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The Honourable Tony Whitford, Speaker

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YELLOWKNIFE, NORTHWEST TERRITORIES

THURSDAY, NOVEMBER 9, 2000

MEMBERS PRESENT

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

ITEM 1: PRAYER

-- Prayer

SPEAKER (Hon. Tony Whitford): Thank you, Mr. Delorey. Bonjour, mes amis. Good afternoon. Orders of the day. Item 2, Ministers' statements. The honourable Minister responsible for Resources, Wildlife and Economic Development, Minister Handley.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 28-14(3): Diamond Certification Program

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, I am pleased to announce that the first Canadian Arctic diamond certificates will be reaching consumers in late November.

This is part of the Government of the Northwest Territories' program to certify selected diamonds as mined, cut and polished in the Northwest Territories. Two Northwest Territories manufacturers, Arslanian Diamond Cutting Works NWT Ltd. and Deton'Cho Diamonds Inc., are participating in this voluntary program.

Each official certificate will provide consumers with proof that the purchased diamond is mined and cut in Canada's Northwest Territories, is authentic and meets a high standard of cut. It will also provide proof of ownership through the inclusion of a Gemprint. This international computerized identification system provides a unique image of each certified diamond. Manufacturers will pay a fee for each certified diamond. Those fees will help offset the costs required for the program.

Mr. Speaker, there is considerable interest in buying Canadian diamonds which are now selling at a premium. Diamonds from Canada have an appeal because Canada has strong laws to protect the environment, its people and the rights of its workforce. Diamonds from the Northwest Territories have appeal because of the NWT's uniqueness, remoteness and pristine wilderness. The GNWT Certification Program will help us capitalize on the appeal of Canadian Arctic diamonds and will position them as quality items in the competitive diamond marketplace.

Mr. Speaker, we are confident that Canadian Arctic diamonds will be a much sought after luxury item, thereby contributing to the growing diamond value added industry in the Northwest Territories. Thank you.

MR. SPEAKER: Merci, Monsieur Handley. Item 2, Minister's statements. Item 3, Members' statements. The honourable Member for Great Slave, Mr. Braden.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement on the Future of the Northwest Territories Power Corporation

MR. BRADEN: Thank you, Mr. Speaker. I am pleased today to rise and speak to the issue of an energy policy in the Northwest Territories. It is something in which I have a particular interest in and some familiarity based on some experience I have had with the Northwest Territories Power Corporation. The issue of power generation and rates are of particular interest to our citizens, Mr. Speaker, as we are certainly in a high cost service area. Almost all aspects of our life, food, shelter, transportation and the traditional economy are impacted by this issue.

Mr. Speaker, an overall energy strategy is the foundation of the long-term prosperity that we all hope to build. There is a huge need for a broader approach to managing all our energy and utility needs, subsidies and costs and their impact on the environment. The review announced by the Minister and being conducted by Mr. Jim Robertson goes in the right direction, but it needs to go much further in addressing an overall energy strategy. In this respect, I was disappointed to hear recently that the Minister responsible for Finance is declining to take this kind of approach at this time.

We now have the opportunity in new energy initiatives like exporting power from the Talston hydro station, Dogrib hydro initiatives and building new energy hydro capacity to feed the emerging diamond mines. These, along with chances to pipe natural gas into communities, are new opportunities for us.

I want to make it clear in regard to the Northwest Territories Power Corporation, Mr. Speaker, that any moves to dismantle it or sell it are wrong. The customers of the corporation are the ones who have paid for it. Mr. Speaker, this government as the steward and the keeper of this asset is obliged to take care in what it does with it. The corporation has built a formidable and effective management structure and performance record, Mr. Speaker. It has performed well in the 12 years that this government has owned it. It has paid off a \$54 million long-term debt, it has provided dividends of over \$30 million and supported a subsidy program that has benefited residents who need help the most, those in small communities.

It has achieved a team of workers who have two-years-and-plus counting zero lost time accident record, an enviable record in any utility. It has successfully implemented three energy utility related projects with aboriginal groups in the Northwest Territories. It has increased reliability and developed a workforce of over 50 percent Northerners. It has negotiated the painful, difficult, but I think practical separation with our neighbours in Nunavut.

It is the kind of investment and success that governments dream of with Crown corporations, Mr. Speaker, and I would ask for unanimous consent to conclude my statement.

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

MR. BRADEN: Thank you, colleagues, Mr. Speaker. As I was saying, the corporation has proven to be an investment that is enviable. Today, because of government interference and lack of purpose, we have a corporation that I believe is paralyzed. Its people are demoralized. Its healthy financial performance is under threat because the government is not permitting it to look after its core business. This freeze has restricted its ability to move ahead and this is costing us money, efficiency and morale.

I hope, Mr. Speaker, that when my colleagues and I ask further questions about these issues, the Ministers involved will give us answers and will not hide behind the review now in progress. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Braden. Item 3, Members' statements. The honourable Member for Thebacha, Mr. Miltenberger.

Member's Statement on Need for a Comprehensive Energy Strategy

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I as well would like to briefly speak to the issue of energy, the provision of energy in the Northwest Territories and the need for a broad energy strategy. Broader, Mr. Speaker, than what is being undertaken now by the government.

This is an issue that I have raised in this House for the last five years. The government has responded and they have indicated reasons that I am not convinced are on the table. I look forward to the opportunity to meet with consultants, hopefully next week. Mr. Speaker, if we are going to be serious about this, we have to broaden the scope eventually. We are spending well over \$400 million as a Territory on the provision of fuel alone in the Northwest Territories. It is a huge cost and the prices are rising. It affects everybody, every community, every aspect and facet of our life. We need a way to regulate it. We need a way to plan for the future. We need a way to integrate the various components on the regulatory side, with the provision side, with the supply side, with the usage side, with the environmental concerns.

Mr. Speaker, I would hope that the government would use their initial consultation as a springboard to do that. It is going to be critical that there be proper public consultation and that it be an open process. There is a lot of interest out there. There are a lot of good ideas, a lot of creative ideas in this area. People have spent a lot of time working on this particular area and it is going to be critical that the government tap into that aspect of the energy and ideas.

We also have to look at the communities on a community-by-community basis with community energy strategies. Each community will have their own needs, their own requirements

and their own aspirations in how they want to deal with the issue of energy, the provision of energy and energy efficiency.

Mr. Speaker, unfortunately this whole process is off to a shaky start with the decision by Cabinet to interfere in the franchising process in Hay River followed up by their direct intervention and decisions in terms of layoffs and decisions made by the boards as it related to the upcoming division. Mr. Speaker, I am not sure what the Cabinet has in mind or if they are sure, but if they want a process, it should be arm's length. They should not be interfering with a corporation and the day-to-day running of corporations and definitely not in public community processes that are covered under legislation.

I would hope that the government would use this as a springboard to do a comprehensive energy strategy. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Merci, Monsieur Miltenberger. Déclaration des députés. Item 3, Members' statements. The honourable Member for Frame Lake, Mr. Dent.

Member's Statement on Political Interference in Power Generation Initiative

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, since 1988, the Northwest Territories Power Corporation has been run at arm's length from this government. It has been run as a business. A significant number of directors have been experienced business people. In that 12 years, their goal has been reliable power delivered at as low a price as possible. I think, by and large, Mr. Speaker, they have done a pretty good job. Often times, people that I have talked to in the North have suggested that the Power Corporation could be run better as a private corporation. I have always pointed out that by eliminating political interference and letting a business-based board run the corporation, it can, in fact, be an efficiently run operation.

This fall, Mr. Speaker, I have growing concern. The level of political interference in the operations of the Power Corporation are unprecedented in the last 12 years. First, with the Hay River franchise, this government gave the power to the municipality to make a decision on the franchise and then took it away. I would also have to point out that same level of interference did not happen in the franchise in Fort Simpson, so there seems to be a real micro-management here as to how they are going to deal with this corporation.

The second instance of interference was, as Mr. Miltenberger pointed out, the directive not to give the staff in Hay River a heads-up about whether or not their position might be impacted by the division of the corporation.

Mr. Speaker, I do not understand how or why this ties into the review underway. If this review is being done to help justify the sale of the corporation and the sale is recommended by this government, it would still take a couple of years. It would have to be debated in this Legislature. There would have to be legislation passed and it would take some time. I cannot see anything in the future that would not cause the need for some reorganization because of the division that is going to take place at the end of this fiscal year.

Mr. Speaker, my fear now is that political interference could create that inefficiency that people have been warning me about over the years. Mr. Speaker, I seek unanimous consent to conclude my statement.

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

MR. DENT: Thank you, Mr. Speaker. My fear now is that if this level of political interference is going to continue, it could create that inefficiency that people have been concerned about.

Is this government really committed to reliable power at the lowest possible price? If so, let the Power Corporation run like a business. It is not an instrument of social policy. Mr. Speaker, I hope the review now underway will come back with that sort of recommendation and that this government will take that direction to heart and make sure that the Power Corporation does continue to provide reliable power at the lowest possible price. Thank you, Mr. Speaker.

-- Applause

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

Member's Statement on Fuel Stabilization Fund

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the area of concern I have also has to do with the Northwest Territories Power Corporation, mainly in light of the fuel stabilization fund and the subsidies that are provided throughout the Northwest Territories and impact all ratepayers.

Mr. Speaker, it has come to my attention that it seems like a double standard when I speak to residents of Inuvik. We are doing a review to look at the whole area of power generation and distribution. That review also speaks of subsidies. I refer to the scope of summary, item 6 - Should current subsidy programs be maintained, expanded, eliminated or retained? If expanded, how should they be financed?

Mr. Speaker, this impacts everybody in the Northwest Territories. With all of the changes that have been made recently, constituents are getting concerned, especially in respect to the fuel stabilization fund. Residents of Inuvik who are now on natural gas have recently been hit with this Fuel Stabilization Fund. On the bottom of your bill, it looks rather simple. It says .034 cents per kilowatts/hour and that can be interpreted a couple of ways. In fact, Mr. Speaker, almost 11 percent of our power bill is going to this fuel stabilization fund out of Inuvik.

Mr. Speaker, that is extremely high. I have had constituents come to me and ask me, "Why is that happening when we are on natural gas? We are no longer on diesel fuel and Inuvik has always paid its fair share for the longest time." So, Mr. Speaker, with that I will be questioning the appropriate Minister in this area to see what they are doing in trying to make sure that all residents of the Northwest Territories are treated fairly and equitably. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Déclaration de députés. The honourable Member for Nahendeh, Mr. Antoine.

Member's Statement on Passing of Respected Elders

HON. JIM ANTOINE: Mahsi, Mr. Speaker. (Translation starts) Thank you, Mr. Speaker. I will speak in my own language. The elderly people in the communities in the Northwest Territories are cared for and looked after and they have lived among us for a long time. The people in the community take good care of the elderly people, so I want to mention something about the elderly people who have passed away in the past year. They have children and grandchildren as well and I would like to say something about that.

We regret to say that some have passed on. The ones I would like to mention are Annie Mouse and Celine William from Wrigley; Margaret Douglas from Fort Simpson; Lucy McPherson from Fort Simpson; Andrew Root from Wrigley; Julie Deneyoua and Marguriete Edwards from Simpson; Harry Yendi from Wrigley; and William Cli who is the father of the current chief, Rita Cli, in Fort Simpson. I would like to mention these people that have passed on. They were hard-working people and they were very respected people from my home communities, so thank you for the opportunity to mention their names. Thank you. (Translation ends)

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

Member's Statement on Uncertain Future of Power Distribution in Hay River

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, today I would like to talk about an issue that has been tearing at the very fabric that makes up the community of Hay River. Mr. Speaker, I am referring to the roles of the Northwest Territories Power Corporation and Northland Utilities in the provision and distribution of electrical power to Hay River, and more importantly, Mr. Speaker, the role of this government in that process.

Mr. Speaker, the residents of Hay River were extremely happy back in 1988 when it was decided that the Northwest Territories Power Corporation head office would be located in Hay River and rightfully so, Mr. Speaker. The corporation has lifted the community enormously with jobs and financial resources. Hay River was also very fortunate, Mr. Speaker, in having another great company, Northland Utilities, that has been supplying power to the town for the last 50 years and it has been very beneficial both with jobs and financial resources.

The present franchise agreement with Hay River and Northland Utilities will expire in June 2001. In view of that fact, Mr. Speaker, the town council put out a request for proposals for a new franchise agreement which they felt was well within their mandate. This, Mr. Speaker, set off a chain of events too numerous to mention here. The town did receive two proposals that they felt would bring some benefits to the residents of Hay River. A decision was to be announced on September 18th; however, due to the amount of public opinion that was generated on this issue, the town decided to hold a public meeting on September 5th. Mr. Speaker, within hours of the public meeting, this government stepped in and requested both parties to withdraw their proposals, infuriating the town administration and leaving many unanswered questions and a bewildered public.

Mr. Speaker, when Nunavut shot off their political cannon and decided to form their own corporation, Hay River, Mr. Speaker, was directly in their line of fire. Jobs were going to be lost. How many, Mr. Speaker, is unknown. Notices of layoffs were going to take place on October 18th. However Mr. Speaker, again at the eleventh hour, this government stepped in and directed the board to put layoff notices on hold. That action on the part of this government, Mr. Speaker, is playing with many people's lives, and taking a terrific toll on the community. It is extremely important that this government clarify...

MR. SPEAKER: Mr. Delorey, the time for your statement has expired.

MR. DELOREY: Thank you, Mr. Speaker. I seek unanimous consent to complete my statement.

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

MR. DELOREY: It is extremely important, Mr. Speaker, that this government clarify these issues and Mr. Speaker, it is important that they do it soon. Thank you, Mr. Speaker.

MR. SPEAKER: Merci, Monsieur Delorey. Déclaration de députés. Item 3, Members' statements. The honourable Member for Yellowknife South, Mr. Bell.

Member's Statement on Review of Power Generation, Distribution and Regulation

MR. BELL: Thank you, Mr. Speaker. I want to talk today about the review of power generation and distribution in the Northwest Territories. There is a bit of history. Before World War II, heat and light for a typical NWT winter night was supplied by coal oil lamps and a wood stove. Then came the mines, and with them, hydroelectric power. Now, Mr. Speaker, we enter a new era with possible fundamental changes and serious ramifications.

I think that it is important that we make sure we take the necessary time to ensure that we are going in the right direction. We know we have embarked on a review of power generation distribution. Our government has been careful to ensure that the focus is seen to be broader than just the Northwest Territories Power Corporation. We all know however, that the Northwest Territories Power Corporation is the key piece of this review.

I am hoping today when I ask the Minister, he will be able to tell me exactly what range of options are on the table. What has the consultant been tasked with? We want to know about his mandate. Everything, from possibly doing nothing, to privatize the Power Corporation, and everything in between, Mr. Speaker. There have been a lot of words spoken about the various different options. I have heard people say that a private power corporation cannot possibly operate as efficiently as government, given that a Crown corporation pays no income tax. Is this the case, Mr. Speaker? If it is, I doubt we would ever privatize anything.

What about subsidizing the high cost of service areas? Currently, the dividend paid out by the Power Corporation does not cover the entire subsidization. How much additional subsidy is paid out of our general revenues? We have a lot of

questions, Mr. Speaker. Clearly, we need this review, but I would argue that it does not diminish the need for an overall energy strategy. Thank you, Mr. Speaker.

-- Applause

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

Member's Statement on Review of Power Generation, Distribution and Regulation

MS. LEE: Thank you, Mr. Speaker. I would like to add my contribution to the issue of energy policy in general. I would like to say for the record, I believe it is a good thing that we are undertaking this review. Given the developments in Hay River and Fort Simpson during the summer, it is time that we focused our attention to this issue. Mr. Speaker, I must say that I was not happy to see what was happening in Hay River and I think this sort of review should have happened before then.

Mr. Speaker, I wish to state clearly for the record that I do not support a wholesale privatization of the Northwest Territories Power Corporation if it is on the board as an option, especially if this has anything to do with lessening the pressure on the debt wall the government is facing, or as a means of raising fast cash.

Mr. Speaker, after all, we are talking about generation, distribution and regulation of the energy and power sector. It is even confusing to talk about energy and power and natural gas. I think the definition of energy and power is changing as we speak.

Mr. Speaker, I think we are also aware of the tremendous changes that the Power Corporation had to undergo within the last year as a result of having lost their service and their business in Nunavut. That is another issue that should be put on the "to do" list for this review team.

Mr. Speaker, I have not had a chance to talk to Mr. Robertson and I look forward to the opportunity to do so. I look forward to getting his report, in order to have a more focused discussion. I have researched a little bit on this issue and met with some of the people. I think there are so many issues that we need to deal with, that I cannot even talk about at the moment.

All I know is that the distribution of energy is an essential service in the North. It is not the most economical place in the world to produce that and distribute that, but it is like a railroad of long ago, where we have to be connected to the system. Not all parts are going to be able to afford everything and some parts have to be subsidized. It is an essential state service that we must have a plan to distribute, and we must find innovative ways to use the Power Corporation at its best, seeing as we have invested so much money into that. I applaud the government for reviewing it and I look forward to seeing the result. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Merci, Ms. Lee. Déclaration des députés. Item 3, Members' statements. The honourable Member for North Slave, Mr. Lafferty.

Member's Statement on Dogrib Power Corporation

MR. LAFFERTY: Thank you, Mr. Speaker. Mr. Speaker, today I would like to share the history of an organization within my region which is benefiting the North in two ways: by providing sustainable hydroelectric power and by contributing to the reduction of greenhouse gases in the Northwest Territories. In the early 1990's, the Dogrib people became involved with the generation of electrical power on their traditional lands. They invested heavily in infrastructure, and through a joint partnership with the Northwest Territories Power Corporation, they developed the Snare Lake hydroelectric generating plant, which is just north of Rae-Edzo.

One of the main goals of the partnership was to build a power plant that could meet the electricity demand of customers in the Dogrib region. It was also recognized that this partnership would contribute to the reduction of greenhouse gases in the Northwest Territories. In 1996, the Dogrib Power Corporation signed a 65-year lease with the Northwest Territories Power Corporation. This provided the Dogrib Corporation with a guaranteed financial return on its investment. Next year the plant will celebrate five years of operation. It continues to generate a large volume of sustainable hydroelectricity and by next year, the equivalent of more than 100,000 tons of greenhouse gas emissions will have been avoided as a result of this hydroelectricity being generated.

The Dogrib Power Corporation is an excellent example of how government and industry can work together with aboriginal people so that everybody wins. Thank you, Mr. Speaker.

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

Member's Statement on Concerns of South Slave Residents Regarding Power Generation

MR. NITAH: Mahsi cho, Mr. Speaker. Mr. Speaker, my people on the south side of the lake have been involved in the power generating industry for many years now. Unfortunately, Mr. Speaker, it has been on the negative side of the business. The impact has been negative. It has been devastating to other areas. For that reason, the people on the south side of the lake never agreed with the hydroelectric generating power.

However, as our honourable Premier eloquently expresses himself right around the country, when the pipeline was first introduced he was not for it. In 20 years, there has been enough experience gained that he feels the people of the Northwest Territories are ready for it. Similar to that, in my part of the country, my people are ready to have ownership of the Power Corporation. If not the Power Corporation, the Talston Dam at the very least.

There is significant interest in the industry. There are people from the north and south interested. I know there is a review on. The decision to sell or not to sell has not been made, but there are concerns that people on the south side have. They are concerned that southern interests or other northern interests will take precedence over their own interest. People are worried that the people working for the Power Corporation would ultimately end up with the short end of the stick. The people are worried that the compensation issue is not resolved and they hope, as I hope, that the Minister would keep these concerns and interests in mind when making any decision. With that, I thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Mahsi, Mr. Nitah. Item 3, Members' statements. The honourable Member for Mackenzie Delta, Mr. Krutko.

Member's Statement on Impacts of Proposed Power Corporation Privatization

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, a major concern I have with the potential sale of the Northwest Territories Power Corporation and its effect on the present joint ventures this government has with aboriginal governments is in regard to the Power Corporation and their involvement with finding unique ways to deal with the problems we have in our communities, with the high cost of energy and also a waste of energy with regard to heat recovery.

Mr. Speaker, in Fort McPherson, Aadrii Ltd. distributes waste heat generated by the Power Corporation from the generators they have and the heat is being used to conserve energy. Also in Inuvik, the Inuvialuit Development Corporation are now selling natural gas to the Power Corporation to supply a cheap form of energy, but also assisting communities to bring down the cost of energy in that community.

Mr. Speaker, with this sale, I feel the corporation was on the right track when it decided to find new ways, new initiatives and new ideas to work with communities, aboriginal government and aboriginal corporations to find new ways to deal with the high cost of energy in our communities and also to look at ways of sharing resources and revenues that come from these joint ventures. I, for one, feel that this will be sending the wrong message to communities and aboriginal governments. Regardless of what size the community or project is, will you have the ability or opportunity to take on economic opportunities in your communities by selling to one large company or even several small companies?

I think opportunities are limited in our communities and limited in our regions. We have to find unique ways of trying to take advantage of those opportunities. I was hoping the corporation would continue striving to work with communities and aboriginal governments to find these unique ventures and form joint ventures to deal with the high cost of energy in our communities. Thank you, Mr. Speaker.

-- Applause

MR. SPEAKER: Thank you, Mr. Krutko. Item 3, Members' statements. Item 4, returns to oral questions. The honourable Member for Nunakput, Mr. Steen.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return to Question 228-14(3): Water Treatment System Maintenance

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker, I have a Return to Oral Question asked by Mr. Krutko on November 7, 2000, regarding the service contract in place between the Hamlet of Fort McPherson and Public Works and Services.

In the incident mentioned by the Member, dropping water levels in the lake caused the floating pump house to tilt, thereby straining and damaging the electrical service and one

of two pumps. Two replacement pumps also failed before the electrical fault was successfully traced and repaired. During this period, water circulation was maintained by one pump, which is adequate during summer conditions but not during winter when the water in the lines is colder. Eventually the intake line froze. By using stored water, however, service to residents was interrupted for only a few hours.

Public Works and Services staff and contractors took their responsibilities seriously, responding to the problem immediately, and treating it as their highest priority. They worked outdoors under difficult winter conditions for four days to make the necessary repairs. The repairs required that they deal with high voltage electrical lines, a building that was leaning on its side and the frustration of an old system requiring obsolete parts. Their success in restoring service under difficult conditions demonstrates the level of commitment of the department's staff and contractors. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Steen. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. The honourable Member for Weledeh, Mr. Handley.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

HON. JOE HANDLEY: Mr. Speaker, I wish to recognize two visitors, Mr. Bill Burn and Wayne Sartor, vice-president of Northern Pipeline Development for Embridge Pipeline. They operate our pipeline from Norman Wells south and they do more business with us. Thank you.

-- Applause

MR. SPEAKER: Thank you. Item 5, recognition of visitors in the gallery. The honourable Member for Hay River South, Mrs. Groenewegen.

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize Brian Willows, who is with the Northwest Territories Power Corporation, in the gallery today. Thank you.

-- Applause

MR. SPEAKER: Thank you, Mrs. Groenewegen. Item 5, recognition of visitors in the gallery. The honourable Member for Mackenzie Delta, Mr. Krutko.

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize a former employee of the Legislature, Ms. Candy Hardy, and Ms. Francis from Fort McPherson, who is also in the gallery. Thank you.

-- Applause

MR. SPEAKER: Item 5, recognition of visitors in the gallery. I would like to say welcome to visitors and thank you for coming to see your Legislative Assembly. Item 6, oral questions. The honourable Member for Great Slave, Mr. Braden.

ITEM 6: ORAL QUESTIONS

Question 242-14(3): GNWT Energy Policy

MR. BRADEN: Thank you, Mr. Speaker. My question this afternoon is in relation to the issue of energy policy and it is directed to the Minister of Finance. Given that the government

of the Northwest Territories and communities, boards and agencies and public institutions are charged with financing and managing a broad range of energy related issues such as water and sewer, heating fuel and electrical utilities, and that we have an enormous potential in the Northwest Territories to harness major hydro and gas opportunities, what is the government's approach to using energy potential as an instrument of public and economic benefit? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Minister responsible for Finance, Mr. Handley.

Return to Question 242-14(3): GNWT Energy Policy

HON. JOE HANDLEY: Thank you, Mr. Speaker. The government's approach is one of being very open minded to what the potential is for alternative uses of energy alternatives to diesel fired generators. We have been a strong supporter of the Arctic Energy Alliance and that is an alliance made up of government and non-government bodies. They have been doing a lot of work for us in this area. We are open, we are doing a number of initiatives within the government itself as well. Of course, we are also looking at the whole review of power generation that has been referred to many times today by the Members. Thank you.

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

Supplementary to Question 242-14(3): GNWT Energy Policy

MR. BRADEN: Thank you, Mr. Speaker. I would still like to pursue that sort of very fundamental, I think philosophical, approach that a government always has the option to apply. That is, if we have the ability through aggressive development and marketing of our energy potential that we could indeed turn the corner on some things. My colleague from Tu Nedhe illustrated potential, for instance, in the Talston region to export them from the North Slave region as well into the diamond fields.

Does the government feel there is strong potential there that it should be aggressively pursuing?

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

Further Return to Question 242-14(3): GNWT Energy Policy

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, definitely. The government agrees that there is strong potential in the Northwest Territories in several locations for more hydro energy and the two areas the Member mentions, the Talston and the Snare River system are, of course, two main ones. Thank you.

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

Supplementary to Question 242-14(3): GNWT Energy Policy

MR. BRADEN: Thank you, Mr. Speaker. Further to this line then, what initiatives is the government taking to explore and

adopt an overall energy management policy for the Government of the Northwest Territories and the people in the industry here? Thank you, Mr. Speaker.

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

Further Return to Question 242-14(3): GNWT Energy Policy

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, as I mentioned earlier, through the Arctic Energy Alliance we have identified, going back a year, two years ago, a number of goals that have to be pursued. The Arctic Energy Alliance which is made up of a broad sector of people representing government and non-government, has begun a lot of work on these. Included are ways to increase energy efficiency, to develop energy supply options, ways to reduce energy costs and expenditures, ways to control greenhouse gas emissions, and ways to improve economic self-sufficiency.

We have been working through the Arctic Energy Alliance because it is a body that represents government as well as non-government agencies, including the Power Corporation. As they work through this we have to keep in mind that we have limited capacity in our government. We can only do so much at any one time. Thank you.

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

Supplementary to Question 242-14(3): GNWT Energy Policy

MR. BRADEN: Thank you, Mr. Speaker. I am pleased that the Minister has brought the Arctic Energy Alliance forward. I am a big believer in this group, its purpose and its mandate. I would again like to ask about the government's willingness to create a mandate for itself to have a territory-wide energy policy. Thank you.

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

Further Return to Question 242-14(3): GNWT Energy Policy

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, certainly we need to have an energy policy or an energy strategy, whatever we want to call it, for the whole of the Northwest Territories that is comprehensive and that does include government and non-government agencies. I do not think the government wants to have a policy all by itself and not have included the other groups and I would include the aboriginal self-governments in that.

I think that through the work that is being done by the Arctic Energy Alliance, through the work we have done internally, and through the Power Generation Study, we are moving quite rapidly in that direction, but this has to be a cooperative effort with government and non-government agencies. Thank you.

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

Question 243-14(3): Scope of Power Generation Review

MR. MILTENBERGER: Thank you, Mr. Speaker. My questions as well are directed to the Minister responsible for the Financial Management Board Secretariat. The Energy Alliance did provide a briefing to the Ordinary Members as well and there are four separate initiatives going on in terms of the development of the energy strategy. The concern is, Mr. Speaker, they are separate initiatives that are not linked. If the plan is to somehow link them together at the end as opposed to having the broad framework done, out of which these other smaller, discrete initiatives would flow, could the Minister indicate briefly the mandate of this current review that is underway and how it will tie into the development of that broad energy strategy? Thank you.

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

Return to Question 243-14(3): Scope of Power Generation Review

HON. JOE HANDLEY: Thank you, Mr. Speaker. The terms of reference for the Electrical Power Generation Study were circulated or delivered to all of the Members of the Legislative Assembly. The purpose of that study is to have a look at our current regime and see how it serves to optimize public interest. We are looking much broader than just the Power Corporation. We are looking at the broad public interest issues around power generation, distribution and regulation. Some of the main areas that they are looking at is security of supply, quality and reliability of service, cost of service, affordability of rates, responsiveness to client needs, adaptability to changing service conditions and, of course, the return on public investment. That is in a nutshell the main terms of reference or purpose for the study.

How does it link into the broader energy strategy or energy initiative? Well, when I went through the goals the Arctic Energy Alliance set, they talked about increased energy efficiency. Certainly what is going on in the Power Generation Study is aimed at that. We need efficient power energy supply for people so that it is cost-effective. Another one of their goals was to develop energy supply options. Again, the Power Generation Study is looking at that one.

Mr. Speaker, those would be the two main ones, although looking at other goals like reducing energy costs and expenditures is certainly part of the study that is being done on power generation.

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

Supplementary to Question 243-14(3): Scope of Power Generation Review

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, one of the concerns that has been raised and has been sort of across the land wherever I have gone, is the concern that what is on the table in terms of the agenda for this review, that there may be another motive. That is, to come up with a rationale or a justification to sell the Power Corporation for a quick cash infusion. I was wondering if the Minister could speak to that issue and clarify it for the record. Thank you.

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

Further Return to Question 243-14(3): Scope of Power Generation Review

HON. JOE HANDLEY: Mr. Speaker, I am sure that there are lots of rumours out there about why we might be undertaking this study now. I have certainly heard rumours that we were going to sell the Power Corporation. I also heard this week that we were not going to sell the Power Corporation. There are lots of them on every possible scenario. There is no pre-determining of the conclusions. We have contracted four very specialized experts in this field to do a study for us. We have given them terms of reference. We expect their report back by the end of the month and we are not determining it ahead of time at all. If there is any rumour that we have pre-determined this, it is totally a rumour. Thank you.

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

Supplementary to Question 243-14(3): Scope of Power Generation Review

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, one of the other areas of concern in regard to this review is the limited public consultation. Is this going to be the final strategy or is this just a start and at some point down the road, there will be a more comprehensive review done with full public consultation? Right now, from what I have seen, the public consultation is very, very limited. Thank you.

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

Further Return to Question 243-14(3): Scope of Power Generation Review

HON. JOE HANDLEY: Mr. Speaker, this review is one that, as I said, is being headed up by four people who have tremendous expertise, experience and knowledge in the whole power generation or energy generation field. They have been mandated to come back to us with a broad study of how we can best achieve the purposes that I laid out before.

They will come back to us by the end of November. Once we receive that study, there is every intention to go out and do consultation on it. We have to get the broad framework in place though, before we can begin to deal with specific initiatives that might come out of the study and the implementation of those. The implementation of specific pieces will come later on, but we need this to understand the broad framework first. That is what these four experts have been charged with doing. Yes, there will be consultation after we receive the report at the end of November. Thank you, Mr. Speaker.

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

Supplementary to Question 243-14(3): Scope of Power Generation Review

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, then that makes very critical the question of who is going to be

doing the review? Who are the experts? Do they have a particular ideological or professional position that they favour and is it going to be a filter through which they look at and develop all the recommendations? Could the Minister indicate to this House who are these experts, as he refers to them, and what are some of their backgrounds for this kind of work? Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. I believe there are two questions there. Mr. Handley, you may choose to answer whichever one you like. Thank you.

Further Return to Question 243-14(3): Scope of Power Generation Review

HON. JOE HANDLEY: Thank you, Mr. Speaker. The project team is being led by Mr. Jim Robertson, who is a Northwest Territories businessman and former chairman and CEO of the NTPC. In addition, he has three other people with expertise in this area: Mr. Rick Heinemann, who is an energy consultant and expert on greenhouse gases and energy policy and he is a former deputy minister of energy for the province of Alberta; Mr. Dave Morrison, who is an electrical utility consultant and former assistant chairman of NTPC; and Mr. Fred Abbott, who is an electrical utility consultant and former managing partner of a major multinational consulting group.

Mr. Speaker, we believe that these men collectively have tremendous experience and expertise in the whole area of power generation and are optimistic that they will give us an excellent report. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Item 6, oral questions. The honourable Member for Frame Lake, Mr. Dent.

Question 244-14(3): NWT Power Corporation Governance Issues

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister responsible for the Northwest Territories Power Corporation and they relate to my concern about political interference in the operations of the corporation.

AN HON. MEMBER: Shame.

MR. DENT: The big question, Mr. Speaker, is does the Minister have confidence in the board of directors of the Northwest Territories Power Corporation?

MR. SPEAKER: Thank you, Mr. Dent. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Return to Question 244-14(3): NWT Power Corporation Governance Issues

HON. JAKE OOTES: Thank you, Mr. Speaker. That goes without saying that I do, Mr. Speaker. Thank you.

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

Supplementary to Question 244-14(3): NWT Power Corporation Governance Issues

MR. DENT: Thank you, Mr. Speaker. I would actually prefer that he did say that. Mr. Speaker, could the Minister tell us if

the board did advise him early in his term, in fact, months before the government interfered in the process of the franchise in Hay River, about their plan to pursue the franchise in Hay River?

MR. SPEAKER: Thank you, Mr. Dent. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 244-14(3): NWT Power Corporation Governance Issues

HON. JAKE OOTES: Thank you, Mr. Speaker. First of all, the term is not that we "interfered" in Hay River. We asked the parties to withdraw their proposals. Thank you.

-- Interjection

Additionally, I was aware that the Power Corporation had been invited to submit a proposal. Thank you.

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

Supplementary to Question 244-14(3): NWT Power Corporation Governance Issues

MR. DENT: Thank you, Mr. Speaker. Mr. Speaker, could the Minister advise the House, did the board request the Minister to ask this government to issue a directive halting notification going to those employees likely to be affected by division in the Power Corporation?

MR. SPEAKER: Thank you, Mr. Dent. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 244-14(3): NWT Power Corporation Governance Issues

HON. JAKE OOTES: Thank you, Mr. Speaker. The corporation does as a corporation does. The government sometimes has a larger mandate to ensure that issues for the Territory as a whole are protected. In view of the fact that a review was being done for power generation in the Northwest Territories, including the NTPC, it was prudent to have the corporation address the issue of staffing. At that point, the government issued a directive in that regard. Thank you.

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

SOME HON. MEMBER: Pretty feeble, pretty feeble.

Supplementary to Question 244-14(3): NWT Power Corporation Governance Issues

MR. DENT: Thank you, Mr. Speaker. I will take that answer as no, that the board did not ask for the directive to be issued. Mr. Speaker, the Minister may take issue with my calling this political interference, but I do not think that it can be characterized any other way.

Given the Minister's statement first that the board has his confidence, do they have the mandate to run the corporation or has this government now decided to run it like a department of government?

-- Interjection

MR. SPEAKER: Thank you, Mr. Dent. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 244-14(3): NWT Power Corporation Governance Issues

HON. JAKE OOTES: Thank you, Mr. Speaker. The issue of running a corporation is left to the board of directors, but there is also a shareholder involved in this that has the interest of all of the Northwest Territories at heart and in mind and in consideration for the future. I think that has to be remembered, Mr. Speaker, as a very important issue to address because there were a lot of issues coming on the table.

There was the issue of division, the possible downsizing of the corporation and the franchise issues in other communities. We have four communities where we have no franchises and in the next two-and-a-half-years, we have ten other communities with no franchises or a renewal for franchises. The issues out there were numerous. Thank you.

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

Question 245-14(3): Fuel Stabilization Fund

MR. ROLAND: Thank you, Mr. Speaker. Mr. Speaker, my question at this time will be directed to the Minister responsible for the Northwest Territories Power Corporation.

In line with my Member's statement, Mr. Speaker, there is concern growing in Inuvik over the differences that seem to be put in place over residents and ratepayers across the Northwest Territories and how this government deals with that and how this government is getting more involved with that.

Mr. Speaker, my question for the Minister responsible for the Power Corporation is in the area of this fuel stabilization fund and as well, how that is compared with the low water rate rider we all had to pay a number of years ago. First, the fuel stabilization fund. Can the Minister give us an update? Are all residents and ratepayers across the Northwest Territories paying that? Thank you.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Return to Question 245-14(3): Fuel Stabilization Fund

HON. JAKE OOTES: Thank you, Mr. Speaker. The fuel stabilization fund has a \$2 million cap on it and when that is depleted, it is important to replenish. The Power Corporation then seeks to introduce a rate rider that applies across the Territory to all individuals, all consumers.

In the case of the recent rate rider, the GNWT assisted with that by providing the cost of the increase for individuals up to 700 kilowatt hours. Thank you.

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

Supplementary to Question 245-14(3): Fuel Stabilization Fund

MR. ROLAND: Thank you, Mr. Speaker. The Minister is muddying the waters here. We all know every resident in the Northwest Territories already qualifies for the first 700 kilowatt hours of power subsidy that we as residents enjoy, and hopefully continue to enjoy as this study goes ahead and the report comes back. My question was, is everyone in the Northwest Territories paying the rate rider that is out there now and equates to almost 11 percent on their consumer bills? Thank you.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 245-14(3): Fuel Stabilization Fund

HON. JAKE OOTES: I believe, Mr. Speaker, that it was added to all invoices sent out.

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

Supplementary to Question 245-14(3): Fuel Stabilization Fund

MR. ROLAND: Thank you, Mr. Speaker. Then why is it sent out to residents who are not on diesel fuel any longer? Thank you.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 245-14(3): Fuel Stabilization Fund

HON. JAKE OOTES: Thank you, Mr. Speaker. I believe the Member may be referring to the community of Inuvik and if I may speak on that, the community was on diesel fuel and received the benefit of that from 1996 to 1990. In the interim, the cost of fuel changed. At one time, the community received bunker "C" fuel from Norman Wells, which was at a cheaper rate. When that was switched, of course, the community of Inuvik received more expensive fuel, but it was not charged to the community at the time. Thank you.

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

Supplementary to Question 245-14(3): Fuel Stabilization Fund

MR. ROLAND: Thank you, Mr. Speaker. Can the Minister give us further clarification on what he just stated. We did not pay for the higher cost of fuel? Is he referring to when this government and the Power Corporation changed, where it received fuel that is now out of Strathcona, Alberta instead of Norman Wells? Is he referring to that, because that it is a whole different bailiwick. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 245-14(3): Fuel Stabilization Fund

HON. JAKE OOTES: Thank you, Mr. Speaker. I am informed that the fuel that was used was from Norman Wells, which was a cheaper fuel. When the refinery shut down, it was no longer available and more expensive fuel had then to be supplied, which was not reflected in the rates in Inuvik. Thank you.

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

Question 246-14(3): Conditions of Sale of NWT Power Corporation

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, I am very concerned about the role the Northwest Territories Power Corporation will continue to have in Hay River. We do not know, Mr. Speaker, what the effect of division will have on the staff of the Power Corporation. There is enough supporting evidence around to suggest that the government may be considering selling the corporation. Can the Minister responsible for the Power Corporation inform this Assembly whether there will be conditions placed on any potential sale of the Northwest Territories Power Corporation that will protect the jobs of the people already employed by the Corporation? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Return to Question 246-14(3): Conditions of Sale of NWT Power Corporation

HON. JAKE OOTES: Thank you, Mr. Speaker. I believe that would be premature to address, Mr. Speaker. As Minister Handley has stated, we have a review underway and that review is expected to be completed by the end of this particular month. Any contractual arrangements with employees presumably will have to stay in place. Thank you.

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

Supplementary to Question 246-14(3): Conditions of Sale of NWT Power Corporation

MR. DELOREY: Thank you, Mr. Speaker. I would think that one of the things they would be looking at and taking into consideration is the employees. Mr. Speaker, has the government as part of this review looked at what severance packages would cost the government if the Power Corporation was to be sold and jobs were lost? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 246-14(3): Conditions of Sale of NWT Power Corporation

HON. JAKE OOTES: Thank you, Mr. Speaker. That is not part of this particular part of the review, Mr. Speaker. Thank you.

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

Supplementary to Question 246-14(3): Conditions of Sale of NWT Power Corporation

MR. DELOREY: Thank you, Mr. Speaker. When the government stepped in, Mr. Speaker, and asked the two proponents to withdraw their proposals, the Town of Hay River was under the opinion that they had two proposals in front of them that were going to bring some fairly good benefits to the residents of Hay River. Can the Minister give this Assembly any assurance that Hay River will benefit from some of the packages they had in front of them before the government stepped in? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 246-14(3): Conditions of Sale of NWT Power Corporation

HON. JAKE OOTES: Thank you, Mr. Speaker. The proposals, Mr. Speaker, were withdrawn by both parties at the meeting that I was at with town council. I believe they had stated they were going to pursue the purchase of the assets in the community, and what happens from there on is, I suppose, up to the community to decide the process from here. Thank you.

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

Supplementary to Question 246-14(3): Conditions of Sale of NWT Power Corporation

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, a few minutes ago, I heard the Finance Minister say that after we get the results from this review, there will be a consultation period. Does this mean, Mr. Speaker, that the employees from the Power Corporation are going to be kept in the dark for a while longer? If so, Mr. Speaker, how much longer?

MR. SPEAKER: Thank you, Mr. Delorey. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 246-14(3): Conditions of Sale of NWT Power Corporation

HON. JAKE OOTES: Thank you, Mr. Speaker. The board of directors had directed the corporation to ensure that they have up until January 31st, I believe, to make decisions with regard to any layoffs. That was the decision that was made by the corporation. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Item 6, oral questions. The honourable Member for Yellowknife South, Mr. Bell.

Question 247-14(3): Power Generation and Distribution Review

MR. BELL: Thank you, Mr. Speaker. I will address my question to Mr. Handley. It is about the power generation and distribution review and about the Power Corporation. The Premier is not here or I would have asked him to refer to the

appropriate Minister. I am wondering about the mandate that the consultant has been given to look at a range of options. I assume we are talking about everything from do nothing to privatize the Power Corporation, and there are some things in between. Could Mr. Handley let us know exactly what the consultant has been tasked with? Thank you.

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

Return to Question 247-14(3): Power Generation and Distribution Review

HON. JOE HANDLEY: Mr. Speaker, as I mentioned before, and I will go through them again, the consultants were asked to look at a number of issues of public interest. One is security of supply. Second is quality and reliability of service, cost of service, affordability of rates, responsiveness to client needs, adaptability to changing service conditions, and return on public investment. More specifically to the question, we did not give the consultants specific options to look at. They were given broad terms of reference. They were given some guiding questions to be considered, but we did not say, look at this option versus this option. These people are experts in the business with much more expertise than we have, and we trust that in responding to the terms of reference, they will look at any options that they feel are viable within these terms. Again, I mentioned that these terms of reference were circulated to all of the Members on September 18th. Thank you, Mr. Speaker.

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

Supplementary to Question 247-14(3): Power Generation and Distribution Review

MR. BELL: Thank you, Mr. Speaker. Yes, I was aware of the criteria and issues that were to be addressed by the consultant, and it has been suggested that they had a very broad mandate, but I would assume that by now, Mr. Handley has had a chance to meet with the consultants who are doing the review, and I am certain that they have supplied him with some of the range of options they are looking at. I would assume there are things like do nothing, turn the Power Corporation into a government department, expand the mandate of the Power Corporation, privatize the Power Corporation. Can Mr. Handley confirm, in his dealings with the consultant since the time of the RFP, whether or not these are the issues they are looking at and if there are others that I have missed? Thank you.

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

Further Return to Question 247-14(3): Power Generation and Distribution Review

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, I have met with the consultants a couple of times and I am very optimistic, given the updates they have provided. At this time, as I say, they are looking at a broad range of options. I am sure the ones that the Member has mentioned have certainly crossed their minds and have entered into discussions that they have had. Thank you, Mr. Speaker.

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

Supplementary to Question 247-14(3): Power Generation and Distribution Review

MR. BELL: Thank you, Mr. Speaker. To the Minister's knowledge, have I missed any obvious ones?

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

Further Return to Question 247-14(3): Power Generation and Distribution Review

HON. JOE HANDLEY: To my knowledge, you probably have, yes.

MR. SPEAKER: Thank you, Minister Handley. Final supplementary, Mr. Bell.

Supplementary to Question 247-14(3): Power Generation and Distribution Review

MR. BELL: Would he be willing to share the ones that I have missed with me, Mr. Speaker?

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

Further Return to Question 247-14(3): Power Generation and Distribution Review

HON. JOE HANDLEY: No, Mr. Speaker, because I might miss some and he will think that what I have said is a complete list. So no, I will not.

MR. SPEAKER: Thank you, Minister Handley. Item 6, oral questions. The honourable Member for the Deh Cho, Mr. McLeod.

Question 248-14(3): Link Between Power Subsidy and Dividends

MR. MCLEOD: Thank you, Mr. Speaker. As the Minister has indicated, there are a number of communities in the North in which the Power Corporation does not operate and I represent three of those communities. However, all the communities in the North receive the power subsidy. There are many questions being asked to myself regarding the power subsidy and I would like to ask the Minister responsible for Finance whether there is a direct tie to the dividends paid from the Power Corporation to FMBS and the power subsidy that is provided to the communities. Thank you.

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

Return to Question 248-14(3): Link Between Power Subsidy and Dividends

HON. JOE HANDLEY: Yes, Mr. Speaker, there is a direct linkage there.

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

Supplementary to Question 248-14(3): Link Between Power Subsidy and Dividends

MR. MCLEOD: Thank you, Mr. Speaker. I would like to ask the Minister whether the possible redesign or review of the Power Corporation will affect the subsidy? Thank you.

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

Further Return to Question 248-14(3): Link Between Power Subsidy and Dividends

HON. JOE HANDLEY: Mr. Speaker, at this time, I do not know. We will get the study sometime at the end of November and at that time would be able to tell based on the recommendations that are made. At this time, I do not know if it will change the subsidy. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Supplementary, Mr. McLeod. No. Item 6, oral questions. The honourable Member for North Slave, Mr. Lafferty.

Question 249-14(3): Elimination of Community Generators

MR. LAFFERTY: Thank you, Mr. Speaker. My question is for the Minister responsible for the Northwest Territories Power Corporation, the Honourable Jake Ootes. As I indicated in my Member's statement, the use of hydroelectric power as opposed to diesel generated power drastically reduces greenhouse gas emissions. In many northern communities, power is supplied by the use of diesel generators located in the centre of town. This is both unhealthy and expensive for the residents.

I would like to ask the Minister, what plans does the Northwest Territories Power Corporation have to eliminate community generators that cause health problems? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Return to Question 249-14(3): Elimination of Community Generators

HON. JAKE OOTES: Mr. Speaker, the issue of power plants being located in close proximity to residents is one that the corporation is naturally concerned about and from time to time has to deal with. Fort Simpson was an example where the question arose as to the noise factor in that community and what could be done about it. It was one of the issues. The corporation attempts to do its best to address those kind of concerns where noise pollution is a factor. It has to be done, of course, within the financial capability of the corporation to address those issues.

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

Supplementary to Question 249-14(3): Elimination of Community Generators

MR. LAFFERTY: Thank you, Mr. Speaker. Earlier in this session, I outlined the benefits of placing hydro lines along our road to resources, connecting the communities and delivering power to these communities. Has the Power Corporation discussed the benefits of this with other departments? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Further Return to Question 249-14(3): Elimination of Community Generators

HON. JAKE OOTES: Thank you, Mr. Speaker. I am not sure. A lot of discussion has taken place as of today but certainly part of the energy strategy, of course, is being undertaken in various areas. The Arctic Energy Alliance and Resources, Wildlife and Economic Development are involved in an energy study, so there are potentially areas here that could be looked at, but I am not sure what has been done to date across departments.

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

Supplementary to Question 249-14(3): Elimination of Community Generators

MR. LAFFERTY: Thank you, Mr. Speaker. With the development of new mines such as Diavik and Winspear, the Dogrib Power Corporation is negotiating the generation of hydroelectric power for these sites. One mine site has roughly the equivalent need for power as the entire city of Yellowknife. Is the Power Corporation working with the Dogrib Power Corporation to deliver hydro power to the mines? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 249-14(3): Elimination of Community Generators

HON. JAKE OOTES: I missed part of the question. I believe the Member asked is the Power Corporation working with the Dogrib communities to look at potential for the mines? Am I correct in that, Mr. Speaker?

MR. SPEAKER: Yes, Mr. Ootes, that was the question.

HON. JAKE OOTES: Yes, informal discussions have taken place between the Power Corporation and I believe some advances have been made on both parts to discuss this possibility. Thank you.

MR. SPEAKER: Thank you, Minister Ootes. I will just remind Members that when they start off with a line of questioning, it should remain within those parameters on the one subject, just for future reference. Final supplementary, Mr. Lafferty.

Supplementary to Question 249-14(3): Elimination of Community Generators

MR. LAFFERTY: Thank you, Mr. Speaker. The Power Corporation has signed a 65-year lease with the Dogrib Power Corporation for the power generated from the dam. If the Power Corporation is sold, will the Dogribs be able to have an opportunity to purchase the Power Corporation?

MR. SPEAKER: Thank you, Mr. Lafferty. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 249-14(3): Elimination of Community Generators

HON. JAKE OOTES: Thank you, Mr. Speaker. That to me would be a hypothetical question. I cannot answer that question.

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

Question 250-14(3): Talston Dam Licensing

MR. NITAH: Mahsi, Mr. Speaker. My question today is for the honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes. Can the Minister tell me when the next water license has to be issued for the Talston Hydro Dam? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Return to Question 250-14(3): Talston Dam Licensing

HON. JAKE OOTES: Mr. Speaker, I do not have the answer to that question. Thank you.

MR. SPEAKER: Supplementary, Mr. Nitah.

MR. NITAH: Mahsi, Mr. Speaker. Mr. Speaker, through the review of the Power Corporation that the honourable Minister responsible for the Department of Resources, Wildlife and Economic Development and Finance put together, as part of that, has the Power Corporation been considered for sale? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. I will just remind the Member that the questions should be on the same subject. It started off with the licensing of the Talston Dam and we are moving to the sale of the Power Corporation and it may be pushing the envelope a bit about subjects. Perhaps the Member has another question following the same thread? Mr. Nitah.

Supplementary to Question 250-14(3): Talston Dam Licensing

MR. NITAH: Thank you, Mr. Speaker. I was going to continue in line with the same questioning but the Minister does not have an answer for me, so I kind of veered off, but I will get back to the Talston. The Talston Hydro Dam, the Twin Gorges Dam, could that be considered a separate saleable entity of the Power Corporation? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 250-14(3): Talston Dam Licensing

HON. JAKE OOTES: Thank you, Mr. Speaker. There is no doubt there will be many options that could be developed out there, Mr. Speaker, so it could be.

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

Supplementary to Question 250-14(3): Talston Dam Licensing

MR. NITAH: Mahsi cho, Mr. Speaker. Can I ask the Minister then, if there has been any interest expressed by interest groups out there, both multi-nationals in the south and northern business entrepreneurs? Thank you.

MR. SPEAKER: Thank you, Mr. Nitah. That is on the power dam, Talston? Thank you. Minister Ootes.

Further Return to Question 250-14(3): Talston Dam Licensing

HON. JAKE OOTES: Thank you, Mr. Speaker. I am not knowledgeable as to whether there is interest out there or not. It could again very well be that there is interest in that, but I am not aware of it.

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

Supplementary to Question 250-14(3): Talston Dam Licensing

MR. NITAH: Thank you, Mr. Speaker. The Minister has been very helpful today.

-- Laughter

Can the Minister inform this House what procedures or what hoops does one have to jump through to get to the point of the purchase of the Talston Hydro Dam, between Twin Gorge's Dam, Mr. Speaker? Thank you very much.

MR. SPEAKER: Thank you, Mr. Nitah. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Further Return to Question 250-14(3): Talston Dam Licensing

HON. JAKE OOTES: Presumably the energy review that is being undertaken will clarify a lot of areas, Mr. Speaker, and from there I think we may get some opportunity to look at potential. Thank you.

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

Question 251-14(3): Impacts of Power Corporation Sale

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, in my Member's statement, I made reference to my concern

regarding the potential sale of the Northwest Territories Power Corporation and its effect on present joint ventures with aboriginal governments and the Power Corporation, especially the ones that involve the Fort McPherson Aadrii Ltd. distribution of waste heat generation by the Power Corporation. Also, regarding the Inuvik venture where the Inuvialuit are now selling natural gas to the Power Corporation as a cheap form of energy.

Can the Minister responsible for the Power Corporation tell this Assembly what the effect of selling the Power Corporation will have on joint ventures with aboriginal organizations?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Return to Question 251-14(3): Impacts of Power Corporation Sale

HON. JAKE OOTES: Thank you, Mr. Speaker. There is no decision on our table to sell the corporation. It is part of the review, so I am not sure what the process would be. Thank you.

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

Supplementary to Question 251-14(3): Impacts of Power Corporation Sale

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I made reference to how things were being worked on with communities and aboriginal corporations to find unique ways of joint venturing with the Power Corporation. I thought the Power Corporation had made a pretty good start in working in partnership with aboriginal organizations, the communities, and the government through generation and distribution of power in our small communities.

Can the Minister, with regard to the provision of putting something in place to ensure that communities will have an opportunity to partner with the government and the Power Corporation in the future on any of these opportunities that come about? So will they have an opportunity to take part with the corporation regarding the generation and distribution of power within our communities?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Further Return to Question 251-14(3): Impacts of Power Corporation Sale

HON. JAKE OOTES: Thank you, Mr. Speaker. Yes. I agree with the Member. The Power Corporation has worked in a number of areas with partnerships and once the study is complete, of course, then further steps can be taken with regard to the future direction of the corporation, whatever that may be and follow up if there are partnerships to be developed, et cetera, depending on the results of the review.

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

Supplementary to Question 251-14(3): Impacts of Power Corporation Sale

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, this government has several joint ventures with aboriginal organizations at the present time with regard to the distribution of power generation. Can the Minister tell me if they have looked at the implication of those joint ventures with the potential of a sale of the Power Corporation?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Further Return to Question 251-14(3): Impacts of Power Corporation Sale

HON. JAKE OOTES: Thank you, Mr. Speaker. No, we have not looked at the joint venture potential because we are looking at resolving the review that is underway first. Thank you, Mr. Speaker.

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

Supplementary to Question 251-14(3): Impacts of Power Corporation Sale

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, has the government got a legal opinion if there would be the possibility of a legal challenge by the different joint ventures we had if we did sell the Power Corporation to a third party?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Further Return to Question 251-14(3): Impacts of Power Corporation Sale

HON. JAKE OOTES: Thank you, Mr. Speaker. No, we have not had a legal opinion on this because, as I say, we have not dealt with the issue. We are waiting for the review to be completed. Thank you.

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

Question 252-14(3): Mandate of Power Generation Review Team

MS. LEE: Thank you, Mr. Speaker. My question goes to Minister Handley and it has to do with the mandate of the review team in its broadest sense. Mr. Speaker, I do not know a lot about this but common sense would say that following the review, whatever happens to the Power Corporation or the energy industry in total, whether it is done by private sector or the public sector or by aboriginal governments, I do not think the product, in its largest definition, is such that it could be divvied-up and still become economical. It has always puzzled me that in the Territories we have a law that allows communities to opt out of who they are going to get their power from and so on.

I was wondering if the Minister could tell us whether this definition includes looking at the legislative framework that exists now? Thank you, Mr. Speaker.

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

Return to Question 252-14(3): Mandate of Power Generation Review Team

HON. JOE HANDLEY: Thank you, Mr. Speaker. No, in the initial review, we have not asked the consultants to look at that kind of legal question that the Member raises. It is not part of their mandate. Thank you.

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

Supplementary to Question 252-14(3): Mandate of Power Generation Review Team

MS. LEE: Thank you, Mr. Speaker. I think it may sound like a legal question but I think that it is at the core of what we need to do. I think this is what this government has to look at. Mr. Speaker, I believe that if it was not for the possibility of opting out and having communities have a say in that, we might not have had a situation in Fort Simpson and Hay River.

What I am saying, Mr. Speaker, is that I have a problem with the way we provide this essential service when Yellowknife has its own service. If Yellowknife, Hay River, Fort Smith, Fort Simpson, everybody gets picked off, what kind of asset do you have; whether it is private, public or aboriginal? Would the Minister look at the total picture? Whoever is generating, distributing, regulating the energy sector in the end, it has to stay together in a shape that is marketable and saleable and is something that is strong enough to provide power and energy sources to its people. I think it falls within his mandate to look at it. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. I think there was a question there. The honourable Minister responsible for the Financial Management Board Secretariat, Mr. Handley.

Further Return to Question 252-14(3): Mandate of Power Generation Review Team

HON. JOE HANDLEY: Yes, Mr. Speaker. In the first question, I thought she was referring more to a very specific legal question. However, in the broader context, yes, our government does allow municipalities to enter into these other alternative arrangements for distribution of power. It certainly is an issue that has to be looked at and considered by the consultants. We are talking about an asset, a corporation which is owned by the public. We all certainly need to look at the public interest in this one. Yes, that issue that Ms. Lee refers to is part of the mandate. Thank you.

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

Supplementary to Question 252-14(3): Mandate of Power Generation Review Team

MS. LEE: Mr. Speaker, I believe there are two issues. It is not only that it is public property and that we have an investment. We have spent lots of money on that and government carries the debt in investing money in that. I think it is important for the government to say that these are not to be divvied up in pieces, and everybody take what is good for them, and leave the

communities without means for effective and economical energy sources.

Would the Minister please commit to us that he will look at the total picture and look at what is good for all of the communities in the North, not just looking at it as an asset that is saleable and divisible? Thank you, Mr. Speaker.

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

Further Return to Question 252-14(3): Mandate of Power Generation Review Team

HON. JOE HANDLEY: Mr. Speaker. Yes, I will confirm that we are looking at the return on public investment in the broadest sense, not just in terms of how you might divide it up if you are going to sell it. We are looking at it in the broadest sense. This is a corporation that is owned by the public. Return on public interest is definitely part of the study. Thank you.

MR. SPEAKER: Thank you, Minister Handley. Final supplementary, Ms. Lee.

Supplementary to Question 252-14(3): Mandate of Power Generation Review Team

MS. LEE: Mr. Speaker, keeping up with the topic of the mandate of this review group, would the Minister consider, or is the review group looking at, making the level of subsidies transparent? Will that come out in the report? The information on how much is this government really subsidizing the cost of power and energy and fuel and all that. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms. Lee. The honourable Minister responsible for Energy and Finance, Mr. Handley.

Further Return to Question 252-14(3): Mandate of Power Generation Review Team

HON. JOE HANDLEY: Mr. Speaker, again, I do not want to prejudge or predetermine what is going to be in this study, but I expect, as part of the committee's analysis of the various issues, they will certainly be looking at the subsidy levels and I expect that their report is likely going to give us information on that. I really cannot prejudge what will be in the actual report. Thank you.

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

Question 253-14(3): NTPC Reorganization Plan

MR. BRADEN: Thank you, Mr. Speaker. My question is for the Minister responsible for the Power Corporation.

Some months ago, Mr. Speaker, the Power Corporation engaged in a very extensive reorganization plan. It was quite an extensive exercise. I understand that they came up with a system that succeeded in building a new model of management and would have substantially reduced headquarters costs, something that the corporation has always been under fire for. It would have sent more people in the regions where there could have been closer and better contact

with customers. It even had the positive participation of the union.

In light of the directive issued, as the Robertson review went into effect, and that was not to issue any of the layoffs or administrative changes that were required, especially because of the split with Nunavut, I want to ask the Minister, what is the status of the implementation of this reorganization plan?

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Power Corporation, Mr. Ootes.

Return to Question 253-14(3): NTPC Reorganization Plan

HON. JAKE OOTES: Thank you, Mr. Speaker. The notices of layoffs have been put on hold because not all of the potential impacts of the study that is being undertaken are available yet. Once the review has been completed, then more things may come to light as to the future direction of the corporation. Thank you.

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

Supplementary to Question 253-14(3): NTPC Reorganization Plan

MR. BRADEN: Thank you, Mr. Speaker. Certainly the freeze on layoffs is something that has been well publicized but I would like to ask again about the implementation of the reorganization plan. That is, movement of people within and around the corporation to satisfy other core needs that the corporation has as it manages its day-to-day business. Will the Minister confirm that there is a freeze also on internal movements and management of personnel? Thank you.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 253-14(3): NTPC Reorganization Plan

HON. JAKE OOTES: Yes, that is correct, Mr. Speaker. Certain things come to light and happenings become available as we proceed. For example, the division with Nunavut was one of the big issues that was out there and the whole question of service providers was one that was still to be addressed.

Just several days ago, Mr. Speaker, as an example, the corporation was successful in negotiating with Nunavut to continue to provide engineering and metering services. That affects the number of employees in the corporation, no doubt. I do not know all the results of that yet, but certainly it is an extensive contract that we will have in place, and I think that is positive news.

These are the types of things that needed to be clarified, Mr. Speaker, in order to proceed with any layoff notices because it all plays a part. Thank you.

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

Supplementary to Question 253-14(3): NTPC Reorganization Plan

MR. BRADEN: Thank you, Mr. Speaker. In relation to the Robertson review, which is scheduled to be delivered to the Minister by the end of November, I think we should all accept that it is going to be some time before the recommendations are assessed and analyzed and then put into place. In the meantime, the positions that have been identified, because of the downsizing with Nunavut and other core business requirements, are impacting on the overall effectiveness of the corporation.

So I wanted to see whether the Minister could advise the Assembly of the cost that is being incurred in maintaining redundant positions, or positions that are no longer in use, as the government decides to manage the corporation's work force. Thank you.

MR. SPEAKER: Thank you. I will ask Members to respect the amount of time that we have for question period and shorten the preambles to questions. The honourable Minister responsible for the Northwest Territories Power Corporation, Mr. Ootes.

Further Return to Question 253-14(3): NTPC Reorganization Plan

HON. JAKE OOTES: Thank you, Mr. Speaker. I am not positive of the type of costs that may be involved because we do not know, of course, what effect it will have on staffing needs and staffing changes that may need to take place at the end of the day. We are expecting the review to come in at the end of November and the corporation itself had made a decision regarding the reductions that any decision on that be deferred. They have stated that they would look at that until, I believe January 31st, to provide time to assess everything. Thank you.

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

Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

MR. ROLAND: Thank you, Mr. Speaker. For a while there, I thought that Mr. Ootes was running the clock. Mr. Speaker, my question to the Minister responsible for the Northwest Territories Power Corporation is in response to his last answer to myself about the impact of fuel costs.

Now I recall this, in the 13th Assembly, when this government contracted and got fuel out of Strathcona we were told that we would be protected for a three year agreement from any increases, but now you are telling me that you are coming back through the back door and collecting it? Is that the fact, Mr. Speaker?

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

Return to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

HON. JAKE OOTES: Thank you, Mr. Speaker. I am not familiar with this particular subject and, other than what I have

been informed, the fuel that came out of Norman Wells was cheaper than it was elsewhere and that the rates were not changed in Inuvik to reflect that.

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

Supplementary to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

MR. ROLAND: Thank you, Mr. Speaker. In fact, we were protected under the Protected Area Agreement of 1944 and Mr. Ootes was a Member of the 13th Assembly like I was, so hopefully he can dig back into his memory banks and find that out. We were told that we were protected. Is that not the case now? Are you coming back through the back door and taking it from residents anyway? Thank you.

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

Further Return to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

HON. JAKE OOTES: Thank you, Mr. Speaker. I am not sure what the Member is referring to as taking it back from the residents. Perhaps he could clarify that for me?

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

Supplementary to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

MR. ROLAND: I should take this as notice, I guess.

-- Laughter

He is asking me questions.

-- Laughter

Mr. Speaker, I would like the Minister to go back and get that information if he can, for me and for himself, because I intend to pursue this and I am sure that members of my community are listening with great interest. On one hand, "We are going to take care of you and protect you. It will cost more but we will ensure that you are not impacted." However, now the government has come back and taken 11 percent off every bill every month of residents of Inuvik. I want that confirmed. Is that the fact? Thank you.

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

Further Return to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

HON. JAKE OOTES: Thank you, Mr. Speaker. As the Member has said, he wants me to dig back for the information and I will certainly do that. Thank you.

MR. SPEAKER: Final supplementary, Mr. Roland.

Supplementary to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

MR. ROLAND: Thank you, Mr. Speaker. When will he be able to provide this information to me?

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

Further Return to Question 254-14(3): Protection From Increased Fuel Costs in Inuvik

HON. JAKE OOTES: We will treat it expeditiously, Mr. Speaker. Thank you.

MR. SPEAKER: The time allocated for question period has expired. The honourable Member for Hay River North, Mr. Delorey.

MR. DELOREY: Thank you, Mr. Speaker. Mr. Speaker, I seek consent to go back to item 5 on the orders of the day.

MR. SPEAKER: Thank you. The Member is seeking unanimous consent to return to item 5, recognition of visitors in the gallery. Are there any nays? There are no nays. Mr. Delorey. You may have the floor.

REVERT TO ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. DELOREY: Thank you, Mr. Speaker. I would like to recognize a constituent of mine up in the gallery and husband to the Honourable Jane Groenewegen. I understand that this is the only chance that he gets to see her these days. Thank you, Mr. Speaker.

-- Laughter

-- Applause

MR. SPEAKER: Thank you and welcome to the Legislative Assembly. Item 5, recognition if visitors in the gallery. Item 7, written questions. The honourable Member for Mackenzie Delta, Mr. Krutko.

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to go back to Item 6, oral questions.

MR. SPEAKER: Thank you. The honourable Member is seeking unanimous consent to revert to item 6, oral questions. Are there any nays? There are no nays. Mr. Krutko.

REVERT TO ITEM 6: ORAL QUESTIONS

Question 255-14(3): Fort McPherson Water Quality and Cost

MR. KRUTKO: Thank you, Mr. Speaker. My question is for the Minister responsible for MACA. I have been getting quite a few calls from my constituents, especially the residents of Fort McPherson. Their water rates have gone up and there are some questions being asked. Why do the residents of Fort McPherson have to pay more money for water they cannot even drink? This water is contaminated with THMs. The people of Fort McPherson wonder how they can trust the water source and on top of that have to pay more for water. Why is it that the

residents of Fort McPherson have to pay more for water they cannot drink?

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

Return to Question 255-14(3): Fort McPherson Water Quality and Cost

HON. ROGER ALLEN: Thank you, Mr. Speaker. I was fairly adamant in providing adequate answers to the questions regarding the water problem situation in Fort McPherson. I understand there are some problems with the quality of water. We recognize that. The hamlet agreed to work with us to ratify some of the problems with the cost. We have worked with the municipality and they agreed to raise their water rates to work towards their deficit recovery plan. Thank you, Mr. Speaker.

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

Supplementary to Question 255-14(3): Fort McPherson Water Quality and Cost

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, as we all know, in Walkerton, Ontario, the Ontario government assisted the community of Walkerton when they had a disaster on their hands by making sure that people had fresh water. The water quality was great and they ensured that they had bottled water and what not. Yet, the community of Fort McPherson through the Inuvik Divisional Board of Education has to buy water for our children so that they have safe drinking water in the schools. What is this government doing to ensure the people of Fort McPherson have safe drinking water so we do not have to worry about cancer and other forms of disease that may have an impact with THMs?

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

Further Return to Question 255-14(3): Fort McPherson Water Quality and Cost

HON. ROGER ALLEN: Thank you, Mr. Speaker. In all due respect, we are trying to maintain some level of awareness about the water situation. We have communicated that to Health and Social Services. We recognize there are problems with the water quality. On the question of cost, I have said for the last two days we are in no position to fund a separate water source and we are trying to develop a new water source. In the meantime, it is our responsibility to try to retain the old system until we find alternate solutions. Thank you.

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

Supplementary to Question 255-14(3): Fort McPherson Water Quality and Cost

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, that is the point of my question. Why do the residents of Fort McPherson have to pay for water they cannot even drink out of their taps? Why do they have to pay for that?

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

Further Return to Question 255-14(3): Fort McPherson Water Quality and Cost

HON. ROGER ALLEN: Thank you, Mr. Speaker. Mr. Speaker, I am again going to reiterate that we have another method of trying to resolve the debt problem. The only way we can do that is to try to work within our existing funding and if we cannot resolve that through that, then we have to retain the existing system to provide suitable drinking water. It may not be to the Member's standards, but it is within the criteria that were established under existing water regulations. Thank you.

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

Supplementary to Question 255-14(3): Fort McPherson Water Quality and Cost

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, there is a process in this House by which we can access dollars that are there for emergencies and what not. It is called the Supplementary Appropriation Act. We are able to get money from this House to assist us when there are emergencies. Will this Minister consider looking at a supplementary appropriation for this matter?

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

Further Return to Question 255-14(3): Fort McPherson Water Quality and Cost

HON. ROGER ALLEN: Thank you, Mr. Speaker. Mr. Speaker, we are trying to determine what is an emergency level in terms of the water quality. We are still awaiting a result of that. So until then, I cannot inform the Member if we are prepared to go to FMB for a supplementary appropriation. Thank you.

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

Question 256-14(3): Health Concerns in Fort McPherson

MR. KRUTKO: Thank you, Mr. Speaker. My question is for the Minister responsible for Health, whose department is responsible for the health and well-being of the residents of the Northwest Territories. I would like to ask the Minister the same question. What is her department doing to ensure that the health and well-being of the residents of Fort McPherson is being monitored and to ensure they have safe drinking water other than that which is presently contaminated with THMs?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for Health, Mrs. Groenewegen.

Return to Question 256-14(3): Health Concerns in Fort McPherson

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, the three departments which are involved in this drinking water issue are MACA, who takes the lead role, Public

Works and Services, who has the technical support and Health and Social Services in a health advisory capacity. The Inuvik Regional Health and Social Services Board, Public Works and Services, MACA and the Hamlet of Fort McPherson are working together to address the problem and adjustments have been made to the treatment plant, which have significantly lowered the THM levels. However, the Member is right that some tests do continue to show that the THMs are above the accepted standard but are not, to our knowledge, what would be considered an emergency level. Thank you.

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

Supplementary to Question 256-14(3): Health Concerns in Fort McPherson

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, there is a question about Canadian standards. Canadian standards are set for certain reasons, but I think in the North we have other situations we run into. When our children in our schools are told not to drink the water out of the tap and they are only allowed to drink bottled water because of the public trust or faith in our water system that the Minister's department, especially in regard to environmental health, has a role to play in this matter. So will her department consider putting funds into this matter to ensure that public safety standards are adhered to?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister responsible for Health, Mrs. Groenewegen.

Further Return to Question 256-14(3): Health Concerns in Fort McPherson

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, the Department of Health and Social Services does not have funds that are earmarked for this particular project, but I do understand that the work is progressing on the development of Deep Water Lake and a new source of water for the community. In the meantime, the members of the community have been provided with some short-term options to address the THMs in the water and are encouraged to do that. The THMs are in the water as a result of the chlorine reacting with naturally occurring organic matter in the water and even though it is the chlorination that is causing the THMs, it is still considered to be safer and have less potential for illness if the water is chlorinated. These are temporary measures until a new water source is on tap. Thank you, Mr. Speaker.

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

Supplementary to Question 256-14(3): Health Concerns in Fort McPherson

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, everything sounds good and well on the other side of the House, but I think if they had to drink this water and bathe in it knowing that it could have a long-term effect on your health, the implication of this is not known. We will not see the results of this impact on the human body for ten to 15 years.

So if we have a major increase in cancer rates in the next ten or 15 years, who do they turn around and have to sue? This government? The Cabinet Ministers who are presently on that side of the House? Who is liable for this compensation that will

have to be incurred through a court case if that is what it takes to get this issue out of the way? Are you liable for that, Mrs. Minister?

MR. SPEAKER: Thank you, Mr. Krutko. The honourable Minister for Health, Mrs. Groenewegen. There are two questions. You can answer either one of them.

Further Return to Question 256-14(3): Health Concerns in Fort McPherson

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, the part about, you know, who would be responsible if people become sick in ten years from now is hypothetical. I mean, right now, what we are saying is there is no evidence that there are any harmful health effects related to the THMs in the Fort McPherson water. We can also tell you that overall cancer rates in this area remain 30 percent below the Canadian average and there have been no cancers identified in the community that could be related to this.

The second part of the question is who would be responsible if someone gets cancer is hypothetical, Mr. Speaker, and I would not be able to answer that. Thank you.

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

Supplementary to Question 256-14(3): Health Concerns in Fort McPherson

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, the Minister sounds great with statistics, but why are we warning the people of Fort McPherson not to drink the water out of their taps, that they have to treat it, and why are we telling the children in our schools that they are not allowed to drink the water out of the water taps and they have to drink bottled water? Why are there warnings out there to the residents not to drink this water from your department? Thank you.

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

Further Return to Question 256-14(3): Health Concerns in Fort McPherson

HON. JANE GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I am not aware of the technicalities of what this water might look like or smell like, but what we are telling the people of Fort McPherson is, if they would filter their drinking water through a Brita system, that other types of uses of water would be completely safe. We have just advised them on a short-term basis if they could filter their water, that would be a good thing to do. Thank you.

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

Question 257-14(3): Process for Approval of Emergency Funding

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of cash, the Minister of Finance. What does it take to get a supplementary through this House when there is an emergency and unforeseen costs in a

community that are associated with where you are having to pay double what it usually costs to maintain a specific service? How are communities able to get items in the budget where it can come forth through a supplementary appropriation?

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

Return to Question 257-14(3): Process for Approval of Emergency Funding

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, there are two questions there, but I will answer the second one. The Minister responsible could bring forward a decision paper to the Financial Management Board. Thanks.

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

Supplementary to Question 257-14(3): Process for Approval of Emergency Funding

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, in regard to the possibility of putting items in a supplementary, can a Member or a community have input through motions in the House or a petition and have an effect on ensuring that these emergency items are dealt with as an emergency and brought forth through a supplementary by your department?

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

Further Return to Question 257-14(3): Process for Approval of Emergency Funding

HON. JOE HANDLEY: Thank you, Mr. Speaker. Mr. Speaker, as I mentioned, the supplementary requests have to be brought in by the Minister responsible. Thank you.

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

Supplementary to Question 257-14(3): Process for Approval of Emergency Funding

MR. KRUTKO: Thank you, Mr. Speaker. In regard to the financial situation we find in our municipalities, as the Minister responsible for Finance, knowing that we are causing a burden to a community finance-wise where they do not have the sufficient funds to carry out the responsibilities, can the Minister responsible for Finance tell me if that classifies as an item for supplementary appropriation?

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

Further Return to Question 257-14(3): Process for Approval of Emergency Funding

HON. JOE HANDLEY: Mr. Speaker, that judgment would be up to the Minister responsible. Thank you.

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

Supplementary to Question 257-14(3): Process for Approval of Emergency Funding

MR. KRUTKO: Thank you, Mr. Speaker. The Minister of Finance, since this item has been raised in this House, I have tried every which way...what have I not tried?

-- Laughter

Is there any possibility, as the Minister responsible for Finance, that you could intervene on this matter to approach the appropriate Ministers and see if there a possibility of this coming forth as a supplementary?

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

Further Return to Question 257-14(3): Process for Approval of Emergency Funding

HON. JOE HANDLEY: Mr. Speaker, it is up to the Minister responsible. They would have to bring something forward. Thank you.

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

Question 258-14(3): Request for Emergency Funding

MR. KRUTKO: Mr. Speaker, my question is to the Premier, but I will send it to the Minister responsible for Finance, or the most senior Minister on that side of the House, which is probably Mr. Steen.

MR. SPEAKER: Pardon me. I caution Members to avoid reference to who or who is not in the House. Please respect that and state your question to a Minister. Mr. Krutko.

MR. KRUTKO: Thank you, Mr. Speaker. Will the honourable Minister responsible for Municipal and Community Affairs seriously consider bringing forth a supplementary appropriation on this matter?

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

Return to Question 258-14(3): Request for Emergency Funding

HON. ROGER ALLEN: Thank you, Mr. Speaker. In light of the question, and I am going to restate what I said in the last three days, that there are two key factors before I would consider taking a position on a supplementary appropriation. One is that we would like to determine very clearly what is considered an emergency matter. Secondly, on a debt-recovery plan with the municipality we established last week, a mediation role that we would talk about some of the outstanding debt because we have no capability of reducing that debt or recovering it.

The other fundamental question is that we have expended approximately \$2.5 million investing in the new water system for Fort McPherson. The point I am trying to raise here, Mr. Speaker, is we have made all the attempts to legitimately establish why we should go to a supplementary appropriation. I believe the first step is to determine whether we can declare it an emergency situation or not. Thank you, Mr. Speaker.

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

Supplementary to Question 258-14(3): Request for Emergency Funding

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, everybody knows the Minister is new, but this item is not new. It has been around from the 13th Assembly until today. It was made a priority of this government in regards to the THM contamination with the water system in Fort McPherson, so it was this government that made it a priority to spend \$2.5 million to try to find a way to get through the process. However, that \$2.5 million that is being expended is to try to find a new water source. That will not be coming on stream for another year or so due to the timing problem. We are dealing with the problem today, which is the increased cost because of the contamination with the existing facility. Again, I will ask the Minister, will the Minister be doing anything on this matter or will he just basically tell the community of Fort McPherson that he does not have the willpower or the ability to do anything?

MR. SPEAKER: Thank you, Mr. Krutko. Two questions there. You may deal with either one or both.

Further Return to Question 258-14(3): Request for Emergency Funding

HON. ROGER ALLEN: Thank you, Mr. Speaker. Mr. Speaker, we have gone to great lengths in trying to ratify this problem. We have communicated that back to the municipality and hopefully they will agree to the method in which we are trying to achieve the objectives here. Thank you, Mr. Speaker.

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

Supplementary to Question 258-14(3): Request for Emergency Funding

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I believe there is a supplementary appropriation coming to this House within the next days or weeks. There is an avenue for this Minister to deal with this problem that he might not think is a crisis situation, but it is having a major impact on the residents of Fort McPherson and the Hamlet of Fort McPherson to carry out their duties. When you have a cost of delivering a particular service taking up half of your budget to administer a community, that is a crisis. Because of these crises, will you consider bringing it forth through a supplementary with regard to approaching the Minister responsible for Finance and making sure it is in there?

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

Further Return to Question 258-14(3): Request for Emergency Funding

HON. ROGER ALLEN: Thank you, Mr. Speaker. Mr. Speaker, I am trying to establish very clearly the legitimate reason for supplementary appropriation. The question was raised earlier in regard to the health and to the quality of water. We will take that into full consideration. I must advise the Member that we will undertake all endeavours in trying to resolve this problem. Thank you.

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

Supplementary to Question 258-14(3): Request for Emergency Funding

MR. KRUTKO: Mr. Speaker, could the Minister tell me if he has any timeframes that he sees this problem being resolved in? I would like to see this resolved as soon as possible. Does the Minister have any idea how long it will take to resolve this issue?

MR. SPEAKER: Thank you, Mr. Krutko. Minister Allen.

Further Return to Question 258-14(3): Request for Emergency Funding

HON. ROGER ALLEN: Thank you, Mr. Speaker. Mr. Speaker, again, I refer back to the answer I gave yesterday. We will have our senior staff work with the municipality to try to come together with a quick plan of action that will resolve the problem. Hopefully we can settle the issue. That is my answer. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister Allen. Item 6, oral questions. Item 7, written questions. Item 8, returns to written questions. Mr. Krutko, you had your hand up under what item?

MR. KRUTKO: I have a written question to the Minister responsible for Municipal and Community Affairs.

MR. SPEAKER: Mr. Krutko, I had passed it. You can seek consent to return, but I had passed it already. Mr. Krutko.

MR. KRUTKO: Mr. Speaker, I seek unanimous consent to return to item 7, written questions.

MR. SPEAKER: The Member is seeking unanimous consent to return to item 7, written questions. Are there any nays? There are no nays. Mr. Krutko, you may return to written questions.

REVERT TO ITEM 7: WRITTEN QUESTIONS

Written Question 15-14(3): Fort McPherson Water Quality

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I have a Written Question for the Minister responsible for Municipal and Community Affairs. Why are the residents of Fort McPherson having to pay more for water that is contaminated with THMs and the people do not trust the water that comes from their taps? Thank you.

MR. SPEAKER: Thank you, Mr. Krutko. Item 7, written questions. Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. The honourable Member for Mackenzie Delta, Mr. Krutko.

ITEM 13: TABLING OF DOCUMENTS

Tabled Document 73-14(3): World Wildlife Fund Arctic Bulletin No. 3.00

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I am tabling a document from the World Wildlife Fund in the Arctic

Bulletin. There are a few articles in here about oil and gas and the Arctic National Wildlife Refuge.

MR. SPEAKER: Thank you, Mr. Krutko. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. The honourable Member for Nunakput, Mr. Steen.

ITEM 17: FIRST READING OF BILLS

Bill 16: An Act to Amend the Motor Vehicles Act

HON. VINCE STEEN: Thank you, Mr. Speaker. Mr. Speaker,

I MOVE, seconded by the honourable Member for Nahendeh, that Bill 16, An Act to Amend the Motor Vehicles Act be read for the first time. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed. The motion is carried. Bill 16 has had first reading. Item 17, first reading of bills. Item 18, second reading of bills. The honourable Member for North Slave, Mr. Lafferty.

ITEM 18: SECOND READING OF BILLS

Bill 17: An Act to Amend the Legislative Assembly and Executive Council Act

MR. LAFFERTY: Mr. Speaker,

I MOVE, seconded by the honourable Member for Hay River North, that Bill 17, An Act to Amend the Legislative Assembly and Executive Council Act be read for the second time.

Mr. Speaker, this bill renames the electoral district of North Slave as Monfwi. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. The motion is in order. To the principle of the bill. Question has been called. All those in favour? All those opposed? The motion is carried. Bill 17 has had second reading and accordingly the bill stands referred to a committee.

-- Applause

MR. SPEAKER: Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters. Tabled Document 63-14(3), with Mr. Lafferty in the chair.

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

CHAIRMAN (Mr. Lafferty): I call the committee to order. We only have one item to deal with, Tabled Document 63-14(3), A Human Resource Development Proposal Related to Non-Renewable Resources in the Northwest Territories. With that, we will take a ten minute break.

-- Break

CHAIRMAN (Mr. Lafferty): I will call the committee back to order. There are five items in the process for reviewing Tabled Document 63-14(3), Human Resource Development Proposal Related to Non-Renewable Resources in the Northwest Territories. The first process will be the Minister's opening

remarks. Next, I will ask if the Minister would like to bring in witnesses, followed by general comments by Members. Members may ask questions of the Minister. After all Members wishing to speak have spoken, the document may be concluded. What is the wish of the committee? Mr. Roland.

MR. ROLAND: Thank you, Mr. Chairman. We will proceed with the program as you have laid it out. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you. Opening remarks by the Minister, please. Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. With regard to bringing in witnesses, Mr. Chair, I will ask to do so if we get into areas of technical questions that I may not be able to reply to. I will do my best to answer most questions. Thank you.

Mr. Chairman, we in the Northwest Territories are living in a time of unprecedented economic opportunity. Exploration and development in the non-renewable resource sector will move us toward economic self-reliance, while at the same time contributing to the economic wealth of Canada.

Thousands of jobs will potentially be created over the next few years. More than 1,000 jobs are expected to be created in connection with Mackenzie Delta oil and gas activity this year alone. Our studies indicate 3,000 Northerners are currently seeking employment. Our challenge, Mr. Chairman, is to ensure that these Northerners have the skills to fill the jobs.

This year the Department of Education, Culture and Employment is investing over \$500,000 on community-based, entry-level training and human resource development, money that was approved by the Assembly in the budget last spring. Safety training, heavy equipment operators' courses and an innovative mobile welding program are among the initiatives that are taking place this winter. Over the next three years, we hope to fund longer term training programs. Enhanced skills will give Northerners greater opportunity to access the longer term, higher paying, skilled jobs available in the oil and gas and mining sectors.

This investment is part of the four-year training plan called a Human Resource Plan Related to Non-Renewable Resources in the Northwest Territories, which aims at preparing Northerners to take advantage of the thousands of development-related jobs that will be created in the next few years.

Our training plan is, in turn, a component of the NWT's Non-Renewable Resource Strategy. To take maximum advantage of the economic opportunities in this sector, the government has challenged the Government of Canada to invest \$235 million.

I have personally presented the training component of this strategy to Human Resources Minister Jane Stewart. While her reception was enthusiastic, I have yet to receive a final response to my request. I hope to have further contact with the federal Minister responsible after the election.

Mr. Chairman, this Human Resource Development Plan will ensure NWT residents reap long-term benefits from non-renewable resource development benefits that will continue to pay dividends well into the future. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you, Minister Ootes. General comments? Mr. McLeod.

MR. MCLEOD: Thank you, Mr. Chairman. I have had the opportunity to review the document. However, I want to note for the record that there was no actual formal briefing for any of the committees to look at. I made some notes from this document. From what I can gather, generally speaking, this plan provides a description for the potential effects of resource development on employment opportunities in the North. It also gives unemployment information on each of the regions.

It outlines, from what I can pick up here, that there are five different areas preparing Northerners for careers in non-renewable resource sectors; facilitating career development and human resource planning in the sector; number three would be increasing support training and development of opportunities of the sector; number four, encouraging youth to finish high school; number five, monitor and assessment. Those are the five different areas I have been able to pick out.

I have a number of questions. The central question is how effective will the plan be at achieving its objectives? Another question is where will the money come from? A lot of this plan is based on receiving dollars for the non-renewable strategy that we have yet to get an answer on. It does not state in here what the plans are for the Government of the Northwest Territories. What plan do they have if the federal government does not deliver additional funds...setting itself clear targets that could be clearly linked to the proposed programming? I did not see any clearly stated targets.

The plan talks about potentials, contributions and this will make an evaluation of a somewhat descriptive exercise with no clear benchmarks. How many long-term jobs does the department intend to create? How many temporary jobs during the construction phase does the department intend to create? This plan does not say that. It is not clear. The closest thing to targets I have seen is on pages 32 and 33 where the following figures were given. It states that there is a potential for up to 2,000 jobs for non-renewable resource development.

It says that developing a skilled workforce and promoting maximum employment will contribute to over 500 Northerners benefiting from training and employment programs annually. It also states that 600 individuals receive career development assistance and there is also a projected decrease in the unemployment rate of up to 50 percent in high activity areas.

On page 15 of the plan, it estimates that 837 ongoing jobs will be created by non-renewable resource development. It also estimates that an average of 2,500 individuals could be employed per year during construction phase with a peak employment involving as many as 4,000.

The plan also states on page 13, that there are 3,170 unemployed workforce persons in the Northwest Territories. If we took the total budget of this plan of \$12.68 million and divided it by the number of unemployed, the total labour force of 3,170, we come out with a number of \$4,000 per person. I do not imagine we will be planning to train everybody that is unemployed. This plan intends to spend \$3.195 million annually on all aspects of its operations, including administration and planning. The \$12.68 million is proposed as expenditures over four years. This plan indicates that \$1.6 million will be spent annually on industry specific training. Again, where does this money come from? If we did some math and we took the \$1.6 million, divided by the 500 Northerners benefiting from training and employment programs

annually, that equals even less. It comes to \$3,200 annually for training. Will this accomplish the objectives of the department?

Page 29 states that this funding would be used for a combination of apprenticeship and occupational trades program, as well as a combination of short-term training and on-the-job training subsidies. Is this plan adequately funded for the targets that have been set?

The success of this program will depend on the extent that it complements other initiatives. For example, the Aboriginal Training Fund, employers, industry, et cetera. Some of these are called "just-in-time training initiatives". I wonder how many things have been done just in time, by the government?

We have to see how this plan...it does not spell out how we are going to interact with other groups. We need to know that. A concern that comes as a result of this plan is when they talk about regional disparities. This is an important issue for the Deh Cho. I am concerned. What happens to the region when nothing is happening? Will there still be funds available? Will the same amount of funds be available to the Beaufort Delta where there is an estimated half billion dollars of work to be done over the next five years? As for the Deh Cho, there is very little happening. Will the department be concentrating on just giving information to the regions such as Deh Cho when there is really nothing going on at the time?

The report talks about worker mobility initiatives to address regional disparities. What does this mean in practice, to the communities of Hay River Reserve, Fort Providence, and Kakisa? I really question whether there is fairness across the board. Mr. Chairman, I have asked a number of questions here and I would like to give an opportunity for the Minister to respond.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. McLeod. Minister Ootes, would you like to respond to the comments?

HON. JAKE OOTES: Thank you, Mr. Chairman. There were a number of questions that were raised but generally I think the Member is concerned about number one, the funding requirements on an overall basis and where we will obtain funding from.

This particular plan that has been put forward, Mr. Chairman, was developed over a period of time. It was used to support the Non-Renewable Resource Strategy, and it is a component of that particular strategy. It identifies some areas that we feel need to be worked on for the federal government. It was never meant to be a complete package because the federal government needed generalities to look at funding areas.

As we are proceeding in this area, of course, we are looking at expanding and looking at flushing out the areas where there may be, as the Member has pointed out, questions arising. I should emphasize that we do have \$500,000 that we have identified for use in this particular area to address training and employment issues related to resource development and that forms in the interim. We are proceeding with what we can.

The request was to the federal government for this funding. As I mentioned in my opening remarks, I have had an opportunity to present the paper to the Honourable Jane Stewart, Minister of Human Resources Development Canada, who is one of the contacts. She is my contact in my particular area. She is very

familiar with the request. We have not yet had a decision on that, but once the election is over, we may start readdressing it.

We may not stop at that, Mr. Chairman. Of course, we are interested in proceeding. This particular document starts to develop an approach to handling some of the activity that is going to take place in the oil and gas sector, as well as in the mining sector, or wherever in resource sector development. That is the purpose of having the document, so that it starts to identify the areas of interest.

The effect of the document is dependant upon more work to be done. When the Member speaks about what we hope to achieve out of this, well, we have set some general goals in this. We need to be more specific on an annual basis. This is a four-year plan. We need to be more specific with the dollars that we have and the future, for instance, the next half year, what can be accomplished.

That is what the Member spoke about in terms of targets. It is true that there are many individuals who are available for employment. As we know, they do need training. Some need basic training, some need perhaps more advanced training. Is it our intention that every individuals' needs will be addressed with this plan? We are trying to do our best with the amount of money identified to address the specific issues that may be out there. Will we be able to address employment for all 3,000 people? I certainly hope so, but we need to make an impact with all areas.

I have also been working with the oil companies, meeting with them to start identifying what their contribution area is, what can they do on their part. This is going to be a partnership situation. It will not be just our particular contribution here. What are the industries going to contribute here? How can the aboriginal groups contribute?

I think I have addressed the questions in generalities for the Member. As I say, if we need to get into specifics, I would be more than willing to call my officials in to address some of those. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you, Minister Ootes, General comments? Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, I have a number of questions about the plan and the lack of clarity. I need clarity in some areas and I can maybe start out in a relatively general way.

On page 5 of 35 on your plan, which lays out the basic budget expenditures for the five years, can you tell me, since it is not clear, you are asking for a whole bunch of new money from the federal government. I am not clear what is being undertaken with existing funding, and which of these areas is dependant on new money.

If you took 2001-02 or even 2000-01, can you just walk down the list and tell us, which are currently underway, and which of these activities are dependant on new funding and are just there waiting for money? What are we doing right now, if you walk down 2000-01, for example?

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Miltenberger. Minister Ootes.

HON. JAKE OOTES: Thank you, Mr. Chair. The funding that we have available is where we are addressing our concerns, and this is additional funding, of course. We are addressing some areas, but not in a full-fledged fashion. This program is intended to be funded by the federal government if we can get the funding, and we do have, as I mentioned earlier, \$500,000 that we have contributed towards the development that has taken place. We are doing that through investment in training in the communities.

We are funding some of the communities and in the college, we are doing some other heavy equipment training, welding, pre-trades, apprenticeship programs, all of that is part of our ongoing training.

We have signed an MOU with PITS, or Petroleum Industry Training System, out of Alberta. We are supporting community mobilization organization and we are contributing to such things as the oil and gas symposium. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you, Minister Ootes. Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. I would just like the Minister to clarify. If we use 2000-01 as an example, there is a list of activities planned in major categories under planning, career development, industry-specific training, career-oriented training, evaluation and support. The big figure is \$3,195,000 for this year. Are you telling me that this is just a strategy dependant on money? There is \$500,000 separate from this, plus the college is doing their regular work, and their heavy equipment program is operating? Thus, in actual fact, there is not one dime in any of these columns at this point? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you. Minister Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. I have to keep referring back to the fact that this was in support of the Non-Renewable Resource Strategy. It has not stopped us from proceeding with trying to address as many areas of concern as possible. This is a proposal that accompanies the Non-Renewable Resource Strategy, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you. Mr. Miltenberger.

MR. MILTENBERGER: Could I just ask a question, since it is clear that there are figures requested. However, as one of my colleagues said, there is not one nickel in actual cash in this. Would the Minister elaborate?

I have a couple of questions on some of the areas. Could the Minister indicate, under item no. 4, where they talk about longer term college programs, in terms of career oriented training, it is \$500,000 a year, totalling \$2 million at the end of the program. What type of programs are envisioned in terms of longer-term college programs at \$500,000 a year? Thank you.

CHAIRMAN (Mr. Lafferty): Thank you. Minister Ootes.

HON. JAKE OOTES: Mr. Chairman, perhaps I should bring my officials in if we are going to get into details on the particular document, if that is suitable for Members.

CHAIRMAN (Mr. Lafferty): The Minister would like to bring in witnesses. What is the wish of the Committee?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Lafferty): The Sergeant-at-Arms may bring in the witnesses. Will the Minister please introduce his witnesses?

HON. JAKE OOTES: Thank you, Mr. Chairman. With me are Mark Cleveland, the deputy minister of the department, and Leslie Allen, the assistant deputy minister of advanced education and careers.

CHAIRMAN (Mr. Lafferty): Thank you. Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. I was wondering as well, if I can get another minute or two because I got stuck in the line change here with the department and I hate to lose valuable time.

CHAIRMAN (Mr. Lafferty): I will be fair with you, Mr. Miltenberger.

MR. MILTENBERGER: Nothing less from you. Thank you. The question was, Mr. Minister, item 4, on page 5 of 35. Could you just give some examples? Should we be so lucky as to get the money, what kind of training is envisioned under the longer term college programs at \$500,000 per year? Thank you.

CHAIRMAN (Mr. Lafferty): Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. I will ask Mr. Cleveland to answer that question.

CHAIRMAN (Mr. Lafferty): Mr. Cleveland.

MR. CLEVELAND: Thank you, Mr. Chairman. This category, as the Member points out, is for longer-term training which is intended to be training that takes a number of months. We are expecting with this funding that we would offer two courses per year.

The type of programming that we would expect would be activities such as technologies associated with the oil and gas industry. We would expect to offer them at the college facilities in the North. They would be specific to the needs of industry in the particular timeframe that they are being offered in. They may well change based on exploration versus operation. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you. Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. One of the broad concerns I have is, of course, that there is no money here. If we do not get the money, time is passing us by and the focus in this plan seems to be, for the most part, on short-term jobs as opposed to the longer-term jobs once the pipeline construction is done, exploration is finished. The work will be over.

The question is, what are the plans to look at the more professional, longer-term, ongoing operational jobs, once the short-term construction and exploration phase is done? While it is important, we really want the white collar, the professional, technical jobs. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you. Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. It is anticipated. Sometimes it is felt that when a pipeline is built, that is the end of exploration work and development work. That

is not necessarily true, Mr. Chairman. Just so Members are familiar with that because when a pipeline is built, there is a need for feedstock on an ongoing basis and it is quite substantial.

The example of Alberta was very evident in that. However, at the moment, there are pipeline facilities. There is more exploration. I anticipate that the exploration activity will heat up even more once a pipeline is built.

Now, with regard to going beyond the basic training, our interest, of course, is to address all areas of employment and to ensure that people have the opportunity to advance from middle management to senior management. That is part of the area that the Member identified on longer-term college training programs.

CHAIRMAN (Mr. Lafferty): Thank you. Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. Thank you for the latitude. I will just ask one final question at this point. There is also a reference to just-in-time entry-level training. This presumes good planning and the ability to move very quickly, as a government, with programs and resources once a need is identified.

I have been in government a long time. I have been in this Assembly for five years. I am very concerned that this ability, especially if it requires more than one department to provide this kind of coordinated, quick, efficient, effective, response, is not there.

I would appreciate some explanation as to what planning and coordination processes are going to be in place to allow this to happen. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Ootes.

HON. JAKE OOTES: There is no doubt that the activity is happening very quickly and it is coming on to us very rapidly and we are well aware of that. There definitely is a need to address issues on our part, on everybody's part, as soon as we can.

We are anxious, naturally, to do that. Mr. Cleveland is just going to make reference to one of the regions where there is a ton of activity that we are starting to get involved in and how we are starting to address some of the concerns with the short-term, quick activity that is happening.

CHAIRMAN (Mr. Lafferty): Mr. Cleveland.

MR. CLEVELAND: Thank you, Mr. Chairman. Just briefly, this has been a concern of ours as well. What we have done as a department is to organize the funding so that it is allocated at the regional level and the regional staff, working cooperatively with industry and aboriginal groups, can make decisions and fund programs directly at the regional level.

There is the authority to make decisions quickly and my sense, at least at this point, is that staff are very acutely aware of the need to be responsive on a timely basis. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you. General comments, Mr. Roland.

MR. ROLAND: Thank you, Mr. Chairman. One quick question. Is this plan put in place to build on the existing system we have in place?

CHAIRMAN (Mr. Lafferty): Thank you. Mr. Ootes.

HON. JAKE OOTES: That is correct, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you. Further comment, Mr. Roland.

MR. ROLAND: Thank you, Mr. Chairman. I would like to thank the Minister for that confirmation and with that, it gives me some concern because I have raised issues in the area of the education system for quite a number of years since I became a Member and the previous Assembly as well.

In fact, when we look at this, I just have to say this comment as well. It has been said before that a strategy without funding is nothing more than a campaign slogan.

Mr. Chairman, if this system is built on the existing system and we are talking, for example, in career development of stay-in-school campaign and career technology studies, career development, how is it going to be tied to there? I brought an issue up, for example, to the Social Programs Committee as they went through business plan reviews and I was given information that, in our existing system, we have quite a concern. In fact, I will use my community for some specifics.

Right now, this year, there are approximately 25 percent, or a quarter of our high school students going into the program level of 16,26,36. That will be the high school level. That is a system that we have adopted. We have joined with the Alberta curriculum and joined that and that program has been reduced. Their credit value has been reduced from five credit courses to three credit courses. So my understanding, unless there have been recent changes within the department, and hopefully there have been because I know the committee raised it on my behalf, but there should be some changes if it has not been taken on.

The fact is, anybody who is in that program of 16-26-36 courses, they can successfully complete all of those courses and, at the end of that time, they will not have enough credits to get a diploma. I know there is a bridging process put in place for those students to write the English 33. I guess it is to try to bridge them up to qualify for a grade 12 diploma. The fact is that is adding almost an extra year in some cases to some of these students, costing this government even more money.

Number two is that when we talked about career development or pre-technology courses or apprenticeship programs, my understanding is within these courses as well, some of the criteria for the math and the sciences would not allow a student who successfully completed that program to be able to challenge a pre-trades exam and pass it successfully.

Now I am aware that there has been ongoing work within the regions in the area of, what they call SNAP. I guess the Department of Education has worked on that, Students North Apprenticeship Programs. However, because the criteria in some of these courses do not tie up with challenging the exam, they are having problems with this. I know there has been work done by those in the district education councils throughout the Territory on the SNAP access program, which would provide

the proper courses and criteria to challenge the exam and pass it successfully.

You know, I look at this and I say, Well, it is very good and well that we are planning this, however, for example, 2000-01, we are three quarters through the year. It is pretty well done and we do not have a wooden nickel to show for this plan. You rub that wooden nickel and a plugged nickel together and we still get nothing. I agree.

I have just been passed a note and another colleague of mine reminded me of the other issue tied to the SNAP access. In Alberta, the 16 and 26 program is an occupational program, an integrated occupational program. That is how they have addressed this 16-26-36 course, so that students coming through that system, at the end of their twelfth year can get a diploma that shows potential employees that these students are work ready and can qualify for entry level jobs in the field.

Right now, my concern is if this does not change, and just addressing the community of Inuvik, in the high school this fiscal year, we are setting up a quarter of our student population for failure. That is unacceptable. No matter how grand you tie a program and a plan together, if our existing system is not functioning, we are throwing good money after bad, in a sense. You tie all of this to one of my pet peeves for awhile, and I know that this might get the blood pumping in some people that I know, but it is in the social pass area. That is an area that we allow to happen.

It is almost as though we are working on quantity, not quality. I know there are studies out there that say it is not good to give a student a test and have them fail and they would be marked with that for the rest of their life. I came through a system that was rather rigorous, that you had to pass exams to get through to the next grade and I think I came out okay.

The Beaufort Delta region has actually instituted a number of tests throughout. It is an area of concern. I think that if we can get funding for this proposal, all the better. However, we better ensure the existing programs we have are working and are producing quality students, students who can write challenged, pre-trades exams. We want students out of school ready to take on the apprenticeship programs that will be available out there.

We are pushing, for example, BHP. When the Diavik mine comes on, if we are pushing them to hire North, then let us train apprentices. If we have a bunch of students come out of our school system and they cannot challenge the tests, that is not a ringing endorsement for our system. That is a very difficult area and I hope that there is work going on. Maybe there are some changes in the midst right now or in the process of happening. If there are, I would applaud this department for being proactive in this area and taking the necessary steps. Right now, as I understand it, we are setting up some of our students for failure. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Roland. Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. The proposal that is before the Members is one that has been submitted to the federal government. It was worked on for some period of time and was being developed and was tied to the Non-Renewable Resource Strategy. We have to have a context in which to do work in and in which to move forward. If we had funding, in what way would we dedicate it to address the issues

of human resource development? I think that we have done that. We have it here in a package and it is one that gives the context.

I want to emphasize the word context in that. Every government organization, any business needs a plan, a vision of how to address the issues. In our case, it is issues of development. We needed to put that down in some format and some framework, and I believe, again, that we have done that. It gives a guide to where potentially we could funnel funding if and when we get this.

The issue was one of ensuring that we start looking at the activity that is potentially going to happen over the next couple of years. It is starting to come on us fairly rapidly, as we all know. It is okay for all organizations to say, hey look, how are we going to address that? It would be wrong for us not to try and put that into a framework as we have done. That is the reason this is here.

There may be questions with regard to the content of the context. No doubt. I do not think we should be saying that it is wrong to have a plan. I think we do have a plan and this is what it is. Is it adequate? Well, we have done some forecasting and we feel that we could go for the moon of course, but we feel this is realistic to start with.

Now, with regard to some of the questions about the 16-26-36 programs, I would like to have Mr. Cleveland address those particular questions, as well as those regarding the social passing. Perhaps he could address that as well.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Ootes. Mr. Cleveland.

MR. CLEVELAND: Thank you, Mr. Chairman. I think it is an important point, that we want to make sure that students in the high school can effectively move from the high school into work or into post-secondary education, depending on their interests and the directions they are able to go in, and those where they have an interest.

As the Member points out, the 16-26-36 programs were put in place for a specific purpose. It helps students gain skills so they can travel into the workforce, as opposed to into post-secondary education. We still have the other courses available as well, for students who wish to move into the post-secondary field.

That being said, Mr. Chairman, we have undertaken a number of steps to take a look at the materials that are in our high school program, specifically in the area of the math program, where there has been some question about whether the elements in our math course effectively prepares students for the trades entrance exam, for example.

We are currently talking with our colleagues in other western Canada jurisdictions who we work with for the development of curriculum. We are currently talking specifically about developing a stream which is related to apprenticeship so that we can work in more specific math for that purpose.

The other point I would just make, Mr. Chairman, with respect to this area is as the Member points out, we do have several programs that are intended to link high school students to potential future work areas. The Schools North Apprenticeship Program the Member spoke of is one of those. It is an area that

the divisional educational council in these areas is putting a particular emphasis on, and clearly we are going to need to be working with the students in that program, if they do not have the skills to make sure that they do have the adequate math skills to challenge the apprenticeship entrance exams at the end of that work.

If I could just briefly speak to the issue of...I believe the Member referred to it as social passing. As I believe we have said during our budget review process, the process inside a school of passing a student where the student sits...what class a student sits in is one issue. The second issue is whether the student is doing the same work as everybody else in the classroom. I will confirm for the Member that students do their studies at the level that they are performing at. That may be different than some of the other students in their classroom, but we try to keep them with their peers. However, if they are doing work at a different level, whether it be lower or higher, they may well be doing that in that classroom. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Cleveland. Mr. Nitah.

MR. NITAH: Yes, Mr. Chairman. Just looking at the statistics on the South Slave side, the aboriginal people between 15 and 24 years are not faring too well largely due to education. For anyone with a grade 9 level of education or lower, the unemployment rate is high. My colleague mentioned social passing. I believe that if you build a house out of matchsticks, that house is going to fall. It is going to tear down. Those are issues the department has been dealing with for years. The numbers do not seem to be changing radically by any means. It is a challenge the department will continually face if drastic changes in how education is delivered are not made.

Having said that, in any kind of development of this nature, there is work to be done right from the onset. Way before licenses are granted, companies decide if they want to go or not, environmental work that needs to be done. There is always going to be environmental work that needs to be done. I do not see too much emphasis in this document on that area of work. Does the department understand the sequence of development and are they planning to target their training to accommodate that sequence? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Nitah. Mr. Ootes.

HON. JAKE OOTES: Yes. I believe that I certainly understand in general terms the sequence of the type of development and the process that happens. Perhaps not in the kind of detail that Mr. Nitah is familiar with because he has worked in the resource industry, but I am a bit familiar with it. Our design here did take that into consideration, to look at the sequence. We have been in contact with industry and obtained information from industry so that we can look at the sequencing and address the issues as we go.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Ootes. Mr. Nitah.

MR. NITAH: Thank you, Mr. Chairman. I am encouraged to hear that. That is important. Through my experience in resource development, if the people are not ready for certain positions, they always end up being stuck having the worst jobs, the more labour-intensive jobs, the jobs that most people will not want. Truck driver training is great, but I would guess that this would probably be the third, fourth or fifth generation of

truck drivers that we are going to be educating. That is not progress, Mr. Chairman.

I do not think it has to be part of this plan to educate people so that they could get into the more technical and professional area of development. I hope that a long-term plan is going to be developed for the life of the Mackenzie Valley pipeline, for example, so that we try to keep the kids in school now and get them into the professional areas with consultation and cooperation with industry.

I think we need to get more people from communities into university. Again, I take this opportunity to encourage the Minister to look at devolving the responsibility for the delivery of education within our communities. For example, Mr. Delorey tabled a petition from his community wanting to take control of their education system locally. It has to be done more often.

The Dogrib region through the community services board proved to us as clearly as possible if you apply the money that is given to you the way you know your people are going to react to it, then success will follow.

The Dogrib took an average of 20 to 50 university students all the way to 150 in just a matter of four or five years. While this department has been in this business since 1967 and their statistics are going up, but I have to admit that it is a turtle's crawl.

I appreciate the work the department has put into this, but then again, as my other honourable colleague said, it is a great campaign slogan. I do not know what kind of relationship you will have with the new Minister of Human Resource Development if there is going to be a new Minister of Human Resource Development, but this is very ambitious, Mr. Chairman.

I am not quite comfortable putting my signature to this when we do not know if there is a pipeline coming down yet. We do not know if we are going to get dollars for this. The work is done and the plan is in place and I wish you all the luck in implementing this plan, but I stress the need to start training our people in other areas rather than the labour intensive, the truck drivers. We have to start putting our benchmarks up and targeting that benchmark, Mr. Chairman. With that, I thank you.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Nitah. Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. Mr. Nitah is certainly making some good points about the fact that we should not be addressing only the entry level type of jobs. That certainly is not our intent. It is a four-year plan and we have every intention, when it comes to the content of this, that it should address all areas of employment, not just the areas where people enter the training positions and entry level type positions. From there, it should be taken to the higher levels and assist individuals in that. It is going to take a whole cohesive effort in order to do that; the college system, on-the-job training, industry, aboriginal governments, aboriginal groups, small businesses, the whole sector.

We feel we have in generalities addressed that in the report because it is a four-year plan. Yes, it is perhaps ambitious, but we have to be ambitious in this day and age. Yes, there is a potential of that "if the pipeline is not built" attitude, but we have to take the position that we need a plan. We have to have a

plan to go ahead with. I think we have done the right thing in that, to take this step and produce this particular document and this approach. That is important for us.

So to restate the comment, we are not just looking at the basic education levels and the entry level type of jobs. We are looking at this being four years of planning for all areas of potential employment and to allow our people to progress. If they are in a position where they can advance from lower management to middle management to upper management, that should be our intent. We need to do whatever we can in that whole area. We believe that we have the basis for that in place through the school system, through the college system and some of the supplementary types of programs, apprenticeships, occupational training, mine training courses and so forth. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Ootes. Mr. Nitah.

MR. NITAH: Thank you, Mr. Chairman. Right off the bat, there is going to be environmental work needed to be done. Almost every aboriginal community down the Mackenzie Valley has a lands and environment committee that has a great traditional knowledge of the territory they are involved in and I believe that the department would be wise to approach them and to see what kind of curriculum they could work with these groups to marry the scientific and traditional sciences so that the best possible baseline studies could be done.

I would inform the Minister that this year is almost done so this is pretty much a three-year plan. It is not a four-year plan as it has been introduced until now. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Nitah. Mr. Ootes.

HON. JAKE OOTES: I appreciate the Member's comments on that and certainly I will take that under advisement. The report, of course, while it has years on there, it could potentially be extended once funding...we do not expect that we will get \$12 million up front. It would be nice if we did but we expect that it will be funded in different fashions if and when this comes forward from any kind of commitment that we may get from the federal government.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Ootes. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I was wondering if you have anybody else on the list, if I could come after them, please?

CHAIRMAN (Mr. Lafferty): Mr. Krutko.

MR. KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I too have some real problems in regard to the study, especially when you start looking at statistics where you have areas as high as 30 percent unemployment. You start looking at the different age brackets with people with less than a grade 9 education where you are looking at almost 40 percent and then people with less than a high school diploma, which is again almost 35 percent.

That alone is a challenge that we are facing. We can talk about the potential in the resource sector but unless we deal with the literacy and the low education rates we have within our population, we will have to continue to face these challenges of trying to get the people qualified to meet the requirements of these jobs.

Sure the employer can offer us all the jobs in the world but they also have to realize that they have a liability to themselves, their shareholders and also in the investment that they make, with a lot of this equipment. They want to know that they have qualified people operating equipment. You are talking, a rock truck, for example, in the range of \$3.7 million. You want to know that person is trained and has the experience.

One of the problems I see, especially in my riding, is we have a lot of people that do get their certificates to be truck drivers and what not. Then, at the end of the day, they cannot get a job because the requirement for getting a job with a lot of the major trucking companies, Robinson Trucking Ltd. and other companies in the North, is you have to have a minimum of five years driving experience. However, you cannot get that experience unless you have someone willing to take that risk, take you on the job site to allow you to get those hours to get that experience and get yourself into a permanent job position with a company or what not.

The biggest challenge I see us facing is improving the statistics that we have regarding literacy and also ensuring people have the qualifications to be able to operate and maintain equipment that is going to be used for a lot of these major resource developments.

One of the areas that I feel that we as a government have to do more to expand on and improve in is the resources. It seems like everybody is competing for different financial resources for education. We have education dollars that come from the federal government. We have dollars that are held through different scholarships, through different agencies. We have aboriginal organizations now who head up their own education and training departments where they give out scholarships. They maintain certain federal dollars. Ourselves as a government, we have scholarships through the student financial assistance programs. We have other programs through manpower.

I think it is essential that we somehow streamline these resources and pool them so that we can try and get as much of the best use of the system that is in place because it is pretty confusing to most people. I think we have to do more to work with organizations and agencies. A lot of these developments that are going to take place are going to be regional based and I think we have to do more to work with those regional institutions through the Arctic College programs, through the district education councils and also in the communities with the DEAs.

In a lot of our communities where I see a lot of these problems, as you are looking at those statistics, a lot of those statistics are community-based, where we see the high ratios of unemployment and what not. However, in most of our communities, we have adult education programs. We have facilities in place in the communities, but because of the lack of funding, a lot of these programs cannot be delivered. I think we have to start looking at trying to ensure that we work along with the aboriginal groups and the regional education councils to try to utilize those resources because the timing of these developments that we are talking about, you are looking at, in some cases, just a matter of months. The Beaufort Delta oil and gas activity is already happening. We are talking about the possibility of a pipeline. You are looking at six or seven years. In order for a person to work on a pipeline and, say you get

your journeyman's ticket as a welder, you are looking at almost three years.

In order for those people to take advantage of it, they have to be in the schools. They have to be getting trained now so they can take advantage of those programs.

I think that we have to start looking at mentorship programs along with industry. I talked to a lot of people within industry. They also have resources that they are willing to put into training people and ensuring that we do get the people in positions, but it is going to take a while because a lot of these people do not have the qualifications.

However, industry is willing to work along with government to ensure that we work with industry, who has the opportunities, but ourselves, as the government, who has resources to ensure training takes place.

I think it is essential that we as a government do not try to do something that someone is already doing. We have institutions in place that have already taken on a lot of these efforts.

I will use an example regarding Fort McPherson. We have a negotiated contract in regard to the highway contract that is in place. Almost 80 to 90 percent of the employees that work there are from the community of Fort McPherson. However, a lot of these young men and ladies went south to take their training through program dollars that they received from Indian Affairs.

They worked with the Department of Education to make sure that we had the resources and we did the projects. However, a lot of those programs that they took on, instead of sending all our students out, they brought resource people into the community, kept them there for six to eight weeks, put on the program in the community where everybody had access to that program. It was not just restricted to a handful of people.

I think that is what we have to start doing. We cannot afford to take on these programs or develop these programs. We have to use people in the private sector who are already in place to provide that service. We have to use it.

I think that we do not try to start to be the government that does all for everyone to try to ensure that we are involved in everything. We have to use the private sector in a lot of these areas, especially when it comes to the areas where we need special services.

The oil and gas industry...we need people to work on rigs. There are outfits in southern Canada. There is a PITS program based out of Edmonton that trains people in the oil and gas industry to work on rigs. We have companies out there, Akita Drilling, Shehtah Drilling. These companies are already in the North. They are working. They need these people just as much as we need those jobs.

I think we have to ensure that we do more to get people in those sectors. I think the first thing we have to do is face the challenge that we have such a low-educated population, that we have to bring up those numbers as soon as possible, through correspondence, whatever we have to do, but that is where the problem is. In this report, that is the first thing that jumps out at me, those statistics in regard to looking at the

grade levels in our different communities and looking at the unemployment statistics.

Again, I think it is crucial that we do that. I think that this government has to give up some of our authority when it comes to programs such as student financial assistance. We have to allow agencies that are already in the communities or regions the ability to manage those programs, to assist students at the regional level or the community level without looking at having it centralized.

Those are some of the areas I have concerns about. I think that there is a possibility of working them out, but I think that we have to do it in conjunction with not trying to solve our problems or do everything for everybody here.

We have to use the resource sectors that are out there, industry, the aboriginal governments, and we have to work with the federal government on most programs. I think the key to this is improving on our low education statistics and bringing them up as soon as possible, so those people can go on to post-secondary education and also get training that is needed to get them those jobs when they are here. That is the biggest challenge we are facing. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Krutko. Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chair. The Member has made a number of extremely good observations in this whole area. The fact that we do have low levels of education, low levels of literacy is of concern. It is a criteria that enters into this whole area of how do we face the challenge.

As the Member stated, the challenge is on our doorstep. It is coming onto us very rapidly this winter, where oil and gas companies are doing substantive exploration work in certain areas of the Territory, so yes, it is a tremendous challenge.

I believe the other item the Member is emphasizing is that we should not do this all ourselves and he is absolutely right. There are organizations out there that are able to deliver a lot of programs on their part, and they are willing to contribute to this. I will use, for example, the mine training committee which has developed short-term courses, 19 in total, that they can apply to train people on a very quick basis. I met recently with the mine training committee and one of their desires is to expand their particular program beyond the mining area and include it into the oil and gas sector as well.

What they can do is take the modules they have developed, then they can move that around the Territories. They are in the process of doing that. I am very supportive of that.

As well, the college, and I believe some Members may be familiar with that, recently developed a mobile container to move from community to community to do short-term training. That is done in conjunction with the college as well as industry. I know for a fact that the oil industry themselves are very keen on any area of support they can garner. They are very busy drilling and exploring in other parts of the country as well, so that the amount of resources that they can access, the human resources they can access, has its limitations. They are interested in doing what is possible with the people here in the North. They want to ensure that they can access a workforce here. They are prepared to work on areas of support that they can possibly provide help in.

We have just signed a memorandum of understanding with Petroleum Industry Training System out of Alberta and they offer numerous courses. These are the people who are the professionals in that area. They are the ones who can put people to work very quickly.

Then we get into the whole question that was raised earlier, of education. Yes, we do need to get people upgraded. We need to get those who are in the school system to try and stay in the school system as long as possible. That is one of the efforts we have to do so we get people who enter as high a level of job potential as possible and keep them moving through the stream. After several years we are maximizing the number of people who are in the system and it cannot be just at the lower levels. We have to ensure that it is at all levels.

I will use another example of training that industry is interested in having undertaken. BHP had a meeting with me and explained their breakdown of employees. Some are in the unskilled, some are in the semi-skilled, and others are in the skilled area. The numbers there are quite interesting. In the unskilled, and I will be hypothetical here, but it is approximately 20 to 25 percent. In the semi-skilled, it is approximately 20 to 25 percent. That is a large percentage of their workforce. Many of them are northern people who are employed in those particular areas.

BHP wants to ensure that they take those who are in the unskilled area, that they are able to move into the skilled areas as opportunities arise. The challenge is that they need to have developed the individuals in those areas with better literacy levels. They did a testing of some of their employees and they want to ensure that the employees do have an adequate understanding and capability to perform their jobs.

The company itself has approached our federal Member of Parliament for some support, and they have approached me as well for support for their particular request. It is an indication that industry is interested in hiring Northerners. It is a matter of how that is accomplished, and we are working hard to ensure that we have cooperative, open door access to industry to find out what their needs are. We believe we have identified that somewhat in here, how to address some of their problems. In turn, we need to know what kind of contributions industry can make towards employment of our people, as well as training of our people. Thank you.

CHAIRMAN (Mr. Lafferty): Thank you, Mr. Ootes. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I think I had better speak because we live by the principle that unless you speak, you are consenting to everything else that has been said here.

Mr. Chairman, I just want to say that I did not have a chance to read this until about a half-hour ago, and I think I have gone through and read most of it. I would like to say that I like what I see from the first look of it. I recall that I had asked the Minister a question in this House in the summer, asking whether the department had information that sort of looked like something like this, and I recall having a long conversation outside of here with the deputy minister about this.

I think this is really just a summary and sort of a bird's eye view of what we are facing, which is tremendous economic opportunities and having to deal with something that is really not a bad thing. You know, we have all these opportunities and

we are trying to make sure our people are trained to take advantage of that.

I like the identification of issues and challenges which recognizes the lower educational levels of our population, especially the unemployed population, and recognizing the regional disparities between our communities. Certainly everyone would agree that some of the problems faced by communities are so different than the situation in larger centres, especially in Yellowknife.

I am concerned about the fact that we are not able to put in the kind of money we should be able to. We probably are not even spending anywhere near as much as the private sector can.

Many Members on this side were at the BHP site just this past weekend. We had a first-hand briefing about the employment situation there. I was just briefly going through my notes from that visit and they said they are looking for 150 trades people that they cannot find. They have surpassed their target and I have no reason to question their statistics. The impression I received was that they would hire any Northerner, aboriginal or non-aboriginal, who could do the work that they have available. I am getting the feeling that I have said all of this before. Sometimes you get that feeling here.

I wonder if I could just ask...I like the fact that you have numbers now. We know that we may need up to 5,000 jobs in a certain time period, ten years or something. We know there are about 3,000 people who are unemployed. That is a good thing that we know what we are dealing with now. You have a breakdown by region as to who is unemployed.

Seeing as we do not have \$12 million infused into this program, I am assuming the department must be looking at what they have already, because you do have a budget for the non-conventional students, those who are in trades, who need upgrading, who need literacy. I wonder what the budget is for that and whether you are looking to use this document to coordinate what is already there. Just because we do not have massive amounts of money to put in there does not mean that we cannot be using this document. I am hoping you are using this document to look at what you have and the resources you have and to co-ordinate that effort.

At the same time, I would like some more information about what the stay in school campaign is about. I see that if you had the money, you would like to spend about \$10,000 a year on that. I would also like to know what just-in-time training is.

I have an issue I would like to raise with the Minister later on, but maybe I could get a short answer to those questions, seeing as how I have already used 15 minutes. Thank you.

CHAIRMAN (Mr. Krutko): The honourable Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. The information is evolving as we work our way through this area. It is a document that has been worked on for the past number of months. It certainly is the start of a framework.

It does reference issues and challenges that are out there. In that fashion we try to address how to address the challenges. Of course, I will just make reference to the challenges because

they are rather interesting, since Ms. Lee made reference to them.

One of the challenges is the low education levels. We are addressing that through various means; workplace literacy programs, basic skill development, stay-in-school programs, promoting trades, apprenticeships, and providing labour market information. We have a regional disparity and lack of infrastructure and transportation. We have some areas referenced in the document of how to address that.

We address the challenge of the boom-bust economy. Should skills be transferable? We are encouraging Northerners to consider employment perhaps outside of their own specific region, because it may shift. We need to address the issue of mobility.

Then there is the challenge of the under-developed private sector. We have to work with small businesses to develop capacity and human resource plans and promote the development of sophisticated support systems in the Northwest Territories. Of course, then we get to the regulatory environment area. That is an issue on its own.

I am familiar with the issue at BHP. My information was that their concern was mostly in the area of providing basic education programs to those in the unskilled area. We have information broken down by region, so it is all good information. Perhaps I will leave it at that to allow Ms. Lee some time to address further questions.

CHAIRMAN (Mr. Krutko): Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I am sure the Minister could probably tell us what is good about this for hours. I have already said I like what I see, so let me just move on to what I had a problem with. On page 7 of this document, it says that one of the principles of this strategy is that there should be equal opportunities for men and women in all education and training initiatives.

Also, I have mentioned in this House about the GNWT's policy on equality to men and women in the Northwest Territories. I think there is a requirement to do general analysis of government policies. I do not see any breakdown at all about what the strategy is to ensure that all training opportunities, if there are any, that programs are designed in such a way that you are looking to hire as many women as possible. I wonder if all of the figures you have here include women and men. I do not think I have seen a breakdown of that. It is a really good breakdown of who is available to work and who is able but not employed and so on. I wonder if the Minister could answer that question as well as what the next step is with this.

CHAIRMAN (Mr. Krutko): The Minister responsible for the Department of Education, Culture and Employment, Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. All of our programs have to address the issue of equality and all factors, Mr. Chairman. Perhaps I could ask Mr. Cleveland to address this in more detail.

CHAIRMAN (Mr. Krutko): Mr. Cleveland.

MR. CLEVELAND: Thank you, Mr. Chairman. As the Minister indicated, the issue of equal opportunity is very important to us. We find at the present time, for example in post-secondary

education, that women make up about 55 percent of the students enrolled in post-secondary education. That is a pattern that has been consistent over a period of time.

In the industrial setting, there are some additional challenges, as I think the Member is alluding to. It is interesting to note that in Fort Liard where we have had some recent experience with expansion, women have made up about a third of the workforce. Clearly that is not up to the 50 plus percent we are seeing in post-secondary education, but it is a fairly strong situation. Although we are going to have to continue to work with employers on this issue, because there are a number of issues on the worksites that in some way mitigate against participation by women. It is an issue that we are continuing to take up with employers. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Delorey.

MR. DELOREY: Thank you, Mr. Chairman. We have not had this for very long. In going through this, when I first received it, you have to think of all of the other packages we have like this in our office that have been collected since we took office here. They all have strategies. There is a lot of work that has gone into this and the figures look pretty rosy, but they are all a pipe dream, I guess. An item sitting on the shelf if we do not have any money to put towards them.

One of the things that concerns me about it is that we are all doing all of these strategies on a hope. A hope that the federal government is going to come through with these monies. I think somewhere along the line reality has to set in as to how much money we can put in and still be waiting for the amount of money that the federal government is going to come up with.

One of the fears that I have is what we are seeing right now in our communities where we cannot look after the basics that we have right now. In the Department of Education, for example, we have set strategies and we like to come out and say that we have put a lot of importance in preschool kids to get them started on the right foot, to get them ready for education.

We have play schools out there right now that cannot afford to operate and there is no money in this government to put into them to get the kids started properly. Somewhere along the line, we are going to have to put priority on it and then be prepared to put some money into it.

I took one thing that Mr. Cleveland said, on the fact that they keep kids moving through school at a level that is going to get them to the alternative, to the top level, and at the same time be prepared to go on when they get there. I hear from teachers in my community that we lose and are still losing a lot of kids after grade 10 because when they get there, they are not ready for grade 10. They are not ready for grade 11. Between grade 10 and grade 12, we lose them because we are not putting the resources in to help them when they get to grade 10, for the ones who need extra help. It is a real concern that I have and I think that somewhere along the line we have to realize that we have got to do some prioritizing.

It is great to see a four-year plan to go ahead with this. When we talk about non-renewable resource development, I can go back to 25 years ago, when the Mackenzie Valley pipeline came to a halt. It came to a halt because aboriginal people were saying that they were not ready, they did not have the education to take part in resource development, and so Judge

Berger suggested a ten year moratorium so that we would have a chance to settle land claims and self governments and educate our people to be ready to take part in resource development. This is not ten years later, this is 25 years later or 26 years later. The reality is that plans do not always work out here.

Now, how much are we going to put into this strategy, the tourism strategy, waiting for the federal government? While we are waiting for the federal government, we are taking money out of our budgets right now that are affecting some of the very basic programs that we have to help our people. I think we have to somewhere along the line decide what are the options we have. What can we do if the federal government does not come through with \$14 million, they only come through with \$6 million? Or if they do not come through with \$6 million, what if they come through with \$3 million? What do we do? Where do we prioritize? Do we just throw a little bit here and a little bit there and end up with not really a lot at the end of it, I guess? I fully commend the department and every department that puts a strategy ahead and wants to go along with economic development and resource development. I support that.

I guess the reality for me is that we have to see the money one of these days or it is going to be tough to go along with it. It is the same thing with the Northwest Territories regulatory system. Industry is still here. We are here now saying that we are ready to go. We are ready for development. We want development to come in, but industry is still saying that our regulatory process is one of the toughest ones to deal with. We have to make some progress. We have to put some things in place to encourage development. I think we are really slow in that area.

The other areas I have a problem with is that we are going to have to show we are ready to share some of this wealth around the Territories as well. The oil and gas sector supposedly is not a Yellowknife deal like the diamonds are. Yet what work is being done in oil and gas right now? A lot of it is being done in Yellowknife again. I mean, meetings are taking place about oil and gas. They are taking place here in Yellowknife again. There is no reason for that.

There is money tied in with these studies and these big conferences and these meetings. There is money for communities out there for these, if we send them out there. I would certainly like to see us start doing some of that to show the rest of the Territories that yes, we are interested in the whole of the Territories. I probably will have some more questions or comments on this before it all comes to a reality, but for now, that is all I am going to say, Mr. Chairman.

CHAIRMAN (Mr. Krutko): Mr. Minister.

HON. JAKE OOTES: Thank you, Mr. Chairman. I appreciate Mr. Delorey's areas of concern. I would like to point out that we are not Yellowknife oriented with our particular approach. We did support the meeting that took place in Hay River on oil and gas, and in another week and a half there is a symposium in Inuvik. We are supportive of that. We are trying to participate in these as much as possible and ensure there are regional areas here that are directly affected by oil and gas, but it affects the whole of the Territory, so we are concerned about that and try to support that as much as possible.

The question with regard to the fact, okay, we have a work plan here, what if we do not get the money? We had to take this

step in order to support an approach, and I want to emphasize that. We cannot lose track of the fact that we have to pre-plan. We have to set things in motion that addresses the potential areas. This particular report does not address a lot of areas. It contains statistical information. It points out the challenges, some of which I made reference to earlier, and how we intend to address those challenges. It is a framework by which to start addressing some of the concerns that are out there and some of the areas we need to work on.

We also want to work with industry to see how we can partner together in this whole thing, partner with other organizations. Not all of it depends strictly on dollars. We have to develop an understanding of what every area can contribute and industry can contribute tremendously here. We need to ensure we have industry on side to say yes, this is what we can do. They have a tremendous stake in this. After all, in the Beaufort Delta area this winter, we are talking upwards of, I am not sure, but over \$100 million, I believe, in the Mackenzie Valley this year. We are talking possibly \$200 million worth of work. So there is a tremendous amount of interest on the part of industry here to work on this area.

This particular document helps me with industry as well to discuss areas of concern and to say this is our problem, here is one of our plans. Yes, it is a submission as part of the larger submission to the federal government, but how industry can help out here to address some of these concerns. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Bell.

MR. BELL: Thank you. Recognizing the clock, I will keep my comments fairly short and Mr. Ootes can possibly give me a response so that other Members will get a chance.

He mentioned we would be remiss if we did not have working documents and strategies before we got the money, and we can hardly be expected to get money if we cannot show how we intend to use it. I would agree with Mr. Ootes in this respect. I think where I would disagree is in the fact that these documents have been made public. There have been press releases. Numbers like \$12 million have been thrown around. It is not the department's fault that when they publicize the fact that we have spent \$500,000 but hope to spend \$12 million. That is what the public sees. They see the \$12 million. They do not see the \$500,000 that we have allocated already. I do not know if it is irresponsible but it certainly raises hopes among the people of the Northwest Territories that we are going to have all of this money and have all of these positions and do all of these great things, when in fact that may or may not be the case.

That is just a comment. I would not argue that we need strategies. I just do not know why we could not keep these things internal and get some feedback before we go and do a dog and pony show. I do not mean that with any disrespect, but when we get calls such as, "Where do we go and sign up for these positions?", I do think that it is irresponsible.

The other question I have is we have looked at these five-year plans and I agree we can move these things on as we get the money, but this is a political question and maybe it is a question for the Premier. At what point are we going to give up? At what point are we going to say we have a Non-Renewable Resource Strategy, we have a Human Resource Development Strategy, we have whatever. It requires federal funds. We are not getting any federal funds. Is there going to

be a date and time six months down the road? A year down the road? A year and a half? Five years? Certainly the public is not going to stand for us carrying this on for ten years, hoping that we will get federal money in the neighbourhood of \$200 million.

So I am hoping that Mr. Ootes can sort of speak to when he expects we will make the decision to pull the plug, as it were, if we are not going to get any money?

CHAIRMAN (Mr. Krutko): Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. The document was part of the Non-Renewable Resource Strategy, an expansion of a request to address 19 areas. This is an expansion of that.

When I was interviewed by the press, they were the ones who asked me about the document. I was prepared to give it to them. I had given it to the MLAs I believe a month before that and I do not see any need to suggest not to release this because we need to deal with the Non-Renewable Resource Strategy and we dealt with that in the summer time. This is an expansion of that particular area.

With regard to how that is put across in the press, I will be the last, and I am serious about this, I will not tell the press how to do their work. I was part of it for 20 years and you do not tell the press people how to write their stories. I was very emphatic to them that it was a proposal to the federal government. I was not intimating that this was \$12 million that we had in our pocket that we could magically put on the table. I was very, very emphatic with them over that. How it comes across is their responsibility and their business.

Now, with regard to whether we are going to get this money and when, we are working on this. We have been working on this for some time and, as the Member well knows, we are in the middle of an election at the moment so there are some hurdles here.

However, when I was in Fredericton and met with the Honourable Jane Stewart, one of the objectives that she is trying to develop is a skills framework, whereby funding for this type of program can be funneled through and into programs like this. We are not the only jurisdiction that is working to have that kind of framework established. There are other jurisdictions as well.

It is under development by the Ministers across Canada, Ministers of employment and labour who want to address this particular funding area that Minister Stewart wants to have developed.

I see an opportunity that is still there to access. As well, we have had indications from the federal government of their interest. Thank you.

CHAIRMAN (Mr. Krutko): Mr. Bell.

MR. BELL: Thank you. Just quickly, I do not doubt that our government and this Minister are working very hard on this. I know he has been to see Jane Stewart. I am not suggesting that they are not working hard on this or do not have a chance of getting some money, but I am asking, in the event that we do not get any money, God forbid, will we move on to other things and say, "Hey, this was a valiant try, but at some point we have

to get on with business and leave this behind and deal with what we do have?"

CHAIRMAN (Mr. Krutko): Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. The document is available for us to work with. It is available right now for us to work with to be able to illustrate to industry, for example, what we want done, how we want to go about getting things done and in the areas we need things done in.

It is a document that is very valuable from our point of view to use in support of working in partnership with aboriginal groups, with industry and so forth. I believe that has a tremendous amount of value. We have ongoing programs we are supporting, Mr. Chairman. Many of them that are there and, as I mentioned, we are supporting the mine training committee. We are supporting the community mobilization group. There are a multitude of areas that we are going in and I believe that this is important work and that we are making progress in this area. We need funding of this sort in order to move forward quickly.

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

MR. MCLEOD: Thank you. I want to tell the Minister that I think it is a good start to identify all the different areas that need different training dollars. I also have to commend him for taking the proactive approach of submitting it to the federal government.

However, in his media presentation, or in his discussion about the media, he indicated that he talked about a \$12 million plan to deal with oil and gas. I do agree that this is a plan. This is a proposal and it is identified as a proposal. It is a request to the federal government for money and I think he has painted a picture in the communities and all around the North that we have a \$12 million budget to spend on oil and gas. That is not the fact and we are getting calls. Mr. Bell has indicated that he is getting calls. I am getting calls. There are others who are getting calls. Where do we sign up for this thing? Where is the headquarters going to be? That comes from aboriginal leaders as well as people in the communities.

I think that has to be clear. If we are going to hold our breath waiting for money to come from the federal coffers, we do not have to look at the diamond industry. How much money have they put into training for diamonds for the secondary industry?

I do not think we have that much hope. I have talked to some of the people in the federal government about oil and gas training initiatives in the Deh Cho. They indicated that they are putting money into the communities already. They say, "We are putting money into the local training authorities, use that. Fort Providence has \$250,000, use that. I do not see us putting any more in there."

I am not putting a lot of faith into the federal government coming through with a lot of dollars. However, I agree that we need some kind of a plan and the Minister has indicated that he has talked to industry and that this document has been around for a while. He gave it to us a month ago. If he has given it a lot of attention, how much commitment do we have? What do we have from industry that gives them comfort that we are going to get dollars from them? Has there been any discussions with

any of the companies that have indicated, "Yes, we will pay for a portion of this."?

CHAIRMAN (Mr. Krutko): Mr. Ootes.

HON. JAKE OOTES: Thank you, Mr. Chairman. I want to again reference the press interviews. I was asked about this. I was interviewed by the press. If there is an impression left out there that this is a plan that is already in place, then I cannot help but say that the press has a role to play here as well because I was very specific with them that this was part of the Non-Renewable Resource Strategy, a request to Ottawa. That is of concern to me that people are of the opinion that we do have this money in hand. We do not have the money in hand.

I gave them a copy of the proposal. They were able to interview me on it. In any event, how much is industry contributing? We have spoken with them and most of their contributions are in kind at this particular point. We are not into specifics yet but this remains a priority with us to address. Thank you.

CHAIRMAN (Mr. Krutko): Thank you, Mr. Ootes. With that, I recognize the clock. We will rise and report progress. I would like to thank the witnesses. Thank you.

MR. SPEAKER: The House will come back to order. Item 20, report of committee of the whole. The honourable Member for Mackenzie Delta, Mr. Krutko.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Tabled Document 63-14(3), A Human Resource Development Proposal Related to Non-Renewable Resources in the NWT, and would like to report progress. Mr. Speaker, I move that the report of the committee of the whole be concurred with.

MR. SPEAKER: Thank you, Mr. Krutko. Do we have a seconder for the motion? The Chair recognizes the honourable Member for Frame Lake, Mr. Dent. All those in favour? Thank you. All those opposed? The motion is carried. Item 21, third reading of bills. Item 22, orders of the day. Mr. Clerk.

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, meeting of the Standing Committee on Accountability and Oversight at 8:30 a.m. tomorrow.

Orders of the day for Friday, November 10, 2000:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions

9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
 - Bill 12, Supplementary Appropriation Act No. 7, 2000-2001
 - Bill 14, An Act to Amend the Student Financial Assistance Act
18. Second Reading of Bills
 - Bill 16, An Act to Amend the Motor Vehicles Act
19. Consideration in Committee of the Whole of Bills and Other Matters
 - Tabled Document 63-14(3), A Human Resource Development Proposal Related to Non-Renewable Resources in the NWT
20. Report of Committee of the Whole
21. Third Reading of Bills
 - Bill 10, An Act to Amend the Adoption Act
22. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Friday, November 10, 2000, at 10:00 a.m.

-- ADJOURNMENT

The House adjourned at 6:00 p.m.

