all who knew him.

Finally, I want to extend the condolences of the House and my Nunakput constituents to Eunice Nasogaluak and family on the passing of William Nasogaluak on January 12, 2015.

William Nasogaluak was born on May 31, 1938, at Bailey Island, to Big Joe and Susie Nasogaluak. The third of 11 children, William knew the importance of family and took great pride and honour in his parents, siblings and children. Family was what mattered most in his life.

In everything he did, William worked hard to do his best, from operating heavy equipment in Alberta as a young man to working on the DEW Line sites and later, as a businessman, tending to his reindeer herd.

Despite his hard work, William found time to be an entertainer, playing guitar and bass for countless dances. He was even known to play the fiddle. William was also an Inuvialuit drummer. He took
Mr. Speaker, today I rise to recognize the Fostering Open Expression among Youth team, better known as FOXY, for receiving the $1 million Arctic Inspiration Prize.

The Arctic Inspiration Prize recognizes and promotes the extraordinary contribution made by teams in gathering Arctic knowledge and using this knowledge for real world applications. The prize is awarded by a selection committee, engaged partners and ambassadors. FOXY was nominated for this award by Premier Bob McLeod, with support from Minister Lafferty, Minister McLeod and myself. This year was the first time the entire prize had been awarded to one group, rather than split among several recipients.

FOXY is a northern-based, youth-led sexual health education program that has been operating in the Northwest Territories for three years. It focuses on the complex determinants of sexual health in the Canadian North, not just visible indicators of sexual health problems, and provides honest, realistic and comprehensive education that empowers young women to make their own informed decisions. This program is designed by and for young women. It recognizes and addresses the link between sexual health and mental health and supports youth in developing healthy relationships based on equality, respect and consent. By encouraging youth, and especially young women, to connect with their cultures and fostering the growth of young leaders and strong social support networks, FOXY also contributes to community wellness.

FOXY was created as a new way of talking with young people about sexual health, sexuality and relationships. FOXY has provided sexual health education in the Northwest Territories since 2012. This education helps combat the high rate of sexually transmitted infection in the Northwest Territories and provides young women with knowledge and skills to make healthy decisions regarding sexuality.

I’m sure all Members are interested in what the FOXY team will do with their well-deserved award. The additional support will help them expand the program into Yukon and Nunavut. FOXY will also provide its sexual health and leadership programs to all genders. This initiative will certainly be a great use of these extra resources.

Mr. Speaker, healthy, educated people is a goal of this Assembly and of the Government of the Northwest Territories. The Department of Health and Social Services is working toward that goal by continuing to deliver sexual health prevention and promotion activities and work with other GNWT departments on initiatives that address underlying factors contributing to the spread of STIs.

Working with innovative community partners also helps us progress toward our goal, and we will continue to work with FOXY to identify opportunities for enhanced community and youth engagement on sexual health issues. I am proud of FOXY’s achievement and excited about our ongoing collaboration. Thank you, Mr. Speaker.

MINISTER'S STATEMENT 146-17(5):
IMPLEMENTATION OF THE NWT MINERAL DEVELOPMENT STRATEGY

HON. DAVID RAMSAY: Mr. Speaker, the resource sector is the single largest contributor to the NWT economy. Mining has created more than 28,000 jobs and produced $46 billion in minerals since the early 1930s. Those numbers help to tell the story of our success in this industry, which has provided residents and businesses across the territory with opportunities.

To ensure our residents and communities receive long-term benefits from responsible mineral exploration and development, the NWT Mineral Development Strategy and Implementation Plan were developed. Of the 28 recommendations in the plan, the Department of Industry, Tourism and Investment is the lead on 12. Today I would like to update Members on the progress we are making on a few of these initiatives.

One of these initiatives is the Mining Incentive Program, launched last June. The program was oversubscribed by almost 200 percent in its inaugural year, with seven exploration companies and two prospectors receiving funding. We hope to continue this successful program for 2015.

We also recently announced the establishment of a Mining Industry Advisory Board. Once established,
this board will provide technical advice to government and ensure mining regulations are in place to foster economic growth while maintaining high regulatory, environmental and social standards.

This board will consist of between five and seven volunteers with a wide range of technical knowledge and sustainable development expertise. The Department of Industry, Tourism and Investment will recommend names of possible board members after consultation with the NWT and Nunavut Chamber of Mines to reflect the best cross-section of mining expertise as possible.

To promote the Northwest Territories as an attractive place to invest in mineral development, we have a marketing and investment campaign underway with the theme of "Unlocking our Potential." In addition to advertisements, this campaign will build on our presence at the events and tradeshows we participate in. At the Mineral Exploration Roundup in Vancouver in January, we had a tradeshow booth that showcased the Northwest Territories and its tremendous potential to the prospectors, geoscientists and investors in attendance. I look forward to providing you with an update on this campaign at a later date.

Good geoscience information is critical to the long-term development of the NWT mining sector. To ensure government and industry have the information they need, we are working to position the Northwest Territories Geoscience Office as the principal source of public geoscience knowledge, another recommendation in the implementation plan. A study of the glacial history and permafrost conditions of the central Slave Geological Province will provide insight to guide our efforts to stimulate the next round of diamond and metals exploration in the Slave Province. This is thanks, in part, to an increase in geoscience research funding from the Canadian Northern Economic Development Agency.

We also have plans to build a geological materials storage facility in Yellowknife that will house the territory’s substantial geological collections. Exploration companies and prospectors can re-use the existing drill core which, for some companies, has resulted in millions of dollars of exploration savings.

Mr. Speaker, the Mineral Development Strategy and Implementation Plan give this government an important tool for supporting this sector and will continue to be evaluated and updated as we move forward to ensure that actions remain relevant and effective.

This Assembly has a vision of a strong, sustainable and prosperous North, Mr. Speaker. For more than 80 years, the mining industry has been a pillar of the Northwest Territories’ economy. The Mineral Development Strategy and Implementation Plan will help us to ensure the mining industry continues to be a key contributor to achieving our vision and the NWT’s economic growth. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Ramsay. Item 3, Members’ statements. The honourable Member for Mackenzie Delta, Mr. Blake.

Members’ Statements

MEMBER’S STATEMENT ON TSIIGEHTCHIC POLICE PRESENCE

MR. BLAKE: Thank you, Mr. Speaker. Decades ago there were RCMP officers based in Tsiigehtchic, but now we only have patchy coverage from officers based in Fort McPherson. We are puzzled by this. The population has doubled, even tripled, but the community has lost its police service.

Last Thursday I had an exchange with the Justice Minister about the issue of staff housing. He said that housing shouldn’t be a hurdle to having RCMP officers overnight in Tsiigehtchic. I am glad he agreed to follow up and I look forward to hearing the results.

The budget review in the final year of the 17th Legislative Assembly is the right time to assess the goals we stated at the outset: to have sustainable, vibrant, safe communities. Once again this budget leaves some small communities with poor basic services.

The simple fact is that police presence in Tsiigehtchic is not adequate. The officer assigned to the community is based in Fort McPherson. Police response to calls from Tsiigehtchic is slow. With better police coverage, many innocent victims of crime could be spared their anguish and expense.

I know there aren’t the capital funds for a new RCMP detachment in Tsiigehtchic, but that can’t be an excuse for lack of safety. The government does not talk enough about the positive effects and even the cost savings that come with a safer community.

At the appropriate time, once again I will be asking the Justice Minister whether he is really doing his best for the people of Tsiigehtchic. Thank you, Mr. Speaker.

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

MEMBER’S STATEMENT ON 2015 CANADA WINTER GAMES PARTICIPANTS

MR. DOLYNNY: Thank you, Mr. Speaker. As many are aware, the 2015 Canada Winter Games are in full swing in Prince George, British Columbia, and our NWT delegation is in sizzling hot pursuit of medals. But it’s just not medals that our athletes are
competing for, but for the chance to do their best and celebrate in friendship through sports.

Many have been following the opening ceremonies and some of our early events that are being featured on Facebook, Twitter and through media coverage, and I can tell you, Mr. Speaker, I am very proud of our delegation. So proud that I want to do a shout out to my Range Lake constituents who are participating, and they are: I have Brad Anstey, male hockey coach; I have Joshua Beland, male hockey; I’ve got Nicolas Bennett, cross country skiing; I’ve got Susanne Chambers, female hockey; Jamie Chambers, female hockey coach; I’ve got Melissa Clark for shooting; Mr. Damon Crossman, who’s a key pillar of our mission staff. I have a whole family going. I have Austin Daniels, male hockey; Brady Daniels, male hockey; Karyne Daniels, male hockey manager; and Scott Daniels, who is part of our mission staff. I have Sarah Fleming, female hockey as an alternative; I’ve got Connor Fleming, male hockey; Evan Matatall, male hockey, Lauren Mercredi, another one of our mission staff; and, finally, Brad Mueller, male hockey coach.

We know these 2015 Canada Winter Games are the national athletic competition of a pinnacle calibre, yet I know our NWT delegation will be equally true ambassadors, showcasing our unique culture and language to the rest of Canada.

[English translation not provided.]

Good luck, Team NWT, do us proud. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Dolynny. Member for Sahtu, Mr. Yakeleya.

MEMBER'S STATEMENT ON LOUIS RIEL DAY

MR. YAKELEYA: Thank you, Mr. Speaker. On the third Monday in February, which is today, the province of Manitoba celebrates Louis Riel Day. I’d also like to take the opportunity today to mention the contribution of the Metis people in my region.

Mr. Speaker, a little history: Louis Riel was born in 1844, the eldest son of a prominent Metis family based in St. Boniface, Winnipeg’s French quarter. When Riel’s people, the Red River Metis’ way of life was threatened in Canada’s plans to annex Hudson Bay’s land, he acted with strength. He formed a resistance group. He stopped the surveyors from encroaching onto their lands and then began the Red River Resistance. He fought for his land and for his people. During the winter of 1869-70, Riel formed a provisional government and presented Canada with the Bill of Rights that would become the Manitoba Act of 1870. Today, Riel is widely celebrated as the father of Manitoba.

Like Riel, the Metis in the Sahtu were always strong and decisive people. They were known as builders in the literal sense, building cabins and traplines and communities. Also, in the figurative sense, building bridges between the two worlds.

The Sahtu Dene and Metis Land Claim Settlement Act of 1994 was the first land claim settlement to include Metis people. It’s a unique landmark in the northern Aboriginal governments and in Canada. Shortly after the settlement was reached, the Sahtu Nation was born. Among its founders were the three Metis Land Corp settlement corporations. The Sahtu Secretariat has subsequently become responsible for a wide range of activities in the Sahtu Settlement Area, clearly outlining its jurisdiction.

I stand in tribute today to Louis Riel and all the Metis people who have bravely protected their traditional lands and livelihoods. Thank you, Mr. Speaker.

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

MEMBER'S STATEMENT ON IMPACTS OF HEALTH GOVERNANCE REFORM ON HAY RIVER HEALTH AUTHORITY

MR. BOUCHARD: Thank you, Mr. Speaker. Last Thursday we returned home to a constituency meeting, and one of the overwhelming issues was Bill 44, An Act to Amend the Health and Social Services Administration Act, that was brought before this House.

This act will create one territorial board, and that’s probably a fine concept, Mr. Speaker. That’s if we were comparing apples to apples. But the Hay River Health Authority staff are not GNWT employees, so this bill stirred a lot of those staff up.

They have a great deal of concern about how they will be rolled into the GNWT system, how they will be able to keep their seniority. We have people who are two or three years away from retiring and now they’re questioning, when this authority is created and they’re merged into it, are they going to be able to roll their pensions forward, will they be able to roll forward their sick days. This is a great deal of experience and a lot of people who are committed to our community.

We have had this issue for a long time. Over a decade ago they looked at this health authority, they looked at the cost of taking in the pensions, they looked at that and the government at that time said no, we can’t afford it. But this issue is back on the table; it’s not a new issue. We need to give comfort to those staff of the Hay River Health Authority that their seniority and experience will be respected in this new process and how it will roll out, how things will be changed, how the new health authority will affect them.
Mr. Speaker, I will have questions for the Minister of Health later today. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bouchard. Member for Inuvik Boot Lake, Mr. Moses.

MEMBER'S STATEMENT ON RESOURCING ELDERS PROGRAMS AND SERVICES

MR. MOSES: Thank you, Mr. Speaker. Last Thursday I stood up in the House to congratulate one of our elders back home a happy 95th birthday. On Friday, when I jumped on the plane and was at the airport, I ran into some of our community members who were actually here in Yellowknife for a training course put on by the NWT Seniors' Society possibly in partnership with our Department of Health and Social Services, in dealing with seniors. What we talked about was numerous different issues which have always come to the forefront of this House, some in reference to elder abuse.

I just want to mention that on Friday night when I was in Inuvik at the Ingamo Hall, they were celebrating Elizabeth Greenland's 95th birthday. There were a lot of community elders who still live very independent lifestyles who went in attendance, who were participating in the feast and, in some cases, participating in the dance, but a bigger portion of it was the elders and the seniors from the long-term care facility. I would just like to recognize the staff, who usually go above and beyond what's asked of them and bring a lot of these seniors to the community events so they can participate and meet with old family and old friends to continue to live that independent lifestyle.

As I sat around that night I was thinking, this is so great to see our elders continue on. A lot of people made reference to Elizabeth Greenland, how she continued on the traditions – traditional knowledge, language, culture – and how she contributed to the community. And it wasn't just her. If you looked around the room, you saw all the elders who contributed to making the Beaufort-Delta what it was and still is today.

Today I want to ensure that we still respect our elders and ensure that we still provide the programs and services that they need, not only in the Beaufort-Delta region but right across the Northwest Territories, and that this government does, in fact, stay on top of those programs and services.

In small communities you do see where there can be elder abuse. That evening there may have been some elders that may have been recognized. So today I'll ask the Minister of Health and Social Services those questions later on today. Thank you, Mr. Speaker.

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

MEMBER'S STATEMENT ON MOREL MUSHROOMS HARVEST

MR. NADLI: Mahsi, Mr. Speaker. There's a global demand for morel mushrooms. They are only found in the wild and are highly prized. Delicious and versatile, they are suitable for a range of gourmet recipes. Morel mushrooms can be sautéed, grilled, smoked or baked, and served up with fish, meat, pasta and soup, or prepared as a simple appetizer. In fact, at the Canadian Culinary Championships held in Kelowna, BC, earlier this month, mushrooms from the NWT were featured in the winning dish. After last year's fire season, they're expecting a bumper crop, so we need to be ready.

Today I'd like to follow up on an exchange from last October with the Minister of Industry, Tourism and Investment. The Minister stated that they would be holding orientations in communities, developing a how-to booklet to inform people about morel mushrooms, where to find them, what they look like, maps of burn areas, harvesting methods, harvester or buyer interaction, necessary tools and what to watch out for, including bears. He said that between November and February they would be visiting Kakisa, Fort Providence, Fort Simpson, Jean Marie River, Enterprise, Hay River Reserve, Hay River, Fort Smith and Fort Resolution. Later I will be asking the Minister for an update on these community visits.

The Minister also agreed that we need to ensure that buyers have a business licence. Finally, the Minister agreed that Aboriginal governments should be encouraged to step in and help their community members.

I'm encouraged by the steps this government has taken to date. Going forward, it needs to support and regulate the mushroom harvest in a way that really benefits our residents and the local economy.

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

MEMBER'S STATEMENT ON ASSESSING RISKS AND BENEFITS OF HYDRAULIC FRACTURING

MS. BISARO: Thank you, Mr. Speaker. There’s a big emphasis on the need for economic development in our territory from this 17th Assembly government. I recognize the need for it, but our approach is somewhat flawed, especially around the issue of fracking.
This is a very controversial topic and a very confusing one. The average NWT resident hears either no info or too much info, and what they do hear is often contradictory. On the one hand, the message is fracking is all good, it’s safe, and we should allow the practice. On the other hand, the message is that it is a practice fraught with dangers and unknowns and we should ban it.

It’s generally accepted that development of any kind has an impact on the environment. The question is: How much of an impact? In the case of fracking we have yet to determine that impact and it’s imperative that we know. We need to enter into a process similar to that of the Yukon. Theirs was a heartfelt and honest, our land deserves no less. Our residents want to be part of the decision, but do we have the knowledge in order to make informed decisions about whether to frack or not.

I don’t know if I should believe the critics or the proponents of the fracking process. Why don’t I know? Because I don’t know the risks and/or the benefits. I don’t have the knowledge to make an informed decision. I believe we’re lucky right now because there’s a bit of a break in fracking activity. It’s a perfect opportunity to do the necessary research, investigation and consultation, to explore the potential impacts of fracking for the NWT, to do the work, get the knowledge and arm ourselves with information in order to make a good decision.

Our residents want to be part of the decision, but they need knowledge to do that, and at the moment they do not have it. This government, this Assembly must establish something akin to the Yukon model to investigate the risks and benefits of fracking. The government regularly states that it respects the land and the environment and that it’s committed to doing the best for our territory. If the words are heartfelt and honest, our land deserves no less than an exhaustive look at what fracking may or may not do to our territory.

MR. SPEAKER: Thank you, Ms. Bisaro. Mr. Hawkins.

MEMBER’S STATEMENT ON GNWT POSITION VACANCIES

MR. HAWKINS: Thank you, Mr. Speaker. I want to talk today about one of my favourite subjects which is jobs. I know probably most of you expected either power bills or certainly the cost of living to be on the topic. But you know what? Frankly, what better relates to them than jobs?

According to the Minister’s numbers the other day, we have 466 jobs that they are presently working on in some form, stage or consideration, and again according to the Minister’s numbers, he said the total number of vacancies on the books is 1,038 jobs. To be clear, that’s about 20 percent of the NWT government’s workforce. That’s a lot of people without jobs or vacancies or in some other type of consideration. However, if we work with those numbers, the Minister’s numbers, that means we have 572 jobs not being looked at in some form or fashion. So they’re either doing nothing or very little about them.

To be clear, these 572 jobs, that we don’t know what they’re doing with, represent 10 percent of our unstaffed and unaccounted for workforce. We know not every one of these additional positions has the intent to be filled. As a matter of fact, we heard the Minister that through his numbers where he accounts for some of them in the grey area, if I may describe, but he doesn’t account for them all. The issue really, to me, keeps coming back to the fact that we are funding many of these positions, not all of them, but most of them in some form or fashion. The question that keeps occurring to me, and certainly the public, is where does all this money go? I can better describe it as mystery money as to where it shows up and where it goes. I can’t say in this House that that money won’t be accounted for in some way or some fashion, but it is really fuzzy when you try to find it and follow the numbers.

The issue comes down to things like this: Why aren’t we properly filling them? Well, the Minister will tell you we have casuals filling some of these jobs. Staffing long-term vacancies through a casual process is not the right way. If these jobs are important, then fill them properly. We all know casual positions don’t require the same amount of money as a normal staffing position would. So then again that begs the question, where is that job money going?

If we can’t fill these jobs, then let’s turn them into training positions. People need experience to get jobs. If the government is asking too much for credentials for these jobs, then we should be asking ourselves are we filling them the right way with the right people who need opportunities. Most importantly on this particular question of where the jobs are going, have we evaluated any of these as great opportunities to provide decentralization to
help stimulate economic opportunities in other regions?

I will have questions for the Minister of Human Resources later today about jobs. Thank you.

MR. SPEAKER: Thank you, Mr. Hawkins. Item 7, oral questions. Member for Mackenzie Delta, Mr. Blake.

MR. BLAKE: Thank you, Mr. Speaker. I have a few questions.

MR. SPEAKER: Sorry, Mr. Blake. Item 5, recognition of visitors in the gallery.

Recognition of Visitors in the Gallery

I’d like to welcome Ernest Betsina, the chief of Ndilo. Welcome. Also, His Worship Mayor Ray Ruben from Paulatuk. Welcome to the House. Mr. Abernethy.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. I’d like to recognize a couple of the FOXY peer leaders in the gallery today: Makenzie Zouboules, Coco Paulette and Brianna Shae. Thank you all for the amazing work you’ve done in the Northwest Territories. Thank you.

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

MR. MOSES: Thank you, Mr. Speaker. I too would like to welcome Chief Ernest Betsina to the House as well as Mayor Ray Ruben. I hope you enjoy the proceedings. Welcome to the House.

I’d also like to welcome the FOXY peer leaders. That is a great program and one that I fully support. That you for all the hard work that you’re doing. Thank you, Mr. Speaker.

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

MR. BLAKE: Thank you, Mr. Speaker. I too would like to welcome Chief Ernest Betsina to the House today: Makenzie Zouboules, Coco Paulette and Brianna Shae. Thank you all for the amazing work you’ve done in the Northwest Territories. Thank you.

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

Oral Questions

QUESTION 618-17(5): TSIIGEHTCHIC POLICE PRESENCE

MR. BLAKE: Thank you, Mr. Speaker. I’ll try this again. My questions are for the Minister of Justice. Can the Minister state how long it takes the RCMP to respond to complaints in Tsiigehtchic compared to Fort McPherson? Thank you.

MR. SPEAKER: Thank you, Mr. Blake. The Minister of Justice, Mr. Ramsay.

HON. DAVID RAMSAY: When deciding if it's appropriate to invest the significant amount of funding – and I mentioned in the House last week that it’s between seven and 11 million dollars for a stand-alone RCMP detachment – some of the things that we must take into consideration are population, crime rates, workload of members, remoteness, calls for service historically, financial and human resources, infrastructure, types of calls for service, access to the community via all-weather road, winter roads, weather variability and also funding and priorities. So, there’s a number of factors that go into whether or not a detachment would be constructed in a community. Thank you.

MR. BLAKE: That wasn’t the question. The question was to describe the benefits of having a detachment in those communities, but I'll let the Minister answer that again. Thank you, Mr. Speaker.

HON. DAVID RAMSAY: The benefits of having a detachment would be obvious. Calls would come in and members would be located in the community that has a detachment, so response times would be that much quicker. Thank you.

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

MR. BLAKE: Will the Minister meet with the community leaders in Tsiigehtchic to discuss ways to build up a grassroots, community-based policing presence? Thank you, Mr. Speaker.

HON. DAVID RAMSAY: As Members know, I have a track record of wanting to get into communities and discuss with community leaders how best to police communities. We’ve got community policing plans that we’ve got in place across the territory. We’re also moving forward with community safety plans. At the earliest opportunity I’d be happy to accompany the Member and also the RCMP to visit the community of Tsiigehtchic, to sit down with the community leaders and the MLA to discuss how we can move forward. I know the issue that we had last week is also an issue that we want to see overcome with the housing and having members overnight in the community of Tsiigehtchic. So yes, the answer to the Member’s question is: at the earliest opportunity. If there is a community tour we
can get into Tsiigehtchic, the sooner the better. Thank you.

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

**QUESTION 619-17(5): DEPARTMENTAL RESPONSE TO OFFICE OF THE AUDITOR GENERAL REPORT**

**MR. DOLYNNY:** Thank you, Mr. Speaker. Given the recent scathing report of the Auditor General of Canada and work done in the 16th Assembly on child and family services, and with over 100 combined recommendations between these two initiatives, we know the Minister and his department have their work cut out for them. Therefore, it's important that we keep tabs on where this is going and their progress. My questions today are for the Minister of Health and Social Services.

Following the Office of the Auditor General of Canada Report on Child and Family Services, the Minister indicated his intention of hiring two assistant directors, one for child and family services, a second for mental health and addictions.

Can the Minister indicate if this is indeed complete and in place? Thank you.

**MR. SPEAKER:** Thank you, Mr. Dolynny. Minister of Health, Mr. Abernethy.

**HON. GLEN ABERNETHY:** Thank you, Mr. Speaker. We have one of those individuals in place. We have been recruiting for the other one without any success at this point, but I will certainly keep the Members informed as to when we're finally able to successfully fill that position. Thank you.

**MR. DOLYNNY:** So, we're at 50 percent on that question.

According to the department's Building Stronger Families Action Plan, in response to the OAG report, it states on page 7 that a forum of directors of social programs will be responsible for implementation.

Can the Minister indicate why are not the assistant directors, in conjunction with the director, responsible for implementing the action plan? Why the watered down approach in response to such a serious issue? Thank you.

**MR. DOLYNNY:** So, we're at 50 percent on that question.

According to the department’s Building Stronger Families Action Plan, in response to the OAG report, it states on page 7 that a forum of directors of social programs will be responsible for implementation.

Can the Minister indicate why are not the assistant directors, in conjunction with the director, responsible for implementing the action plan? Why the watered down approach in response to such a serious issue? Thank you.

**HON. GLEN ABERNETHY:** It's hardly a watered down approach. The territorial director is involved in that working group as well as the directors of social services and all the authorities in the Northwest Territories. They meet on a regular basis – monthly at this point – to ensure that this progress, this initiative is rolled out as the timelines have outlined.

**MR. DOLYNNY:** Mr. Speaker, on page 7 of the same action plan, the department’s senior officials are described as “risk adverse, where out of sight out of mind defines the optimal level when it comes to child protection services.”

Can the Minister inform the House, does this set the stage for further failures when there appears in a department’s own words a culture of complacency among its top officials? Thank you, Mr. Speaker.

**HON. GLEN ABERNETHY:** Mr. Speaker, it doesn’t seem to be in the right order here. That was something that was occurring. That’s one of the main reasons we’re doing a fundamental change in how we provide child and family services in the Northwest Territories. According to the Auditor General, there wasn’t enough accountability, so we actually made all the CEOs in all the authorities associate directors under the legislation, which has brought this to the forefront and made it a priority in every authority.

To the Member’s point, this is a priority; it is being dealt with; we are moving forward. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Abernethy. Short, final supplementary, Mr. Dolynny.

**MR. DOLYNNY:** Mr. Speaker, I do appreciate the Minister’s comments here, but it appears that we’re still moving very slowly on this serious issue.

We can only assume that hiring the Child Welfare League to help the GNWT with the action plan and the numerous and new enhanced activities that we’ve heard and been proposed will cost considerable money. Yet it appears that no new additional resources have been used or put forth in the budget, which suggests failure.

Can the Minister indicate how realistic is it that his department is able to accomplish all this with no new investment? Thank you, Mr. Speaker.

**HON. GLEN ABERNETHY:** Mr. Speaker, we’re conscious and aware of the fiscal realities of this government and we are doing the work that is necessary. We've got the team in place with the individuals who can do the work and we continue to move forward. We've already made significant progress. We'll continue to make progress and this will happen.

**MR. SPEAKER:** Thank you, Mr. Abernethy. Member for Sahtu, Mr. Yakeleya.

**QUESTION 620-17(5): METIS INVOLVEMENT IN ECONOMIC DEVELOPMENT INITIATIVES**

**MR. YAKELEYA:** Thank you, Mr. Speaker. My statement today celebrates the strength of the Metis people. Despite the presence of the colonial powers, the churches, governments and residential schools, the Sahtu Metis have stood strong and have stood for their rights. My questions today are
for the Minister of Aboriginal and Intergovernmental Affairs.

Can the Premier describe this government’s efforts to further strengthen Metis economic development and participation in major development projects?

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

HON. BOB MCLEOD: Thank you, Mr. Speaker. Our government endeavours to make sure that all Aboriginal governments can benefit from development in all parts of the region and we work very closely with the Metis governments and Metis locals. Thank you, Mr. Speaker.

MR. YAKELEYA: One of the priorities of the Metis National Council is to develop the common standards for Metis Nation registers.

In his dialogue with the Harper government, has this government played a role in developing a common standards for Metis national registries?

HON. BOB MCLEOD: We’ve left that up to the Metis governments to decide whether they want to participate nationally. At one time the Metis Nation was part of CAP; another time it was part of MNC. For the past 10 years or so, they haven’t been associated with any national Metis organizations. Thank you, Mr. Speaker.

MR. YAKELEYA: Mr. Speaker, some of the federal government’s responsibilities in jurisdictions do not include the Metis people, such as the University and College Entrance Program.

Is the Government of the Northwest Territories working with the federal government to ensure that the Metis are treated just as the Inuvialuit, Inuit or the First Nations people?

HON. BOB MCLEOD: Certainly, within our own Government of the Northwest Territories programs, we treat all Aboriginal groups the same, especially when you look at Student Financial Assistance. I’ve had some discussions with the federal Metis interlocutor and I could raise Metis issues with him as well.

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

MR. YAKELEYA: Thank you, Mr. Speaker. Would the Premier report back to the House as to the specific issues that the Premier is going to raise with the Minister and report on an action plan, if there is one that is being developed, between the Minister and the Premier on Metis rights in the Northwest Territories?

HON. BOB MCLEOD: As a government we provide $20,000 a year in core funding to Metis locals and there are a number of Metis issues that we would want to have clarified with the federal Metis interlocutor, and I would be pleased to report back.

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

QUESTION 621-17(5):
IMPACTS OF HEALTH GOVERNANCE REFORM ON HAY RIVER HEALTH AUTHORITY

MR. BOUCHARD: Thank you, Mr. Speaker. In follow up, I have questions for the Minister of Health. My first question is: How is the GNWT planning to bring the Hay River Health Authority into the GNWT, especially in light of them creating a one health board system?

MR. SPEAKER: Thank you, Mr. Bouchard. The Minister of Health, Mr. Abernethy.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. Bill 44 actually provides us with the flexibility to ensure the process for bringing Hay River health and social services staff into the public service can be coordinated in a manner that addresses the needs of both the GNWT, the UNW, Hay River Health and Social Services Authority and superann.

MR. BOUCHARD: My next question is: What assurance does the Minister have and what consultation will the Minister do with the Hay River Health Authority seeing as they’re a special entity in the process of this new act?

HON. GLEN ABERNETHY: Bringing Hay River into the one social services authority is an important element of the system transformation. We will absolutely work closely with Hay River Health Authority, the staff representatives, the union, but we also have to include superannuation, because one of the hanging points is what if, at all, the superann is willing to allow these individuals to leave or come into the GNWT, so a lot of negotiations. The GNWT currently has a mandate to begin those negotiations with the UNW, superann and Hay River Health and Social Services Authority.

MR. BOUCHARD: My next question is: Would the staff’s seniority benefits be protected in this merger to go into the GNWT?

HON. GLEN ABERNETHY: Any time the GNWT has worked with other governments or other bodies to bring staff into our employ, we have always been very, very conscious of these concerns and we’ve always worked really hard with those organizations, whether it’s the federal government or whether it was the Hay River Health Authority or five years ago or almost 10 years ago when we did the initial negotiations. We do our best and we will work with their union. Their union will want to protect their employees and we want to make sure the employees get a fair transition.

MR. SPEAKER: Thank you, Mr. Abernethy. Final, short supplementary, Mr. Bouchard.
MR. BOUCHARD: Thank you, Mr. Speaker. A while back the Minister was in Hay River and he committed to getting a cost associated to the pensions. Has the Minister come up with any of those numbers yet? It's been some time.

HON. GLEN ABERNETHY: There are so many numbers that are out there and we can estimate what some of those numbers will be, but until we actually get into the negotiation with the UNW, the employers' rep, the employer as well as superann, we're not going to know the full costs. We have been given the mandate by the FMB, Department of Health and Social Services and Human Resources to develop a mandate and begin those negotiations which will help us determine the actual cost of this transition.

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

QUESTION 622-17(5): RESOURCE ELDERS PROGRAMS AND SERVICES

MR. MOSES: Thank you, Mr. Speaker. I welcome the Minister back to the House. I have some questions for him, as well, today. I'd like to ask the Minister, in follow up to my Member's statement earlier about seniors and programs that we do have for seniors, looking at the report, Our Elders, Our Communities document that was tabled in May 2014, some of the statistics show that elders who receive home care services vary from region to region. In some cases there are a lot of seniors who require that kind of service.

So I'd like to ask the Minister, what is our government doing to offset some of those high uses of home care, especially in the Beaufort-Delta where I think that's one of the highest areas that access some of these home care services, and whether or not we have the resources to address those needs. Thank you.

MR. SPEAKER: Thank you, Mr. Moses. Minister of Health, Mr. Abernethy.

HON. GLEN ABERNETHY: Thank you, Mr. Speaker. One of the large things we're doing is actually the system transformation, which will allow us to focus our resources more appropriately than we have in the past. This will make an actual improvement in all areas of health and social services in the Northwest Territories, including the supports that we provide with home care. It will also ensure that we have a consistent approach for home care across the Northwest Territories. We also have partnerships with the NWT Seniors' Society and we do provide them with a significant amount of money to run a number of different programs which we partner in as well.

One of the things that we're partnering is the NWT network to prevent abuse of seniors, of which the NWT Seniors' Society has run and we're helping to fund that program. We're helping to create awareness and other information around falls and elder abuse. Thank you.

MR. MOSES: I'm glad to hear the Minister speak towards elder abuse and creating some kind of awareness program.

There are all kinds of elder abuse, financial, physical, psychological, neglect, you could go on and on with the list. One thing that I've brought up in this House over the years is the duty to report and whether or not that's something this government would like to implement as a policy for our senior care staff, or even the RCMP or anybody that works with seniors, that if they believe there's abuse occurring that they have a duty to report that abuse.

Is there any update on that duty to report policy, or something that the government is looking at creating? Thank you.

HON. GLEN ABERNETHY: There is no duty to report policy at this point in time, but if that's something the committee is interested in, it certainly sounds like an interesting idea and I'd certainly be willing to have some discussions with committee on that topic. Thank you.

MR. MOSES: As we go through the budget, we understand that there are going to be some seniors homes that are being built in some of the communities across the Northwest Territories.

Is the Minister working with the communities to look at how we can train some of our local residents to take those jobs in those seniors' homes when they're up and ready to run? Is he starting now to get the proper training for our local residents so they can have the jobs in those homes? Thank you.

HON. GLEN ABERNETHY: Thank you. We provide training or, rather, we partner in training for individuals that are taking or interested in resident care. Its primary focus right now is on the facilities, but that training is something that certainly we can look at expanding to other individuals to provide that type of support in communities throughout the Northwest Territories. So, resident care as well as home support workers. Thank you.

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

MR. MOSES: Thank you, Mr. Speaker. As I mentioned earlier in my Member's statement, I did speak with some people in the airports that were here for some training last week. I'm not sure if it was in partnership with Health and the Seniors' Society, but it's a great support system that we have for people who do this job.

My last question is in terms of the Care Mobility Program that the Housing Corporation is putting out there in this upcoming budget where the Housing
MR. SPEAKER: Thank you, Mr. Nadli. The visits that have been completed to date? Thank you, Mr. Speaker.

MR. NADLI: The map of the burn areas in each region. The NorthSlave booklet will speak to the Tlicho Final Agreement and the need to ensure harvesters gain the appropriate authorizations in order to harvest on Tlicho land. The booklets will provide at-a-glance instruction about morel mushrooms, where to find them, what they look like, maps of the burn areas, harvesting methodology, harvester/buyer interaction, tools and equipment needed and what to watch out for. I know the Member mentioned bears earlier. Certainly bear safety is something people should be aware of.

The target audience, of course, is the harvesters. Production will be in the range of 1,500 to 2,000 coloured booklets. Again, they will be distributed through ITI regional offices and also regional offices of Environment and Natural Resources. Thank you.

MR. NADLI: It’s been suggested by a person that has experienced the mushroom harvest last year that this initiative could be a great investment by this government and that similar policy initiatives and programs could be very similar to the Grubstake Program. The mushroom harvest is potentially a multi-million dollar industry.

Does the Minister have specific strategies that would assist Aboriginal governments to capitalize on this economic opportunity? Mahsi.

HON. DAVID RAMSAY: We certainly understand the benefit of supporting the morel mushroom harvest in the Northwest Territories. Everyone knows what a horrendous fire season the Northwest Territories endured last summer. This year we are going to have a real good crop of morel mushrooms. We are planning community visits in the South Slave coming up starting next week. We’ll be at the Hay River Reserve February 23rd, in Hay River in the evening of February 23rd, Fort Resolution on the evening of the 24th, Fort Smith on February 25th, Enterprise on February 26th and Kakisa on February 27th. We are also hoping to get into other communities in the South Slave and North Slave. In addition to that we’re also going to be conducting walking workshops. When the season does open for morels, we will have guided trips into the burn area, so we can bring people in and show them how to harvest morel mushrooms for themselves. Thank you.

MR. NADLI: Can the Minister let us know if any follow up has happened to ensure that buyers have a business licence? Is the government adequately equipped and staffed to provide this oversight? Mahsi.

HON. DAVID RAMSAY: In order to conduct business in the Northwest Territories, legally they are required to have a business licence to carry out business or business pursuits in the Northwest Territories. Thank you.

MR. SPEAKER: Thank you, Mr. Ramsay. Final, short supplementary, Mr. Nadli.
MR. NADLI: Thank you, Mr. Speaker. At the last discussions I had with the Minister in this House, the Minister had indicated that travel will be done either through the Minister’s office or his officials in the communities. It’s quite surprising those visits haven’t been done. The other point I want to make leading up to my final supplementary is that no strategies should entail in terms of how is it communities will be in a position to take advantage of this opportunity that’s going to happen this summer. Last year Trout River and Jean Marie River areas saw lots of people go into the communities.

Has there been a report done in terms of the experiences we have had and how have we learned from that? Mahsi.

HON. DAVID RAMSAY: I’m certain that regional offices in the Deh Cho had prepared reports. I could try to get a copy of the report that was prepared by the regional office. One of the clear messages that we have to send to these guys if they come back up next summer is we are going to have to try to get an able-bodied workforce here in the Northwest Territories from our communities that can go out and harvest morel mushrooms. They can leave their pickers at home because we should have pickers here in the Northwest Territories that can go out and get the work and make the money themselves, and those pickers can stay down south. Thank you.

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

QUESTION 624-17(5):
WAGE SUPPLEMENT PROGRAM FOR EARLY CHILDHOOD WORKERS

MS. BISARO: Thank you, Mr. Speaker. I have some questions today for the Minister of Education, Culture and Employment. There is a lot going on at Education, Culture and Employment these days, lots of change, lots of action plans, and as part of the Early Childhood Development Action Plan, last week the Minister made a statement and he announced the start of a wage supplement program. He told us about the program last year, and according to the Minister’s statement, the first payments of the wage supplement were made on February 13th, so just last Friday.

Daycares and preschools struggle to make ends meet. My questions go to the Minister. I would like to know how the department arrived at the amount of the wage subsidy that they are giving out to the ECE staff. Thank you.

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

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. When we first introduced the grant, the staff grant with the stakeholders across the Northwest Territories, we did our research. We found out that we have one of the lowest paid workers, early childhood workers across the Northwest Territories. We want to give them incentives for them to pursue higher education, even as far as certification, diploma degrees and even masters’ programs so they can come back to our organizations and work for us. We wanted to provide some incentives, so we have had research done and talked to a number of stakeholders. Those are the results we came to from input from the general public. Mahsi.

MS. BISARO: I hope the Minister was stating or suggesting that he did some consultation with daycares and with preschools in order to try to arrive at a reasonable figure. The fact that we have the lowest paid early childhood educator workers suggests to me that we have daycares and preschools that struggle to make ends meet.

So I’d like to ask the Minister, second of all, the Minister seemed to indicate, and I think he indicated in his statement that this grant or this subsidy, whatever you want to call it, has to go directly to the staff person. Does it go there and does it have to go there? Thank you.

HON. JACKSON LAFFERTY: Yes, that is part of the plan. The staff grant will go directly to the staff. As you know, some of the staff have worked over 20-plus years. This will be an incentive for them to be more committed and further their education if they want to. We provide the incentive for them primarily focusing in those areas. We provide the funding directly to the staff so there’s no implication on organizations, whether it is expenditures or budget planning process. This has been already indicated. We spoke with numerous workers, as well, and they are fully aware that this money is available to them. It’s based on applications and we’ve received a majority of applications already and we initiated some of the payments last week. We will continue to do that, Mr. Speaker. Mahsi.

MS. BISARO: Thanks to the Minister. So, you know, we are now adding some to the wages to some of the early childhood educators and that’s a great thing. If we have the lowest paid workers, we really ought to be doing something to increase their pay. But I’d like to know from the Minister how that is intended to assist daycares in their overall expenses. I don’t believe there’s been an increase in the daily subsidy to daycares for quite some time.

So I’d like to ask the Minister, how does assisting the workers with their wages help the daycare with their costs of running their business, and when was the last time there was any kind of an increase in the daily subsidy? Thank you.

HON. JACKSON LAFFERTY: As I stated, we’ve done a variety of research across the North. That also includes the daycare operators and early
MR. SPEAKER: Mahsi.

information. I will provide that to the Member.

my notes; I don't have that specific detailed information. I will provide that to the Member. Mahsi.

HON. JACKSON LAFFERTY: I was going through my notes; I don't have that specific detailed information. I will provide that to the Member. Mahsi.

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

MS. BISARO: Thanks, Mr. Speaker. I'll repeat the question that I just asked the Minister. When was the last time that the daily subsidy for daycares and preschools was increased? Thank you.

HON. JACKSON LAFFERTY: I was going through my notes; I don't have that specific detailed information. I will provide that to the Member. Mahsi.

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

QUESTION 625-17(5):

GNWT POSITION VACANCIES

MR. HAWKINS: Thank you, Mr. Speaker. It's been raised many times in this House about vacancies and the percentage now. The percentage is a number that moves back and forth, but we've agreed that in some form or fashion the government usually has about a 15 percent vacancy. It's gone down to 13 but it's gone as high as 16. So if we even take 15 percent, that's 735 people not staffed at any one particular time in the Government of the Northwest Territories. So as we hire one, we lose one. It's rote rolling, and to give you an illustration of that figure so I can get to my question, that's approximately $60 million of human resource money at any one time that isn't being tapped into because it's waiting for someone to be hired because someone has gone out.

So, speaking to that money and how it was important for me to illustrate that was, how does the government track that money that isn't being attached to or following any particular human person being paid through the human resource process, because we should really drill down to this actual dollar amount that isn't being used properly. Thank you.

MR. SPEAKER: Thank you, Mr. Hawkins. Minister of Human Resources, Mr. Beaulieu.

HON. TOM BEAULIEU: Again, the responsibility lies with each department; however, there has been some progress. In the last vacancy report as of April, we had we had over 1,200 vacant positions in the various categories. Actually, there are 11 different categories that we look at for the vacancies, and the last report as of October was just over 1,000, 1,038.

Many of the functions where we have difficulty recruiting full-time, we do hire casuals. We have, as of the snapshot on October 31, 2014, we were carrying about 183 casuals across the government. As the Member indicated in the Member's statement, we are trying to fill 466 positions and there are other inactive positions, as well, that have a fairly significant number.

MR. HAWKINS: I asked about a policy that redirected human resource money to other functions and I didn't get an answer, so I will assume we don't have one.

Wouldn't it be in the interests of the Department of Human Resources to track this additional money because it would lend the argument to the government knowing what type of money it has and its availability to spend on human resources, and it could give the membership of this Assembly, the MLAs the opportunity to talk about redirecting it as training money to help build strengths and competencies for these types of vacancies. Would that not sound reasonable?

HON. TOM BEAULIEU: The government does try to fill all of the positions. Sometimes the money for positions – and it's not a whole lot of positions – does get used for other O and M requirements. It's not like it's wide open that the Ministers or deputy ministers can move money around from out of the O and M fund for salaries back and forth. It's targeted for that and we try our best to fill those
particular positions. Like the Member indicated, there are about 500 positions coming and going out of the public service on an annual basis and the rest of the vacancies are in other categories that are being filled by casual or inactive positions, for the most part.

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

**MR. HAWKINS:** Thank you, Mr. Speaker. The Minister had mentioned how some of the money migrates into O and M and, frankly, this is concerning because I’m trying to find ways that we can either turn these empty jobs into training opportunities where we find ways to find folks or even evaluate them through the decentralization policy to find out if that makes sense.

Would the Minister be willing to see if he can help calculate and capture an actual real dollar amount of the money that is not directly being spent on human resource money through the normal staffing of positions so we can find a way to ensure that we’re hiring people not just in the capital here but throughout the Northwest Territories? It’s job money. That’s what it was intended for. Can he do that?

**HON. TOM BEAULIEU:** Human Resources does work with other departments. We have a program now where we were anticipating filling quite a few of the positions in the departments called the Regional Recruitment Program, which is essentially a training program where an individual doesn’t meet all of their tasks, a candidate doesn’t meet all the tasks or functions of the job that are necessary to complete the job can be put into a regional recruitment position and then within that position they would get the training necessary to get them to a fully functioning position.

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

**MR. BOUCHARD:** Thank you, Mr. Speaker. I still have a few follow-up questions on Bill 44 and the Hay River Health Authority, how it’s being implemented. The first question that I have is: Is it the department’s intent to move forward on Bill 44 with or without the Hay River authority becoming GNWT employees?

**MR. SPEAKER:** Thank you, Mr. Bouchard. I still have a few follow-up questions on Bill 44 and the Hay River Health Authority, how it’s being implemented. The first question that I have is: Is it the department’s intent to move forward on Bill 44 with or without the Hay River authority becoming GNWT employees?

**MR. BOUCHARD:** Mr. Bouchard, the bill is currently before standing committee right now, so could you redirect your question to the Minister or reword. Mr. Bouchard.

**MR. BOUCHARD:** Thank you, Mr. Speaker. I have a question. Is the Minister willing to come to Hay River to discuss how the Hay River authority could become GNWT employees?

**MR. SPEAKER:** Thank you, Mr. Bouchard. Mr. Abernethy.

**HON. GLEN ABERNETHY:** Yes.

**MR. BOUCHARD:** I guess the question is: When would the Minister be coming down to Hay River to discuss this issue?

**HON. GLEN ABERNETHY:** After session.

**MR. BOUCHARD:** I guess the question is: How do I support Bill 44 if I can’t ask the Minister how the Hay River Health Authority is going to be implemented? I guess my question is: Is there a framework that will be implemented to structure Hay River Health Authority in before or after the bill?

**HON. GLEN ABERNETHY:** The bill actually allows us the flexibility to roll in Hay River. Whether it’s all up front or whether we transition it over a time, the bill actually gives us the freedom to roll it in.

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

**QUESTION 627-17(5): GNWT FUNDING FOR METIS LOCAL ORGANIZATIONS**

**MR. YAKELEYA:** Thank you, Mr. Speaker. I want to ask the Minister of Aboriginal Affairs and Intergovernmental Relations questions. I listened with interest as the Minister talked about the Metis people organizations in the Northwest Territories. The Premier mentioned $20,000 to the Metis organizations. Can the Premier inform the House as to how many Metis organizations have received this $20,000 and what is the $20,000 for, for these Metis organizations?

**HON. BOB McLEOD:** Thank you, Mr. Speaker. We used to have 17 Metis locals; we’re down to 10. The funding is for core funding and administration.
17 Metis locals. They used to receive $13,500, and two years ago we changed the funding formula so they get $20,000 each now.

MR. YAKELEYA: Is there any sense of this good government going to see Ottawa and the Minister and saying, given that the Constitution has been settled, the Metis people are in the Constitution, is the federal government by any way going to help with our government? Because you do the math of the core funding of $20,000 for a political, constitutional organization, and this is what our government is doing, but the federal government is nowhere to be seen. Is our government doing anything to increase this core funding? This is shameful to give a political organization this type of money.

While we appreciate it from the territorial government, where are the feds in this deal here?

HON. BOB MCLEOD: The federal government is negotiating land claims with Metis government, and Metis were included in the Gwich’in land claim and the Sahtu land claim and also in the Tloko land claim, so it is being negotiated through the land claims process and I know that the federal government does fund some Metis locals that have been able to make their case for specific reasons.

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

MR. YAKELEYA: Certainly, Mr. Speaker. There are also the Aboriginal First Nations bands that are in negotiations, but certainly under the federal jurisdictions they certainly get more than $20,000 a year to operate their core funding. I’m trying to see where the equalization of the Metis people to have the same type of treatment by the federal government while our government is doing the best it can with the amount of money that we have.

Where is this Cabinet in regard to seeing what the federal Minister has to say about raising the level of equalization to the Metis people as in the Constitution? Is there a strategy from this government to put the pressure on the federal government?

HON. BOB MCLEOD: Thank you. It is being negotiated through the land claims process. Other than that we are funding $20,000 per local. Thank you.

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

QUESTION 628-17(5):
CONSULTATIVE PROCESS FOR AURORA COLLEGE STUDENTS

MR. HAWKINS: Thank you, Mr. Speaker. The Aurora College Act under Section 8.(2) says, “The board, in exercising its powers and performing its duties under this act and the regulations, shall act in accordance with the direction of the Minister.” I won’t read the previous Section 7, which allows the Minister to provide direction to the board, because I’ve read that in the House repeatedly. I’ve asked the Minister of Education to provide e-mails to the Board of Governors and to tell the Board of Governors of Aurora College to have town meetings with their students. Has the Minister done such a thing? Thank you.

MR. SPEAKER: Thank you, Mr. Hawkins. The Minister of Education, Mr. Lafferty.

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. The first time the question was raised in this House I did instruct my deputy to follow through with the president of the college to provide the e-mail address on their website for the general public to have access to them. So, based on that, it should be in the works. If not, then I need to follow up on where it stands. But that was the last discussions we had with the college. Mahsi.

MR. HAWKINS: Thank you. I look forward to being informed when it’s officially done.

I’ve asked the Minister to encourage or, better said, to tell the Board of Governors to meet with its students at each of the campuses. How better to get an understanding of who you’re supposed to be helping than meeting them?

Has the Minister told the Board of Governors that it would be a good idea to meet with the students at the three campuses?

HON. JACKSON LAFFERTY: I need to work with the Aurora College Board of Governors. At this time, this is an area that we’re discussing. I don’t tell them what to do, but I work with them. I do have authority under me as the Department of Education, but at the same time I feel that working together will resolve a lot of these issues and they do have Board of Governors meetings on a rotational basis between the three campuses and even more going into the other communities as well.

So, this is an area that the Board of Governors is reaching out to those students that should be heard, and if not, there’s also a website, there are also e-mails that should be available now for the Board of Governors as well. Mahsi.

MR. HAWKINS: I think the Minister meant to say e-mail addresses are on their way, not on the website. I just double-checked while I was there.

Why is this Minister concerned about the feelings of the Board of Governors and not suggesting or giving them direction, which is well under his authority under Section 7 of the Aurora College Act? What is he concerned about? Is he worried about hurting their feelings? Because he’s in charge for the best benefit of the college, the students and certainly the direction the MLAs provide.
Would the Minister of the Department of Education, who is in charge to provide guidance of Aurora College, tell the Board of Governors that it would be a darn good idea to actually meet the students at each of the three campuses, to get to know them because they are there to help them? Thank you.

HON. JACKSON LAFFERTY: Mahsi. What I can say today is that it is happening with the Board of Governors when they’re meeting at each campus, they allow opportunities for students to express their concerns as well. As the Minister, I continue to work with the Board of Governors, like the school boards across the Northwest Territories, I work with them.

So we need to build on our relationship that we have and I will continue to do so. Mahsi.

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

MR. HAWKINS: Thank you, Mr. Speaker. The public easily gets to meet their MLAs, their school board trustees, their city councillors, their town councillors, their mayors. The list goes on.

Would the Minister be willing to step up to the plate and show a little accountability from a Minister’s point of view to direct the college Board of Governors to have open town hall meetings and welcome their students? I don’t know why this seems to be such a difficult challenge for the Minister to provide this type of direction. The students deserve the opportunity to speak to their Board of Governors in an open forum to tell them their needs and certainly deliver their expectations of these governors. Thank you.

HON. JACKSON LAFFERTY: Mahsi. I will be sharing that with the Board of Governors. If this is an area that they can possibly build on their meetings that they have had on a rotational basis into their campuses, an open door policy perspective. So I will be sharing with the Board of Governors. Mahsi.

MR. SPEAKER: Thank you, Mr. Lafferty. Item 8, written questions. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, replies to budget address, day seven of seven. Mr. Moses.

Replies to Budget Address

MR. MOSES’ REPLY

MR. MOSES: Thank you, Mr. Speaker. I’d like to take this opportunity to make comments on this last operations budget for the 17th Legislative Assembly.

Before I begin, I would like to take a moment to thank the GNWT employees for their hard work and dedication and their innovative thinking for the contribution to this budget. I know we’ve been under a fiscal restraint policy for the last three years and the work that they had to do I can only imagine to be challenging. I’d also like to thank the stakeholders, special interest groups and residents of the Northwest Territories for their input, not only into this budget but into all operations budgets right from the onset of this government.

As the Minister of Finance read the budget address on February 5th and Members of this House and residents throughout the North listened in, I can honestly say this budget demonstrates all the collaborative work this government has done over the last three years and four months. I’d like to refer to it as a masterpiece, a masterpiece that we have been working on over the years. It may not be perfect and still has some flaws, but what we have created is a foundation for others to build on.

This government has accomplished guiding action plans and strategies that will create momentum moving forward for Members of the 18th Legislative Assembly. Such action plans as the Economic Opportunities Strategy, the Oil and Gas Strategy and the Minerals Development Strategy are important to create investment and economic growth in the Northwest Territories.

However, we all know that the economy is slow and this government has known the importance of investing in one of our greatest resources in the North, and that is our people. This is demonstrated with the development of the Mental Health and Addictions Action Plan, the Anti-Poverty Strategy, Early Childhood Development Action Plan and the Education Renewal and Innovation Strategy. These investments will help us reach our goal of healthy, educated people free from poverty.

In regard to this budget, and as a Member representing Inuvik Boot Lake, and in the notorious words of my colleague from Nahendeh, I’m glad. I’m glad to see the continued investments into the Inuvik-Tuk highway. This project has assisted residents in Inuvik and the Hamlet of Tuk, among other communities, to work on a more regular basis and for a few years. This has resulted in a decrease in the income assistance that’s needed as well as increased support to subcontractors and small businesses, both in Inuvik and Tuktoyaktuk.

Secondly, Mr. Speaker, the project I would like to shed light on is the Mackenzie Valley Fibre Optic Link and the importance of moving forward with this project. The investment of the Western Arctic Centre for Geomatics is a great start as it will create the foundation for five geomatics services such as remote sensing and research support to the GNWT and other stakeholders throughout Canada and the world.

It will also assist with more investments into such programs as e-learning, telehealth, among other benefits to various departments of government. The Mackenzie Valley Fibre Optic Link will also provide sustainable revenue for the NWT in the future.
We live in an economy that is on a cycle of boom and bust in certain areas of the NWT such as the Beaufort-Delta with the oil and gas. The investments that we put into the Mackenzie Valley Fibre Optic Link will help this government have sustainable revenue for years to come.

On the plane ride coming out of Inuvik, I sat with a physician who is working with one of his colleagues in Labrador and northern Quebec. He was talking about how this Fibre Optic Link and telehealth will lead to bigger and better things. He was actually speaking to remote technology and robots and medicine, kind of like what we’re doing with e-learning but in the medical field. That will help reduce costs getting our residents to Edmonton for ultrasounds or other high cost medical care.

Mr. Speaker, if we look at this, we’re going to need further research into this area and start to build on the equipment and resources that will be needed to do such projects and support such projects.

One other area I would like to mention is the Integrated Case Management Pilot Project in Inuvik. I believe this is a good approach to deal with our residents who have special needs and who are in very special situations. It’s a collaborative approach from all departments, Justice, Health, Education, Housing, how we help our residents of the North become members of society and contribute to society once again.

However, with each budget and each department we have reviewed, I do still have some concerns. If I don’t ask questions or criticize this budget, I feel I would not be doing my job as an MLA.

Over the last few years, we’ve been talking about child and family services in the review. Members of this Legislative Assembly tried to put $2 million into the operations budget last year so when the action plan does kick off, our people on the front line would have the support they need to implement the programs and action plans set out in the Child and Family Services Action Plan. However, we did not get that funding in there. It will be interesting to see, moving into the 2015-16 fiscal year, whether or not we are going to be able to do this action plan with the resources we already have.

I also have concerns with the Education Renewal and Innovation Strategy. Same thing, we are trying to recreate the whole education system on the dollars we still have today and implement new programs as well. Tied in with the ERI action plan is the Junior Kindergarten and Early Childhood Development. Since Junior Kindergarten rolled out, we’ve seen nothing but concerns in communities and regions to the point that as a government we had to put a motion on the floor to stop it altogether from continuing until we got the review reporting from small communities on how well this is rolling out. To have that kind of program shoved down the throats of residents, of education authorities and members of standing committees was not the right way to go about that. I’m still concerned about that, Mr. Speaker.

Something that’s pretty near and dear to my heart are the detox services and treatment facilities that we have in the Northwest Territories, or should I say lack of in the Northwest Territories. We have residents in the Northwest Territories who would like to stay home, who would like to be close to family and friends and have the support of their family and friends in this area of services. Yet, we continue to send them down south. The detox services, as much as our Minister says that they are provided in the hospitals, a lot of time when a person does sober up or comes off their drugs that they might be on, they are released from the hospital. That’s not detox services, Mr. Speaker. That’s still a concern I have. As much as we do get the lip service that we are doing detox and taking observations on moving forward, it’s not happening.

Another concern I have is with our population. Over the last two years, two fiscal years in 2013-2014, we had 4,676 residents of the Northwest Territories migrate south and it wasn’t for some people coming in, which doesn’t even offset that, or the births, we still wouldn’t be getting a lot of the money we see in our territorial funding formula. So those are some concerns I have. With that, there are also concerns on how we’re going to do the 2,000 people coming into the Northwest Territories.

We as a government provide some of the greatest program services in Canada to the tune of $1.6 billion this year for a population of about 44,000 people, just under 44,000, about 43,800. We have to seriously ask ourselves, is this sustainable for next year or the years to come? As a government, do we have the money to provide these services and programs?

I feel that governments in the past, including this government, are making it easier for residents to become more reliant on government programs and services rather than this government empowering our people, our residents, to get a quality education, to be healthy and to further their studies, they become working citizens of the North.

When we went to Ottawa for NWT Days, I had an opportunity to sit in and speak with Scandinavian countries that are doing really good work and how they tax their residents and the tax they get provides programs and services. As I made general comments to the budget address and main estimates in Committee of the Whole, I made mention that the governments of the past failed to look at how we can implement that and how we can do business in the North. It’s too late now because we already have a high cost of living and we don’t want to increase the tax base, but that’s a model we have to look at and see how we can implement that in the Northwest Territories.
I stated earlier, when the economy is slow, as it is now, we have to take a different approach. I do commend the Department of ITI as they know this and have made more investments in this budget for the traditional economy, tourism, agriculture and even film, Mr. Speaker. They know the oil and gas is slow right now, so start to invest in something else that’s going to build the economy in the Northwest Territories and put it out to the regions.

With the oil and gas activities slow, I strongly believe that it is time that this government start to invest in our greatest resource and, as I mentioned, that’s our people. Those investments will pay off tenfold, if not more. We will have healthy, educated, skilled residents who will be ready for work when the economy picks back up. That will result in fewer people on income assistance and fewer people that need housing.

It’s not only investment in people that we need until this economy picks back up but also the need for infrastructure. We heard this loud and clear when some Members met with the Mineralogical Association of Canada. We need to create an infrastructure system that will help get our resources out to market that will help with our resource royalties in the future and help with such things as our debt and other infrastructure projects that we do need.

Before I finish here, especially since this is our last operations budget of the 17th Legislative Assembly, and as Cabinet knows and Members on this side knows, there’s a lot of work that goes on in the meeting rooms when we all converge here in Yellowknife. With that, I would personally like to thank the members of the Standing Committee on Social Programs for their hard work, their wisdom, dedication, knowledge and expertise and persistence over the last three years and four months with all departments that we worked with. This budget that we’re going to pass in this sitting definitely reflects that hard work.

A bigger thank you and much appreciation goes to the staff, researchers, law clerks and committee clerks who have all supported, educated and guided us with sound advice throughout each of these budgets. Together, all of us have made an integral part creating action plans, strategies and legislation that will help improve the lives of residents of the Northwest Territories. As stated earlier, this masterpiece that we created, the budget main estimates, is not perfect, but it is a step. In fact, it’s a few steps in the right direction for a better Northwest Territories. Thank you, Mr. Speaker.

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

MR. YAKELEYA’S REPLY

MR. YAKELEYA: Thank you, Mr. Speaker. A few comments, as my colleague said, this masterpiece is a Picasso, because sometimes you can’t quite understand, you know? I’m trying to say it’s beautiful. That’s the blunt message, I think, that the Minister of Finance was telling us through the budget address here. It’s a blunt message to the people of the Northwest Territories. Like it, love it, whatever, here are the facts, the cold, hard facts.

Revenue is down, so we’re not going to get a little more progress that we want to have in our communities. We cannot exceed the money that we want to spend by not having it come in. Our revenue is flat. We’re at a cruise speed here and this budget is telling us bluntly, soberly, this is what we’ve got to do, folks, we’ve got to spend wisely.

We could still spend all the money that we have in the budget, but that’s it. By the way, we might have other projects we want to do, but we will share with you later on.

The message is very clear. We are spending everything now that we have in the communities. In order to add the additional programs or things that we want to add, we have to create revenue. How do we do that? It’s through socio-economic, sustainable economic, something that has to do with economic development. We have to do it. We cannot ask for things and do nothing. That doesn’t work this way. This is real life. It’s not fairyland where we can dream things up. So, we’ve got to create the economy to be self-sustaining in the Northwest Territories. That’s what we have to do. But we need to do it responsibly, soberly and environmentally friendly, and that’s what we’re looking at. That’s the challenge for us. You know what, Mr. Speaker? I believe that the young kids now in our schools will able to do that. They’re smart, you can invest in them, get them to think, you know, and do things hands on. Things for them.

We’ve talked about some of the things our past governments have learned. The Minister has noted in the budget that we have learned this in the past, the mistakes that we have learned. Hopefully today, in this budget, we’re not going to do it again.

What’s that word, Mr. Speaker, for insanity? Keep doing the same thing over and over hoping for different results? With this government, I think we’re making some changes. I think it’s good. I think now the people need to know that our expenditures are quite high, and this budget talks about taking some personal responsibility. We have to start doing things that are going to sustain our lifestyle for our kids. So I think this budget talks about, you know, things that are hurting us in the health field, such as the abuse of alcohol, too much cigarette smoking. Those things are killing us, literally in the government but also in our communities. I think that’s what the budget is saying. You cannot
continue this way of life. We could, but something has to give. Something’s going to fall. Something’s not going to sustain itself. This is a wake-up call budget for me, because we cannot continue doing what we’re doing. It’s right here. It says right here, if you look at the numbers and you study it in the morning, study it in the evening, have discussions and say, what are we doing here? This is what we have to tell our people. I believe that’s the blunt message. Nobody likes it. It’s not about popularity. It’s about reality. That’s what you have to look at.

It’s talking about the future generation. We all have children. We have nieces and nephews, grandchildren, and this is what we’re passing on to our grandchildren. You can take this issue and you can change it to an opportunity, but think about it, do it. Lots of opportunities are in here to learn to grow. My children now play with the iPads and everything. They hardly go outside. Not like when we were growing up. We were kicked out of the house, as a matter of fact. The days of getting ice on the Mackenzie River are done only when we go camping to get ice on the Mackenzie to get water. That’s not today’s lifestyle. It’s totally different.

I just want to say that this budget takes an assessment of our realities, our dependency on the federal government. This budget tells me that 80 percent of the funding that comes to the Northwest Territories, we depend on the federal government for that money. We are just too small to raise our own revenue. Four hundred twenty-five million dollars comes just from raising our revenue. We cannot survive, but as a government you know how it is to be dependent on somebody else. Now I know how children feel being dependent on their parent. The parent makes the rules and the parent says this is how we’re going to spend. Just like our government in Ottawa. They tell us how to spend, where to spend, and if you want to get more money, come and ask us.

Those are some of the things I want to mention in this budget. But I want to say in closing, as Mr. Alfred Moses, the MLA from Boot Lake says, this is our last chance at this budget for this Assembly. There’s hope and there are lots of good people that put this budget together, a lot of people in the communities that have been in worse situations. We will survive; it just means that we just can’t have ice cream with our apple pie. You know what I mean? We want it but we can’t have it because we can’t pay for it. That means we’ve got to do without it. It might be good too, sometimes. But that’s the kind of budget that it is. We will do it the best we can with the progress we have, and there’s lots of work. I want to say that there’s hope for it. We’re survivors in the North. We’re fighters. We come together when we need to come together, just like communities come together when they need to come together, in good times and in bad times. We will make it, and we will pass this on to the 18th Assembly. I know we’re strong people because we come from a very strong ancestry in the Northwest Territories.

I want to say this budget here is a good budget. It’s not the one that I was hoping for, but it’s a good one. It’s a reality-based one and that’s the blunt message that we have to get to our people of the Northwest Territories. Don’t give up on yourselves and don’t give up on the government. Work hard. Do something rather than to say something about it.

MR. SPEAKER: Thank you, Mr. Yakeleya. Item 12, petitions. Ms. Bisaro.

MS. BISARO: Thank you, Mr. Speaker. I seek unanimous consent to revert to item 8 on the Order Paper, written questions.

---Unanimous consent granted

**Written Questions**

**Reversion**

WRITTEN QUESTION 23-17(5):
DECENTRALIZATION ANALYSIS

MS. BISARO: Thank you, Mr. Speaker. My questions are for the Premier.

1. Now that we are moving into phase III of decentralization, describe any and all analyses of the government’s decentralization actions to date.

2. Of the 150 GNWT positions decentralized (per Premier McLeod in Hansard, February 10, 2015), advise the job title for each position, the original community for each position and the new community for each position.

3. Of the 150 GNWT positions decentralized, advise how many of the positions were vacant at the time the positions were transferred.

4. Of the 150 GNWT positions decentralized, advise how many of the positions were new PYs.

5. Of the 150 GNWT positions decentralized, advise how many incumbents chose to leave the employ of the GNWT.

6. Of the 150 GNWT positions decentralized, advise how many of the incumbents chose to leave the NWT and relocate elsewhere.

MR. SPEAKER: Thank you, Ms. Bisaro. Item 13, reports of standing and special committees. Item 14, reports of committees on the review of bills. Item 15, tabling of documents. Mr. Ramsay.
Tabling of Documents

TABLED DOCUMENT 198-17(5):
NORTHWEST TERRITORIES LAW FOUNDATION 32ND ANNUAL REPORT
FOR THE PERIOD ENDING JUNE 30, 2014

HON. DAVID RAMSAY: Thank you, Mr. Speaker. I wish to table the following document, entitled “Northwest Territories Law Foundation 32nd Annual Report for the Period Ending June 30, 2014.”

MR. SPEAKER: Thank you, Mr. Ramsay. Item 16, notices of motion. Item 17, notices of motion for first reading of bills. Mr. Lafferty.

Notices of Motion for First Reading of Bills

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. I give notice that on Monday, February 16, 2015, I will move that Bill 45, An Act to Amend the Workers’ Compensation Act, be read for the first time.

MR. SPEAKER: [Microphone turned off] …motion because it’s Monday. It’s for Wednesday. Would you like to try it again, Mr. Lafferty?

BILL 45:
AN ACT TO AMEND THE WORKERS’ COMPENSATION ACT

HON. JACKSON LAFFERTY: Sorry, Mr. Speaker. I give notice that on Wednesday, February 18, 2015, I will move that Bill 45, An Act to Amend the Workers’ Compensation Act, be read for the first time.

MR. SPEAKER: Thank you, Mr. Lafferty. Item 18, motions. Item 19, first reading of bills. Item 20, second reading of bills. Item 21, consideration in Committee of the Whole of bills and other matters: Bill 38, An Act to Amend the Jury Act; Bill 41, An Act to Amend the Partnership Act; and Tabled Document 188-17(5), Northwest Territories Main Estimates 2015-2016, with Mr. Dolynny in the chair.

Consideration in Committee of the Whole of Bills and Other Matters

CHAIRMAN (Mr. Dolynny): What is the wish of committee? Ms. Bisaro.

MS. BISARO: Thank you, Mr. Chair. We wish to continue with Tabled Document 188-17(5), Northwest Territories Main Estimates 2015-2016. We would like to continue and start with the Department of Finance and then Education, Culture and Employment, time permitting.

CHAIRMAN (Mr. Dolynny): Thank you, Ms. Bisaro. Does committee agree?
Northwest Territories? Is it something that we can look at?

The government’s support for the NWT Power Corporation to mitigate the impact of power rates, I want to say that the constituents in the Sahtu are happy that they had some relief there due to the natural causes of low water, the hydro that the constituents didn’t have to absorb that additional cost to their pockets as Norman Wells was also hit with switching over to natural gas as another source of energy.

I want to talk about a couple more points before I’m done with my general comments. Investment and implementation of the Mackenzie Valley Fibre Optic Link, it’s a good investment and I see that it’s going to be a strong, long-term and stable investment for the government and the people who are going to use it and I congratulate the department and industry for putting it together. We’re starting to see some of the benefits. This morning I saw a little bit of a hiccup with Ledcor in regards to the criteria, qualification and workers in the Tulita area not working. They’re bringing in workers from outside of the community to work in our area. Working with the Minister of Education, Culture and Employment for the type of proper training, Ledcor, at no fault of their own because they were doing what they had to do, but somewhere there was a glitch and we didn’t get the proper training to hire people. We are now working on it. We are dealing with it. I just wanted to let the Minister know that there are some people in Tulita, and maybe other areas should be aware that they need this type of proper training to get work with the Mackenzie Valley Fibre Optic Link. I just wanted to let the Minister know I’m working on this issue already so we can have this resolved so we have our own people working on the line, other than bringing people from outside into Tulita taking jobs away from our people. That’s what’s happening right now.

I do want to say that I look forward to seeing the stronger implementation of the Decentralization Strategy of this government. Decentralization is one of the key selling points of devolution and moving some of the work, positions, programs and services into our regions and communities. We should continue to support decentralization. There are a number of challenges that the government has to consider. There are always ways to look at how we can overlook some of these barriers.

In closing, I look forward to working with the government on the renewal of the Financial Administration Act. It’s a big document and I look forward to doing some work on that. If there is any way the Minister can provide me, Mr. Chair, with
information on the liquor revenue in my region, I would like a breakdown of sales in my region for the year, the type of money we’re spending, the type of money we’re generating in the Sahtu on the liquor warehouse. I would appreciate that.

I want to say to the Minister and staff, I look forward to reviewing this budget and concluding it this afternoon. Thank you.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. The resource revenues referred to in the budget is the money that is put aside for all the Aboriginal governments and will be accessed by the signatories, the share they have agreed to. The other money is… I think they have a year to decide if they are going to come on board. We are still in that year and we will have that discussion here in the next couple of weeks as we approach April. So the $2 million referred to for mediation is ongoing.

The Member’s comment about collective bargaining in light of the budget circumstances is going to be important on a go-forward basis. We need to be negotiating affordable but fair agreements that reflect that fiscal reality.

The NTPC power rate support refers to two major initiatives. The first one referred to in my comments was the roughly $36 million we agreed to put in at the start of this Assembly to cushion the rate increase to 7 percent a year as opposed to what it would have been without that $36 million. In addition to that, we have the $20 million contribution that we made to the Power Corp with the recent low water charges in the Snare system to make sure, as well, that that charge wasn’t passed on to the ratepayers.

I appreciate the Member’s comments about the Mackenzie Valley Fibre Optic Link and his comments about the hiccup, as you referred to it. It’s the first we’ve heard of it, so we’ll be backtracking on that.

We do remain committed to the implementation of the Decentralization Initiative and we’re going to keep working at that. We, as well, look forward to the renewal and conclusion of the Financial Administration Act in the life of this government, hopefully, and we will provide the Member with the liquor revenue for the Sahtu. We do have a big number, $2,581,735.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Miltenberger. Mr. Moses.

MR. MOSES: Thank you, Mr. Chair. Just a few comments. The money allocated for the Heritage Fund, as the Minister knows, when we were at NWT Days and speaking with Norway about where their Heritage Fund was at, they were just reaching $1 trillion. Even as small a number as this is for our government, we are taking the right steps and moving forward in terms of building on to this Heritage Fund for future generations of NWT, especially with the fiscal situation we see ourselves in. This might be something that might be able to help, like I said, future generations.

I too, like Mr. Yakeleya, would like to commend the work of the Mackenzie Valley Fibre Optic Link. As you heard in my reply to budget address, I think this is going to be something we can see in the future giving us more stable and sustainable revenues for program services or even infrastructure how we use those revenues and distribute those throughout the Northwest Territories. It’s mentioned in here of the contribution to the NWT Housing Corp and all the work the Housing Corp is doing in terms of creating market housing as well as public housing units. Even with the seniors dwellings being developed, I think that’s a good investment as well. It’s going to hopefully cut down on some of the long waiting lists for some of our units.

Then, again, you give all the highlights, but there are still some concerns. One is our debt ceiling, short term and long term. Obviously, with the low water levels at Snare and our dry season and the increased cost of forest fires, the short-term borrowing limit, I understand we are looking at increasing that again. Should any other disasters occur or anything that might happen in any of the communities, my community for one with the Dempster Highway closing during the winter quite a few times and just having LNG as a backup can be a concern, and if there’s ever the need to evacuate or do something with the community, especially Inuvik, that might be of concern for exceeding our short-term borrowing and the need to utilize those dollars for something else. It might not even be Inuvik; it could be anywhere else. Without that guarantee of our debt wall increasing, I think that’s cause for alert for this government, something we should red flag. I think that it is a concern for me.

Within this department, they’ve just taken on the responsibility for the Program Review Office. We did get a list of all the recommendations and programs that were reviewed. This office continues to be expensive, $777,000 in the main estimates. I’m sure they are doing really good work on behalf of government to see where we can be more efficient in government spending, but if we don’t act on those recommendations and put forth some of the recommendations coming out of this Program Review Office, my question is what good is the Program Review Office if we don’t act on the recommendations that they are making.

I want to make one highlight here, just in terms of the office of the comptroller general and public accounts practice in getting those interim public accounts before the standing committee. I think they really did a great job in enhancing that practice
and doing it better to get the public accounts to us before we go through this process of getting to main estimates.

So, just a few concerns but also a few good comments and where this department is moving forward in their investments as well as some of the work that’s been going on with public accounts. Just my general comments there, Mr. Chair. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Moses. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I was with Mr. Moses when we met with the Norwegian ambassador and it was the first time I’ve had the opportunity to sit across from a representative of the country that does have a trillion dollar offshore Heritage Fund, Sovereign Wealth Fund that has continued to grow and that reflects their extremely prudent fiscal management and it shows you what’s possible. So I share the Member’s comments that, if we look back far enough, at some point they started with a small pot and nurtured it carefully. So, we have a model that we continue to look to.

As well, I appreciate the Member’s comment and support on the fibre link.

The debt ceiling, we are still looking to get that sorted out, hopefully by April, so that we can in fact make some adjustments to short-term debt. We ramped that up during the course of the year. We go in and out. We tend to put it back to zero on April 1st but then the pressures, because of our spending patterns, tend to push us back into the short-term debt and we do need to have, just from a good management sense, a high enough number that it would allow us to adjust to these unanticipated expenses. The long-term borrowing limit at issue will be with the Prime Minister and the Premier and we are looking to a resolution of that, hopefully by April.

The Program Review Office makes the case again that an organization, a corporation, a government that has almost a $2 billion budget needs to have the capacity to do the kind of reviews that we are putting to the Program Review Office to get done. It’s a small office. I think it’s four staff. They do a good amount of work, but the Member hit on the challenge, which is they come up with work and recommendations and it’s up to us as a government, Legislature, to look at those recommendations. For improvements, often those are difficult choices to be made and, as we now know, we’re in a circumstance where we are going to be faced with difficult decisions on an ongoing basis.

Once again, I appreciate the comment on the Comptroller General’s office. We’ve made a commitment to the Auditor General a number of years ago that we were going to apply ourselves and make sure that there was compliance with those dates and get rid of as much of the slippage as possible in terms of having their budgets and accounts available for the public for a review process. They’ve done a lot of hard work with all their respective agencies and departments, so we appreciate those comments and it’s something that we are going to pay attention to. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Miltenberger. Next on my list I have Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. I would like to welcome the Minister and deputy minister here today. I do want to applaud the work of the department here. As I said in my reply to the budget address the other day, it is a daunting task and a lot of hard work goes into putting together a document of this magnitude. So I do want to commend the department and the Minister for providing the guidance and leadership to make this happen.

As you’ve heard from some of my previous colleagues here, there are some good things on the horizon which we should be very proud of. One of them is the Mackenzie Valley Fibre Optic Link. I was there with the Minister right from the beginning here and I saw the good things that this will actually open up for the North on a business perspective. I do challenge, though, the department to see if we can look at capitalizing that investment over 20 years. I am challenging the department to see if we can capitalize that investment over a shorter period of time. The more satellite dishes we can get, the sooner we’re able to pay that off. I would like to see the revenue streams from that investment affect my generation a little bit. I know the revenue streams will definitely affect future generations, but I think our generation here, hopefully, would be deserving of seeing some of the fruits of that labour sooner than later. So that is a challenge, Mr. Chair.

Of course, currently the committee is working on the Financial Administration Act. This is a fairly large piece of, I guess, a review. We’re right in the midst of doing that, so I’m looking forward to finding ways to see if we can help the department work a bit more efficiently and still maintain the transparency of government, and I’ll definitely be speaking to that in due course.

That said, as you heard from other Members here, there are still some concerns that many of us have, including myself. I’m no stranger to pointing out some of the opportunities in finance and have done so since my term and my tenure here. Again, I agree with the Minister, this is a $2 billion business – and it is a business, Mr. Chair – and with any type of business of this magnitude, sometimes it’s important that some of the smaller things be brought to light. Some of them could be maybe an oversight, maybe not an important one at this point, but I think, again, if we work together in addressing
some of these smaller issues, that might take the pressure off some of the larger ones.

Just to talk in a general sense – and I’ll try to deal a little bit more with this in detail as we approach each of the activities – first and foremost, the issue of maximizing tax revenues, especially those involving self-reporting taxes. I have to admit I’ve seen some progress on this file from the infancy stage that I brought this forward to this House, not many years ago, to do a full review and collecting of these self-reporting taxes. Specifically, I started off with tobacco. Lately I’ve added petroleum to that mix, only because I feel that transparency in any self-reporting taxes will definitely help the bottom line, plus overall transparency in general. Are we there yet, Mr. Chair? We’re getting closer, but I think we have opportunity, and I’m hoping the Minister and the deputy ministers see that as well. It’s not just about auditing or more audits or having more auditors, it’s about getting rid of the loopholes and removing those opportunities where this could be misused.

Mr. Chair, you’re going to hear me talk a little bit later today about third-party recoveries, and I believe that again there are opportunities in there and some of the numbers we’ll see and talk about in the budget will reflect that.

What’s interesting is our medical recoveries, specifically with some of the third parties, are a bit of a question mark. It’s not a big dollar figure with respect to the overall Finance budget, but it’s when a little later on that you’ll see me bring a bit of attention only because I believe, as I said, there are always opportunities in every budget, unless the Minister wants to comment on that right now.

That said, we know that the Minister has talked in the past about a Revenue Stabilization Fund. He’s mentioned that in one of his budget addresses, I believe in 2012-13. This is a fund that actually looks at stabilizing revenues when there are deficit periods. This has been relatively quiet for the last little bit. I’m hoping that this is not falling off the radar. I’m hoping this Revenue Stabilization Fund might be still something of value for even a $2 billion corporation. There is merit in planning for the future, especially in those dry deficit years, which I believe we are facing.

I would also like to talk, just very briefly, about recently when the CFIB rated the GNWT with probably the worst grade that one can get with respect to red tape. Now, I mean, this could be disputed and, by all accounts, I’ve read the rebuttals. I’ve read the testimonials as to possibly where this very daunting grade is coming from, but that said, I’m still feeling that there’s a pushback from government to say that CFIB is picking on the GNWT and that its matrix and analysis is not being fair. I don’t want to dispute the issue of fairness; I want to dispute the issue of merit. I want to dispute the issue of the measurable. Again, without getting into great detail here, this will be something that I will be following up either today in Committee of the Whole or later on, but I believe that we need to pay particular attention. When you have the worst grade in the country, it should beg the question why. Are we making progress? If that’s the issue, and if so, what is the plan of action so that we can get on the right side of red tape?

The other issue that I know has been brought up very briefly here and some other Members have talked about it and I certainly have talked about this in the House many times, is the issue of our debt and the issues behind debt and debt management. I agree. I mean, we are hitting a fiscal cliff, as the Minister has pointed out in his opening address. We’ve been there many times, especially in the last year with our limited capacity to borrow more money for future investment and future infrastructure. I would be remiss if I didn’t remind the department here that debt is really no different than an iceberg. An iceberg, you see debt, it’s visual, you can see the top part of the iceberg, but it’s what’s hidden under water out of sight which really is the bulk of work of your debt. Even though some of that debt is self-liquidating by design, and then even that could be somewhat disputed to a certain degree, it’s all the other aspects of debt and liabilities, contingent liabilities, anything that involves our complete debt line.

I liken it to the fact that we can call it as it is, we can define it as it is, but at the end of the day it’s still debt, and I think some of us are a bit nervous as to how much more debt we can take on. I do challenge the government to, I guess, resolve the issue of that boogeyman out there in terms of can we take on more debt, can we afford more debt. The Minister has come on record saying that this is something we need and we have to do, but still to this day I have yet to see any degree of showmanship explaining that we can take on more debt. What are the matrices? What are the tools convincing every one of us, all 11 Members here, including the House, that we can handle whether it’s $200 million more or a billion dollars more of debt. I think we owe that explanation to ourselves. We owe that explanation to the people we serve, because it’s only through consensus that we’re able to mitigate that debt once the debt borrowing limit is brought before the floor of the House so we can debate that then.

The last thing I want to talk about, and again, as I said, I’ll bring it up in detail, is I applaud the department for maintaining their active workforce to 265 employees, but what I found interesting is that the compensation and benefits increased well beyond collective bargaining, which I found to be problematic. As again, and we’ll get into detail, the increase is 7.7 percent and yet we haven’t changed any bodies in any particular department per se, and
so that will definitely raise the question or whether
the Minister wants to raise it now, but I will bring it
back up in detail.

Last but not least is the fact that the overall
expenditure category for this budget has changed
significantly since we talked about this in October.
Now, I can’t talk about a number that was never
before the House, but I can assure the House that
we are seeing, in terms of the expenditure category
in this department, a much larger number than what
was presented to committee. I’m concerned that
growth was well over $4 million. This is something
to which I would probably need some explanation
as to why. What was it that we didn’t foresee a few
months ago when we were doing the pre-work
coming into today’s deliberations or what was
tabled before the House?

I’ll leave it at that. As I said, I do have more
specifics as we get into the various activities. By
and large, it’s a pretty tight budget and for certain
aspects I’m pleased. Other aspects, I believe we do
have some work before us.

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

HON. MICHAEL MILTENBERGER: Thank you,
Mr. Chairman. I appreciate the Member’s
comments on the overall applauding of the work of
the government and his continued support, which
has been there right from the start, in terms of the
Mackenzie Valley Fibre Optic Link. We are of a like
mind that if our very conservative estimates prove
to be wrong and that we’re going to generate more
revenue and it’s going to be much more fruitful than
what we anticipated, then what we would fully
intend to stay on the track that the Member has
recommended and that we get on, which is pay it
down sooner so that it is paid for sooner.

The FAA is work that we are very committed to as
well.

The maximizing tax revenues through tobacco and
fuel the Member has raised over the years. Good
points, and we still have, while there has been
some improvement, as he has noted, there is still
work to do. One of the reasons that we’re redoing
the Petroleum Product Tax Act is to give us better
tools and legislative framework to monitor the
petroleum product side of the operation, which is a
big number.

Third-party medical recoveries are an issue that the
Minister of Health will be in a position to discuss in
more detail.

While we have done work on a Revenue
Stabilization Fund, the big challenge, very basic
challenge, is where do we get the money to put into
such a fund at this juncture?

In regard to the Canadian Federation of
Independent Business, they tend to pick one or two
things that we get graded on. One of the ones that
sticks in my mind is that if we didn’t have a
legislation that spoke to red tape, then you
immediately got a low grade, and I would say I
would easily hold up the improvements we’ve made
here in the Northwest Territories both with
devolution and the cutting off of 5,000 kilometres of
red tape, the timeliness of how we are doing our
business, the investments we’ve made to make our
online services available to cut down the time it
takes people to do business, the work we’re doing
on raising the population, the taking advantage of
the Nominee Program to make sure that we have
staff for those hard-to-fill jobs, the placing of
government service officers in the communities to
perform a one-window service function. All those
are totally disregarded by the CFIB.

The Member may consider this a very significant
issue. I mean, we look at it, but I’m very, very
comfortable and pleased with the amount of work
we’ve done and we continue to do in terms of
making our government more accessible, more
efficient, more tied into the 21st century, and we can
demonstrate it all over, there is no recognition. For
example, the Mackenzie Valley Fibre Link is going
to put fibre optic connections into all the
communities. It’s going to incredibly improve our
efficiencies. It’s going to allow everybody that has
that tie-in to be able to do all the online work that
now is only available in the larger centres. For
example, the business opportunities, the time it’s
going to eradicate from tying up businesses trying
to do business right now that don’t have those kinds
of connections. That issue, their grade, it’s there,
but I must confess, it’s not what I go to sleep
worrying about and it’s not what I wake up
wondering what we’re going to do about because I
know we have an amazingly progressive and
ambitious plan with this budget.

As I speak about this budget, if I could use the
Member’s analogy about the iceberg, well, this
iceberg is sitting on the table here. Tip, base,
everything in between is here. It lays out all the
work we’re doing as a government. There’s nothing
that’s hidden. There’s nothing that’s not visible.
We’ve taken it out of the murky water of day-to-day
business and we’re here, as we are every year, to
get approval of it. Debt is part of the business that
we’re in and we manage our debt, we make
strategic investments, and how much more debt
can we afford?

We’ve laid it out. It’s very clear in our fiscal
sustainability policy that we can’t go more than 5
percent of revenues go towards paying interest.
We’re capped at 5 percent. That figure is now 1
percent. So, do we have capacity? Yes, we do.

When you look at our numbers, $2 billion, almost,
of a budget, half of our current debt of about $700
million is self-financing through rates, through tolls.
So the actual money we borrow as a government for a $2 billion corporation, the actual borrowing room we have is $400 million.

So we don't have a lot of debt, and our job as legislators is not only to mind the money on a daily basis but to have a vision for the future about how we build a territory, especially post-devolution. We've been on a track to build the economic conditions that are going to promote economic development. We need to invest in economic infrastructure to do that. We are in the risk management business. That's what we do, all of us.

I would suggest, for example, if we put the Deh Cho Bridge out for tender or RFP today, it would come in way over $200 million. Even the Fibre Optic Link, when it flicks on and we go live, if you put that project back out for tender, you would never get it for the same price. I've learned that over the years, things we put off today because they are too expensive that we know we have to deal with down the road, always come back to cost us more. That means more money that we have to spend.

One of the good things coming forward, as I mentioned in my budget address under the new FAA, we are going to come forward with a debt plan mentioned in my budget address under the new One of the good things coming forward, as I mentioned in my budget address under the new FAA, we are going to come forward with a debt plan. We need to invest in economic infrastructure to do that. We are in the risk management business. That's what we do, all of us.

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to decrease on an aggregate level all that much at this point in time. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, deputy minister. Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. So, what I’m getting from the response today is we’re not quite sure. Again, it is maybe a very difficult question but when I see the fact that some of the health determinants are showing certain trends, it’s just interesting that our trends on the revenue taxation line aren’t reflecting those two trends. Whether or not I’m predicting a price increase or taxation increase, it sounds like there’s not. I will leave it at that. I will probably be coming back to that sometime in the future.

With that same page, Mr. Chair, I want to move my question down to the bottom of that page under program insured and third-party recoveries and medical transportation recoveries. It’s interesting that this number is decreasing, especially in medical transportation recoveries. This number is decreasing almost by half compared to the revised estimates of last year. It’s a very substantial decrease in both categories. When I say substantial, it’s significant factoring from 2013-2014.

Knowing full well that the costs for medical travel are paid by the GNWT and we know that some of those expenses are claimed through Sun Life insurance to the Public Service Health Care Plan. I know there have been issues on collection. I know there have been issues on having the proper paperwork in place and I know that Sun Life had its challenges on adjudicating some of these claims. My question is very simple. It appears that we are actually collecting less for these programs and I need to know why. Thank you, Mr. Chair.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. Mr. Aumond.

MR. AUMOND: Thank you, Mr. Chairman. The previous year’s budget number reflected a backlog of claims that we hadn’t submitted with Sun Life, so we made some progress on there. At the same time, previous years’ estimates had anticipated us being reimbursed for a greater range in services. So at this point in time, we do have some issues to work out with Sun Life and we do have some work to do in that area.

In terms of medical travel for those covered under the Public Service Health Care Plan, we do consistently invoice Sun Life, and our backlog is, for the most part, being cleared up, which is why you are seeing a drop in recoveries in that area. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Aumond. Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. Just so I can get some clarity, again, we know that Sun Life has had some issues with adjudication. Can the department give us some indication for the last two years, let’s say, how many adjudication audits have been done on the Sun Life submissions?

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. We don’t have that level of detail with us but we can commit to provide it to committee.

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

MR. DOLYNNY: Thank you, Mr. Chair. I’ll challenge the department to see if they can provide that to the Member here. I’m looking for that type of level of auditing and the backlog. It sounds like that backlog was very significant, so it does tell me that there’s potentially an issue here on the way we deal with these recovery allocations into our general revenues. With that, I will challenge the department if they can provide that level of detail at their earliest.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. I’ll take that as a comment. I think the Minister committed to getting that information. Next I have my on my list Ms. Bisaro.

MS. BISARO: Thank you, Mr. Chair. I just have one question here. I presume it should be on this page with the revenue summary, but I’d like to know where the net fiscal benefit for the resource revenue amounts that we receive is shown in the revenue summary.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. It’s ITI that would have that reflected in their revenues.

MS. BISARO: Yes, that’s right. Thank you for the reminder, Minister. I’m done.

CHAIRMAN (Mr. Bouchard): Thank you, Ms. Bisaro. Committee, we’re on page 148, Department of Finance, revenue summary. Questions?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Bromley): Page 149, Department of Finance, active position summary. Questions? Mr. Yakeleya.

MR. YAKELEYA: Mr. Chair, I want to ask the Minister in regard to the active positions. I see in here we have seven for the Sahtu, and I just want to ask about the type of active positions in the Sahtu. Is this like they have their own authority or jurisdictions? Do they have to report to the Inuvik region or the Minister of Finance? Are there some independent? Is there a superintendent? I want to
see if these active positions are similar to other regions that have their own region.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Yakeleya. Deputy Minister Aumond.

MR. AUMOND: Thank you, Mr. Chair. In the Sahtu we have seven positions all in Norman Wells and they work in either financial shared services or employee services. Financial shared services, the staff there report to the assistant director in Inuvik, and for employee services they report to headquarters here in Yellowknife. The context in Sahtu is similar to what we would find in the Deh Cho, is that the level of activity doesn’t warrant the number of staff or the required program and service delivery that you would in a much larger region where we have a much larger contingent of employees to serve and have our financial shared services in place, internal services to government. Depending on the number of employees in that region that would determine the amount of effort that we would need to have in that region.

CHAIRMAN (Mr. Bouchard): Thank you, deputy minister. Mr. Yakeleya.

MR. YAKELEYA: That’s okay. I’ve got to think this over here and I’ve got to read the Hansard tomorrow and I’ll have to come back to this maybe through another forum.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Yakeleya. Next on my list I have Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. I’d like to follow up to a response earlier today to some of my general comments with respect to active positions. The fact remains that the numbers have not changed from fiscal 2014 to the proposed budget of 265 total employees, and if I look at the disbursement of jobs per allocation of regional allocation, nothing has changed. Everything has stayed the same. There may have been transfers in and out, but the actual numbers are still whole.

Again, if my math is correct, this increase for this category, as I said earlier, is 7.7 percent, and we heard from the deputy minister that about $950,000 of it was due to collective bargaining or what we call forced growth. That’s only about 2.9 percent, which leaves, again if my math is correct, 4.8 percent that is not forced growth. We’ve heard that there was $984,000 in transfers and some other stuff in there.

I would like to get more detail if I can on that breakdown of that 4.8 percent that is not forced growth so I can fully understand what will be transpiring that justifies that extra expenditure.

Again, every department is going to be scrutinized to the same level. I’m not picking on Finance here. I need to understand forced growth from non-forced growth.

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

MR. AUMOND: Thank you, Mr. Chair. As I indicated earlier, we did receive forced growth of $943,000 for collective bargaining. I also mentioned that we had some unfunded positions that we were funding from other sources that what we did is we moved the money out of that area into compensation and benefits where it was not reflected before. To be clear, the employee count was there last year. It’s just the source of the compensation and benefits was not showing up in compensation and benefits, so we did that. There were seven positions for a total of $940,000 that that accounts for.

In addition to that, we did some reallocation given that, as Members may know, that when positions are funded, if they’re new funded, they get funded to 23 percent benefits. Many of the old positions or most of the old positions were funded at 17.5, and as a result of that, given that the size of the Department of Finance over the last two fiscal years nearly doubled in size of the department, we couldn’t afford, really, to continue on that way. So, again, we reallocated some money to move that 17.5 percent to 23 percent, and that was for a total of $984,000.

As well, recognizing that we also had, as a result, some positions that changed in terms of either they were changed in the evaluation or they changed completely for an additional about $170,000. That’s really the accounting for the difference in the $3.26 million, an increase of compensation from last year’s main estimates to this year’s proposed main estimates.

MR. DOLYNNY: The fog is starting to lift here. I’m seeing some of the numbers more clearly in that perspective and I appreciate the deputy minister’s response to that. I guess the question remains right now, as we speak, how many positions are currently vacant in the Department of Finance?

MR. AUMOND: I don’t have that total with me right now, but I do believe our vacancy rate is somewhere around a corporate average of around 10 percent or so.

MR. DOLYNNY: With these vacancies, which sounds like it’s around the corporate average of 10 percent, and I’m assuming these are funded positions, I guess to the question, do those monies remain in that activity or has the department used those monies in other facets during the course of the year? Or is this money allocated for these positions? Do they stay within the category of wages and benefits?

MR. AUMOND: With what’s proposed in the ‘15-’16 Main Estimates the department will no longer have any unfunded positions. All the money that is proposed here, the compensation and benefits will be for the full 265 positions.
MR. DOLYNNY: Historically, has the Department of Finance ever, with unfunded or funded positions, moved any money or appropriated the money by taking it out of this category of compensation and benefits and used it in other areas within the Department of Finance in historical purposes? Thank you.

MR. AUMOND: Mr. Chair, when we fund summer students out of vacancies, generally we have not used money for compensation and benefits out of vacancies for other purposes. As the Member knows, we explained when we were in business plans, we did a reallocation out of some funds for other O and M that were traditionally used for compensation and benefits, and what we're proposing to do here in this budget is show that money in compensation and benefits so we can chew that budget up. Thank you.

MR. DOLYNNY: Mr. Chair, just so I'm clear before I leave this activity, is that we know under current FAM policy that the department, under the guidance of the Minister or deputy minister, was allowed to move up to $250,000 of unallocated, unused funds, funded positions, and move them to another activity without having to get the proper appropriation of the House. Was this activity done in the last fiscal year? Is that reflected at all in the increased potentially we are seeing in this category over and above main estimates? Thank you.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chair. I am just harking back to the last government where there was a lot of work done on looking for savings and efficiencies. It took almost two years of discussion and debate. When there was a move to act on recommendations, we acted partially on some of the recommendations, not all. There was significant pushback from MLAs when we talked about inclusive schooling and people-teacher ratio, for example, and the re-profiling the overfunding that was going on at the time. When we moved to act on it, it was a hugely contentious issue, which I suppose speaks most clearly to the issue of what would happen if you made all of those recommendations would have been binding on all of us. There would have been some significant change to government. We would have given away our ability as final arbitrators on the budgets and structure of government, and I don’t think that’s the intent of the Program Review Office.

When we get the Program Review Office assisting work, it does things besides reviews. It assists in all sorts of other things. We have to look at what the recommendations are. Are they structural issues? Are they process issues? Are they finance issues? Are there overlap issues? There's not a
Deh Cho Bridge and Inuvik school were slow to get the past, large items of infrastructure such as the assessment. We know that when we’ve done this in calculate our premiums for our insurance evaluation which I would assume would affect how we a change in our Risk Management Framework, in the past we continuously have heard that there’s the risk management of the GNWT. We know that this category involves the insurance, basically MR. DOLYNNY: Thank you, Mr. Chair. We know my list I have Mr. Dolynny.

CHAIRMAN (Mr. Bouchard): Thank you, Deputy Minister Aumond.

MR. AUMOND: Thank you, Mr. Chair. The Minister did write a letter to standing committee committing the Program Review Office to, I guess, first of all just twice a year give them an update on the activities of the section. Departments will bring their business planning cycle and now have to be able to, and will be able to, discuss what they’re doing with the program reviews as a result of the recommendations of those reviews to the business planning process to be able to see the changes that will be implemented by the departments to their programming or, conversely, why they chose not to do that, and the recommendations will be provided to standing committee at that time so that everybody will have that information when the departments’ business plans are reviewed in standing committee. Thank you.


MS. BISARO: Mr. Chair, thanks for the information. I certainly look forward to seeing the reports twice annually. I think that’s a very good step forward. I want to thank the Minister for his commitment to committee.

It is my understanding that the Program Review Office has been doing a review of student housing. I think it goes back to almost a year ago now. Can the Minister advise whether or not that review is finished, and if not, when it will be? Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Ms. Bisaro. Mr. KalGutkar.

MR. KALGUTKAR: Thank you, Mr. Chair. Yes, I agree with the Member that the review has been delayed a little bit, but we have made significant progress in the last few months. With the department, a draft report has been finalized and will be going to deputy ministers and Ministers for review by the end of this month, I believe, and then the summer report mitigated to standing committee. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. KalGutkar.

MR. DOLYNNY: Thank you, Mr. Chair. We know that this category involves the insurance, basically the risk management of the GNWT. We know that in the past we continuously have heard that there’s a change in our Risk Management Framework, which I would assume would affect how we calculate our premiums for our insurance evaluation assessment. We know that when we’ve done this in the past, large items of infrastructure such as the Deh Cho Bridge and Inuvik school were slow to get trickled on to our insurance line. So with that, and because I have yet to see a document of our Risk Management Framework publicly, even as a Member, and yet we know we have a lot of large-scale inventory of infrastructure coming on board, I question the very small, in fact, no increase in insurance premiums for this fiscal year. If I can maybe get an explanation, if we are indeed putting these large-scale pieces on our books, wouldn’t premiums go up at the same percentage? Thank you.

MR. KALGUTKAR: Just for some clarification, I think the Member is referring to the Risk Management Framework that the Comptroller General’s office has been working on with the Audit Bureau and the Program Review Office. That’s a review with each department’s identification of their risk areas in terms of delivering their programs. As Members will recall, that’s really a three-step process. The first process, which is done now, is for departments to complete a very high-level assessment of the risk areas that are within their departments. The second process, which departments are just finalizing right now, is a detailed risk management assessment of their department. Then the third process is completing the corporate risk management summary. So that process is ongoing and we continue to work on that.

The other risk management area that we are working on is the area that I believe the Member is referring to, and that’s our insurance premiums which are within the Department of Finance. Our premiums have gone up a little bit from the last fiscal year by about $200,000. A significant reason for that is because we did take on some new capital projects that came into service, so our premiums did go up a little bit because of that. The current budget for our premiums is $2.2 million. Thank you.

MR. DOLYNNY: I appreciate the clarification on risk management, but the question still remains. In 2013-2014 we were at $2.218 million. We had $2.305 million in the main estimates of 2014 and zero increase in 2015-2016. As I said, we had a significant amount of infrastructure that hit our books, which means that in the last two years, no change. In fact, there’s only a change of $87,000 since 2013. I find that premium very weak, given the amount of infrastructure that this has assumed in liability. Can I get more clarification on that? Thank you.

MR. KALGUTKAR: The Member is totally right; our insurance premiums have gone up from the previous fiscal year by $200,000. The reason, as he has indicated, was we did bring on some significant assets into service and within the last two fiscal years. We were able to mitigate the increase quite a bit by implementing what we’re calling the Property Replacement Appraisal Plan. So what the
department has done is work very closely with our primary insurers and to have a very detailed review of the replacement cost of our assets and that's what has kept our premiums down. Thank you.

MR. DOLYNNY: I guess the rationale for my questioning is that sometimes in business the quickest fix to find money is to go lean on insurance and do a re-evaluation of your replacement costs and depreciate those costs to the tune where it makes it very difficult to make that investment. I'm just hoping that we as a government are maintaining the right level of insurance for the amount of assets we have coming on our books. That's my rationale for the question, Mr. Chair.

We know that this area of the activity is involved with debt management. With that, we know that the Macroeconomic Policy, which is used as a guideline force for the department, is a very strong piece of policy and documentation. I have to clearly indicate that this is a very old and very outdated Macroeconomic Policy that we're using. We're using assumptions that were pre-recession in order to guide the debt management of our government and that, in turn, will also affect our Fiscal Responsibility Policy which again, if I go on the department’s website, there's only a reference to a pamphlet. That pamphlet still has the picture of Mr. Floyd Roland on it, which tells me that this thing needs to be looked at. This is quite old and yet all these tools, very old Macroeconomic Policy and old Fiscal Responsibility Policy, provide the oversight for our fiscal strategy.

When can we start to see maybe a modernization of these tools and update of these tools so that we can have some degree of confidence that we're not using outdated management tools to make the predictions that we're needing to look at borrowing more money? Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. Mr. Miltenerberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. These policies are going to be reviewed, renewed and updated, modernized this year and in place and time for the next budget. Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Miltenerberger. Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. I am encouraged with that response. I know I've asked that many times. I guess we'll have it before the end of the 17th, which is better late than never. So, congratulations to the department for recognizing that opportunity, because Members have been asking for that for some time.

Last, Mr. Chair, with respect to this activity. The treasury division looks after the administration of all legislative tax programs and I guess to the question and, again, I do applaud the good work that has been done in terms of increasing the frequency of tax audits, especially on tobacco, but how many tax audits are we going to be doing on outside wholesalers? These are wholesalers that are outside the GNWT's jurisdiction, such as outside the Northwest Territories. How many of these wholesalers will be audited for the transfer of the tax memo program for our GNWT portion in our fiscal year?

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. Mr. Kalgutkar.

MR. KALGUTKAR: Thank you, Mr. Chair. For the '14-15 audit plan, we had anticipated conducting audits on four of our 11 tax wholesalers. We've completed one of them and we hope to complete the other three by the end of the year or early in the new fiscal year. Thank you.

MR. DOLYNNY: I appreciate that response. So, for the sake of fullness here, four out of the 11 outside wholesalers, these are wholesalers that are established outside the border of Northwest Territories. Is this the first time that this government has audited these outside wholesalers? Thank you.

MR. KALGUTKAR: Yes, that is correct.

MR. DOLYNNY: I want to congratulate the department for finally realizing where I firmly believe there are issues with respect to our loophole in our taxation system, so I'm going to be looking with much anticipation of the results of that audit. Can the department indicate how the findings of this audit will be made to Members and how will the findings of this audit will be made public? Thank you.

MR. KALGUTKAR: Typically the government doesn't produce our audit findings. Thank you, Mr. Chair.

MR. DOLYNNY: So, how will Members know the findings of this audit? Thank you.

MR. KALGUTKAR: One of the things we could possibly look at is doing a fairly high-level summary of what the results are, but we would not be able to identify who the wholesalers are. Thank you, Mr. Chair.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Kalgutkar. Committee, we're on page 151, Department of Finance, budget, treasury and debt management, operations expenditure summary, $26.860 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Bouchard): Page 153, budget, treasury and debt management, active positions. Questions?

SOME HON. MEMBERS: Agreed.

that, the pressures have continued. Diesel and the accommodation we have to make for against the rate cliff for four years and the price of amount is not clear to me yet, but we protected another rate increase of single digits. The exact Mr. Chairman. The Member could expect to see Thank you, Ms. CHAIRMAN (Mr. Bouchard): Page 156, Bureau of Statistics, active positions. Questions? SOME HON. MEMBERS: Agreed. CHAIRMAN (Mr. Bouchard): Page 159, deputy minister’s office, operations expenditure summary, $96.193 million. SOME HON. MEMBERS: Agreed. CHAIRMAN (Mr. Bouchard): Page 160, deputy minister’s office, grants, contributions and transfers, $92.968 million. Ms. Bisaro. We’ll go to the deputy minister for clarification. MR. AUMOND: Thank you, Mr. Chair. Starting in ‘13-14 and ‘14-15 we had contributed $250,000 a year and we are proposing that in ‘15-16, as a result of devolution and as a result of finally receiving some resource revenues, we’ll add $7.35 million to that for a grand total of a $7.6 million contribution to the Heritage Fund. CHAIRMAN (Mr. Bouchard): Thank you, Mr. Aumond. Ms. Bisaro. MS. BISARO: Thank you, Mr. Chair. Two questions. The first one has to do with contributions to the Heritage Fund. I noted in the Minister’s opening remarks, he stated an increase of $7.4 million to the contribution to the NWT Heritage Fund and that the total will be $7.6 million. I didn’t quite understand where the extra $0.2 million comes in and how we went from what the increase of $7.4 million is. I don’t understand the numbers. CHAIRMAN (Mr. Bouchard): Thank you, Ms. Bisaro. Thank you, Mr. Chair. The current cost of living tax credit where it appears that we’re regressing on our main estimates compared to last year, maybe as a reflection to the population decrease or increase. But, to the overall question, do we anticipate that the government may look at any changes to this cost of living tax credit during this fiscal year? HON. MICHAEL MILTENBERGER: No, Mr. Chairman. CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. Minister Miltenberger. MR. DOLYNNY: Thank you, Mr. Chair. I have two questions on this activity, the first of which is the cost of living tax credit where it appears that we’re regressing on our main estimates compared to last year, maybe as a reflection to the population decrease or increase. But, to the overall question, do we anticipate that the government may look at any changes to this cost of living tax credit during this fiscal year? HON. MICHAEL MILTENBERGER: Yes, and of course, knock on wood, there are no low water challenges layered on top of that. CHAIRMAN (Mr. Bouchard): Committee, we’re on page 160, deputy minister’s office, grants, contributions and transfers, $92.968 million. SOME HON. MEMBERS: Agreed. CHAIRMAN (Mr. Bouchard): Page 161, deputy minister’s office, active positions. Questions? SOME HON. MEMBERS: Agreed. CHAIRMAN (Mr. Bouchard): Page 163, fiscal policy, operations expenditure summary, $34.816 million. Mr. Dolynny. MR. DOLYNNY: Thank you, Mr. Chair. I have two questions on this activity, the first of which is the cost of living tax credit where it appears that we’re regressing on our main estimates compared to last year, maybe as a reflection to the population decrease or increase. But, to the overall question, do we anticipate that the government may look at any changes to this cost of living tax credit during this fiscal year? HON. MICHAEL MILTENBERGER: No, Mr. Chairman. CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. Minister Miltenberger. MR. DOLYNNY: Thank you, Mr. Chair. I have two questions on this activity, the first of which is the cost of living tax credit where it appears that we’re regressing on our main estimates compared to last year, maybe as a reflection to the population decrease or increase. But, to the overall question, do we anticipate that the government may look at any changes to this cost of living tax credit during this fiscal year? HON. MICHAEL MILTENBERGER: No, Mr. Chairman. CHAIRMAN (Mr. Bouchard): Thank you, Mr. Dolynny. We’ll go to Deputy Minister Aumond. MR. AUMOND: Thank you, Mr. Chair. The current cost of living tax credit as it is currently constructed already provides and gives a total rebate for payroll tax to those low-income earners as opposed to those high-income earners who don’t get the full rebate back, so on balance this does do that. The other consideration, of course, is we have to balance that off versus whatever the loss of revenue would be to the government by increasing
the cost of living tax credit. As the Minister said, at this particular time there is no effort on our part to look to change it at this time.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Aumond. Mr. Dolynny.

MR. DOLYNNY: Thank you, Mr. Chair. I would believe economists would be looking at this as a twofold opportunity for this government. I strongly applaud the raising of the average wage rate in the Northwest Territories, but yet doing nothing to this tax credit allowing more dollars in the hands of those on the lower end of the earning scale has some merit.

Will this government do any type of review during this fiscal year to make it part of a strategy to have this looked at, in conjunction with the good work they’ve done, with raising the average wage rate?

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. As we work towards the transition document, I mean, if there is sufficient impetus, this could possibly be flagged for consideration, but in the life of the next 280 days until the next election we’re going to be fully occupied concluding and working on all the things we need to get our business concluded and make sure that we do have that orderly transition. The intention will be not to spend a lot of time on this particular issue at this time.

MR. DOLYNNY: I’m sensing very tempered, cool, not warm waters on the response to this question. I’m just going to leave it as is.

I see opportunity. I see opportunity for some groundwork to look at our most vulnerable, our working poor. This is a great opportunity. I see that the department can do some groundwork so that when we look at the transition opportunities into the 18th Assembly, this Assembly would be known historically for laying the foundation. That’s all I’m asking and I’ll leave it at that.

My next question on this category has to do with the significant decrease in the amount of net fiscal benefit transfer to Aboriginal parties. This is about a $4 million, almost a $5 million decrease. I’m trying to look at the notes with respect to this. It is tied to the net fiscal benefit from resource revenues and it’s tied into that transfer of the 25 percent. Can I get some more clarity exactly if that’s tied to resource revenues, and maybe a little bit of accounting around that number and clarity would be great?

HON. MICHAEL MILTENBERGER: Mr. Chair, part of the struggle in the economy in the resource sector has been a decline in what we initially budgeted for, so there’s been a significant decrease in the expectation of budgeting of that royalty. It’s reflected both in what we’re putting into our share of the Heritage Fund as well as what the 50 percent of federal government gets off the top or the 25 percent that the Aboriginal governments get. I will ask the deputy minister if he wants to add anything further.

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

MR. AUMOND: Thank you, Mr. Chair. I guess the only thing I would add is that as the royalties change, then so will the contributions to the Heritage Fund and what we provide the Aboriginal governments under the Resource Revenue Sharing Agreement tied to the Devolution Final Agreement. When we originally put together the budget for the previous year, the estimates at that time, based on the information, were much higher. Now, instead of looking at $120 million at that time, we’re looking at average revenues of $109 million but there’s lots of volatility in that revenue stream. We’re predicting about $80 million in 2015-16, so the net fiscal benefit is $40 million. The Aboriginal governments’ share of that will be around $10 million and we’ll look to around $8 million or just under $8 million to the Heritage Fund, which will leave $23 million left for infrastructure and debt management. Thank you.

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

MR. DOLYNNY: Thank you, Mr. Chair. I appreciate the clarification on that. If I can get maybe some historical numbers. That $50 million that was put aside in the main estimates for last year, at what point does the money get into the hands of our 25 percent Aboriginal signatories? At that same question, this amount of $10.1 million, when are the cheques inked and when do our Aboriginal signatories receive that money? Thank you.

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

MR. AUMOND: Thank you, Mr. Chair. We expect that starting in July of 2015 is when we’ll start to see the bulk of the resource revenues coming in for the ’14-15 year. According to the agreement that we have with the Aboriginal governments, we’ll be making those payments on a quarterly basis starting in July once the revenue stream comes. Of course, there will be a reconciliation process done at the end of every year. But given that, I think Members are aware of the timing of when we receive them. About 75 percent of the ’14-15 revenues will be received in ’15-16 and the 25 percent for ’14-15 not until ’16-17. While we have an appropriation for $10.1 million, that’s what we anticipate to take for the year and the payments to the Aboriginal governments will start, as I said, in July we anticipate. Thank you.
MR. DOLYNNY: I appreciate the details on the disbursements. If these amounts of monies, again because we collect the money, we rebate the portion to the federal government, so the bulk of that money stays within the GNWT. It sounds like we're paying this money quarterly. Where does this money sit in our books in terms of it's waiting for these quarterly disbursements and are we getting any interest on that money? Thank you.

MR. AUMOND: I guess for clarification, the federal government doesn't take its money off the top. They deduct it off in subsequent year's grant, after there's a reconciliation process. But the money, when we collect it, sits in the Consolidated Revenue Fund of the GNWT. If we happen to be in a cash surplus, then we'll earn some interest, but given where we are in any given year, we are in and out of surplus, as the Member knows. It sits in our Consolidated Revenue Fund until such time as it's disbursed. Thank you.

CHAIRMAN (Mr. Bouchard): That you, Deputy Minister Aumond. Committee, we're on page 153, Minister Aumond. Committee, we're on page 153, fiscal policy, operations expenditure summary. Mr. Hawkins.

MR. HAWKINS: Thanks, Mr. Chairman. I was listening to Mr. Dolynny's questions regarding the cost of living tax credit. I've been actually doing research on this the last few weeks. I was wondering if the department could explain not the theory but the actual cost of how we drive our numbers. In other words, if we raise it by $1,000, the tax credit, how does that directly or indirectly affect us on a dollar amount? Could the Minister or someone provide a clear example? Is it strictly dollar for dollar or is it based on percentage? Who eats what? Right now, it's set at a rate that has basically stayed since its inception, since 1987, and it's only had a bump a few years ago, I think... I was going to say 2005, but a few years ago. But that said, can you explain what it costs us and how it costs us, the money? Give me an example based on that $1,000. In other words, if the tax credit was raised by $1,000, is it dollar for dollar? What would we be eating as a government? Thank you.

CHAIRMAN (Mr. Bouchard): Thank you, Mr. Hawkins. Deputy Minister Aumond.

MR. HAWKINS: Thank you, Mr. Chair. We're projecting that the cost of living tax credit will cost us about $21.9 million in '15-16. How that works is the cost of living tax credit was intended to rebate, and rebate completely as I mentioned earlier in my response to Member Dolynny, 100 percent. For lower income earners, the payroll tax, that gets applied to everybody. The GNWT makes a net gain on the payroll tax, but the idea was to provide a rebate to those residents who live in the NWT. The total is up to $966, depending on the income you make, and after you reach a certain threshold you don't get any of that rebate back. For us to increase it by $1,000 per taxpayer would cost us $1,000 times however many taxpayers we have in lost revenue. Thank you.

MR. AUMOND: The cost of living tax credit is designed to give... I guess I'll start back earlier. Every person in the NWT, whether you're a resident of the NWT or not, pays payroll tax on the wages they earn. The cost of a tax credit is designed to help shield, to a certain degree, those NWT residents from payroll tax by giving them a rebate up to a certain threshold. Beyond that, if you're a higher income earner, then you actually don't get that tax back. Member Hawkins said what would it cost if you increase it by $1,000. It would cost us $1,000 by however many taxpayers we had in the territory, which would be foregone revenue that we currently can make today. Thank you.

MR. HAWKINS: Thank you. How many people are contributing to this gain that we make? Can he provide a breakdown of how that works? It's not a straight line, I realize. In other words, it's not as if it's 219 people providing $1,000. Thank you.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. We don't have that level of detail. We can provide that to the committee. Thank you.

MR. HAWKINS: Maybe I'll just pass at this time. I agree it needs to be reconsidered and I would disagree by saying that I believe we have enough time to reconsider something like this. Unfortunately, I can tell you, though, I doubt the will is there. That's the problem. I share the same concern as Mr. Dolynny. I think analysis needs to be taken into effect into the burden of who should carry the taxes here and who best would put the money into whose pockets. In other words, I think an additional $1,000 in the working family pocket goes a lot further to the economy than it does to the government's.

I guess, then, I would probably proceed with the next comment. Is there any reason why the department wouldn't do an economic analysis on this type of issue? Ultimately this is it. We want to be somewhere where money is working the best. Government probably believes it's in their pocket. You ask a working family and they'll say it's in theirs. So is there any reason why the department wouldn't take up an economist and review the situation and see what type of analysis we can get about getting the money back out there? Thank you.
HON. MICHAEL MILTENBERGER: If there is will of committee that they would like some further information on this, we can look at that. The big issue for us – and everyone has seen the budget, the revenues versus expenditures – how do we replace the revenues at this juncture? So we’ve laid out this plan. If it’s the will of the House to have this looked at, we’ll look at it, but I suggest that would be for the 2016-17 fiscal year. Thank you.

MR. HAWKINS: Is that the door opening to an agreement that they would find a way to do it if committee asked for an economic analysis? Is that the answer from the Minister?

HON. MICHAEL MILTENBERGER: Yes, we’re part of consensus government here. If it’s the will of the Assembly to have work done on this at this juncture, we’ll look at trying to take that direction. Thank you.

MR. HAWKINS: I would say stand by and we’ll see where that goes.

The next item is a little further on the NWT Child Benefit. Is the Minister able to tell us today how many people actually receive this? Thank you.

HON. MICHAEL MILTENBERGER: No, Madam Chair. We would have to get that level of detail.

MR. HAWKINS: While that detail is being provided, can someone take a look at how long it’s been in place at the current rate? It looked like it’s been adjusted a bit due to inflation, or is it a drawdown? Maybe we can look at how long it’s been in place.

HON. MICHAEL MILTENBERGER: Yes, Madam Chair, we will provide that information. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Dolynny. I’m informed that perhaps the question that you want to ask would be more appropriate for page 176. Anything else from page 167?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 169, office of the chief information officer, operations expenditure summary, $2.837 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Fiscal policy, grants, contributions and transfers, total grants and transfers, $33.2 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. For information, fiscal policy, active positions. Any questions?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Liquor Revolving Fund, operations expenditure summary, $63,000. Mr. Dolynny.

MR. DOLYNNY: Thank you, Madam Chair. I have been looking at this number ever since we had an opportunity to review these numbers months ago. I still found it odd where we’re forecasting in terms of revenues in the Liquor Revolving Fund, knowing we are going from a private to a consignment store model in Yellowknife and looking at the proportionate amount of margin and extra dollars that this would generate. Yet I don’t see it translated in here because 50 percent of our population and 50 percent of our sales are going to be greatly affected with those two, both in dollars and in margin.

Can the department explain why there’s no change in forecasted revenues in this area? From a business model perspective, there should have been a lift, just a natural life. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Dolynny. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Madam Chair. I am looking at 167. Did I miss a page?

CHAIRPERSON (Mrs. Groenewegen): That’s correct, page 167, Liquor Revolving Fund, operations expenditure summary, $63,000. Mr. Aumond.

MR. AUMOND: Thank you, Madam Chair. I’m looking at the page 167, as the Minister says, and it’s speaking to amortization. There’s an information item at a later date and we get into the details of the Liquor Revolving Fund.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Dolynny. I’m informed that perhaps the question that you want to ask would be more appropriate for page 176. Anything else from page 167?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 169, office of the chief information officer, operations expenditure summary, $2.837 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Office of the chief information officer, active positions. Any questions?

SOME HON. MEMBERS: Agreed.


SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Finance, Liquor Revolving Fund, information item. Any questions on page 176?

My apologies; I missed a page. Office of the comptroller general, grants, contributions and transfers, total contributions, $6.778 million from page 174, Ms. Bisaro.

MS. BISARO: Thank you, Madam Chair. I wanted to ask, there’s a great variance in the numbers between 2013-14 actuals and then the main
estimates for 2014-15 and then the estimates for 2015-16. We have $6 million and then $11 million and then back to almost $7 million in 2015-16. Why the very large drop from the estimates in 2014-15 to what we’re estimating in 2015-16? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Bisaro. Mr. Aumond.

MR. AUMOND: Thank you, Madam Chair. As the Member will recall last year when she asked us to chew up the budget and she mentioned that there was a difference between the actual expenditures and what we were budgeting, so when we looked at that and we did the budget true-up exercise that I spoke about earlier when I was responding to Member Dolynny’s questions, what we have here today at $6.778 million is what we estimate the actual cost of the Territorial Power Subsidy will be. Thank you.

MS. BISARO: Thanks to the deputy minister and, yes, I did remember. I just wanted to make sure that anybody who was looking at numbers would understand the rationale. I’m very glad to see that we have a more reasonable number, so to speak. Where has the extra $4 million gone? I’m presuming it went into general revenues, but could I get that clarified? Thank you.

MR. AUMOND: There was about $2.479 million of the Territorial Power Subsidy Program surplus that the department had been relying on for years to fund a whole host of pressures that I had discussed earlier in response to Member Dolynny’s questions that were being used to do that. So anything from employee benefits, unfunded positions, banking fees and even to helping out our CIO’s office with some security. So there is about $2.479 million in reallocations that had happened there.

In addition to that, we just did a reduction of about $1.8 million that we gave back to the government. Thank you.


MR. YAKELEYA: Sorry, Madam Chair, I thought we were doing 176.


SOME HON. MEMBERS: Agreed.


MS. BISARO: Thank you, Madam Chair. Just one question here and it’s the text at the bottom of the page. Differences in the amounts are due to accounting policy differences between basically the methods used by the NWT Liquor Commission and the methods used by the GNWT. That seems a little strange to me.

What page are we on, Madam Chair?

CHAIRPERSON (Mrs. Groenewegen): I just called page 175, office of the comptroller general, active positions, information item. Any questions? Ms. Bisaro.

MS. BISARO: Thank you, Madam Chair. I think the question was probably heard. I would have thought that the methods for the Liquor Commission and the GNWT in terms of accounting would be the same. Perhaps I could get an explanation as to why one of our, sort of, subsidiary organizations doesn’t use the same accounting methods that we do.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Bisaro. Mr. Kalgutkar.

MR. KALGUTKAR: Madam Chair, one of things I can think about is the Liquor Commission probably uses a lower threshold for some of its assets. What I will do is I will go back and make sure that their accounting treatment is consistent with that of the GNWT going forward.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Kalgutkar. Ms. Bisaro.

MS. BISARO: Okay. I’m glad you’ll go check on that, but I guess I struggle to understand how we put a comment like this in our budget and we don’t really know how to explain it. I’ll leave it at that.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Bisaro. Mr. Dolynny.

MR. DOLYNNY: Thank you, Madam Chair. I appreciate having the ability to come back to this Liquor Revolving Fund. I apologize. Earlier I was ahead of my questions here.

I have to say with a degree of trepidation here, I’m quite confused with this category in terms of how this is being evaluated and the discrepancies, knowing that we’ve gone from a private to a consignment model. I’ve tried to follow the margins, the dollars, the increase in agents’ commissions and, again, in looking at a note regarding the net revenue amounts being mentioned in the notes. Would the department agree to maybe having an interim reporting structure of this Liquor Revolving Fund, let’s say six months into this fiscal year, just so that we can provide some better clarity on the numbers, just because I think there’s best guess being used here? But I’m not comfortable with the process in front of me.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Dolynny. Minister Miltenberger.
HON. MICHAEL MILTENBERGER: Thank you, Madam Chair. The contracts in Yellowknife don't come into effect until September, so we won't see any actuals until probably the end of the fiscal year by the time they go into business and we start seeing what the numbers true up to be.

MR. DOLYNNY: I appreciate the information that this was effective September. I’m assuming September of 2014, I would assume, and it’s not in effect now? Or is it in effect in 2015?

HON. MICHAEL MILTENBERGER: It’s September 2015. This coming September.

MR. DOLYNNY: Again, the confusion on this file in terms of when these are going to be activating from private to consignment. To my question which still remains, there is going to be a significant shift happening in September of 2015, in terms of the overall model, 50 percent of our population, 50 percent of our inventory goes from private to consignment. What will the department do in order to make this seamless so that they can at least communicate that change to Members?

HON. MICHAEL MILTENBERGER: We’ve been working extensively on this. There is projected to be some savings to the consumers in Yellowknife, and we'll track all the liquor that goes through and all the money that's made and we’ll be prepared to report back to committee after September when things kick into gear and we start getting some actuals to look at.

MR. DOLYNNY: I just want to make sure that I don’t mask savings with responsibility of accounting. I want to make sure that the accounting does make sense. I represent one of those liquor stores in my riding that is gravely affected by this change. I want to make sure that there is no disruption in service. I want to make sure that this business is duly protected under this new model and that I don’t want to see any undue hardship, financial or otherwise, being put on this business and including the business in the downtown. Again, I received a commitment that there will be some information sharing and I’m hoping that the department works closely and unilaterally with the proponents who are going to have a significant change to their business model.

Again, to the question, what is the government doing to help shepherd these businesses through this change over the next couple months?

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Dolynny. Mr. Kalgutkar.

MR. KALGUTKAR: Thank you, Madam Chair. One of the reasons we’re delaying the implementation to September is to exactly do that. We’re working with both stores to make sure a very smooth transition to the consignment store model. As the Member could likely guess, if the transition is run poorly, the first folks that we’ll hear from are the public in Yellowknife.

MR. DOLYNNY: Because this is a completely different change of business model, should there be a dispute arising with respect to the transformation and change forthcoming to the businesses in question, does the government have any type of dispute system, third-party adjudicator or any type of arbitrator that would be used in the event that there is an issue in this transformation?

MR. KALGUTKAR: If the dispute is between the actual implementation of the contract, then I would assume that it would be our procurement services unit that would help address any issues that we had with the interpretation of that contract. In terms of the actual transition from the private store model to the consignment store model, it would be the Liquor Commission that handles that process.

HON. MICHAEL MILTENBERGER: The government has used, in the past, tools such as the Fairness Commissioner to help mitigate very significant RFPs and most recently the issue with the medevac program. What safeguards do we have for these businesses that we'll have a degree of fairness? Again, they’re working with big brother, they’re dealing with big brother and they’re at the mercy of big brother. What tools do they have to make sure that big brother is playing nice in the sandbox?

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

HON. MICHAEL MILTENBERGER: I’m not sure what type of problems the Member is anticipating. We shifted over fuel operations. This is a fairly routine piece of business. Contracts have been let. We’re in the process of changing to a consignment model and Mr. Kalgutkar has laid out the process. If there is something dramatic that happens that is totally unanticipated, we’ll deal with it. Fairness commissioners, adjudicators, gives this a level far in excess of something of this nature would justify.

MR. DOLYNNY: If I can be as bold as saying it may be routine for the government to do these types of transformations, this is not routine for well-established businesses, businesses that have been in business for not just a couple of years but for, in some cases, a decade or two. I just want to make sure there’s fairness built in, there’s transparency built in and there’s the ability that if there is a dispute that we do have the mechanisms and the measures in place that these businesses can and have access to other than an MLA knocking on the door of Finance.

I guess my last question is: Even though we don’t anticipate any disputes, is the department prepared to have some form of dispute resolution in place in the event that it would be challenged? Again, routine is only subject to the subject matter. In this case here, we have two businesses in question that
are completely and utterly changing their business model 100 percent. So, I want to make sure that they're well taken care of. There are employees there and I want to make sure they're taken care of, and I want to make sure it is also seamless for the people that product line serves. Will the government at least grant some form of comfort, knowing that there's something there other than it should be fine and it's routine as usual? Thank you.

HON. MICHAEL MILTENBERGER: My understanding is the successful proponents in both of these cases could be run under the consignment model and they are reverting to a model that they have long experience with. We have consignment stores running across the land. Once again, we believe we have the capacity, where the systems are set up, with enough checks and balances and accountability to address the issues that the Member has raised. The issue or the concerns that arise in these two cases. Thank you.

MR. DOLYNNY: Madam Chair, I have no further questions.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Next I have Mr. Yakeleya.

MR. YAKELEYA: Thank you, Madam Chair. If I can just get one question in, if the Minister would provide me some detail on. Hard copy would be fine. I wanted to ask about the gross profits from the sale of the liquor, on page 176. It's a good business. I wanted to ask, from this number here, have they seen an increase again in the Sahtu region with the gross sale? That's the only question I have.

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

MR. AUMOND: Thank you, Madam Chair. In the Sahtu, we are actually projecting for the coming year to have a slight decrease in the amount of sales from the previous year. While we did see an increase from '12-13 to '13-14, we are looking at our projection based upon what we've seeing in '14-15, this current year, a 6 percent decrease in sales from '13-14 to '14-15. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 176, Liquor Revolving Fund, information item. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Liquor Revolving Fund, active positions, information item. Any questions?

SOME HON. MEMBERS: Agreed.
MR. SPEAKER: Can I have the report of Committee of the Whole, Mrs. Groenewegen?

Report of Committee of the Whole

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Your committee has been considering Tabled Document 188-17(5), NWT Main Estimates 2015-2016, and would like to report progress. Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. Do we have a seconder to the motion? Mr. Ramsay.

---Carried

Item 23, 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 Tuesday, February 17, 2015, at 1:30 p.m.:

1. Prayer
2. Ministers’ Statements
3. Members’ Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Acknowledgements
7. Oral Questions
8. Written Questions
9. Returns to Written Questions
10. Replies to Opening Address
11. Replies to Budget Address
12. Petitions
13. Reports of Standing and Special Committees
14. Reports of Committees on the Review of Bills
15. Tabling of Documents
16. Notices of Motion
17. Notices of Motion for First Reading of Bills
18. Motions
   - Motion 34-17(5), Workplace Safety at Stanton Territorial Hospital
19. First Reading of Bills
20. Second Reading of Bills
21. Consideration in Committee of the Whole of Bills and Other Matters
   - Bill 38, An Act to Amend the Jury Act
   - Bill 41, An Act to Amend the Partnership Act
22. Report of Committee of the Whole
23. Third Reading of Bills
24. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Tuesday, February 17th, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 6:04 p.m.