



NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

3rd Session

Day 48

15th Assembly

HANSARD

Thursday, March 3, 2005

Pages 1715 - 1768

The Honourable Paul Delorey, Speaker

Legislative Assembly of the Northwest Territories

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Published under the authority of the Speaker of the Legislative Assembly of the Northwest Territories

TABLE OF CONTENTS

PRAYER	1715
MEMBERS' STATEMENTS.....	1715
MR. VILLENEUVE ON ABORIGINAL REPRESENTATION IN THE GNWT PUBLIC SERVICE	1715
MR. RAMSAY ON ALARMING NWT CRIME RATES.....	1715
MR. YAKELEYA ON POLICE RESOURCES IN SMALL COMMUNITIES	1716
MR. POKIAK ON DISTRIBUTION OF POLICE RESOURCES	1716
MR. BRADEN ON EFFECTIVENESS OF THE CURRENT JUSTICE SYSTEM.....	1717
HON. MICHAEL MCLEOD ON HAY RIVER RESERVE KAMBA CARNIVAL.....	1717
MRS. GROENEWEGEN ON PROGRESSIVE JUSTICE SYSTEM FOR THE NWT.....	1717
MR. ZOE ON TAKING ACTION AGAINST CRACK COCAINE	1718
MR. ROBERT MCLEOD ON JUSTICE FOR VICTIMS OF CRIME	1718
MR. MENICOCHÉ ON POLICE RESOURCES IN FORT SIMPSON	1719
MS. LEE ON FUNDING FOR THE YELLOWKNIFE COPS PROGRAM	1719
MR. HAWKINS ON DISCIPLINARY PROCESS FOR THE LEGAL PROFESSION.....	1719
RECOGNITION OF VISITORS IN THE GALLERY	1720, 1732
ORAL QUESTIONS	1720
WRITTEN QUESTIONS	1732
TABLING OF DOCUMENTS	1732
NOTICES OF MOTION.....	1732
30-15(3) - REVITALIZING COMMUNITY JUSTICE	1732
MOTIONS.....	1733
30-15(3) - REVITALIZING COMMUNITY JUSTICE	1733
CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS	1733
REPORT OF COMMITTEE OF THE WHOLE.....	1766
ORDERS OF THE DAY	1767

YELLOWKNIFE, NORTHWEST TERRITORIES

Thursday, March 3, 2005

Members Present

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

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Paul Delorey): Good afternoon, colleagues. Before we begin the business of the day, I would like to take this opportunity to acknowledge a special day for some of our Members. It happens to be the birthday of the Member for Range Lake, Sandy Lee.

---Applause

We also have another birthday in the House, the Member for Inuvik Twin Lakes, Mr. Robert McLeod.

---Applause

Orders of the day. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Tu Nedhe, Mr. Villeneuve.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Aboriginal Representation In The GNWT Public Service

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, today I rise to try to raise a little more awareness in this House about this government's human resource activity and the direction it's heading.

Mr. Speaker, the 4,000 plus public servants that the GNWT employs are good people who are committed to serving the public and we must be grateful for all the good work they perform every day. Yet, because less than one out of every three of our government employees is aboriginal, we are not coming close to achieving the goal of this government's affirmative action policy which clearly states that this policy reflects the GNWT's commitment to a competent public service that is representative of the population it serves.

In one report in a local newspaper, Mr. Speaker, it was stated that for adult aboriginal persons in the NWT, the total employment rate is only 53 percent; whereas, for all others, the rate of employment is 83 percent. This is a concern for me, Mr. Speaker.

The population of the NWT is 50 percent aboriginal, yet, according to the most current report of our affirmative action policy, only 31 percent of our territorial government employees are aboriginal and only 13 percent of all GNWT employees in Yellowknife are aboriginal. So basically one in three of our employees is aboriginal where one in two of our people in the NWT are aboriginal.

To retain the current levels, if we are content with the situation, for every three new hires, one would have to be aboriginal just to keep in pace, Mr. Speaker. However, according to an affirmative action report, only one out of

every four persons hired or transferred are affirmative action candidates. Mr. Speaker, we already have less than the representative number of aboriginals on our GNWT workforce and having as a percentage many more non-aboriginals being hired each year, within 16 years the GNWT would have a totally non-aboriginal workforce.

Now we can and should take this perspective with a grain of salt because, as Mr. Twain said, "There are lies, damn lies, and then there are statistics."

---Laughter

Regardless of how we view this, surely we can all agree that this situation cannot continue.

Mr. Speaker, prior to 1995, this government had a Department of Personnel. That department was responsible for the affirmative action policy. Mr. Speaker, I seek unanimous consent to conclude my statement.

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

MR. VILLENEUVE: Thank you, Mr. Speaker. Thank you, colleagues. Mr. Speaker, prior to 1995, this government had a Department of Personnel. That department was responsible for the affirmative action policy. Since then, each department has been responsible for its own recruitment. I have no doubt that each department is working to the best of its ability to hire a representative workforce, but clearly this is not enough and a more concerted effort must be made. We must not let the situation continue whereby our workforce is less and less representative of our population every year. There is no mention in the budget about this situation and it is getting worse. We need to address this trend and find ways to turn this situation around before it spirals out of control. Mahsi, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Villeneuve. Item 3, Members' statements. The honourable Member for Kam Lake, Mr. Ramsay.

Member's Statement On Alarming NWT Crime Rates

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, my Member's statement today is about crime in the Northwest Territories. According to an RCMP report that came out in 2001, the Northwest Territories was 27 positions short of having enough staff to address its policing needs.

The Minister of Finance recently announced in his budget address that the government would be allocating an additional \$1.4 million for 10 new RCMP positions to address the shortfall. To meet the target outlined in the

2001 report, the department will provide additional financing for more positions again next year. But, Mr. Speaker, six years have passed since the report was written. Even if we meet the targets set in 2001, crime has continued to rise and it's only getting worse. We would be naïve to think there won't be an increase associated with the potential pipeline development, and here in the city, endemic use of crack cocaine has had an exponential impact on the incidence of crime. Resources, Mr. Speaker, are just not keeping up.

Mr. Speaker, from 2001 to 2003, the last year for which crime statistics are available, incidents of crime have increased territory-wide by almost 25 percent. In Yellowknife, for the same period, crime increased by 21 percent. The headlines from the Yellowknife's biweekly crime report indicate there has been no slowdown. From December 27th to January 9th, 624 complaints to police, 18 break-and-enters, 40 incidents of common assault and another three assaults with a weapon. January 10th to 23rd, 427 calls to police, 16 break-and-enters, 42 assaults and one assault with a weapon. January 25th to February 7th, 366 calls, 27 assaults, three assaults with weapons. February 8th to 21st, 406 calls, five break-and-enters, 20 common assaults and five assaults with weapons.

Mr. Speaker, in 2003, again the last year for which stats are available, the situation in the Northwest Territories for all incidents of crime is well over four times the national average. Incidents of impaired driving are five times the national average. Incidents of sexual assault are six times the national average. Incidents of crimes of violence, as a whole, are well over seven times the national average. I find these statistics absolutely shocking, Mr. Speaker, and I hope that Members sitting on the other side of this House are paying close attention.

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

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

MR. RAMSAY: Thank you, Mr. Speaker. An increase to policing is one way to get a handle on crime. Another way is to ensure there are hefty penalties to act as deterrents. Unfortunately, I do not see either. I was appalled at the two-year conditional sentence recently handed down to the Yellowknife man convicted of sexually abusing his young daughter for nearly a decade. What does a sentence like this say, Mr. Speaker? We are sending the wrong message to criminals. Mr. Speaker, I implore this government to make crime prevention a top priority. We must do more to get a handle on the crime around us. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Ramsay. Item 3, Members' statements. The honourable Member for Sahtu, Mr. Yakeleya.

Member's Statement On Police Resources In Small Communities

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, what would it take to wake up the RCMP at headquarters here in Yellowknife or the Department of Justice to get full-time officers in small communities in the North? Do

we need to revive the Community Constable Program, Mr. Speaker? I read in the Yellowknifer newspaper yesterday, Wednesday, March 2, 2005, Police go Back to Schoolyard, and heard on the CBC special report at 7:15 a.m. this morning about the same subject and noted it with interest.

Mr. Speaker, any type of violent incidents and the protection of the safety of the public is a real concern, especially when children are involved. Mr. Speaker, I thank God that no one was physically hurt. Mr. Speaker, what do we have to do to have the added push to have full-time officers or the some type of police presence in those communities where there is none? We have 11 communities, Mr. Speaker, in the Northwest Territories without full-time RCMP officers. However, we have a full-time officer dedicated to 11 schools in Yellowknife. Mr. Speaker, in the newspaper, it was noted that a personnel increase in the Yellowknife detachment of the RCMP would like to have two full-time members in the schools in Yellowknife.

Mr. Speaker, in our small communities we have incidents that require full-time officers in our communities. However, we are told the cost of stationing them in our communities is high, and a recent voting from Labour Canada is RCMP are no longer allowed to have single-member detachments. In our smaller communities, we have RCMP officers cover from time to time in these places without RCMP members. Mr. Speaker, we are talking about entire communities -- entire communities -- that deal with alcohol abuse, violence and other criminal activities. Mr. Speaker, when will this government put full-time officers in small communities? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Yakeleya. Item 3, Members' statements. The honourable Member for Nunakput, Mr. Pokiak.

Member's Statement On Distribution Of Police Resources

MR. POKIAK: Thank you, Mr. Speaker. Mr. Speaker, I listened with interest to CBC Radio this morning to the announcement that the RCMP in Yellowknife had appointed an officer to do nothing but work with schools in Yellowknife. Obviously with the community of Sachs Harbour having no regular RCMP presence, I have a fundamental problem with the logic that lead the RCMP to appoint a school liaison officer. Mr. Speaker, there are many communities in the Northwest Territories without an RCMP presence. The residents of these communities should be entitled to the same level of protection that most residents of Canada enjoy.

---Applause

I realize that it will cost money, but I believe it is a necessary expense for this government to bear. A community like Sachs Harbour that is isolated and only accessible by air should have an RCMP presence. By the time the RCMP organize a response team, charter an airplane and fly to Sachs Harbour, the question becomes whether or not they will be there in time to be of assistance in an emergency situation.

Now I know, Mr. Speaker, that the Minister of Justice will stand in this Assembly and tell us that they cannot afford to put RCMP in every community in the Northwest Territories. I know he will tell us that the recent Labour

Canada ruling directed the RCMP to have, as a minimum, a two-person detachment. What I do not know, Mr. Speaker, is what the Minister of Justice will tell the residents of Sachs Harbour when someone is hurt or killed because of a lack of RCMP presence. I will ask questions at the appropriate time. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Pokiak. Item 3, Members' statements. The honourable Member for Great Slave, Mr. Braden.

Member's Statement On Effectiveness Of The Current Justice System

MR. BRADEN: Mahsi, Mr. Speaker. I am pleased to follow my colleagues and talk about issues related to our justice system and the delivery of justice in the NWT. Mr. Speaker, one of the things that I think is fundamental to a healthy society is the ability at the community level, at levels closest to the people, to be able to deal with offenders and victims and consequences of actions by people when they do the wrong thing.

We have the opportunity here and, indeed, for a number of years we've been exercising it through community justice committees, Mr. Speaker. This kind of innovation is really not all that original. I think it's practiced in many countries around the world and it is certainly something that goes along with the principles of attaining self-government and growing the responsibility that communities and individuals need to take on with this kind of situation. We have so many repeat offenders in the Northwest Territories. Mr. Speaker. I wonder if this is a consequence of the failure in some respects of the British style of justice that we have where once offences are dealt with, the offender is taken out of the society and the places where he or she has responsibilities, put away for a little while and then returned. Then everything is deemed to be okay. Well, you know it's not. If we really are to pursue the idea of rehabilitation and restoration, the offender has to be able to take responsibility and be put into a situation where that can happen. I believe that the more effort and the more resources and the more significance we put on community justice committees and bringing the delivery and the appearance of delivering good justice at the community level, our communities will be healthier places. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. Item 3, Members' statements. The honourable Member for Deh Cho, Mr. McLeod.

Member's Statement On Hay River Reserve Kamba Carnival

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I wish to recognize the official opening of the Kamba Carnival hosted by the Katlodeeche First Nations on the Hay River Reserve. From its modest beginning 22 years ago, the carnival has become a tremendously popular and successful event, attracting visitors from across the North from as far as away as places like Manitoba and other parts of Canada. One of the objectives of the Kamba Carnival is to foster a spirit of cross-cultural awareness. People of all ages are encouraged to test their northern skills in a variety of events for the whole family, including snowshoe races, tea

boiling, axe throwing, log sawing, dog races, hand games, drum dances and talent shows. Speaking from personal experience, the Kamba Carnival is a guaranteed good time for all. I am very regretful that I am unable to be there today to help kick off the festivities. However, I would like to extend an invitation to the Members here and to northerners everywhere to come to Hay River this weekend.

Mr. Speaker, in recognizing this popular event, it's important to recognize the hard work and dedication of its organizations, the carnival committee, who work year-round to make the Kamba Carnival a success, and not only the carnival committee, but many volunteers, sponsors and supporters who help make it possible. I want to wish them another successful year. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Item 3, the honourable Member for Hay River South, Mrs. Groenewegen.

Member's Statement On Progressive Justice System For The NWT

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I am so pleased that we are having a justice theme day today. I have youth on the mind. It is so timely and relevant in light of issues that I have been dealing with in Hay River. When you consider our statistics related to justice and corrections in the North, it must be a topic of very high priority to us as a government. Mr. Speaker, I feel that we were on a course that was cutting edge and progressive with justice, but during the past few years, the system as it relates to community involvement, the Justice of the Peace program, community justice committees, elder and youth sentencing panels, traditional incarceration alternatives, we have significantly regressed. There are some things such as the Criminal Code and the Youth Criminal Justice Act, in which it may appear we have very little jurisdiction to influence. The truth, Mr. Speaker, is that these pieces of legislation do provide us with many opportunities and significant latitude to bring a made-in-the-north philosophy to bear.

We have unique realities in the North related to culture, language, tradition, values and the age of our population. We cannot build monuments to justice in which to merely warehouse our citizens who find themselves on the wrong side of the law. If we do, we had better be prepared to build bigger and more jails. We need to recognize and quantify the amount of our crime related to other problems, such as alcoholism and preventable and treatable things such as FASD. How many of our offenders incarcerated today are, in fact, victims? Mr. Speaker, we can invest on the front end in treatment, counselling, education and prevention, or we can keep dealing with the broken, devastated lives of our people. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mrs. Groenewegen. Item 3, Members' statements. The honourable Member for North Slave, Mr. Zoe.

Member's Statement On Taking Action Against Crack Cocaine

MR. ZOE: Thank you, Mr. Speaker. Mr. Speaker, today I want to speak about the violent impact of crack cocaine. My colleague from Kam Lake raised this issue yesterday. Today I want to join him to urge this government to do everything within its power to prevent this dangerous drug from taking hold on our communities.

Mr. Speaker, crack cocaine does not discriminate. It is as much a threat to small communities as it is to larger centres, perhaps more so. Many of the small communities in the Northwest Territories already have widespread problems associated with abuse of other substances, often starting as young as 12 or 13 years old.

Mr. Speaker, I am frightened to think what will happen if crack cocaine becomes readily available in smaller communities. It is cheap and highly addictive from the very first start. As my colleague pointed out yesterday, drug traffickers, often users themselves, have no scruples. They do not hesitate to sell, even target youth. If the thought of this makes you shudder, Mr. Speaker, it should.

Cocaine is already present in outlying communities. This morning on the CBC regional news, we learned that last week a man in Rae was arrested and charged for an unprovoked attack on a police officer causing bodily harm. He was found to be in possession of crack cocaine and marijuana. If we fail to take action, it is only a matter of time until crack cocaine devastates small communities across the Northwest Territories.

The RCMP have recently appointed a liaison officer to work in Yellowknife schools on the Drug Abuse Resistance Education Program, called the DARE program. This is a good step, but does not address the problem of drugs in the smaller communities. Drug education in schools in small communities is absolutely essential, Mr. Speaker. I urge the government to make drug education in schools a priority. Prevention, Mr. Speaker, is the only chance we have against crack cocaine.

The strategic plan of this government sets out the goal of "Healthy, educated people living in safe communities, who are able to contribute and take advantage of life's opportunities." If the government hopes to achieve this, I suggest quick action to provide more resources.

MR. SPEAKER: Mr. Zoe, your time for your Member's statement has expired.

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

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

MR. ZOE: Thank you, Mr. Speaker and colleagues. If the government hopes to achieve this, I suggest quick action to provide more resources for drug abuse prevention education in schools in all communities. We need to get a grip on this problem before it gets a grip on us. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Zoe. Item 3, Members' statements. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

Member's Statement On Justice For Victims Of Crime

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, today I want to speak about a group of people who often get forgotten in the whole justice picture. I am talking about the victims of crimes.

SOME HON. MEMBERS: Hear! Hear!

MR. MCLEOD: It is very frustrating to hear so much emphasis placed on the offenders and their needs. We seem to spend a lot of time talking about what we can do for them, how we can help them and how we can accommodate them by keeping them close to their families and their culture. Mr. Speaker, if they cared so much about their families and really wanted to honour their culture, they would be taking responsibility for their actions and staying out of trouble. Granted, Mr. Speaker, some may try to take advantage of any programs offered and hopefully change their ways.

The people that seem to get lost in the justice picture are the victims of the crimes. We just leave them to fix and replace their property and mend their broken bones. Long after the physical damage is repaired, many victims are still living with the humiliation and fear caused by the offence. I am talking about people afraid to go to sleep at night because they don't know what they will wake up to or if they will wake up. People are afraid to go outside because they don't know if they will be attacked or if their home will be broken into while they are away. People are left to grieve for loved ones whose lives are cut short by brutal crimes. These people have to put their lives back together and what are we doing to help them?

Mr. Speaker, we expect transition houses for spousal abuse victims and their children to operate on shoestring budgets, while we put millions of dollars and all kinds of thought and planning into new jails, complete with recreational facilities, warm beds and three square meals a day.

SOME HON. MEMBERS: Shame, shame.

MR. MCLEOD: Mr. Speaker, when was the last time anyone offered a program for victims to go out on the land, all expenses paid, to rebuild their confidence, their self-esteem and their connection to the culture?

SOME HON. MEMBERS: Hear! Hear!

MR. MCLEOD: Mr. Speaker, I would encourage this government to make the victims their priority instead of putting criminals first. I know this is a tough message to send, but I also know it is pretty tough being a victim of crime. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear! Hear!

---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Item 3, Members' statements. The honourable Member for Nahendeh, Mr. Menicoche.

Member's Statement On Police Resources In Fort Simpson

MR. MENICOICHE: Mr. Speaker...(English not provided)

I rise today to speak about community policing, as well. We expect a lot from our policemen and women. Of course, we want them to solve crimes and get criminals off our streets, all the while following a list of complicated procedures to the letter and avoiding the use of undue force. We want them to break up domestic and street fights; we want them to be running checkstops to get drunk drivers off the road; we want them to escort prisoners on remand back and forth between different communities; we want them testifying in the courts; we want them to do patrols to smaller communities within their own detachment; we want them to be in the schools educating our children about safety, the law and the dangers of drugs and alcohol; we want them to be consulting with leaders and working with community groups; we want them to be coming up with plans to deal with emerging issues like crack cocaine and crystal meth, which are making their way into the smaller communities. That is a long list, Mr. Speaker, especially when we don't provide the resources to make it happen.

Just looking at Fort Simpson where we recently lost an RCMP position, the need is already there for at least two more officers. The word is out that there are jobs in the Deh Cho and we are already seeing an influx of transients. Pipeline construction is set to begin as early as 2007 and we need to get a handle on this to protect our residents and keep our communities safe.

Mr. Speaker, I would urge the government to work with the RCMP, to take a good look at our policing resources and come up with a plan for what we are going to need to have in place to deal with the pipeline and other resource developments. We are running out of preparation time and I would hope to see a budget for more officers in Fort Simpson and maybe other communities as well, no later than the next set of draft business plans. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Hear! Hear!

---Applause

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

Member's Statement On Funding For The Yellowknife COPS Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, crime occurs 24/7, 365 days a year. The North has significantly elevated levels of crime in all categories compared to the South, including break-and-enters, assaults and theft from vehicles, not to mention all of the drugs and related crimes.

We, as a community, cannot leave everything for the police to solve. We, as a community, must do our part to make our streets, homes and families safer. We can do just that through programs like COPS. This is the mantra on which the Yellowknife Coalition for Community Wellness stood on to start a program known as the COPS program.

Mr. Speaker, I have attended and observed the birth and growth of this program from the beginning over the last three years. This group is made up of people who just got tired of listening to stats that were read in the House, like the ones we are talking about, who just got tired of waiting for the government and someone else to take care of the program. This is a group made up of women who had to watch their 12-year-old daughters getting lured by drug dealers and get hooked on cocaine, who they lost every weekend because they had to go out and get hooked up into drugs. These mothers would nurse them into health, put them back to school, and they were back into drugs again because these drugs were so strong. One of these mothers is supporting her daughter down south, because she has to keep the daughter away from the drug dealers and the triggers that keeps bringing her back to that addiction.

Instead of sitting around and crying over these things, all these people got together and set up what is called COPS, and this is a patrolling service, Mr. Speaker. It started back in February 2004. Just between May and November, there were 84 patrols done. They travelled 6,000 kilometres, and they reported 51 incidents. They don't replace the RCMP. They work with the RCMP. They are trying to do something about it. They operate on their volunteer hours with two donated vehicles and \$5,000 of fuel subsidy from the RCMP. They are doing all they can to make a difference. They have applied to this government for funding and they were turned down.

SOME HON. MEMBERS: Shame, shame.

MS. LEE: The government talks all the time about how individuals have to take...Mr. Speaker, may I ask consent to finish my statement? Thank you.

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

MS. LEE: Thank you, Mr. Speaker. Thank you, honourable colleagues. Mr. Speaker, I just want to conclude by saying we speak all the time here about the fact that government can't do it alone and that it is the people who have to take responsibility to make a difference. I am telling you that this COPS program of Yellowknife's Coalition of Community Wellness has done that. There are dozens and dozens of people who spent the last three years meeting every month to work this out. They are literally patrolling the streets. I run into them on the weekends. They pick up girls who are walking alone at night. They drive them home. They report to the police when they see incidents. They are making a difference. The city government could only afford \$5,000. I could tell you that this government, with a billion-dollar budget and all that it has, surely can do better. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Ms. Lee. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Member's Statement On Disciplinary Process For The Legal Profession

MR. HAWKINS: Thank you, Mr. Speaker. Today I rise to speak about an issue that has been raised to me by my constituents. It is with regard to the discipline of lawyers and the regulating organization that they have which is complaint-driven.

Mr. Speaker, the legal profession is a self-regulating industry, not unlike many other professions out there. This means that the lawyers have the ability to govern their own admission requirements. It also means they can govern their membership requirements, as well as decide their own discipline on alleged allegations of misconduct.

Mr. Speaker, the public truly has no role to play at all. The discipline proceedings are done entirely by lawyers. The only role that the public truly has is to lay a complaint. They can be a witness to proceedings, but they have no true involvement. The capacity to govern itself is not truly in question there. But it is the ability of honouring that privilege and trust. Mr. Speaker, it is not a right. The privilege and trust must be safeguarded by a fair process that does take the public interest into hand.

Mr. Speaker, in a discipline proceeding, lawyers must be ever mindful of being careful not to look after their own. Mr. Speaker, the onus on them regulating their own process is to ensure the safeguards of the public are there.

In order for us to ensure maximum public confidence, Mr. Speaker, this process must be under an automatic review when a lawyer is convicted of an offence. Mr. Speaker, there should be a requirement put into the act, not talked about as a willy-nilly policy. It would help this profession to enable self-regulating which wouldn't change if we made sure that lawyers convicted of all crimes go under a review process.

Mr. Speaker, this small step in legislation is not a big requirement to change the system to ensure public confidence. Mr. Speaker, at the appropriate time, I will have questions for the appropriate Minister, and I will have some solid suggestions for him to address this public confidence question. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Hawkins. Item 3, Members' statements. Item 4, reports of standing and special committees. Item 5, returns to oral questions. Item 6, recognition of visitors in the gallery. The honourable Member for Kam Lake, Mr. Ramsay.

ITEM 6: RECOGNITION OF VISITORS IN THE GALLERY

MR. RAMSAY: Thank you, Mr. Speaker. I'd like to recognize Ms. Judy Hewitt. I see she has two colleagues with her. I am not sure of their names, but welcome to the Assembly. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Ramsay. Item 6, recognition of visitors in the gallery.

Before I go into the next item on the order paper, I would just like to take a moment to remind Members on both

sides of the House of a little talk that I gave before with regard to oral questions on February 17th. That was to do with the length of preambles to oral questions and also the length of answers from Ministers. I just want to remind Members of your own rules. I know that, after that speech, you did very well. It is starting to slip a little bit. So just in order to help me get the most out of your question period, I just ask for your indulgence in obeying your own rules. Thank you, Members.

---Applause

Item 7, oral questions. The honourable Member for Great Slave, Mr. Braden.

ITEM 7: ORAL QUESTIONS

Question 527-15(3): Community Justice Committees

MR. BRADEN: Mr. Speaker, the effectiveness of bringing justice down from the courtrooms of few and larger communities to the street level in the community halls of our smallest communities is something that, I think, we should have been placing a great deal of value on. I wanted to ask the Minister of Justice, Mr. Dent, this afternoon, are community justice committees well-established in the Northwest Territories. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister of Justice, Mr. Dent.

Return To Question 527-15(3): Community Justice Committees

HON. CHARLES DENT: Thank you, Mr. Speaker. There are 30 community justice committees active in the Northwest Territories. Given the number of communities, yes, we have a good number of communities that are served by community justice committees.

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

Supplementary To Question 527-15(3): Community Justice Committees

MR. BRADEN: Mr. Speaker, how do we measure their success? Thank you.

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

Further Return To Question 527-15(3): Community Justice Committees

HON. CHARLES DENT: Thank you, Mr. Speaker. We have a number of committees that are active. How we measure their success is that they are, in almost every community where they are active, successfully diverting cases from the courts and involving offenders and victims in the community in sentence circles or in other diversionary processes so that the courts aren't used as the means to address the offender. Thank you.

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

Supplementary To Question 527-15(3): Community Justice Committees

MR. BRADEN: Thank you, Mr. Speaker. Is it a very complicated process to get a community justice committee established? To what extent are we providing resources and support for these organizations? Thank you, Mr. Speaker.

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

Further Return To Question 527-15(3): Community Justice Committees

HON. CHARLES DENT: Thank you, Mr. Speaker. We provide funding for the operation of justice committees in every community. The operation amount is provided on a per capita basis, but every community is also qualified for a \$20,000 grant to hire a part-time coordinator to assist the committee in its operation. We have had the regional justice people who have helped set these committees up across the Northwest Territories. Now that they are in operation across the Territories, this budget proposes to eliminate those positions. But not all of the savings will be kept by the department or turned back to the government coffers. In fact, 50 percent or \$247,000, I believe, is being kept as available to community justice committees. So those committees that are active and being successful in diversion will be able to apply for extra funds as they need them to increase their activities. So we are going to use this as an opportunity to encourage the committees to become even more active in taking on cases and diverting.

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

Supplementary To Question 527-15(3): Community Justice Committees

MR. BRADEN: Mr. Speaker, thank you. I realize that community justice committees are not going to take over or solve all of the justice requirements of our country and our laws. So I wanted to see to what extent are the police, the judges and the Crown prosecutors -- people already involved in administering justice in the Northwest Territories -- engaged or connected with the work of community justice committees. Thank you, Mr. Speaker.

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

Further Return To Question 527-15(3): Community Justice Committees

HON. CHARLES DENT: Thank you, Mr. Speaker. It is crucial that the RCMP be actively engaged with the justice committees because they have to be prepared to work to move an offender into working with the community justice committee instead of prosecution. So we need to have the Crown and the RCMP, and all the players have to be supportive. We are finding that, across the Territories, the RCMP is very heavily-invested in the program. The local members all understand the value. We would rather see young people, in particular, dealt with by people in the community rather than being sentenced to terms outside the community.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Range Lake, Ms. Lee.

Question 528-15(3): Government Support For The COPS Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, as I stated in the Member's statement, there are a lot of people in the city and across the Territories, I am sure, who are very concerned about the increasing rates of crimes. When concerned people got together and called a meeting, there were enough people to fill the Northern United Place. I can tell you that there was not an empty seat. All of these community people came to say that they wanted to make a difference. They didn't want to just complain about the stats or waiting for the government to do it, or the RCMP to do it.

There were so many people with willingness, energy and commitment to do something about it. They have worked everything out. It took a long time. They are on the ground now. All they are asking is recognition on the part of the government that they are doing good work and need a little bit of partnership. They are asking for no more than maybe \$15,000 to \$20,000 a year. There are 80 to 90 people. They took their private time out to be trained. They drive around in their vehicles with their walkie-talkies. There are some who spend every weekend patrolling Yellowknife streets. So far, they've gotten help from the RCMP. The RCMP supplied \$5,000 in grant for fuel. They were able to get...

MR. SPEAKER: Do you have a question, Ms. Lee?

MS. LEE: Thank you, Mr. Speaker. I am sorry. I am breaching the rule, but I am telling you, surely this is a great opportunity for government to say we recognize your good work and we are going to do something about it. I would like to ask the Minister of Justice if he could make the commitment to look into whatever he could find in his Justice budget, to see if he could lend out \$5,000. Thank you.

MR. SPEAKER: Thank you, Ms. Lee. The honourable Minister of Justice, Mr. Dent.

Return To Question 528-15(3): Government Support For The COPS Program

HON. CHARLES DENT: Thank you, Mr. Speaker. I can't disagree with the Member that the community wellness coalition and particularly the programs that they have brought in, like the COPS program, are extremely valuable programs and have brought members of the community into helping to deal with the issues that we face in our community. The RCMP and everybody involved in crime prevention will tell you that that is what it takes. It takes people from the community getting involved. The RCMP and this government supported the work of an RCMP officer to work with the wellness coalition to get things established. We have now agreed to support the work of an officer in the Sahtu region to work full time to help communities in the Sahtu develop the same sort of approach. So do we support this kind of initiative? Absolutely. Will I look for a way to support them within our budget? Yes, I will, and I won't look at it as a loan.

MR. SPEAKER: Thank you, Mr. Dent. Short supplementary, Ms. Lee.

Supplementary To Question 528-15(3): Government Support For The COPS Program

MS. LEE: Thank you very much, Mr. Speaker. I think it goes without saying and Members have stated that all governments spend way too much money looking after people after they have committed crime; to house them and such. But surely \$5,000 or \$10,000 is not a lot of money. So I will take the Minister's answer as something very positive. Could I ask the Minister to make a commitment to report back to Members, or to myself separately via letter, informing me as to what he has been able to do to support this program financially? Thank you.

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

Further Return To Question 528-15(3): Government Support For The COPS Program

HON. CHARLES DENT: Mr. Speaker, yes.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

Question 529-15(3): High Rate Of Crime

MR. RAMSAY: Thank you, Mr. Speaker. I would like to ask the Minister of Justice a few questions. The first one is, I am wondering what reasons can the Minister of Justice give us for the fact that the crime rate here has risen 25 percent in the last two years in the Northwest Territories, that we have a crime rate four times the national average, impaired driving incidence five times the national average, incidence of sexual assault six times the national average, and crimes of violence seven times the national average. I am wondering what reasons the Minister can give us for that. Thank you, Mr. Speaker.

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

Return To Question 529-15(3): High Rate Of Crime

HON. CHARLES DENT: Thank you, Mr. Speaker. These are not new numbers. These rates have been higher than the national averages in the Northwest Territories going back 10 or 15 years. So there hasn't been anybody who has been able to assess why we have such a high incidence of crimes. There are a number of different theories. They range from poverty to lack of opportunity and lack of jobs. But there is no question that there is a significant social problem that is demonstrated through the crime statistics in the Northwest Territories.

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

Supplementary To Question 529-15(3): High Rate Of Crime

MR. RAMSAY: Thank you, Mr. Speaker. I would like to ask the Minister of Justice what specifically the Minister and the government are doing to address the dismal statistics that are out there in terms of our crime rates. Thank you, Mr. Speaker.

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

Further Return To Question 529-15(3): High Rate Of Crime

HON. CHARLES DENT: Thank you, Mr. Speaker. As was noted by the Member for Hay River South, this is an issue that requires us to deal with problems that we face in our society, up front. We can't deal with them all after the fact. So I am working with my colleagues in the social programs envelope to look for opportunities to deal with the social problems that we face in the Northwest Territories and to try and find ways to deal with them before we see the criminal statistics. Thank you.

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

Supplementary To Question 529-15(3): High Rate Of Crime

MR. RAMSAY: Thank you, Mr. Speaker. I would like to ask the Minister specifically, in terms of crime prevention strategies, what has this government got to offer in terms of crime-prevention strategies for its residents? Thank you.

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

Further Return To Question 529-15(3): High Rate Of Crime

HON. CHARLES DENT: Thank you, Mr. Speaker. Mr. Speaker, one of the best crime-prevention strategies is a good education and a healthy community. Those are certainly things that this government has put as high priorities and that we are working on. Those areas are seen as crucial for reducing crime. Programs like the ones where the RCMP work with young people in schools to try and reduce the amount of violence that we are seeing in schools and help kids understand better ways to deal with their problems. Those are certainly areas in which we are supportive. It is not just in Yellowknife that you see RCMP in the schools. Every community that I have gone into that has RCMP...I talked to the officers, and they all tell me that they try and spend as much time as possible in the schools because they see that as being a very positive way to reduce crime in the long run.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

Question 530-15(3): Communities Without RCMP Services

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister of Justice. Mr. Speaker, of the small communities, 11 of them I counted are without full-time RCMP members in the communities. I guess I do not understand the system. As soon as you get an incident in Yellowknife, there is an RCMP right away into the schools and into the communities. I want to ask the Minister of Justice why our 11 small communities in the Northwest Territories are without full-time RCMP members or some type of law enforcement in the communities. Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Minister of Justice, Mr. Dent.

Return To Question 530-15(3): Communities Without RCMP Services

HON. CHARLES DENT: Thank you, Mr. Speaker. The situation has arisen because, over the years, the RCMP has provided services in the Northwest Territories. Historically, they started in some communities and expanded into other communities across the Northwest Territories. As the government has had funding to put into the RCMP contract, that has expanded to the point where it is right now. The level of investment that it would take to add police to those 11 communities, if it were to be done all at once, has been a challenge, particularly since the federal cuts in the mid-1990s. This government, after being presented with the resource request in 2001, has gone a long way to provide the RCMP with the resources they need just to deliver the service in the communities in which they are right now. As our financial situation improves, I have no doubt that we'll be able to take a look at other situations. I am constantly talking to Chief Superintendent Summerfield about this issue. It is one that every time we meet, it comes up for discussion about how we can better serve the small communities. A number of initiatives have been undertaken in the past year to try and improve the service to small communities. Thank you, Mr. Speaker.

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

Supplementary To Question 530-15(3): Communities Without RCMP Services

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I would ask if the Minister would consider again implementing some alternative law enforcement programs if the cost is too high with the RCMP in terms of placing full-time members in those small communities. There are 11 communities in the Northwest Territories who do not have law enforcement. I want to ask if he would consider a program to have some type of law enforcement presence in those communities.

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

Further Return To Question 530-15(3): Communities Without RCMP Services

HON. CHARLES DENT: Thank you, Mr. Speaker. As I said, every time I discuss RCMP activities in the Northwest Territories with the chief superintendent, this is an issue that I raise. I have a meeting scheduled with the chief superintendent for, I believe, it's two weeks today and I will again raise that issue with the chief superintendent and I'd be happy to report back to the Members.

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

Supplementary To Question 530-15(3): Communities Without RCMP Services

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I'd like to see in those discussions if the Minister would commit to a time frame within which we can go back to our communities, especially some of the communities that are going to be impacted directly by the pipeline such as Wrigley, Tsiigehtchic, Colville Lake, who have a lot of activity going on there and other communities I might have

missed, that they would see RCMP presence or some type of law enforcement presence in their community. Thank you.

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

Further Return To Question 530-15(3): Communities Without RCMP Services

HON. CHARLES DENT: Thank you, Mr. Speaker. That is an issue we would have to address, Mr. Speaker, through the business planning process because it would require a significant investment by this government. But it is certainly something that I can talk to the chief superintendent about and we can report back to the Members on what sort of investment it would take. Thank you.

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

Supplementary To Question 530-15(3): Communities Without RCMP Services

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, would the Minister of Justice consider going into those communities that do not have an RCMP and talking to the small communities...

AN HON. MEMBER: Unescorted.

MR. YAKELEYA: Unescorted. To talk to the communities on what type of programs they can assist with in terms of having some community police services for them. Thank you.

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

Further Return To Question 530-15(3): Communities Without RCMP Services

HON. CHARLES DENT: Thank you, Mr. Speaker. Yes, I'd be happy to go to communities with Members from their constituency to talk to the communities about policing services.

---Applause

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

Question 531-15(3): Hay River Remand Unit

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I rise today with questions for the Minister of Justice. I just want to say that I did, on January 26th, go to Hay River and I did have an opportunity to tour the remand centre there. I do have some questions that perhaps the Minister can answer for me. Of course the House and the public are well aware of the operations ceasing there, but is the intent really to cease operations as of April 1st or is there going to be some kind of transition? The Minister did talk about attrition of the staff members there. Thank you.

MR. SPEAKER: Thank you, Mr. Menicoche. The honourable Minister of Justice, Mr. Dent.

Return To Question 531-15(3): Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. The proposal in the budget is that the operation would cease as of April 1st. It has to cease at a certain date because it is now staffed 24/7 and if we're going to start the reductions that we're proposing, they have to start as of a certain date. So the operation is proposed, right now, to end as of April 1st for that facility. Thank you, Mr. Speaker.

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

Supplementary To Question 531-15(3): Hay River Remand Unit

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. My next question is if we're going to do the reductions by attrition, are we as of April 1st going to scuttle the facilities whereby we won't be using it? Would we not still be using it as a transfer point from the southern communities? Thank you, Mr. Speaker.

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

Further Return To Question 531-15(3): Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. Just because we're stopping the use of the remand unit in the South Mackenzie Correctional Centre doesn't mean there won't still be remand prisoners in the South Mackenzie Correctional Centre. Those cells in that area will still be used, but they won't be used for the same classification of person. What's going to happen is, and the warden has confirmed, that based on what he's seen in the past few years, 40 to 50 percent of the inmates on remand in that facility could be kept in general population. So that means they would be mixed in with the regular population in SMCC. They could even be housed in those cells. But it means the post itself won't be staffed 24/7, so we wouldn't keep the inmates there who are judged to be a serious risk. So people who are more at risk will be transferred to the North Slave Correctional Centre and that part of the facility will be used for isolation or for other prisoners who don't require us to have 24/7 staffing on that one post.

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

Supplementary To Question 531-15(3): Hay River Remand Unit

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. Perhaps if I can switch gears. Since they're not really going to scuttle the facilities, there must be some long-term plans for use of that area, that section of the SMCC in Hay River, Mr. Speaker. Thank you.

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

Further Return To Question 531-15(3): Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. The plan is to incorporate it into the regular day-to-day operations of the facility. There's no intention to make any physical changes or to remove that part of the facility. In fact, if we needed the space in the future to be remand, we could fairly easily re-open it. But it would still be used

for a number of different purposes. Thank you, Mr. Speaker.

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

Supplementary To Question 531-15(3): Hay River Remand Unit

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I guess what I was getting at with "long-term" was long-term plans, Mr. Speaker. Because we spoke about it here today and incessantly in the House that development is coming, there are people coming and there are transients already here. There are workforces, huge work camps are coming and a lot of people will be making a move to the North, Mr. Speaker. So is it in the long-term plans, Mr. Speaker, for the Department of Justice to eventually return the remand centre to the SMCC? Thank you.

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

Further Return To Question 531-15(3): Hay River Remand Unit

HON. CHARLES DENT: Thank you, Mr. Speaker. Well the space would be there so that it could be used if necessary or brought back into use if necessary, but in our long-term plans right now that is not something that is seen as likely. The facility itself is a good facility and has room to take more inmates. But this part of the facility will be used as part of the regular programming. So it can be patrolled by the corrections officers as they do their regular routines. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Question 532-15(3): Law Society Disciplinary Proceedings

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I rise again today during question period to shed some light on my concern about lawyers. It's not the ability of the Law Society to self-regulate themselves that's in question, Mr. Speaker, it's the fact that it's a complaint-driven system that causes the review only. Mr. Speaker, to further cast light on that point, a person convicted of a crime, a lawyer that is, can practice law in the Northwest Territories unless someone goes and tattles on them to initiate a review of their ability to practice law in good standing in the Northwest Territories. My question to the Minister of Justice is, Mr. Speaker, is the Minister aware of how many discipline proceedings have been conducted by the Law Society of the NWT and what the process of those proceedings might be? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister of Justice, Mr. Dent.

Return To Question 532-15(3): Law Society Disciplinary Proceedings

HON. CHARLES DENT: Mr. Speaker, to the Member's second question, yes, I am aware of the process. To the first question, I am not aware of how many proceedings have been undertaken in the past little while.

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

Supplementary To Question 532-15(3): Law Society Disciplinary Proceedings

MR. HAWKINS: Thank you, Mr. Speaker. I appreciate your answer, Mr. Dent. I also arose earlier about public scrutiny about laypersons, the general public having an eye view of the system. Is the Minister aware of any layperson or non-lawyer participating in the discipline hearings involving lawyers? Thank you, Mr. Speaker.

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

Further Return To Question 532-15(3): Law Society Disciplinary Proceedings

HON. CHARLES DENT: Thank you, Mr. Speaker. There is at least one layperson who is a Member of the board of the Law Society.

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

Supplementary To Question 532-15(3): Law Society Disciplinary Proceedings

MR. HAWKINS: Thank you, Mr. Speaker. I asked about the discipline hearing, so I'll continue with my next process, not the society itself. Would the Minister then consider or agree that there are certain minimum requirements that standards of conduct must be upheld and that the legal profession should have certain minimum requirements of an automatic statutory review when they break the law? Thank you, Mr. Speaker.

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

Further Return To Question 532-15(3): Law Society Disciplinary Proceedings

HON. CHARLES DENT: Thank you, Mr. Speaker. The Member may be interested to know that the Law Society is proposing amendments to the Legal Profession Act, and one of the requested minimums is that any lawyer practicing in the Northwest Territories convicted of a criminal offence and sentenced for a period of incarceration would automatically be suspended from the practice of law for that period. Thank you, Mr. Speaker.

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

Supplementary To Question 532-15(3): Law Society Disciplinary Proceedings

MR. HAWKINS: Thank you, Mr. Speaker. I have to say that's actually good news. That really is good news. Mr. Speaker, my last question then sort of gets really pared down. Would the Minister engage to ensure that someone from the public sits on the discipline hearing side of the law society? Will he ensure that's possible? Thank you, Mr. Speaker.

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

Further Return To Question 532-15(3): Law Society Disciplinary Proceedings

HON. CHARLES DENT: Thank you, Mr. Speaker. I will raise that issue with the Law Society and will get back to the Member on how the discussion goes. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

Question 533-15(3): Human Resources Practices

MR. VILLENEUVE: Thank you, Mr. Speaker. Just to get back to my Member's statement about the affirmative action policy and the human resource practices in our government, I guess my question is to the Premier in his capacity as the Minister of the Executive. I just want to ask if the Premier will agree to an independent, comprehensive, unbiased review of the current practices by human resource departments and staff in this government. Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Speaker. The question should be referred to the Minister of Finance, who has the responsibility for human resources. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Handley. The honourable Minister of Finance, Mr. Roland.

Return To Question 533-15(3): Human Resources Practices

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the Member raises an issue that has been of concern to the Government of the Northwest Territories for many years. A number of reviews have taken place on the affirmative action policy, and with the work we are now doing on the regionalization and Human Resource Service Centre work that's ongoing, we're hoping that we can streamline how we get things done and the interpretation of the affirmative action policy itself. As well, we are undergoing a review and will hopefully have something to present to Members, probably by fall, around the area of affirmative action. Thank you.

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

MR. VILLENEUVE: Thank you, Mr. Speaker. I look forward to the results of that review. Just with what the Minister was talking about, the concern has been around for many years, there have been many reviews. Now we're going to have another review that's going to come out in the fall and I'm sure it's going to tell us the same story, that affirmative action is not working or we're not using it or we're just going to review it to death here. I know there are some human resource changes that are happening right now in FMBS and just to start there, I guess, in the human resources division and then carrying out through the various government departments. But even from that department when you start having problems in that department...

MR. SPEAKER: What's your question, Mr. Villeneuve? Do you have a question?

Supplementary To Question 533-15(3): Human Resources Practices

MR. VILLENEUVE: Can the Minister commit to addressing the problems that the human resource staff have with the affirmative action policy which is clearly not adhered to and how does he intend to make that policy

something that is going to have an end result in a representative government of the people? Thank you.

MR. SPEAKER: Thank you, Mr. Villeneuve. Two questions there. Mr. Roland, you can answer one or both.

Further Return To Question 533-15(3): Human Resources Practices

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the work we're doing right now in the Human Resource Service Centre program and reworking how we deal with the people we have working for us will allow us to better deal with the concerns we have as employers and how we deal with employees and the process of hiring and training and so on. So I can say that yes, I think that process will improve on that service, but at the same time with the work as we're going forward on this, we will be taking action on improving the commitment we have to having a representative workforce. I think if you look at the breakdown of region and communities, we have some regions and communities that are ahead on the percentage and some communities that we're behind on. We realize that and we're working to improve on that. Thank you.

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

MR. VILLENEUVE: Thank you, Mr. Speaker. Just to get back to the root of this problem, before it snowballs through the whole GNWT once the human resource reorganization goes down to the human resource division, if the problem is blatantly clear in that department then it's obviously rampant all over the GNWT on how they practice their human resource reassessment and employee performance appraisals. In the criteria for that reorganization, the last item on the criteria requirements is affirmative action candidate or not. I think just based on that review this government does, as far as I'm concerned that should be a first criteria.

MR. SPEAKER: What's your question, Mr. Villeneuve?

Supplementary To Question 533-15(3): Human Resources Practices

MR. VILLENEUVE: When the review or amalgamation of this human resource division goes through and the recommendations that come out of this, will the Minister report back to this House on what changes he plans to make with the affirmative action policy, that is currently not working today? Thank you.

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

Further Return To Question 533-15(3): Human Resources Practices

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, first of all I would have to disagree with the Member saying that rampantly things aren't working. We have examples; I think we can show some improvements in different departments in communities on that. It is an area that we realize there are concerns with and we're going to work to improve on how we handle it as a GNWT. Yes, I will come back to the Members and show them the results of the work that's being done. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Final short supplementary, Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Speaker. I do realize there have been some improvements, but we have to take that all into context that because a priority one, an indigenous aboriginal, moves up from data entry clerk to a secretary, oh, great. That's affirmative action right there. To me that just doesn't cut it. I want to see affirmative action candidates moving up to higher level job positions instead of making some lateral changes as is usually the case and I don't want...

MR. SPEAKER: What is your question, Mr. Villeneuve? Do you have a question?

Supplementary To Question 533-15(3): Human Resources Practices

MR. VILLENEUVE: The representation we need in this government is up on the management-level positions. Will the Minister commit to reviewing the positions and the lateral changes that are going to be taking place with this human resource amalgamation on the higher levels...

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

Further Return To Question Supplementary To Question 533-15(3): Human Resources Practices

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I guess one of the best things we can say that will affect the affirmative action of the Government of the Northwest Territories is having a good education. Have a good education and you'll be able to have much more success and those are things we're working on. Yes, as we go through this, the government has in the past done a number of reviews. We've looked at that. We don't want to keep on reviewing the situation. There was some work done in the past, affirmative action reports that were looked at both by Regular Members and Ministers. We're going to dust those off, take what work has been done and work to improve in that area. It won't be just at the bottom level, it's going to be throughout. Thank you.

MR. SPEAKER: Thank you, Mr. Roland. Item 7, oral questions. The honourable Member for Nunakput, Mr. Pokiak.

Question 534-15(3): Policing Plans For Sachs Harbour

MR. POKIAK: Thank you, Mr. Speaker. My questions are to the Minister of Justice. I'd like to follow up with what my colleague Mr. Yakeleya was alluding to earlier, Mr. Speaker. In my Member's statement I spoke about the concern that the RCMP had appointed the Yellowknife school liaison officer in Yellowknife here, yet the community of Sachs Harbour does not have a permanent RCMP presence. Can the Minister of Justice inform this Assembly what the plans are for re-establishing a permanent police detachment in Sachs Harbour? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Pokiak. The honourable Minister of Justice, Mr. Dent.

Return To Question 534-15(3): Policing Plans For Sachs Harbour

HON. CHARLES DENT: Thank you, Mr. Speaker. I have been talking with the RCMP about an approach that might be able to provide service to Sachs Harbour, but at this point I can't say that we've managed to finalize that. As

I've said earlier today, I have a meeting scheduled with the chief superintendent for two weeks from today. I will be following up with the chief superintendent at that meeting and we'll get back to the Member right after.

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

Supplementary To Question 534-15(3): Policing Plans For Sachs Harbour

MR. POKIAK: Thank you, Mr. Speaker. It's one thing to talk to the chief superintendent about services, but if the outcome is that, again, I related earlier, Mr. Speaker, that labour standards are pretty clear that there's a requirement for a two-man detachment in communities. If that's not the case, Mr. Speaker, does Justice have a backup in place in terms of what they can do to accommodate small, isolated communities? Thank you.

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

Further Return To Question 534-15(3): Policing Plans For Sachs Harbour

HON. CHARLES DENT: Thank you, Mr. Speaker. A number of the positions that have been provided in the budgets last year and proposed this year are going to help improve the policing in small communities. We've managed to provide relief units so we have more police available in regional centres like Inuvik to travel to communities like Sachs Harbour. In fact, the number of times that the RCMP have travelled to Sachs Harbour in the last nine months has dramatically increased over what was happening prior to the last year budget increase. So we are working with the RCMP to find ways to get the members into these communities for more trips and for longer times each time they go. But I will continue to work with the RCMP to see if we can't find a way to deal with the Sachs Harbour issue because we think that working with Parks Canada we might be able to find an opportunity there that doesn't significantly add to costs and will allow us to provide a force there permanently.

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

Supplementary To Question 534-15(3): Policing Plans For Sachs Harbour

MR. POKIAK: Thank you, Mr. Speaker. Thank you for the response, Mr. Dent. If it appears that they're increasing their services to Sachs Harbour with regard to flying over the isolated community, I should indicate that there is a problem over there. Will the Minister really try to find a solution to the problem to get a full RCMP detachment there? Thank you, Mr. Speaker.

---Applause

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

Further Return To Question 534-15(3): Policing Plans For Sachs Harbour

HON. CHARLES DENT: Thank you, Mr. Speaker. I don't think there's been an increase in crime in the statistics in Sachs Harbour, so I'm hoping that it isn't reflective of there being an increase in crime. But the fact that we have provided the RCMP with additional resources, they're able to get there. However, I have been to the community, I've

talked to the community, I understand their desire, I know the Member's desire. It is certainly something that I am working with the RCMP and will do my best to follow through on. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Range Lake, Ms. Lee.

Question 535-15(3): Support For Crack Busters Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Health and Social Services and it's with regard to support service programs to deal with people addicted to cocaine and crack cocaine drugs. Mr. Speaker, earlier this week there were lots of discussions about that and Members have asked him about the possibility of a treatment centre and such, and we're also aware of this briefing that the Minister attended, as did I and many other Members here. One of the things that the group was looking for was not necessarily a drug treatment program for crack cocaine, but some sort of halfway house, for lack of a better word, for those who are on the Crack Busters program, who are actively engaging dealing with the addiction but need a place, a healthy environment to go to if their home environment is not conducive to them getting over that addiction. Would the Minister consider having that sort of program in Yellowknife? Thank you.

MR. SPEAKER: Thank you, Ms. Lee. The honourable Minister of Health and Social Services, Mr. Miltenberger.

Return To Question 535-15(3): Support For Crack Busters Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we're always working with the communities to try to look at how we deliver services. We have plans that we've developed over the years that constantly have to be reviewed. We have a certain amount of funding that we have that we try to make cover the many needs that we have, which far exceed the resources we have. Yes, I'd be happy to work through the Yellowknife Health and Social Services Authority and the groups here and in other regions to talk about how services are delivered. Thank you.

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

Supplementary To Question 535-15(3): Support For Crack Busters Program

MS. LEE: Thank you, Mr. Speaker. I must say, I'm getting so many positive commitments from Ministers it's going to be my full-time job to just make sure that they follow them through with actions.

Mr. Speaker, my supplementary is that the Salvation Army is providing human resources for the Crack Busters program. One of the employees there is the leader in this program, helping with the people and that's taking him away from doing his normal job. One of the ways that the government could help is to provide funding for one or two beds at the Salvation Army. I believe the proposal was made. Would the Minister tell the House whether or not he's able to do anything about that? Thank you.

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

Further Return To Question 535-15(3): Support For Crack Busters Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, we have arrangements with the Salvation Army in a number of program areas and we continue to work closely with them on a host of issues, including this and the homeless. They provide a very valuable service and we're going to continue to work with them to look at how we can better support them as we work together to identify the best way to proceed. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Short supplementary, Ms. Lee.

Supplementary To Question 535-15(3): Support For Crack Busters Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, I appreciate the niceties that the Minister just stated, but could the Minister indicate...I could tell the Minister that the Salvation Army and the groups involved with the Crack Busters program have applied to the government and the Yellowknife Health and Social Services Authority through them funding a couple of beds throughout the year for the Salvation Army. Would the Minister look into that and see if the department could approve that? Thank you.

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

Further Return To Question 535-15(3): Support For Crack Busters Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, I'll check into that specific issue that the Member has referred to. Thank you.

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

Supplementary To Question 535-15(3): Support For Crack Busters Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, when he does look into it, could he do everything he can to see if he could approve funding for two beds throughout the year so that would assist the Salvation Army with providing human resources for the Crack Busters program? Thank you.

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

Further Return To Question 535-15(3): Support For Crack Busters Program

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, when it comes to these kinds of requests, I always do everything I can. I'd also like to wish the Member a happy birthday. Thank you.

---Laughter

MR. SPEAKER: Thank you, Mr. Miltenberger. Item 7, oral questions. The honourable Member for Nahendeh, Mr. Menicoche.

Question 536-15(3): Public Input Into Social Impact Of Development

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I, too, would like to wish Ms. Lee a happy birthday.

---Laughter

My questions today are for the Minister of Health and Social Services. Today we heard from my honourable colleagues on many social issues. Of course, justice is one. Currently we have a Joint Cabinet/AOC Pipeline Committee to hear and address the economic concerns that are throughout the North, but more specifically with the planned pipeline. I'd just like to ask the Minister when are we going to address our social envelope issues and when will we seek public input into many of the concerns raised here today? Mahsi cho.

MR. SPEAKER: Thank you, Mr. Menicoche. The honourable Minister of Health and Social Services, Mr. Miltenberger.

Return To Question 536-15(3): Public Input Into Social Impact Of Development

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, if the Member is specifically referring to the social impacts of the proposed pipeline, then, yes, as the Minister of Health and Social Services and as a member of the social envelope committee of Ministers, we are currently engaged and have been meeting for some time now on the social impacts. We have been meeting with Minister Bell, who is the lead Minister on the pipeline file, and we are working on coming together with a plan. We met two days ago, in the morning, and we intend to meet again next week to look at the draft outline of a sequence of events and processes that we think would help us address this issue. It would complement and fit into the broader file that's being overseen by Minister Bell.

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

Supplementary To Question 536-15(3): Public Input Into Social Impact Of Development

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. Yes, indeed, I was specifically referring to the projected impacts of a Mackenzie Valley gas pipeline and that's what the people are saying. I think it's time for us to take it out of the planning stages and get it into the communities, Mr. Speaker. What's going to happen is that we have small community problems that need small community solutions. So I would like to suggest to the Minister that we move these meetings along and get input from the communities as soon as we can. Thank you.

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

Further Return To Question 536-15(3): Public Input Into Social Impact Of Development

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, as my colleague from MACA indicated, they had a very successful workshop dealing with this issue. We want to look at the same kind of approach in the regions with the communities, but with a broader social envelope approach. We also recognize

that there's a need to help the communities deal with the multitude and reams of information, the highly technical information that they are getting, trying to sort out what exactly is being said and how they can respond. Part of the work that we're trying to do is come up with a way to assist with that, as well. We want to start moving relatively quickly, but I take the Member's concern that, very clearly, this has to be a process that works at the community level on up, and our job is to set a frame to do that, try to identify some resources and then start rolling it out in conjunction, of course, with our colleagues in this House. Thank you.

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

Supplementary To Question 536-15(3): Public Input Into Social Impact Of Development

MR. MENICOCHÉ: Thank you very much, Mr. Speaker. I would just like to say I have a dream, I have a vision that I think what we should do is we should be in the smaller communities getting input and then go to the regional level and eventually end up at this large territorial conference where we can really address and have a good look at all the concerns. I would just like to ask the Minister if he would look at something like that when he deals with his colleagues and plans the rollout of this conference? Thank you.

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

Further Return To Question 536-15(3): Public Input Into Social Impact Of Development

HON. MICHAEL MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, as a government, we are always very interested in creative, innovative ideas and, of course, that is one and we will look at it. Thank you.

MR. SPEAKER: Thank you, Mr. Miltenberger. Final supplementary, Mr. Menicoche. Thank you, Mr. Menicoche. Item 7, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

Question 537-15(3): RCMP Education Programs In Schools

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I want to continue my questions with the Minister of Justice on policing services in the small communities. Mr. Speaker, I believe that education is an important component to a preventive and proactive approach to the prevention of crimes. I wanted to ask the Minister of Justice what his department is doing in terms of getting into the schools where there aren't any RCMP officers full time and to have that visible approach to the community members, and what type of education programs are they putting into the schools to deter criminal activities? Thank you.

MR. SPEAKER: Thank you, Mr. Yakeleya. The honourable Minister of Justice, Mr. Dent.

Return To Question 537-15(3): RCMP Education Programs In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. As RCMP officers visit communities and as they're able to do that more and more with the resources that we've been

able to provide them in the last year or two for relief units, they will also spend time in the schools when they visit. It's not just into the community, up and down the streets and then out again. Typically the officers will stop into the band office and talk to people and they'll look for opportunities to interact with people to find out what's going on in the communities. So one of the things that is very common is for them to stop into schools, as well. Thank you.

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

Supplementary To Question 537-15(3): RCMP Education Programs In Schools

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I understand some of these visits are done only after maybe there's an emergency or there's enough public outcry. We haven't seen the RCMP officers in some of our communities. So I'm asking Minister Dent does the RCMP have a specific program that's geared towards educating our children on things that they can do to prevent crime or report crime, because sometimes people do not report them as they should. Thank you.

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

Further Return To Question 537-15(3): RCMP Education Programs In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. The one educational program that the RCMP have is specifically aimed at drugs: the Drug Awareness Reduction Program. That isn't offered in all communities across the Northwest Territories, because of the level of resources. But what RCMP do is try and put a human face on policing by making sure that they are in the schools, that people feel comfortable interacting with the RCMP. They try and make sure that people understand that it's part of their responsibility to report to RCMP when they see problems in the community, but that's also something that's carried on in the school curriculum. It's not just the RCMP, it's also part of the school curriculum. The requirement to be part and parcel of your community is to be a good citizen. Thank you, Mr. Speaker.

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

Supplementary To Question 537-15(3): RCMP Education Programs In Schools

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, in these small communities that do not have RCMP officers, sometimes it's very hard to get the RCMP on call. That's because of the system. I've heard some complaints before, because of the system or the times that calls are coming in and it just takes too long and sometimes that deters members of the community from calling the RCMP. So it's a real crying shame that in this day and age we're still facing this situation. I support the education in the schools. What constitutes an emergency to get full-time officers in our communities? Thank you.

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

Further Return To Question 537-15(3): RCMP Education Programs In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. The Member talked about several issues there. First of all, if the Member has specific communities or concerns from specific communities about the difficulty, if there is a problem getting through to the RCMP when there is an issue in the community, I would like him to advise me and I will deal directly with the RCMP on that issue. In terms of the programs in the schools, I appreciate the Member's support for us finding ways to get that into the curriculum. I guess what it would take to get more police into more communities would be a substantial increase in the budget for the Department of Justice, and that would be driven in part by an increase in the crime stats. At this point, the criminal rate in the smaller communities hasn't led us to go forward with the kind of funding that we would need to achieve to fill all those 11 communities with detachments. Thank you.

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

Supplementary To Question 537-15(3): RCMP Education Programs In Schools

MR. YAKELEYA: Thank you, Mr. Speaker. I, too, want to wish my colleague Sandy a happy birthday, and Robert McLeod.

---Applause

Mr. Speaker, I believe that the communities have the solutions in terms of policing there and especially with education of our children, if the Minister of Justice could make a commitment again to look at a proactive approach to having police presence in those small communities. I want to ask the Minister about putting in some time frames in terms of looking at those communities without RCMP, to look at an action plan to come to those regions and come to those communities and give a commitment to the community that they will have some type of law enforcement that would be satisfactory to them. Thank you.

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

Further Return To Question 537-15(3): RCMP Education Programs In Schools

HON. CHARLES DENT: Thank you, Mr. Speaker. I will discuss this with the chief superintendent of the RCMP and develop something that I can take to my colleagues on the Financial Management Board and then I'll report back to the Member.

MR. SPEAKER: Thank you, Mr. Dent. Item 7, oral questions. The honourable Member for Great Slave, Mr. Braden.

Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

MR. BRADEN: Thank you, Mr. Speaker. My question this afternoon is for the Honourable Brendan Bell in his capacity as Minister of Resources, Wildlife and Economic Development and it stays, I think, within the justice theme this afternoon, Mr. Speaker. We are always looking for alternatives for healthy lifestyle activities, especially for our young people as ways to help them avoid getting into

trouble. One of the things that we've been missing here in Yellowknife for a couple of years now, Mr. Speaker, is the provision of lifeguard services at the Long Lake beach. There have been, regrettably, Mr. Speaker, a real boondoggle here between our city bureaucracies and our territorial bureaucracies with the parks division within Mr. Bell's ministry, and I want to see how we're doing this year. Are we going to have three years, Mr. Speaker, when the kids and families of Yellowknife won't have a lifeguard at our beach? Thank you.

MR. SPEAKER: Thank you, Mr. Braden. The honourable Minister of Resources, Wildlife and Economic Development, Mr. Bell.

Return To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

HON. BRENDAN BELL: Thank you, Mr. Speaker. I want to provide just a little background. We also have a territorial park within the municipality of Hay River that has a beach and it's going on many more than three years without lifeguard services posted as unsupervised, as is the beach at Long Lake. We have had some discussion with the city. This is ongoing. In the summer of 2003 we offered \$12,000 to the city in an effort to jointly cost share this program. The city, unfortunately, wasn't able to find lifeguards that year. The following year, the summer of 2004, we upped that to \$15,000; again an attempt to cost share. The city insisted that we had to pay the full burden, which they estimated, for the number of hours and days and the level of service that they wanted to provide, at \$21,000. That's where the discussion fell apart. Over the fall and winter we continued to discuss this issue. We've broadened it to try to encourage the city to in fact take over the operation of the campground, because we feel that they would be more able to do the job that they want to see happen out there and that's the discussion that's ongoing. Thank you, Mr. Speaker.

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

Supplementary To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

MR. BRADEN: Thank you, Mr. Speaker. So we're looking at, it seems, both kind of who is responsible for this place and then who's going to pay for it. Really, Mr. Speaker, the issue comes down to two levels of government that have yet to find a solution to getting something really quite as straightforward as lifeguard services at our beaches, plural. What will the Minister be able to do to break this logjam for this coming summer?

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

Further Return To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

HON. BRENDAN BELL: Thank you, Mr. Speaker. The discussions are ongoing, but we'd offer the \$15,000 again. We aren't in the business of providing lifeguards, we don't train lifeguards, we don't have lifeguards, the city does. The city carries liability insurance because they have the pool and lifeguards at the pool. The offer is on the table, but I think the bigger picture here and the larger issue is one of having effective operation and management of the entire park. We simply hire a contractor really, Mr. Speaker, at the park. The city can do that as well. So I'm

hoping they'll be willing to engage in the broader discussion and not just focus on the life guarding issue. Thank you, Mr. Speaker.

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

Supplementary To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

MR. BRADEN: Thank you, Mr. Speaker. I, too, support the longer-term agenda, but what about this summer? Is the Minister going to be able to commit to this Assembly and to the people of Hay River and Yellowknife that we will, indeed, be able to guarantee these services at their beaches this summer?

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

Further Return To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

HON. BRENDAN BELL: Thank you, Mr. Speaker. Unfortunately, I can't provide that guarantee. The Member knows that no government department or agency is mandated to provide lifeguard services at these beaches or any of the beaches in the Northwest Territories. So I can't make that guarantee. I've indicated to the Minister that we'll continue the discussions with the city. The same offer is on the table. If the city is insistent that the 75 percent funding isn't adequate and it has to be 100 percent or nothing...I mean, I'm not exactly sure what the Member expects me to do. Thank you, Mr. Speaker.

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

Supplementary To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

MR. BRADEN: Thank you, Mr. Speaker. So it seems that for a difference of \$7,000, I'm going to be embarrassed again and I think all of us should be embarrassed that we can't provide something as straightforward and essential and beneficial as lifeguard services. I think the Minister really has some questions that he should be asking his officials and his counterparts at the city in order to restore this service. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Braden. I don't know if I heard a question there or not. Mr. Bell.

Further Return To Question 538-15(3): Lifeguard Services At Yellowknife Fred Henne Park

HON. BRENDAN BELL: I didn't hear a question, Mr. Speaker, other than the Member urging me to continue to move forward these discussions and negotiations and I'll continue to do that. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Bell. Item 7, oral questions. The honourable Member for Yellowknife Centre, Mr. Hawkins.

Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, like my colleague Mr. Menicoche who feels a week can't go by without bringing up the gymnasium in the Nahendeh

riding, I can't imagine a session going by without talking about legal aid. So to make sure that we have a legal aid discussion at least in this session, I'd like to bring up the concern that we dealt with during the last session, which was staffing of the Legal Aid Clinic downtown. If the Justice Minister could give us an update on the recruitment of the staffing levels for lawyers in the downtown clinic. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. The honourable Minister of Justice, Mr. Dent.

Return To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

HON. CHARLES DENT: Thank you, Mr. Speaker. At this point, we've only managed to hire one person for the office in the new clinic. That has managed to bring the numbers and the backlog down to 127 cases as of early February. The process of recruiting is ongoing and we hope to fill the second position here in the not-too-distant future.

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

Supplementary To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, it sounds like the legal aid backlog is still at the rates and high levels that it was almost a year ago. Mr. Speaker, is the Minister willing to engage in maybe locum lawyers like we investigate and use locum nurses...

AN HON. MEMBER: Oooh.

MR. HAWKINS: ...to make sure we give these people access to justice? The backlog is getting full. Thank you, Mr. Speaker.

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

Further Return To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

HON. CHARLES DENT: Thank you, Mr. Speaker. I'm advised that the Legal Services Board expects to have staffing completed very quickly and that some time very soon we will have a complement of five staff lawyers in the Northwest Territories dealing with family legal aid cases.

MR. SPEAKER: Thank you, Mr. Dent. The time for oral questions has expired; however, I'll allow the Member his supplementary questions. Mr. Hawkins.

Supplementary To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

MR. HAWKINS: Thank you, Mr. Speaker. Again, speaking to the concern of the backlog of legal aid and the fact that we needed to create a second clinic, has this Minister investigated innovative ideas about opening up law clinics so laypeople can get a better understanding of the law? Therefore, they don't have to engage the legal aid system so maybe they can help process their own paperwork, again to help make the system move a little faster. Thank you, Mr. Speaker.

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

Further Return To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

HON. CHARLES DENT: Thank you, Mr. Speaker. With the emphasis that has been put on the expansion and the provision of legal aid and the family legal aid caseload, we have concentrated in that area. In terms of other approaches that we could take, there hasn't been a lot of work done. I'm hoping that the Legal Services Board will now have an opportunity to consider alternate approaches in the future. Thank you.

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

Supplementary To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

MR. HAWKINS: Thank you, Mr. Speaker, and thank you, Minister. Mr. Speaker, I'm not suggesting a drive-through legal advice window, what I'm suggesting is the Minister willing to take up talks clearly with the Legal Services Board about possibly setting up a phone line that we could have some advice to help process their paperwork? Will he be very clear on his commitment on being able to make that approach possible, or at least open up that type of discussion? Thank you, Mr. Speaker.

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

Further Return To Question 539-15(3): Staff Levels At Yellowknife Legal Aid Clinic

HON. CHARLES DENT: Thank you, Mr. Speaker. I think one of the areas that we want to move into is exploring whether or not a process of arbitration could work better than that, that would involve lawyers. So I think that's the area that the Legal Services Board may be taking a look at next. In terms of the provision of quasi legal advice, no, that isn't something that the Legal Services Board has gotten into. It's outside their mandate and it's something that the Law Society does. They have a Law Line and they operate that and I think it is designed to provide the sort of counsel that the Member refers to. Thank you.

MR. SPEAKER: Thank you, Mr. Dent. Time for oral questions has expired. The Chair will recognize the Member for Nunakput, Mr. Pokiak.

MR. POKIAK: Thank you, Mr. Speaker. I'd like to seek unanimous consent to go back to item number 6. Thank you.

MR. SPEAKER: The Member is seeking unanimous consent to go back to item 6, recognition of visitors in the gallery. Are there any nays? There are no nays. We will return to item 6, recognition of visitors in the gallery. Mr. Pokiak.

REVERT TO ITEM 6: RECOGNITION OF VISITORS IN THE GALLERY

MR. POKIAK: Thank you, Mr. Speaker. At this time I would like to recognize up in the gallery, my brother James Pokiak, with his wife Maureen and my niece Myrna Pokiak.

---Applause

MR. SPEAKER: Item 6, recognition of visitors in the gallery. Item 8, written questions. The honourable Member for Sahtu, Mr. Yakeleya.

ITEM 8: WRITTEN QUESTIONS

Written Question 79-15(3): Need For Full-Time RCMP In Eleven Communities

MR. YAKELEYA: Thank you, Mr. Speaker. My question is for the Minister of Justice.

1. What would it cost to have full-time officers in all 11 communities in the Northwest Territories?
2. What length of time do the RCMP officers spend in these communities that don't have full-time detachments?
3. When would the government have a plan to place RCMP officers full-time in these communities?
4. Can the Department of Justice provide a report on the Community Constable Program?
5. What were the crime statistics in the year 2003-04 in the Sahtu and in the Northwest Territories?

Mahsi.

MR. SPEAKER: Thank you, Mr. Yakeleya. Item 8, written questions. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. The honourable Minister of Finance, Mr. Roland.

ITEM 13: TABLING OF DOCUMENTS

Tabled Document 118-15(3): NWT Liquor Commission 50th Annual Report

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I wish to table the following document, entitled NWT Liquor Commission 50th Annual Report. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Roland. Item 13, tabling of documents. Item 14, notices of motion. The honourable Member for Tu Nedhe, Mr. Villeneuve.

ITEM 14: NOTICES OF MOTION

Motion 30-15(3): Revitalizing Community Justice

MR. VILLENEUVE: Mahsi, Mr. Speaker. I give notice that on Monday, March 7, 2005, I will move the following motion: Now therefore I move, seconded by the honourable Member for Hay River South, that the government publicly reaffirm before the end of this session of the Legislative Assembly, its principles that "an effective justice system is one that is sanctioned by the communities it serves," and that "community involvement can lead to the development of a justice system which is accepted by the communities it serves and which meets the needs and aspirations of the communities it serves;" and further that the Minister of Justice bring forward, during the next business planning cycle, options and proposals for strategic investment, such as demonstration projects, for reducing recidivism, building communities' resources and capacity to address their justice issues,

and enhancing community involvement in the justice system.

Mr. Speaker, at the appropriate time, I will seek unanimous consent to deal with this motion today.

MR. SPEAKER: Thank you, Mr. Villeneuve. Item 14, notices of motion. Item 15, notices of motion for first reading of bills. Item 16, motions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Speaker. I seek unanimous consent to deal with the motion that I gave notice of earlier today.

MR. SPEAKER: The Member is seeking unanimous consent to deal with the motion that he gave notice of earlier. Are there any nays? There are no nays. Mr. Villeneuve, you may proceed with your motion.

ITEM 16: MOTIONS

Motion 30-15(3): Revitalizing Community Justice, Carried

MR. VILLENEUVE: Thank you, Mr. Speaker. Thank you colleagues.

WHEREAS the GNWT's Justice Establishment Policy states that the Minister of Justice will adhere to the principles that "an effective justice system is one that is sanctioned by the communities it serves," and that "community involvement can lead to the development of a justice system which is accepted by the communities it serves and which meets the needs and aspirations of the communities it serves;"

AND WHEREAS regions and communities have in recent years seen a reduction in the level of justice services, including longer times between court circuits, a gradually reduced role for Justices of the Peace and the elimination or proposed elimination of justice positions;

AND WHEREAS the NWT crime rate has increased in each of the last three years and is the highest in Canada, more than four times the national average and seven times the national average for violent crime;

AND WHEREAS these disturbing statistics suggest it is imperative that we examine new and innovative approaches to community justice;

AND WHEREAS the crime rate is expected to increase even more with major developments such as the Mackenzie gas pipeline and mining projects;

AND WHEREAS Nunavut has expanded its Justice of the Peace program and it is common practice in Nunavut for elders and Justices of the Peace to sit with the judge in the courtroom and to have the opportunity to speak with the accused following sentencing submissions and prior to the passing of sentence;

AND WHEREAS the Northwest Territories, with its small population and large proportion of aboriginal and youth residents, provides unique opportunities for new and innovative approaches to community justice, especially for restorative justice;

NOW THEREFORE I MOVE, seconded by the honourable Member for Hay River South, that the government publicly

reaffirm before the end of this session of the Legislative Assembly, its principle that "an effective justice system is one that is sanctioned by the communities it serves," and that "community involvement can lead to the development of a justice system which is accepted by the communities it serves and which meets the needs and aspirations of the communities it serves;"

AND FURTHER that the Minister of Justice bring forward, during the next business planning cycle, options and proposals for strategic investments, such as demonstration projects, for reducing recidivism, building communities' resources and capacity to address their justice issues, and enhancing community involvement in the justice system.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Villeneuve. There is a motion on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

---Carried

---Applause

Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in Committee of the Whole of bills and other matters: Bill 17, Modernization of Benefits and Obligations Act; Bill 19, Appropriation Act, 2005-2006; Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005; Committee Report 9-15(3), Standing Committee on Accountability and Oversight Report on the Review of the Draft 2005-2006 Main Estimates; Committee Report 10-15(3), Standing Committee on Governance and Economic Development Report on the Review of the Draft 2005-2006 Main Estimates; Committee Report 11-15(3), Standing Committee on Social Programs Report on the Review of the Draft 2005-2006 Main Estimates; and, Committee Report 12-15(3), Standing Committee on Rules and Procedures Report on the Review of the Report of the Chief Electoral Officer on the Administration of the 2003 General Election. By the authority given to me as Speaker, by Motion 2-15(3), I hereby resolve the House into Committee of the Whole to sit beyond the hour of adjournment until such time as the committee is ready to report progress, with Mr. Ramsay, in the Chair.

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

CHAIRMAN (Mr. Ramsay): Thank you, committee. What is the wish of the committee? Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Mr. Speaker. The committee wishes to consider Bill 19, Appropriation Act, 2005-2006, specifically NWT Housing Corporation and then moving on to Justice, time permitting. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you. We will do that after we take a short break. Thank you.

---SHORT RECESS

CHAIRPERSON (Mrs. Groenewegen): I would like to call Committee of the Whole back to order. We are considering the main estimates for the NWT Housing Corporation for 2005-06. We left off yesterday on general comments. I will ask the committee if they would agree to have Minister Krutko bring witnesses to the table again. Agreed?

SOME HON. MEMBERS: Agreed

CHAIRPERSON (Mrs. Groenewegen): Thank you. If the Minister would like to bring witnesses in, I will ask the Sergeant-at-Arms to please escort them into the Chamber.

Mr. Krutko, for the record, could you please introduce your witnesses. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Madam Chairperson. To my left I have Mr. Jeff Anderson, who is a financial officer, and to my right is Fred Koe, president of the Housing Corporation.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Minister Krutko. General comments. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chairperson. In the spirit of keeping things moving along, on the very first day I brought up my concerns with the EDAP program. My concerns were that we are still screening applications for the EDAP process here in Yellowknife when the monies for that program have been exhausted. I welcome the fact that people are applying for the project and I am really glad to see that. My concern strictly with that process and program is we are continuing to screen applications long after there is no money. As the process goes forward, people apply, they organize their application, they go to the bank, et cetera. I couldn't tell you personally, but I know it's at least a three to six-week process at the earliest to get your application reviewed.

If a person has gone through that process and we have tied up administrative time with this problem and going through this predicament, but there is no money, again I stress, to give to this person, why are we reviewing this process at all? Would the Minister tell me today, that in the future, once the program money has been exhausted, again, I'm not speaking against the program, we will no longer continue to screen applications to build false hope for people and we will just return them and let them know when the new intake will be? Thank you, Madam Chairperson.

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

HON. DAVID KRUTKO: Thank you, Madam Chairperson. Madam Chairperson, in regard to the EDAP program, it's an application-based program. It includes information that is needed to determine the eligibility of the client, but also to ensure that the information that is provided is accurate and also realizing we are only one party to this arrangement. The other component is the bank. You have to also meet the requirements of the bank to be able to access not only EDAP money, but also bank financing to be able to obtain a mortgage.

The whole idea of being approved or disapproved all depends on the application itself. If the application is approved and, to use as an example, we run out of

money, until dollars have been approved through this House, those applications are set on a priority list for those people who have been pre-approved, so the following year when dollar allocation is made, those applications that have been pre-approved and are in the system will be approved with new dollars coming forward.

In the case of Yellowknife; Yellowknife has had dollars left over in the past, so I am not too clear on exactly why this person was refused. Unless I know more particulars on the case itself and who we are talking about and what was the reason for the refusal; I would maybe suggest to the Member that we will talk about it later, or we talk to the president and see exactly what the reason for the application being refused was or not continuing the process of ongoing approvals. Thank you.

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

MR. HAWKINS: Thank you, Madam Chairperson. I will take that type of debate to another forum, so we do not need to continue that type of discussion. If I could just get the Minister to clarify, just in a few words, one point he made. I think he did say that if someone was approved, they would be considered a priority in the next cycle. If that was the case, assuming that there were no monies to be able to lend out or give out at that period, if he could just clarify that. I am fine in every other area and I will take up my discussion separately from this forum. Thank you, Madam Chairperson.

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

HON. DAVID KRUTKO: Thank you, Madam Chairperson. Madam Chairperson, as I stated, if the application has been approved, it meets all the criteria and we run out of money, those applications are put on a priority list for the following influx of applications, once we get the capital approved here through the House.

Again if circumstances change, the person has to come back to update their application if there is any change of circumstances. Say you get laid off or you find a new job and your salary numbers that you were using may have changed; because of those types of circumstances, those types of changes, you have to come back and report it. If nothing has changed and the information is the same as it was the previous year, those applications are put on a priority list. Thank you.

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

MR. HAWKINS: Thank you, Madam Chairperson. I don't say this very often, but I was very satisfied with that answer. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Hawkins. Next on the list for general comments, I have Ms. Lee.

MS. LEE: Thank you, Madam Chairperson. It has been a couple of days since I had my outburst about how I feel about the continuation of the market housing initiative. One of the things I said was that there is a need for us to have more discussion about how better to do this. I am hoping that I could ask some questions that could facilitate that. I want to talk to the Minister a bit more about what

he plans on doing with the housing mandate, given that we are well aware of the fact that the federal government will get out of the housing business in the North and we should have a long-term plan about how best to address that. Before I move into that, I will just ask some questions about the market housing initiative.

Madam Chairperson, I am well aware of the fact that we are not doing enough. The GNWT, as a government, is not doing enough to build housing and provide more of a supply of housing in all communities. I know that the Housing Corporation has various programs to meet that mandate, whether by social housing or by providing various lending and financing programs to enable the people who qualify for them to get into homeownership.

My thought is the Housing Corporation is in the business of providing housing and I like to think that they have policy people and engineers who know all about housing, who know all about how to build housing in the North. Has there been any thought given to designing affordable, functional, practical homes that we could provide to the North that are not mobile homes? The technology of building homes has improved so much that the local businesses, you go to Johnson's or Home Building Supplies or wherever, could probably order a home package to build a home. So it doesn't have to be mobile homes. Why can't we have a plan that works for our community and our climate, like the way we build schools and airports and things?

A lot of airports in small communities look the same because they lift from one design to another. Is there not a design done within the Housing Corporation that is a one family home plan, which we could buy a package for and we could massively distribute to all the communities? Do we do that? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chairperson. Madam Chairperson, we do have different models that are used in the North, like the Member mentioned. If you go to communities, any community throughout the western territory, most houses are pretty well similar from the Beaufort Sea all the way down to the Deh Cho and Nahendeh, because we do have people within the department that designed those houses particularly for the North. We have had programs that we have mentioned. We have had Weber, Access, SHAG units, HAP units; all those were part of an ongoing housing strategy for Northern Canada.

One of the areas that we are going towards is looking at these new structures. Like I said, the shift that we are making now as a corporation is that we are trying to get away from the single housing dwelling concept and more into multi-plex units. One of the main criteria that we are looking at is trying to have more energy-efficient homes to bring down the costs of operating those homes, but also bring down the cost of constructing these homes.

Right now with the labour market that we have in the Northwest Territories, it is very hard to find trades people, and also to be able to develop an economy where we have a lot of dependency on the rest of Canada, because we don't have enough trades people or they are too busy in other areas. We are paying \$50 to \$60 per hour for a

tradesperson, because they have the monopoly and they know that they are a wanted commodity.

One of the things that we are looking at is developing a northern housing strategy. One of the things that we are developing in that strategy is looking at how we can consider building homes in Northern Canada, but also building those components into it: energy efficiency, fuel efficiency, and also cost efficiency. The bottom line is it has to be affordable to the client. Thank you.

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

MS. LEE: Thank you, Madam Chairperson. The Minister indicates that with the limited money we have, we want to move towards building multi-plexes because they are more economical; it would require less maintenance, it would allow more families to be housed in these units. It seems to me supplying homes by purchasing mobile homes moves away from that.

I want to ask the Minister how much money does the corporation actually spend every year on buying homes? How many do they buy yearly? How much money do they spend? Is there any room there to do some kind of design and long-term contract with whoever puts these houses together and see if we could put in a six-unit multi-plex in every community, one every year? Is there something like that going on? How much money does the corporation spend to build houses and how many units does that usually get them? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chairperson. Madam Chairperson, we expend in excess of \$33 million for building homes in the Northwest Territories and also doing repairs to the public housing market. I would like to explain to the Member that most of these buildings are put out to a public tendering process or constructed through negotiated contracts. They are tendered so that people can bid on them and they are built in the North and, also, most of these packages we do have. This year I think we are looking at 158 units, which we are looking at building this year through the \$33 million that is in the budget.

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

MS. LEE: Thank you, Madam Chairperson. Did the Minister say we are going to be building 158 units with \$33 million? How much is that per unit? Is it about \$200,000?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, the average cost is about \$200,000 per unit which is pretty well stick built. Out of the \$33 million, \$5 million of that is for repairs to public housing stock. So if you take that out of the equation, you have about \$27 million that is going to be put out for public tender for contracts. Also, those units that we are building are pre-designed so we have an idea of what those units are going to look like, the type of independent housing units or seniors facilities we are looking at. We already have

those pre-designed. We already have a patent on those. So we do have those units included. Again, the other thing is that people who apply for EDAP can go out into the open market to buy out an existing home that is already there. So the whole idea of EDAP is you are going to the bank for the mortgage. We are just helping you get you into the bank. So once you go to the bank, that choice is yours, what type of house you want to buy or if you want to purchase a mobile home or a stick built. That is your choice. Thank you.

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

MS. LEE: Thank you. On that same line of questioning, if we are building 158 units, instead of going out for tender every year, and I don't know if we do this every year, but, is it possible to do a five-year contract where you get somebody to build 500, 600 or 700 units of same design house that is suitable and energy efficient for a family size of this day and see if we can get some return on costs and do long-term planning? Has the corporation ever thought of doing something like that so that we could bring the cost per unit down and provide housing to communities more efficiently and perhaps reduce the need to do something urgent like we had to do with the market housing and to rely on supply of mobile homes, which I believe is not as good as other forms of manufactured houses, and that we could consider other alternatives if there are some? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, the Minister of Finance can allow us to consider multi-year funding but, in most cases, because we do have to come to this House every year for approval of a budget, as it sits right now, you can only plan for the budget year that is approved through this House and also because of our need surveys that we have to ensure that we continue to follow those surveys so that we know where to earmark our dollars so, when we allocate money, we know where the need is through the surveys. Again, it is an approval process that is approved here in the House and that is the same thing with capital. You can't approve that capital items are going to be given every year until it is approved here in the House. Because of that restriction, we cannot commit to long-term allocation of capital, because it has to be approved every year in this House.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Next on the list for general comments is Mr. Pokiak.

MR. POKIAK: Thank you, Madam Chair. I wouldn't dwell too long on this Housing Corporation because a lot of my colleagues have pretty well raised a lot of the questions that I wanted to ask the Minister. But I would just like to make a few general comments.

It was interesting to hear the Minister indicate yesterday that they have for sale signs in some of these units in some of the communities. There are a bunch of interested people in these units. Get rid of them. Get it out of their hair for now and let the people take care of it. For that only, Madam Chair, I wouldn't dwell too much.

Also, Madam Chair, with regard to the market housing initiative because I was a strong believer at the start with regard to what happened last year with the 22, but after consideration, Madam Chair, I am sort of having second thoughts because I think this program is important for the smaller communities and isolated communities. It is very hard to have units available for professionals. I think, for now, for the MHI, I will support the program for this year. I hope they consider looking at least putting a couple of them, one in Sachs Harbour and one in Paulatuk, which will address some of the concerns with regard for the teachers and nurses over there.

But having said that, Madam Chair, I think the department should work very closely with MACA and with the Power Corporation with regard to all of the services required, not just rush in there and they don't have any place to put them. You need that long-term planning that has to be ongoing right now, Madam Chair.

I just have a couple of questions with regard to the \$2.5 million for the emergency repair which also would apply to seniors. Is there any stipulation for the seniors when they have to apply for this funding? As I understand, back in my home community, at least one person in Tuktoyaktuk actually was sold one of the units. I don't know to this date, I haven't had a chance to talk to him; but when they did buy that unit, the floor fell on them and the windows weren't changed. Are there any stipulations for the elders that can access this fund?

The other question I have is with regard to the transfer of funds from NWT Housing Corporation to EEC with regard to the public housing. It was interesting when I went back home over the weekend. Some of the LHOs said they were kind of worried because they were wondering what was going to happen with regard to their jobs. I think if the Minister can get his district manager in the Inuvik regional office to go down and explain to them exactly how the transfers are going to take place and how it is going to affect LHOs. I can do that, but right now, I will leave it up to the department to do that, talk with the LHOs.

Lastly, Madam Chair, I think one of the big concerns that may have been raised already was with regard to the sunset in 2038. Does the department have anything or are they planning any future funds for after the sunset clause comes in place? Thank you, Madam Chair.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Just in regard to the seniors repair programs and the emergency repair programs, like the Member mentioned, we do have a limit. It is all based on income. So, basically, people with low income don't have to pay. People who have a higher income may have to pay a portion of it. It works out to \$30,000 for emergency repairs and then in regard to the senior repair programs, it's based on applications. Again, that is the way that works. But also, the Member touched on the employees and the social transfer. We have been holding workshops over the last couple of months with our maintenance people, with our LHO staff, and it is working with them and we are making them aware that the transition is not going to happen overnight. It is going to happen over the next year. At the end, they will play a key role in the continuing work that has to go on in regard to collections and counselling. I think their jobs will be secure in that area.

We are working with the Department of Education to ensure that they also have to be involved in this transitional process. It is not just simply between the Housing Corporation and Education, because they play a key role in delivering.

The question you raised in regard to the social decline and social funding over the next couple of years is 2038, that decline is right across Canada. It is not only here in the North. Every jurisdiction across Canada has seen that. But one thing we are working on is that we are developing a northern housing strategy to take to the federal government and meeting with the Housing Ministers from across Canada to develop a new housing program for the next decade because the ones that we have now are almost at their five-year lifespan. That is the commitment we got from the federal Minister and also the provincial ministers that we are going to start developing new housing programs for the future. Through our northern housing strategy, that is where we hope to really have an impact on developing a made-in-the-north housing strategy that meets our needs. That is the way we are hoping to head off the declining \$30 million that is there in regard to social funding. Thank you.

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

MR. POKIAK: Thank you, Mr. Chair. With regard to the Senior Citizens Home Repair Program, would that apply to seniors who are retired and have a fixed income? Thank you, Mr. Chair.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, the whole idea of ensuring that seniors stay in their homes is to assist them through our different social programs, fuel subsidy and the repair program, so that we keep them in their homes as long as we can by these assistance programs, and also your tax rebates. I think this is one of them where it is there to ensure they have those repairs. But one commitment that I have made in the House is that the Housing Corporation will now include those seniors on their maintenance list for the Housing Corporation, so then the Housing Corporation will go into those seniors' homes and do their annual furnace cleaning or checking their water tanks and making sure that everything is functional. So that is the commitment we made to the Seniors' Society, so a lot of those dollars in regard to senior repair, that is usually where it is spent. We are hoping, through getting the local authority to include all of our seniors on their maintenance list, that the money that we do expend will be spent in the communities through the local maintenance program as we have through our local housing authorities.

The question you asked earlier about the mobile homes for Sachs and Holman, as long as we have a request from the community or the organization that is interested, we are willing to sit down and work with them to see what is the feasibility of getting these in there, so it is basically whatever we can do to assist by making contact between the Department of Health or Education and our regional staff that we will work to get these into communities as soon as possible as long as we have some sort of arrangement with the community. Thank you.

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

MR. POKIAK: Thank you, Mr. Chair. Just one last quick one here. What is the maximum allowable before the senior can access the senior program? Thank you.

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

HON. DAVID KRUTKO: It is based on the household income and also there is a household threshold that is looked at. Every community has a different threshold. It is based on a formula that is used. Also, it is the criteria that we have in regard to the Senior Citizen Home Repair Program. So it is based on the CNIT which is the community core needs income threshold. So it is based on needs. The more you need, the less you pay. The more you make, the...

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Just for clarification, Mr. Pokiak, please.

MR. POKIAK: Thank you, Mr. Chair. What is the maximum allowable in dollars? I am not talking about based on income or based on threshold. What is the maximum; \$30,000, \$40,000, \$50,000, before they can access this fund? Thank you.

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

HON. DAVID KRUTKO: I believe it is \$50,000, but I can get back to the Member with that.

CHAIRMAN (Mr. Ramsay): Mr. Pokiak.

MR. POKIAK: Thank you. My time is up, but I have one more. Okay. I appreciate getting that information, but, again, I think we should be lenient on the seniors. They are having a hard time. But I will look for the numbers. Thank you, Mr. Chair.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Pokiak. We have Mr. Braden next.

MR. BRADEN: Thank you, Mr. Chair. In the standing committee's remarks on the Housing Corporation, among the areas that we commented on and in this particular area we were quite critical of, Mr. Chair, was the allocation of funding. Mr. Chair, the committee found that district offices and local housing authorities will see budget cuts on some \$1.1 million this year. But the four basic headquarters' functions, Mr. Chair, will see increases of almost the exact amount. So here we have the corporation stripping the local housing organizations and piling up more money into administration and bureaucracy of headquarters. That is quite an astounding turn of events, Mr. Chair. While I am sure there are explanations, I would hope that the Minister would be able to keep them to essential levels here. I don't need to go into an extraordinary amount of detail, but perhaps he could address the essential optics of this, Mr. Chair, which are how in this day and age can the corporation justify taking money out of communities and loading up in headquarters?

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, if you take a look at the actuals for the headquarters, if anything, it has gone down by \$760,000 from the actuals of 2003. Also, in regard to the district office, it has gone down about \$200,000. In regard to our communities, we have increased their budget by almost \$1.5 million. Also, what we are doing with communities is, now through the financial arrangements we have with them, they can retain more of the dollars that they collect so that they can keep those dollars in-house for operations, maintenance, and programs that they have. Through arrangements we are making through our universal partnership agreements and through their collection process, they can retain more of those dollars than they did in the past so, again, they have another avenue of increasing their revenues through that process. Thank you.

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

MR. BRADEN: Well, perhaps there are some different sets of books that I am looking at and the Minister is looking at. I am sorry, Mr. Chair. I am just looking through my own papers here to find the financial page that I was looking at that very clearly demonstrated that this was going on. Perhaps I will pass over on that particular topic until I can find the right page, and then we can all compare apples and apples and try to avoid this kind of discrepancy.

Okay, let's go on to another area here, again, of the approach that the Housing Corporation seems to be taking to efficiency, economization and downsizing. Virtually every other department of this government took some pretty substantive program reductions in the name of financial difficulties that we thought we were facing, but also, certainly, Mr. Chair, in the name of continually trying to look at ourselves, the kind of actions we have undertaken and where we are putting our money. The Housing Corporation, by the information we were provided, is holding at 108 person years. Especially given the fact, Mr. Chair, that there is a significant transfer of responsibility on the books this year whereby the whole social housing program responsibility and delivery will be shifted over the ECE by the beginning of next year, yet the Housing Corporation's plans really would not indicate that there is any such transfer of any kind going on. I don't know how ECE is going to do it, quite frankly, Mr. Chairman, unless it gets some of Housing Corporation's people through the course of this year moved over. So I wanted to ask, is there something that's perhaps not in the business plan or that I've missed in terms of this change of staff requirement from the Housing Corporation over to ECE? How is this going to happen?

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as you know, we're all going through a transitional process with regard to the Housing Corporation redefining its mandate and also with regard to the overall area of social funding in this government. We are now looking at the social funds and trying to centralize them, but the transition that's happening now with regard to the social funding there is not going to be any change in operation from our side for the next year until we can really clearly get a hold of how the overall transfer is going to take place. But as it sits right now, as the corporation,

we are through our mandate change looking at the operational review of the corporation to see what this corporation is going to look like once we get rid of the social funding in the next year. We'll also redefine our mandate to get more involved in actual building of housing and looking at the different type of expertise we want to get involved with right now, because of the transitional process. I'd like to also mention that we have seen a decrease in our budget of 3.3 percent from last year with regard to the budget that we have because of the cuts we had to take in the Housing Corporation.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. Mr. Braden.

MR. BRADEN: I guess I should perhaps ask for a clarification then. It was my understanding, and I stand to be corrected, that this is indeed a transitional year for the delivery of the social housing program. The corporation has the responsibility to actually deliver the services on the ground in the communities, but that by April 1st of 2006 that responsibility will be fully vested in ECE. The Minister is giving me the belief that we're going to take a year to figure out how to do it and then maybe some more time after that to actually do it. I don't know. The understanding I have of the program is that it's going to be as of April 1, 2006, they'll pull the whole ball of wax over to ECE and it should be anticipated that at least some of Housing Corporation's headquarters staff will be making some kind of transition during this fiscal year to enable that to happen. Maybe I'm missing something here. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as we all know, there's about \$100 million in social funding. Our social subsidy program is about \$30 million. This year the \$30 million is just a paper transfer. We're transferring the paper from one department to another department, but we continue carrying on the activity that we did before. Next year, you still have to look at the other \$70 million that's in our system of how that's going to be centralized. So this is just one component of a bigger component of programs. You have the Fuel Subsidy Program, you have the tax rebate, and those are the types of things that still have to be pulled together. So if the Member realizes, it's going to probably take another year for everything to come together. That's why we're giving the leeway of that one year. I'm not saying it may or may not happen; it's going to happen, but it will probably take another year to get everything pulled together. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. Mr. Braden.

MR. BRADEN: So this is now a two-year transition? Maybe more? When are we going to be able to decide how to do this, Mr. Chairman?

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Braden. Mr. Krutko.

HON. DAVID KRUTKO: Mr. Chairman, the answer is one year transition. It should be concluded by 2006, April 1st next year.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. I have Mr. Menicoche next and then Ms. Lee. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. I just wanted to continue some of my general comments that I began yesterday. Maybe I'll take off too on the area Mr. Braden was getting into in the area of social transfer to ECE. I'm still not convinced this is a necessary program at all. It was a bird's eye view of process, I understood it, when we discussed it when I first got elected. There were some things that kind of made sense at that time, but you look at the practicalities of it and I'm sure glad it's not instituted to start April 1st because I really am opposed to it. I gave it lots of thought and bounced it off people back home and they're not agreeable with it at all. It's something that I would like to put the breaks on. It doesn't make any sense. At first glance it kind of sounded like it was a way to generate money for the Housing Corporation, but you give it a real good second thought and what you're doing is you're creating a second generation of clients that will be in arrears, Mr. Chairman. That's all it's creating and that's why I'm totally against it. We're going to take some people who are working hard and making their monthly rent payments and then hurt their pride and self-esteem because then they have to go to another department for assistance. I'm telling you, some of these people in our communities work hard and never ask for help in their life. They may not even ask for it. But what we're actually doing is doubling their mortgage. If they didn't have arrears now, Mr. Chairman, they sure as heck within a year will be in arrears and that's not what we wanted to foster because we're designed to help these people to get them to free up some income and make them into good, prosperous homeowners who will make their mortgage payments. This is not the way to do it, Mr. Chairman. That's why I'm thoroughly against it.

Just getting back to self-esteem alone, some of the things that concern me are how will my constituents be treated because of this sudden change in eligibility, too? I'm not too sure what my constituents will be eligible for. How are they going to be eligible to access this, I don't know what you would call it, this transfer payment? How many more workers are we going to have to create to handle all these people because 50 percent of my constituents are in social housing and when you're talking 600 people, that's 600 more clients for ECE and they'll be screaming for workers, I can assure you that. We're already overburdened with workers. The committee keeps questioning every time you create a job if it's necessary and now we're going to send 600 extra people over to ECE on a monthly basis. I'm sure as heck they'll be screaming and they'll be overworked and they'll be looking for help, Mr. Chairman. These are some of the answers that I don't have, and Cabinet and the government just kind of precipitated that they'll have agreement with us and just transfer all this money over there. Just to take another phrase from the Premier, it's not real money. But it is because we're dealing with real people, you know?

MS. LEE: Real people. Real money.

MR. MENICOCHÉ: To me, what they're really doing is blindly going into a program that they haven't thought out. I took a bird's eye view and I thought that's what we were going to continue to do. If you use prudence and due diligence that's what you do. You take an idea, you sit and foster it, you work it around and you say, okay, this has

some legitimacy here. But no, we've said, okay, we'll just jump and it's going to be done with the stroke of a pen. That's the kind of stuff that gets our government in trouble all the time. We do things with the stroke of a pen without giving it much thought. It might seem right at the time, but I'm telling you today is not the time. Maybe one day I can be supportive of it, but not today because people that talk about this back home are thoroughly opposed to it and it doesn't make sense to them at all. What makes sense is getting them into houses. It's not putting them further into arrears. That's why I'm really opposed to this transfer. It will just create more work for everybody, Mr. Chairman.

With that, I'd like to get the Minister's views of how he sees this transfer. Maybe his own personal view, because I'm certainly against it. Is there a plan? What is the plan beside just sending \$35 million to ECE, to their already burgeoning budget over there?

---Laughter

The Ministers keep digging in their front pocket and their back pocket and finding nothing, yet we're transferring \$35 million around like it was water sloshing around in a pail, Mr. Chairman.

---Laughter

But here again, I want us to give it some good thought to take care of the real needs of our people today in our communities and they're all in social housing, a lot of them. If they find out what we want them to do, I'm sure they're not going to be very responsive and they're not satisfied with the feedback they're getting, Mr. Chairman. So in terms of a long-term plan, it sounds like there's a two-year transfer of all this money to ECE and in two years we'll get our clients going to ECE, but that's all I see, Mr. Chairman. So what exactly is the long-term plan? Another question I would have is who approved it? I didn't approve it. All of a sudden it's in the business plans and I say what's going on here. I'm thoroughly opposed here from the standpoint of in my riding and constituents, Mr. Chairman. Thank you very much.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, one thing I learned real quick being on this side of the table is that your opinion doesn't really count as long as you're giving the department's position. I think it's important for myself that we have to somehow centralize the social funding that this government spends. We spend almost 10 percent of \$100 million that's out there that people are having to go in every other direction to find it. I think for me that's one of the good things out of this, but it's also looking at the one-stop-shop concept where you go one place to deal with those dollars that are needed for low-income people as well as to look at our program dollars that are out there from income support to fuel subsidies to tax rebates to education grants, whatever. With that, I'll pass it over to the Minister of Education, Culture and Employment so that he can add to that.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chairman. I believe, Mr. Dent.

CHAIRMAN (Mr. Ramsay): Mr. Krutko had referred the question to Mr. Dent. Mr. Dent.

HON. CHARLES DENT: Thank you, Mr. Chairman. I understand where Mr. Menicoche is coming from. I know it's a concern that's been expressed by a number of people and I think it's very important that everybody understand that on April 1, 2005, there will be no change. Nobody who's receiving assistance through a local housing authority will see any change at all. The partnership agreements will be carried on and the process for social housing will be maintained. What we are going to do over the course of the next couple of years is work with Members to take a look at our income security programs and we may decide that there are needs for change, but at this point nothing has been proposed. So I want to make sure everybody understands that we're not proposing that there be any change. The person in the community will have the same process to follow for accessing social housing in April as they do in March; so it won't be any different next month from this month. We will be taking a look at all of our programs and starting to decide where we want to go with them.

So the process for determining what changes, if any, we will see is one that is very early on right now and there won't be any changes that we don't work with Members and then have the public discussion about. So it's not something that we're saying here's the change and it's going to happen right now. We've got a lot of work to do and it will be done in consultation with Members.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Dent. Mr. Menicoche. Oh, Mr. Menicoche, your time has expired. Sorry.

---Interjection

CHAIRMAN (Mr. Ramsay): It just so happens your time is up, Mr. Menicoche. I have a lengthy list here developing. I have Ms. Lee next and then Mr. Pokiak.

MS. LEE: Mr. Chairman, I want to just continue on with some of the questions I have. Now that the thumping has cleared my head.

---Interjection

---Laughter

MS. LEE: In his opening comments a couple of days back, the Minister spoke of the redefining of the mandate of the corporation. It indicates that a revised mandate for the corporation will be approved by Cabinet by April 2005. Could I ask the Minister more about what is to be expected in that and how do we, on this side of the House, expect to be consulted and take part in that? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, it is presently in draft form. We haven't completed the wording of it. It is looking at the overall operation of the Housing Corporation in light of the social funding aspect, the \$30 million decline, and also looking at housing in general. What our role will be in regard to a new, revised Housing Corporation. You have to realize it has been 30 years since this corporation has been

established and I think a lot has changed in the last 30 years. I think we have to develop ourselves so we can deal with the housing challenges we're facing, but also deal with the economics of what's happening in the Northwest Territories by way of building capacity in the communities and developing our corporation so it's more of a well-tuned organization. Especially where we're talking about our human resource development or taking advantage of our big developments, the pipelines, or looking at how we can look in light of ourselves to be more involved in the business side of housing. Not just in regard to providing public housing, but contracting or joint venturing or looking at pilot projects for different communities to deal with some of these housing needs. I think the big one for us is just to try and deal with the housing situation we find ourselves in through the surveys we have done. We have some big challenges such as in a lot of our small communities.

The idea of going forward is that we have to change the way the Housing Corporation presently does business while also realizing we have to prepare ourselves for these challenges that are ahead of us in regard to the developments that are out there. One of the sides of our business that a lot of people don't realize is that we spend a lot of money offered to businesses to provide houses through loan guarantees or look at CMHC funding. There are a lot of federal dollars out there that we have to develop ourselves to access.

Again, it is in a draft right now and it will have to go to Cabinet to be reviewed. From there we will be moving forward to looking at how we look at the continuance of housing. I think we hear a lot of homelessness and we talk a lot in regard to transitional housing, youth facilities and whatnot. I think we have to start looking at housing in a holistic approach. Where do people go who are homeless? How does a homeless person get into a shelter? Where do they go once they get into a shelter? There's a transitional process. Also, new people from public housing or social housing into home ownership. We have to start taking down some of those barriers and in order to do that we have to change our mandate, change our programs or policies and procedures to do that. So that's what we're doing in regard to the review of the mandate. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. I'm glad to see the Minister continuing to speak on behalf of the people we, on this side, are trying to represent as well. I just want to add that all the things that he mentioned are certainly the ones that have to be considered in redefining the corporation's mandate, but there are a lot more too. We're faced with certainty that the Canadian Mortgage and Housing Corporation is getting out of funding housing in the North. We are faced with a booming economy in some centres in the North but not in others, so we have a shortage of housing for various reasons. We are facing shortage because of skilled labour, many issues that I think it is timely we look at the redefining of the mandate. I'd like to know from the Minister how we are going to get involved with that, because I think what the Minister is saying is things that everybody here on this side have been saying. So I'd like to know if this Cabinet directive or whatever the Cabinet is approving is going to be a document written in stone. What is the plan to get this into either the Social Programs committee or...I think it should

be Social Programs committee because it is the mandate of the Housing Corporation and I certainly hope that whatever is coming out of the Cabinet is not on a final form; that it's one that has room for discussion and consultation with not only the Members in this House, but with the stakeholders and general public out there.

To make sure the Minister does not take up all of my remaining time I'm going to ask the second question.

---Laughter

That has to do with continuing discussions that the Minister is having with the federal Minister about the funding for housing. The Minister has indicated on many occasions that he has been talking to the Minister and there was a press release last fall about discussions involving formula financing of housing and that there might be some opening at the federal level to change the funding formula to not just per capita, but perhaps base funding plus per capita. I have to tell you that I think that we could only hear for so long that the Minister is meeting with the federal Minister. I think in a short distance we need to be able to hear from the Minister that we are making some in-roads. I'm wondering why discussions about housing are not...Well, maybe they are and I'm just not aware of it. Where are they in the federal agenda, in the mix of all the other stuff that's being talked about? Certainly I think the federal government made it clear about 10 years ago, I can't remember, when they withdrew housing funding. I remember the previous Premier Donnie Morin being very upset about it and he had lots of high profile meetings with the federal government to try to stop this from happening.

I don't think I'm going to be satisfied with a paragraph here and there saying I'm meeting with the Minister, I'm meeting with the Minister. I expect to see more concrete results. I'd like to know what kind of things are being talked about at this level of meetings. What are other Ministers of Housing saying? Where does the position of the GNWT Housing Minister sit with all the other Ministers of Housing? Is there any indication on the part of the federal Minister that there is any possibility that they might restore funding or they might revisit not financing Canada Mortgage and Housing Corporation? Where are we on this thing? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. I'll deal with the last question first. As I mentioned a few times, one of the things we're doing is developing a northern housing strategy for housing in Northern Canada for the three territories. But the whole idea where that came from is from the First Ministers' meeting we had with the provincial-territorial Ministers on housing that was held in January, which what we were looking at was ensuring that we have the federal Minister on side in order for him to have something he can take back to his colleagues in Ottawa, but also for the provincial Ministers who also realized the housing programs that CMHC presently delivers are not meeting the housing needs across Canada. One area we keep touching on is this declining dollar with regard to social funding for social housing. We all know this is no longer there. So what is going to be there to replace that?

Again, the reason we're developing the northern housing strategy is because the federal Minister of Housing is requesting from us to have a strategy prepared so when we go back to the next Ministers meeting -- I believe it was supposed to happen in April or May -- we have something we can take to the table and say these are the housing concerns we have in Northern Canada, this is what it's going to take, these are the costs, this is how we want to face the housing challenges we have in Northern Canada. All jurisdictions across Canada are doing the same thing. So when we do meet and the idea is that by changing CMHC housing programs which will be replacing the old ones as they're no longer accessible or there are time limits, we have to do something to replace those programs.

And you ask where the money is, I think in order to get it, the federal government wants to see something by way of a document or report that they can say this was a report from all Housing Ministers across Canada and then through their assessment process determine how much money is going to be needed. That's the process we're following to do that.

With regard to your first question about what we're doing about developing or reviewing the mandate of the corporation, it's in a draft form and, as we all know, every department that develops a business plan or defines a mandate, it has to go to Cabinet and then from there it will go forward by way of a recommendation to the committee. That's the process we're following. Like I said, it's in a draft form right now. We're preparing to get it to Cabinet by April 1st. Once it gets there, it will make its way to committee. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. I have Mr. Yakeleya next.

MR. YAKELEYA: Thank you, Mr. Chairman. I want to ask the Minister about the Expanded Downpayment Assistance Program in the Sahtu. I understand there might be a decrease in that program. Can he get some numbers for me in terms of that program, if it's increasing or decreasing? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Yakeleya. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, the overall program from last year has declined by \$700,000, but this year the amount of money that's designated to the Sahtu is \$127,000, which is the same as last year. But the overall program, because we weren't getting the uptake that we needed, was one of the programs that was cut and it was cut by \$700,000.

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

MR. YAKELEYA: Thank you, Mr. Chairman, and thank you, Minister. In regard to the Housing Corporation, is the Housing Corporation looking at some process in terms of an appeal board? I remember there were some comments from this side about rejection of applications or refusal of applications and that there is really no independent appeal board that the community members can go to. I just wanted to ask if the Housing Corporation is thinking along those lines for some sort of mechanism for people who have applications to have someone take another look at their applications for homes in any type of

programs that the Housing Corporation has to offer in the communities. Thank you, Mr. Chair.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chairman, these are the types of things that we're looking at when we are reviewing the mandate of the corporation, because we are looking at the policies, procedures and also our operational method. I imagine that we do have, so those are the types of things that we can look at when we do our review of the corporation. Again, once we get through the Cabinet, then the draft document can be made available to committees and, at that time, committees will have input in regard to where we're going and if we're going in the right direction or if we should be making changes. Those are the types of things that we're looking at through the mandate change.

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

MR. YAKELEYA: Thank you, Mr. Chairman. Mr. Chairman, I was reading the federal budget highlights given to us by the Minister of Finance, Floyd Roland. In the highlights, on page 8 of 19, there's \$225 million to expand the energy guide for the Housing Retrofit Incentive Program. I wanted to ask the Housing Corporation if they are looking into tapping into these dollars; the \$225 million. If they are, how much are they expected to hopefully receive, and when can we hear the corporation's intentions in terms of this project? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as I stated, one of the elements that the federal Minister wants to see in our Northern Strategy is energy efficiency. I'm looking at more new energy practices so that we can try to bring down the usage of fossil fuels and also looking at Kyoto and global warming. This federal government, especially the Liberal Government, are putting a lot of emphasis on energy and on looking at those new initiatives. So that will be one of the components of our northern housing strategy, because I think we do have to look at it. As an example, in a lot of communities in the southern part of the territory we have houses which could presently be heated by hydro at a lot cheaper cost than it's costing us right now to heat them with diesel. I think those types of things have to be looked at. Also, we have to consider looking at sun or wind or different types of energy sources out there. We are also working with the Arctic Energy Alliance to look at some of these ideas along with the Department of Resources, Wildlife and Economic Development. So we are looking at it and I think it's a crucial component of our northern housing strategy and it has to be in there so that we can put forward our position as to how we get those federal dollars in the North for energy-efficient housing. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chairman. I have two more questions. Mr. Chair, also in the federal government budget there is \$295 million over five years for First Nations housing construction and renovation on reserves.

As you know, Mr. Chair, I think there's one reserve in the Northwest Territories. Is there anything that this government is doing in terms of working with the reserve south of the lake in terms of tapping into some of those dollars so that maybe we can free up some dollars that can go into other regions? Thank you, Mr. Chair.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, we are working with the AFN through Billy Erasmus who is the northern vice-chief for AFN in Ottawa. He has hired somebody to work with AFN and also us, as the Government of the Northwest Territories, to develop sort of a business plan and also a proposal that they are looking at going into a few aboriginal communities. I believe Colville Lake is one of them, Tsiigehtchic, Wrigley and a few other communities to see how communities feel about housing and also trying to find options for those communities to access these dollars. Yes, it may mention it's for reserves, but I think the push that is coming, especially from Billy and the other people through the AFN, is they want to have a Canadian program that includes rural and remote communities and not just reserves. So we are working with Billy and the AFN on this. We've been sharing information and working on their report and also using our information through our needs surveys to pull their report together. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chairman. Mr. Chairman, I look forward to the discussions and the end result of those discussions with AFN and other communities in terms of seeing some more affordable houses in our communities. I just wanted to state, for the record, that I support the market housing initiative that's going into the Sahtu in terms of building those units so we can have those key people in our communities, such as the teachers and nurses and other professionals, come and stay in our region for more than six months to a year and they can actually possibly look at living in our communities for a longer time. Mr. Chairman, I wanted to ask the Housing Corporation what type of plans are they making in terms of a communication plan. Do they have some discussions right now with the teachers or the nurses or whoever, in terms of looking at the new units going into the region? How are they proposing to get them into the new units? Thank you, Mr. Chair.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we have been talking to the different departments and also the education and health boards in the different regions to inform them of what we are doing and also for them to inform their possible people that they are hiring through the schools or the health centres. So they are aware that these units are there. Also, we're including our partners, such as the departments of Education and Health, in this process.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mr. Yakeleya. Mr. Hawkins is next.

MR. HAWKINS: Thank you, Mr. Chairman. Mr. Chairman, I too, as well as the other Members, am

concerned on the development of this new mandate. My concern is will Regular Members be consulted long after it's already been carved in stone and can I seek clarity? I know the Minister had said earlier that there would be a consultation process, but where is this new mandate in the development stage? Thank you, Mr. Chair.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Like I stated earlier, Mr. Chairman, it is in draft form right now. Again, it will have to go to Cabinet so they have an opportunity to see the draft and see exactly if we're going in the right direction and then, from there, we need to take it back. Then we'll basically consider making those changes. From there, we'll include the Members or committees to ensure that while we're still in the draft framework, that we are developing it with input from Members and also with the direction of Cabinet. Thank you.

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

MR. HAWKINS: Thank you, Mr. Chairman. There's no question that the Members have been concerned with the mandate of the Housing Corporation, and the Members want assurance that the Housing Corporation is on line and on target. I just hate to think that this redevelopment of the mandate or a resurgence of this new mandate won't be brought forward in time with good input from Members. I just want to be sure that it comes forward with consultation in advance, and I wouldn't want to think that Cabinet sort of develops this without us. I need to clearly see that it gets developed in concert with Regular Members, because I think Regular Members have a lot of input. I can tell you right now that the Housing Corporation is doing its market housing survey and how did we leave out a community like Sachs Harbour or Holman when we did our housing surveys? I mean, the answer may not be as simple as that, but there are always questions coming forward about how we are doing business and could we do business better. It's not that we're not trying hard, I wouldn't want to imply that in any way. But I want to be sure today that Regular Members are going to be consulted on this. This is a big policy shift and this is a good opportunity to be a part of this type of policy shift.

So what we're doing today, people may just think it's not much, it's just a line item of changing the mandate, but really we're changing the history of the Housing Corporation for maybe 10 or 20 years now and we have to be comfortable that we have a good say in it now. So I just want to be clear that the Housing Corporation mandate won't be all wrapped up with a nice bow by the time we get it. I'd like to see it in working form and draft form, long before it's carved in stone. If the Minister can assure me, and all the Regular Members here, then I think I don't have any further questions on the mandate. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like I stated, it is in draft form. We are proceeding and we will allow input by the Members to ensure that they have a chance to have input while it's still

in the draft framework. Again, we have been listening to the issues that have been raised in the House during the last two budget cycles. I think it's important that we build those into any mandate of the corporation. Again, we all realize that it's been a while since the corporation has had its mandate reviewed, but also the direction of the corporation has to change. We all realize that. It's a 30-year-old institution and it has to be shaken up every once in awhile just to make sure you are going in the right direction. Thank you.

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

MR. HAWKINS: Thank you, Mr. Chair. I'll just provide a small comment; no further question. I appreciate that offer to give us a chance to look at that and I will say that the Minister has shown his willingness to us and the department is willing to engage into some of our ideas. So I'll make sure that gets on the record too. I mean, we can sit here and we can complain about a department and we only say that out of concern. I hope no one thinks it's personal, but we also have to make sure that we put on record that we see good work by the department. As I said the other day, the department is responding by hearing from Members, and I can say personally moving forward on those barrier-free units is a clear example that I've seen just recently that they are listening. So no further comments or questions at this time. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Hawkins. We'll go with Mr. Menicoche next, and then Mr. Zoe.

MR. ZOE: He went already, I'll go first.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Zoe.

MR. ZOE: Thank you. Mr. Chairman, just a few comments. First of all I want to follow up on Mr. Hawkins' line of questioning. My concern is in regard to the new mandate that the Minister is working on. I understand that it's going to go forward to Cabinet, et cetera, but this current year, 2005-06, the money for social housing is going to be transferred over to ECE so they can administer housing they have, from my understanding. Part of the thinking is to make the social programs one-window shopping, that your department was considering moving the social housing component of your budget over to ECE. Am I correct? But if that happens, Mr. Chairman, how will the local housing authority manage ECE having the money? Are things going to drastically change, because we do have a number of agreements with the Housing Corporation and our local housing authorities and I am wondering if there's going to be any glitches by us going in that direction? We know for a fact, Mr. Chairman, even with it being in the Housing Corporation, we still have a lot of glitches that still have to be worked out. We have a number of our local housing associations administering the various programs, especially the Social Housing Program.

On the second phase of the market housing initiative, affordable housing, I, too, am in support of this initiative. I hope the Minister goes ahead with phase two. As I said earlier in my Member's statement in the House, Mr. Chairman, in my view, my region should have been considered in phase one. Right now we're currently behind. We can't hire our staff now because there's no housing available. We're waiting for the budget to be

approved so we can continue on with the work, but it has to be fast-tracked; I hope right after April 1st. I know there are concerns from the Housing Corporation in terms of our new land claims and self-government agreement that has been passed, particularly in relation to land, and I know his department has been working closely with MACA and the other affected departments so that there are going to be issues surrounding the land issue. Nevertheless, Mr. Chairman, I think those issues can be dealt with at a later date. The effective date is not going to be until some time this summer and I think we have to move on the second phase and put affordable housing for our workers at the community level. That's critical right now because we can't hire any new people in my region. That's why I am in support of phase two. I think at a later date we can work out all these other legal things that we have to do pertaining to our land issues at our community level in the North Slave, in the Tlicho region.

Another point I wanted to make was that if we transfer all the social housing to ECE, would that also incorporate the elders and the disabled peoples' type of housing also over there? Overall, Mr. Chairman, there are also issues right now that the Housing Corporation is dealing with pertaining to social housing. I mentioned in my Member's statement also, that we have to find new ways to try to get these people who are in social housing into homeownership and we have to look at what we're going to do with their arrears. If they are going into homeownership, can we incorporate them into their mortgage or what other method do we have to help these individuals that want to get into their own homes? That seems to be a problem and, because of their arrears, they can't get bank financing and so forth. That's why it's a big issue in my riding, particularly in Rae-Edzo and a lot of people want to get out of social housing so they can own their own unit.

Those are just a few of my general comments pertaining to housing, Mr. Chairman. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, in regard to the transition of the social funding from the Housing Corporation to the Department of Education, this year it's pretty well just a paper transfer. We'll transfer it in and then the money comes back to us and we designate it to the LHOs. But as of April 1st next year, they're hoping to be able to pull all of the social dollars...like you mentioned, a one-stop shop. So that's sort of the process we're going through this year. We will still continue to allocate. Eighty-eight percent of the money we get goes to local housing authorities for those programs.

With regard to the market housing initiative, we are definitely looking at the six units for Rae, but also we realize Rae is unique; it has some major challenges in front of it and, because of that, as a corporation we are looking at Rae as a pilot project of how do we resolve these issues because of the economics of that community. I think you touched on the area of people that are working in the mines, but because they have no other alternatives, they're in arrears and all this other stuff. So in that case we are trying to get our minds around that. How do you resolve these issues, especially with the housing crunch that Rae is in right now? Because of that, we realize that just to bring you up to the 30 percent mark,

you need 35 houses and we know you are not going to get 35 houses overnight, but we have to find ways of getting people in that.

We are looking at Rae in regard to trying to resolve that but, again, I think with market housing going in there, six units, also we are working with the private sector in Rae to see if they are also willing to partner up to get them to develop a market in Rae and use the grant programs through CMHC, loan guarantees or whatever to get someone from the community involved in housing. That is where we are going in regard to that issue. We are trying to find unique ways of dealing with the problem you have in Rae. We realize it is a unique situation and we do have some big problems there and we realize that we have to put more focus and emphasis especially in Rae, because of the high percentages of the core need in that community. That is where we are going and hoping that we are able to resolve most of these issues this year. Thank you.

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

MR. ZOE: Thank you, Mr. Chairman. The Minister is correct; prior to Christmas, the Minister's staff had a public meeting with the residents, especially with regard to the rent scale increase. There was a lot of media attention brought forward, particularly on arrears in Rae-Edzo and how we can try to resolve that particular issue. The Minister will recall that we had a delegation of people meeting with you pertaining to their own individual needs for their own cases that they wanted to discuss with you.

I know that the Housing Corporation is doing as much as they can to try to resolve as many cases as they can, but I think more emphasis from the regional office, more resources and more meetings with individuals that are in this predicament have to be dealt with right away. The sooner we deal with these issues, the fewer problems you will have. I think it is very critical now because, as you said, the need in Rae-Edzo particularly is really high and if we wait any longer, the demand for housing is going to go higher and higher and higher and we will never catch up. That is my big concern, Mr. Chairman, in regard to those six units the Minister spoke of. I hope he will move on it as soon as possible. We are on the road system and I hope that as soon as this budget gets passed, as to what the corporation's plans are pertaining to those six units...I have eight coming to my area, but I am more worried with Rae because the Dogrib Community Services Board has been waiting for the last few months because things haven't been done to date pertaining to affordable housing for our community workers that we want to hire, but we have no housing. I would like to ask the Minister what are the future plans after April 1st, for those six units going to Rae? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you Mr. Zoe. Mr. Minister.

HON. DAVID KRUTKO: Well, the sooner we get into line by line in House, we will get the budget passed, we can order these units and get them into the communities. But the key is that we have to have the budget passed before we can put orders in and also between that and other challenges to making sure that we can still access the ice road to Rae Lakes, because we have two units going there. We are hoping to get them over the winter road this year but, again, once the budget is passed, then we can

start looking at getting orders out to get those units in and try to have them in there; especially, like I say, over the ice road by this spring, because we have a tight deadline on this one. The key is getting the budget passed and then from there making those expenditures. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. At this time we are going to take a short recess and then we will resume. We have two other Members for general comments after a short recess. Thank you.

---SHORT RECESS

CHAIRMAN (Mr. Pokiak): Welcome back after the break. General comments. I have Mr. Menicoche.

MR. MENICOCHE: Thank you, Mr. Chairman. I just want to continue with my comments where I left off. Once again, government astounds me.

AN HON. MEMBER: Astounding.

MR. MENICOCHE: It's astounding on where they want to go. They have some plan and they just think that they got the go-ahead to do it without checking things out. Well even without checking things out themselves, they just went ahead and did it. But there will be more on that later, it's not like they are going to institute it by April 1st. That is what the Minister tells me and I am fine with that. There will be time enough to fight that battle on another note.

Just with that, a day doesn't go by, Mr. Minister, that I don't get a fax or a letter or an e-mail from somebody having problems with their houses. In this case it has to do with getting a loan for repairs. This person says, hey, they are just treating us like beaver pelts. It's not what we are worth but about how much money they can get out of us. That is how our whole focus has changed away from social housing, and people do not really understand what is going on, especially when a lot of the fault is through the Housing Corporation. The people are still blaming it on faulty construction, and there was already an inspector inspecting my house and now that it is broken down within five years, how come I am expected to pay for it. I have told them right up front that it is the corporation's fault.

That leads me to my other point, Mr. Chairman. What I have been finding out for a year-and-a-half is that they are coming to me and expecting me to make things right. So I will go to the Minister and the corporation and say look, this person is having this kind of problem, but it just dawned on me -- and I think I've told this House before -- that they are appealing to me, is what is going on. I go to the corporation and say can you make this right? I'm saying, why are they doing this? I talk to the corporation and they are saying if that person has a problem, why don't they talk to their local manager and use the system? I say, well, that kind of makes sense, so I go check with the people and what is going on is that it's not really an appeal process if you are going to talk to the person that said no to you in the first place. What kind of an appeal system is that?

I think I have brought it up before. I said our Housing Corporation Act is very old, it's from about 1978. I think that it is really time to revisit it. I am sincere about this. We have to revisit it, restructure it and ensure that there is a responsible, independent appeal process somewhere where people can go. In fact, we have been beating up on ECE pretty good here, but they have an appeal

process that works and if we have something like that with our Housing Corporation, that would go a long way for our clients and for our constituents knowing they did everything they could to right a wrong; exhausted every possibility to right their wrong. That's all they want and expect, that we look at what has been wrong and go through it thoroughly. Like in this case, this person was on the right track getting things done and then, for whatever reason, we changed ministries and this person got lost in the shuffle and they contacted me again to say what's happening with my roof, it's rotten. I thought we had a solution and now we have to start all over again. That's really frustrating because that person does indeed have to start over again right from filling out their application and all the way down.

I'd just like to tell the corporation, aside from this issue, I just wanted to point out the real people and the real issues they're frustrated with. Things will be a lot better, I think, if we institute some kind of appeal program. The Yukon Housing Corporation, in fact, when they redid their act, they included an appeal system and it's quite successful. In fact, the way we do it, Mr. Chairman, is every time our clients or the constituents get a letter from the Housing Corporation it says if you don't like this decision please get a hold of the district manager. That just doesn't work. You're going to the person who said no. Why would I want to keep going back to the person who said no?

The way they do it in the Yukon is if you don't like this decision -- and it happens with ECE, too -- here's the independent appeal board you go to, here's where you bring your concerns, and I believe there's even a hearing where you can attend if it's going to be held in your community or you can send somebody there. That's due diligence, that's due process, that's hearing people and that's what I'd like the Housing Corporation to do and move towards. It makes life a little bit easier for the people and that's all we have to do.

Another area that concerns me today is what the honourable Member brought up in his Member's statement today is the affirmative action program. I'm not too sure where the Housing Corporation is going with that. I notice it's visibly absent from the main estimate reviews as a target or achievable goal. I know we're doing quite well in the communities, but overall, when you come to the Yellowknife area, our affirmative action targets go right out the window. So I'm thinking, is it possible to start to put our affirmative action targets back into the main estimates? Apparently, I don't know how long ago it was, Mr. Chairman, we used to have a central HR position and the affirmative action targets were listed in there for each department and when we spread it over the departments, gave the authorities back to the departments, that was gone. Those targets disappeared from the main estimates and the budgeting process. Now it looks like we're moving back to centralizing this HR thing and for me it's important to have it listed again because I know how bureaucrats operate now. They operate with what's in here. If the affirmative action targets aren't in here, they're not going to make any efforts in order to achieve their goals and objectives. It's not a goal and objective if it's not written down, Mr. Chairman.

SOME HON. MEMBERS: Hear! Hear!

MS. LEE: It's has to be written down.

MR. MENICOCHÉ: So I think it really has to be written down and not only for the Housing Corporation. From here on I'm going to question every department on where it is so they can be prepared to bring it, starting with the next department, which is Justice.

---Laughter

So that's the thinking on the affirmative action targets, Mr. Chairman.

Just another logical thing that stands is that, yes, we are kind of centralizing our HR functions. In terms of the Housing Corporation, where does the department stand on that? What's their goal with that? What is their affirmative action goal, as well, Mr. Chairman? I hope it doesn't happen that they're pulling HR people out of the regions because one job in the region means quite a bit. But I'd like to know what the HR target plans are, what the affirmative action target plans are, and indeed that Christmas wish of mine which is to revisit the 1978 NWT Housing Corporation Act and really do something about it. Thank you.

---Applause

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Menicoche. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as I stated from an earlier question with regard to reviewing our mandate and looking at the policies and procedures and guidelines that we follow, we can look at an appeals process. But you have to realize that the business we're in, we -- especially talking about people's rents or whatever -- do have to follow the Residential Tenancies Act because that's the legislation that governs the housing business in the Northwest Territories. We do have to abide by that act. If you're talking about programs and housing in regard to the construction or faulty construction of these units, I think we have increased the amount of inspections we do on our job sites. Also we ensure that the client has to be aware that they have to ensure that when they sign documentation or sign off the approval to move into a unit before it's concluded, it's also buyer beware. Again, the whole area of liability insurance has to be looked at, but we have to ensure that the people who do these contracts have the insurance liability and coverage that should go with it. Like you say, what I've found since I've been here is that people are coming to you with complaints that have been filed for five to eight years and they're still out there with people complaining about them and no one has taken a close look to see exactly what the problem is or to track down the contractor or to figure out when that contract was done. Again, there has to be some sort of a process, but you can't wait five to eight years to come forward with an issue and have it unresolved. Again, like I stated, we are reviewing the mandate of the corporation and this is something we'll look at.

I'd also like to make the Members aware that if you're talking a major increase in the structure of an organization for which there's a cost associated, where do those costs come from? We heard that the amount of money we spent in an organization, the \$30 million that's going to get transferred over. So out of \$100 million budget we're now going to be dealing with \$70 million. We have to see what the financial implications are of doing this.

The other issue you touched on was affirmative action. I think it's important that we do look at our affirmative action statistics to make sure we're following the affirmative action policy, but as a corporation we do have in excess of 65 percent in the corporation's headquarters staff who are classified as affirmative action. In our communities, through our LHOs, we're up to 85 percent. That shows we have put a major emphasis in ensuring we have followed the affirmative action policy. Also, a lot of our business is done through regional offices, through our local housing authorities, so that's where the bulk of the people are. But we do have, like I stated, 65 percent of people at headquarters who are classified under affirmative action and 85 percent at our local housing authorities. Thank you, Mr. Chairman.

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

MR. BRADEN: Thank you, Mr. Chairman. Earlier today I was talking about some numbers, Mr. Chairman, and relating information that was put before the committee while it was preparing its work that showed that expenditures at the local and regional housing authority levels were being reduced by somewhere in the neighbourhood of \$1 million while expenses at headquarters were increasing by about that same amount. I just find that so at odds with the kind of thing we should be trying to do here in government. I've done a little research to find those numbers, Mr. Chairman, and I think most of them are borne out in the pages contained in the main estimates. But I would like to confirm something with the Minister. This covers the expenditures or amounts allocated to local housing organizations where the main estimates for this current year were \$35.93 million. So I'm looking for that confirmation, Mr. Chairman, that the main estimates for 2004-05 were \$35.93 million. Is that level of detail correct?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, under the main estimates for 2004-2005, which was last year, there was an estimate of \$35.93 million, but the actual amount that was expended was \$34.982 million. So if you look at that actual number in the context of the main estimates for this year, there is an increase of almost \$700,000 from the actual amount that was spent last year and the amount earmarked to spend this year.

I just want to point out another item for Mr. Braden. Under district offices under capital acquisition, the \$12.444 million, that's where the biggest increase has taken place is in the capital acquisition which has gone from...(inaudible)...million from last year. So that is the \$5 million increase that we're talking about. The majority of those monies are expended for the housing programs with respect to the EDAP, IHP, et cetera. That capital acquisition, most of those dollars will go back directly into communities for infrastructure. So that's where the largest change with regard to the budget amount is. If it looks like it's gone to the district, realistically it's a capital acquisition which will be expended for those capital items which will go to communities.

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

MR. BRADEN: Okay, you know, Mr. Chairman, I'm not going to challenge the Minister or doubt that he's wrong, but he's introduced something in here that I can't understand. He's talking about capital, I'm talking about operations. He may be entirely correct, but perhaps we're going off on a tangent here in our venue this evening, Mr. Chairman. I really think we'll be spinning our tires. I won't say that the Minister's wrong, but I still remain very concerned that there is a trend even in some of the forecasts that committee was presented with that showed the corporation was quite prepared to, from the information I saw on an operational basis, take money from the communities and spend it at headquarters. I might in another venue be convinced otherwise.

Mr. Chairman, there has been a lot of discussion this evening about the market housing initiative and it's an area that really concerns me to quite a degree based on the expectations or objectives that were outlined for this program. Optimistically and appropriately when things came together for this program early last year we certainly took this on as something that was going to fulfill a very urgent need in the small communities to help those communities attract and keep essential public workers, teachers, nurses, and other health professionals, to be specific. But we have before us now a very sorry report on the outcome of that program of, what was it? Twenty-two units delivered over the course of several months this summer and fall; nine I understand are occupied. The difficulties encountered by our corporation in bringing these in, the Minister has gone on at length about all the different problems and hassles and things that occurred. I get bored, Mr. Chairman, listening to this, especially coming from an organization that this year so proudly declared 30 years of operations and expertise and knowledge in the Northwest Territories. Yet they still came back and said we had problems finding gravel and problems putting in power and this kind of thing. This is not the kind of thing I want to hear, Mr. Chairman, from the agency that has 108 people working for it and a budget of \$100 million and yet comes back and says we had a problem installing some trailers in some of our communities.

I note, too, Mr. Chairman, some similarities between what went wrong with the market housing initiative and what went wrong with the corporation's attempt to sell houses to Alaska as outlined in the 2004 report of the Auditor General to this Assembly, which was tabled in this House last October. I'm going to paraphrase very briefly from this, but there are correlations here that I think are worth highlighting, Mr. Chairman. The Auditor General commented on the Housing Corporation's shipment of unassembled housing units to Alaska saying that, knowing that, by the way, I guess the end story should be clear, only one of nine units were sold to this village in Alaska. The rest of them, by a series of almost comedic decisions, ended up on the beach at Tuktoyaktuk. We don't quite know what their status is from there. I'll get to that in a few minutes. But in the meantime, the Auditor General said that any time a venture fails it is important to investigate why and to ask what should be done differently in the future. The corporation tried to sell housing units in Alaska on which it lost money. In our view, management, and here's the point I find interesting on this case, the Auditor General says, in our view, management failed to follow certain basic accepted business practices which could have reduced its risk. For instance, in August of 2001 the corporation shipped nine unassembled housing units to

the state of Alaska. This was done based on a verbal agreement with municipal authorities that the village would purchase the units.

Mr. Chairman, this, I think, is pretty much what the Housing Corporation did last summer when it decided to send 22 units to, how many different communities, 66 beds out there. Mr. Chairman, I'm looking at the government, at the Cabinet, because we should keep in mind that it was the Cabinet that issued a directive to the Housing Corporation to do this. Now, it is not commonplace for the Cabinet to release publicly or to MLAs records of decisions, so I cannot, I will not be able, Mr. Chairman, to assess whether the corporation really followed to the letter the instruction from Cabinet. I'm assuming here, Mr. Chairman, that it may not have been a very well crafted directive to the Housing Corporation because, boy, we went all over the place here.

Verbal agreements, as the Auditor General points out, were essentially what the Housing Corporation, from information I have, took to be its instruction. They were going to put so many houses in these communities. We're going to do it our way. Another basic business practice that was ignored: Where were the surveys and information from the target audience, the nurses and the teachers who we really wanted to house? There's no evidence at all. Despite committee's request last spring that they do that, that they go and talk to these people, well, no, that never happened. Now they're coming back, Mr. Chairman, and asking us to do this all over again for another \$2.6 million and I have yet to see any evidence, Mr. Chairman, that the corporation or Cabinet -- these are the people who issue the directives -- has insisted that we get better market information so that we can design our product to suit the needs of that market.

The Auditor General goes on to say in this report that the corporation could have reduced its risks and losses if its management had a signed sales agreement before shipping the houses to Alaska. What a radical concept, Mr. Chairman.

MS. LEE: Radical.

MR. BRADEN: That you would actually have some kind of a guarantee or an indication of a positive customer before you drop these things in place and then find out that, oh, gee, maybe we should have furnished them. Golly, maybe the rents that we have to charge at 110 percent recovery are going to be too much for these people to afford. This is where the corporation botched it. They did not put together a product that met the basic needs of the customers. The difficulty that I have with this whole thing, Mr. Chairman, is trying to find the confidence and justification that we should sign off on this \$2.6 million and let the Housing Corporation go ahead with phase two. I've run the clock out and I thank you for listening, Mr. Chairman.

---Applause

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

---Interjection

CHAIRMAN (Mr. Pokiak): Order, please. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. I have to agree with the Member that there have been some problems, but I have to admit it is a good program and we definitely will proceed with it. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I think points the Members on this side are bringing are very legitimate and that's what we're here to do. I think it would do the Cabinet Members and the Minister a lot of good to, if not adhere to them, at least pay heed to them. Mr. Chairman, I think it's really important to note that we know this Minister was not there when this policy came about. We're not placing blame on this guy, so I wish he would just quit being so defensive. There was another word that I had to refrain from.

---Interjection

MS. LEE: Flipping defensive. Anyway. How can we have a dialogue about not only how we're spending money, but how do we introduce a new policy? How can we have that kind of dialogue if all we get is either ignorance about the concerns being raised or defensiveness or just total fear on the part of so many Members that if we say anything negative about these housing initiatives that we're not going to get that extra bed? The Minister keeps talking about these 66 new beds that we have placed into parts of the Northwest Territories that weren't there before, well those are sitting empty. I'm telling you, I don't want to be known as a part of a legislative...I'm not really looking forward to being remembered as part of the Assembly that put a bunch of mobile homes all over the place in the Northwest Territories. Nothing against mobile homes, but surely if there's room for us to do better, we could do better. We're not going to do better unless we talk about what we've done wrong.

SOME HON. MEMBERS: Hear! Hear!

MS. LEE: I'm astounded. I'd never read that report before about the Housing Corporation's venture to Alaska. I think it might be forgivable on the part of the Housing Corporation if they went out and put 22 mobile homes without written contract because they didn't know better. But if this is the second time, I'm sorry. We have 100 people managing \$100 million and their only responsibility is to put housing in the North and they don't even know how to do a signed agreement? We're just here to say sure, no problem? I cannot tell you how frustrating this is. You put two or three more beds in the community and everybody says, please, don't say anything, we'll take anything. I could appreciate that. It's the extent of desperateness that we have in communities because we have a housing shortage. Yet there's no room for discussion on our part about how we do this better. How do we spend \$100 million better so that we can have more of that money going into housing?

SOME HON. MEMBERS: Hear! Hear!

MS. LEE: We're not saying that market housing initiative...if the government feels that because there are no private operators in communities, no one is interested in going into that market in small communities, it is only the government who could do that, I could accept that philosophically. I believe that's the role of government. Government has the role to play in places where there is

no private market. But if that's what they're going to do, they have to know what they're doing. So far only...we have really not much more than a verbal agreement to go to the second year. The only thing we have is from the deputy minister saying we might be able to hire so many number of people.

If the Housing Corporation wants to continue to send housing units to communities without knowing where they're going to go to that's fine, but can we not talk about long-term plans? Because this introducing market housing into small communities is a long-term plan, this is a 10-year plan. This is something that the Housing Corporation wants to do now. So why do we have to order something every April? Why do we have to order mobile homes when we know this is what the corporation wants to do? Why can't we do it in a way that we could order economical housing units? Why can't we do that?

SOME HON. MEMBERS: Hear! Hear!

MS. LEE: We put out 22 units. Only five were taken by the people intended; nine because of extra people that we have allowed to buy them; and we don't know what's going to happen to the remaining 11. Next year the Housing Corporation might come back and say, you know what? We have 20 units we don't know what to do with. It's not like all these units are being taken by everybody. Why can't we delay this program for one year until they figure out how they're going to do this? It's not going to keep anybody outside of these homes by the sounds of it because they can't...anyway.

Let me ask a basic question. Why is it that the 109 people that manage \$100 million at the Housing Corporation don't know what they're doing? Thank you.

SOME HON. MEMBERS: Hear! Hear!

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. This corporation does know what it's doing and we have vested our money in a way that we're going to definitely make a difference. The project that we took on should have taken a year-and-a-half. We did it in 6.5 months.

Yes, we have nine units occupied. In Tulita, in the one unit that's vacant, we already have an expression of interest by a professional that wants to move back to Tulita.

In Fort Good Hope, we have two units that professionals employed by the Health and Social Services Board are interested in renting. We also have an interest from the land corporation to purchase.

In Fort Liard, we are completing a sales package with the band and also a renewable resource officer.

In Lutselk'e, we have two residents who are interested in purchasing and one of them is a professional. There are two other units being looked at by the Development Corporation.

In Fort Resolution, we have an expression of interest by a Housing Corporation employee and a person who is working at the mine. We also have an expression of interest by a teacher who wants to purchase and another individual who is in public housing.

For us to sit here and make it sound like we are not doing anything when the idea was to establish a market in a non-market community where no one else will go...

We talk about housing needs in the territory. We have some surveys where some communities are accessing almost 80 percent core need and yet we can sit here and ask what we are doing. We have 2,300 public housing units in the Northwest Territories. We've assisted 587 individuals through our EDAP programs and countless other people with independent housing units and making sure seniors stay in their own homes. I find it hard to sit here and hear that nothing is happening and we don't know what we are doing.

The bottom line is, under phase two, we can prove that we can bring down the cost by 50 percent compared to a stick-built to make it more affordable for people in communities.

So we can sit here and argue, but I would just like to state for the record that if we want to meet our core need in this territory, the numbers we are talking about are \$450 million to deal with the housing crisis we have in the Northwest Territories. We try to make attempts to deal with housing issues, deal with housing problems and that is what you are up against.

I would like to state, for the record, I am very proud of the corporation and the people we have working for us they have done everything they can to deal with the housing situation we are in with the limited dollars we have. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Lee.

MS. LEE: Thank you, Mr. Chairman. The Minister indicated and there are Members who suggested that we should look into building multi-plex units for market housing. I know the Minister is looking at multi-unit mobile units and that's the reconfiguration the Minister and the department is going to do next year. I understand from looking at the department's goal, this is a long-term goal. This is not a flash in the pan. This is a two-year program here and there is every indication that this is going to be what the Housing Corporation wants to be involved in in the future. As long as there are non-market communities in the Territories, it's the role of the Housing Corporation to provide housing. I agree with that. We are talking about how to do that better and we want to have an opportunity to speak to that.

There were suggestions about looking at building stick-built or doing multi-plex like apartment buildings. Could I ask the corporation to do a longer and more comprehensive plan about how they are going to supply private housing to non-market communities other than ordering 22 mobile homes every year? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we are in discussion with development corporations and community corporations to look at partnering on the concept of looking at duplexes or multi-plex structures, not only for our needs but also for their needs, so we can go into it by way of a joint proposal where we go and look at some sort of shared

arrangement or loan guarantees. We are looking at that and have talked to several development corporations who have expressed an interest. So there are those discussions going on, but it's important to note that there is a lot of hesitation for people to go into a majority of those 20 communities who are in core need because there is no economic return on investment for them. They don't want to get into social housing because they know once you get into it, it's a pretty expensive proposition. If you are looking at public or social housing, those development corporations are very hesitant to look at that.

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

SOME HON. MEMBERS: Detail.

MR. BRADEN: Mr. Chairman, the Minister's remarks to Ms. Lee's comments was absolutely right about the shortage, the need, the crisis we have in every one of our communities. I am not against the original design of this program, which was to help small communities get essential workers in comfortable, affordable houses. That's where the corporation has missed the target and that's where Cabinet, in the directive they have issued, has to take some of the accountability here. The problem that I have sitting where I am tonight, Mr. Chairman, is that I am asked to assess the viability of a program on a certain set of expectations. Those have failed. Now I am being asked to duplicate the whole thing again, in fact even go further, \$2.2 million to \$2.6 million now, with very little justification that we really learned how to do this better and how to meet the original target need for essential workers in communities.

The Minister has taken the part of this program that didn't work, those 13 units that aren't occupied and they said we will sell them off to whoever we can or we will turn them into social housing. We will do something with them. In the meantime, where is the answer for those communities that needed housing for their essential workers? That is what I am being asked to judge and to approve and I don't have the supporting evidence. That's why I am sounding frustrated and hostile about this.

If the corporation wants to come to me with a plan to get mobile houses up there and try to start a market where nobody else will go and that is a genuinely solid argument, then I am interested and I will listen. I will think about signing off on some more taxpayers' money to take that risk because I think it's a good idea. But don't ask me, Mr. Chairman, to approve a program on one set of circumstances that is going to morph its way into something else. I don't like to do business that way and that is what I am being asked to do.

Mr. Chairman, I would like to go back to the houses on the beach in Tuktoyaktuk to see if the Minister can provide some further information because at the time this report was filed by the Auditor General, Mrs. Fraser said we don't really know where it is for now. I will just paraphrase briefly from the report and again this was sent to us on September 22nd of last year and she concluded that: "The corporation shows the cost of these units, these nine unassembled units, originally designed for Alaska, at almost \$1 million including the shipping costs, given the missing parts in the reported damage to some of the crates, it is not yet clear what the ultimate loss will be."

So we have some units on the beach in Tuktoyaktuk, according to the Auditor General. Can the Minister advise what the status is of these units? Do they have any potential for really being used perhaps hopefully to house some of our own people?

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

HON. DAVID KRUTKO: Thank you, Mr. Speaker. To let the Member know, these units are not on the beach in Tuktoyaktuk. They are in Sachs Harbour, Inuvik, Tsiigehtchic and Holman Island to serve the homeownership program. The Member is referring to a document which is not part of this budget. I think that those units have been moved out of Tuk. They are in communities to be used for housing. I think that it seems like we are fishing here and they are definitely not on the beach in Tuk. There is a client in Tuktoyaktuk who has taken one of these units.

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

MR. BRADEN: Thank you, Mr. Chairman. I appreciate the information. Respecting that this is indeed not a document before us, perhaps a briefing note could be circulated to give us that kind of good news.

Mr. Chairman, the mandate of the Housing Corporation is under review or is going to be reviewed and rebuilt over the course of the next year and I welcome that exercise. I would like to ask the Minister what kind of opportunities the people across the Northwest Territories will have to participate in telling us how they would like to see their government's housing authority developed. What should the new marching orders be and how is the consultation going to work for that? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we have been having workshops with our local housing authorities, meeting with our maintenance people. We have been doing that for the last few months. It's not as if we have been doing this in-house. We have been out there having regional conferences and also bringing in our management staff who basically run the local housing authorities on a day-to-day basis. They are the ones who are giving us insight into where we are going, what we are doing and how they would like to see change. So we are involving people, not only in headquarters, but people in the regional offices and people in our communities who deliver our programs. So they are involved in the mandate that we are looking at. So that's the process we have been using. We have been having quite a few workshops and involving them in the overall process of where we are going and allowing them the opportunity to get insight. So we have been involving the local communities and housing authorities to be involved in the mandate review. Thank you.

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

MR. BRADEN: Thank you, Mr. Chairman. What I heard was the community chose, et cetera. What I am looking for here is the word "public." Are we going to proactively take this out to the public and get their views, or is this

going to be more or less an internal consultation exercise? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Before I get the Minister's response, may I have some quiet, please? Thank you. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we are dealing with a major shift of the corporation with regard to looking at its mandate. Like I stated, we want to make sure we do it right and whatever changes we make, we want to ensure we can deliver on them. We can't just automatically go out to the public until we have something to go out there with. Right now, we have a draft that we will be taking to Cabinet to get Cabinet direction on where we go next. Then when we get the detail about what the mandate is going to be, then we will take it to standing committee. Once it gets to the standing committee, then we can see if we are ready to go to the public. It has to go through a few more stages before we can go directly to the public. Right now, we are in the development stage. Like I stated, we hope to have it ready for Cabinet April 1st. Then we will get Cabinet direction on whether we are going in the right direction, whether we have to go back or pull it together more. Once we get a more detailed mandate of whether we are going in the right direction, then we will go to standing committee. Once the standing committee has had an opportunity to review it, then we will determine if it should be released to the public or not or whether we are even in the right ball field. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Hawkins.

SOME HON. MEMBERS: Detail.

MR. HAWKINS: Thank you, Mr. Chairman. Mr. Chairman, I will be supporting the initiative for the housing...

--Applause

You wanted to go detail, and you would have missed that. But, Mr. Chairman, I just want to get...

--Interjection

MR. HAWKINS: Hey, now. That's mean. Point of order. Thank you, Mr. Chairman. If I could continue, I would just like to hear some firm concrete answers in some of the lessons we learned from the first initiative. As I have told my committee members in AOC, growing up in a small community, I recognize how difficult it is to find housing. My parents lived in government housing for many years.

Mr. Chairman, growing up in Fort Simpson, my parents lived in government housing for many years. The market was very small in Fort Simpson even for government employees to move around as our family grew. So I have some experience knowing that in a small community, you just don't have the market to bring in professionals at times and you are always struggling to find places to put them. When we first moved to Fort Simpson, there wasn't a house right away. We had to wait and we were at the hotel. It was only a few days, but can you imagine what it would be like if you were in a situation where you had to wait months?

That's kind of the reason why I am behind the market initiative, because recognizing that we have communities out there that don't have SAOs and how do we plant them down in those communities. I have told this to my colleagues. It's for reasons like that alone that I need to support this. When you have a community and they have no place to put these professionals, what do they do? They can't bring them in. They aren't going to want to go there. They can say we can earn the same kind of money somewhere else. This is not an experience where we want to live who knows where at who knows what price.

However, I would certainly like to hear a few lessons learned on how we are going to support this. What are we going to do when it comes to BIP? What are we going to do in the area of timelines? Are we going to rush this one through again? I would like to hear a few words of confidence on how we are going to do this one better with some assurity on this side of the House that I am supporting this for the right reasons and I want to see that the Minister is moving forward with the right confidence to do this job properly. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Hawkins. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. We are going to proceed similar to the first phase, which will include the BIP for the setup and also the site work such as septic tanks, fuel tanks, local labour and also try to keep that portion of the project because last time it is was about 50 percent of the project, which was kept here in the North. Again, we are looking at redesigning these units. After we did our interviews with tenants and clients on what people are looking for, it seemed like this time around most people are looking for one-bedroom setups or have a combination of a duplex structure. Also we are trying to look at reduced costs and one of the ways we're looking at that is by having these duplexes that will cut the transportation in half where you don't have to haul two trailers now, you'll be able to haul them in one configuration. Also with our site development costs, we won't have to develop two sites for two units. We'll be able to put them all on one site. So we have cut our costs almost 50 percent from phase one with regard to that, but also by doing this, we'll also decrease the costs with regard to our utility costs, which will cost less to the tenant to operate. Again, we can deliver these things 38 percent below the original cost. So we can take it from \$1,300 to \$1,500 to \$951 a month, which includes utilities, which is affordable.

Also, one of the things that we're looking at is we resigned the capital costs over from 20 years to 25 years so that you can spread out that cost over a longer time, which again will drop that payment about \$90 a month. So we're doing these different things to bring our costs down. With these changes, I feel it's definitely an improvement from last time and also it has met the objective for affordable housing in communities and also being able to be accessible to our tenants. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Krutko. Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chairman. I appreciate hearing that we're taking more of a strategic approach on how we are going to do business. It sounds as if we're going to do business a little smarter and I just need to know how we're going to approach this. What type of

work are we setting up with this administration, the ordering of these modular units, et cetera? I just don't want to hear that in March we're still rushing to get them on NTCL's barges to get them up that road. I just don't want to hear that at the last second it's a major crisis that we're not getting them. I want to hear about us not rushing to get the job done before winter and, to be honest, I don't want to hear that they are only showing up in October and November. Again, these are important items. I'd like some comfort, if I may. I need a little comfort here in order to get my full support on this. I'm really interested in this and I'm behind this, but I need some comfort that we're not going to try to rush this at the last minute and then nobody wants them again at the last minute.

I will say though I appreciate the concept of trying to reconfigure them and consider other options. That opens up different family options for them. Maybe it was for the wrong families, good idea; maybe it wasn't targeted at the market. So I just need to hear areas of how are we doing this and what approach when it comes to setting these up. I don't want to hear we're rushing them through that's all, so maybe it's got to do with schedules and timing. Maybe if you could reaffirm that at this time. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Hawkins. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, the Member is right. I think that we should not build too high an expectation like we did the last time where people assumed that we were going to be on the ground and everything set up September 1st when the school season started and the teachers came in and everything was there. As we learned, it wasn't there until late November.

I think we also have to realize that we do have to do better planning because we do have communities, which depend on the barge traffic, but also we have communities who depend on the ice road. So again, it's just a matter of ensuring that we can meet those timelines in case the road goes out and we don't have the units ready. Also the sooner we get this budget passed and the dollars allocated, then we can go out to a tendering process so that we can see what is coming. I think more importantly, like you said, we learned from the first time because now we're separating out the actual mobile home from the land development; that we can do two at the same time. We don't have to wait for one to happen over the other. So hopefully over the summer months before these units even get there, we can have the land designed and also have the power poles and everything in place. So when these units come, we just hook them up, everything's ready. Not like the last time where you try to get these units in and then when you get there, you find out that the pads aren't completed or your power lines haven't been put in. So hopefully this time around we will do it differently by learning from the problems we ran into the first time. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Mr. Braden. Mr. Hawkins, sorry. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chair. Just one last question at this time and I will as well be championing for detail after this point. My question really is to schedule and timelines. I know the Minister had said things like we had tried to do a job that would have normally taken 18

months and we've tried to get it through and everything to work for it and set up our ducks. But what type of timelines are we talking about and if the Minister can't provide that, can he kind of give me an overall scope? Is this an eight-month project that we're going to work towards or are we going to try to phase them in over the next 12 months, seeing how our new calendar starts in a few weeks? Can I get some timelines? Again, I'm just trying to get a sense of the schedule.

I want to hear us avoiding the crisis we had before, of ramming it right through whether we needed it or not and we told them they were going to take it whether they needed it or not. I just want a sense of scheduling that we're addressing the problem. Obviously we know where to order these things from, but essentially I just want to hear that their schedule is a little more thought out and we're proceeding with some good timelines, some secure timelines and some safety factors built into those timelines. Thank you, Madam Chair. At this time, that will be all.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, the communities that are on the road systems such as Rae-Edzo, we'll probably do that in a six or eight-month period. We also have to realize that we have communities that are on the winter road system, such as Deline and Rae Lakes. Those ones probably won't be going in until next spring because we're so late in the season now, we're probably going to miss the winter road because they are going to be closing here shortly. With regard to Norman Wells and Aklavik, again, that depends on the barging system. Again, it all depends on water levels and how much the demand is for the barges and how we can fit in.

So again, we are looking probably, like I said, for the isolated communities that depend on the winter road at getting them in next spring. The ones that are on the road system, we're hoping to have them in place by six or eight months after the tenders go out. Then the ones that I mentioned on the barge system, we're probably looking six or eight months. That depends on when barging season starts and also how soon we can get them on there. Thanks.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. General comments. Mr. Braden.

MR. BRADEN: Madam Chair, there are still quite a number of these units that remain vacant and for the record I would just like to get a bit of information out on what that situation is all about. Could the Minister advise what it is costing on a monthly basis or whatever basis? What is it costing us to maintain and operate these empty units, Madam Chair? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, the rough estimated cost is about \$460 a month, which includes our maintenance and our heating costs. So it works out to about \$460 a month to pay for these units.

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

MR. BRADEN: Thank you, Madam Chair. Now the corporation has suggested that for the ones that will not be taken up at all by renting to clients in the community, that they may be put out for sale. In fact the Minister has indicated that there seems to be quite a number of active interests for sale. What will the sale terms be, Madam Chair? Are we going to be prepared to sort of discount any of these or forgive the operating or the carrying costs up to this point? What are the corporation's instructions when it comes to capturing their outlay on this? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, it is a full cost recovery plus GST. So just using Tulita, for instance, it's \$135,000 plus GST. Good Hope is \$145,000 plus GST. Fort Liard is \$115,000 plus GST. Lutselk'e is \$145,000 plus GST and Fort Resolution is \$115,000 plus GST. Norman Wells is \$135,000 plus GST and Fort Providence is \$115,000. All the units in Fort Providence and Norman Wells are occupied.

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

MR. BRADEN: Thank you, Madam Chair. It sounds like a pretty good price for a new unit in any of these communities. Just how long are we going to have the for sale sign on these units, Madam Chair? I guess what I'm getting at is we have to come to some point where if they aren't saleable, then what do we do? They have to be booked somehow and ideally we should see people using this kind of housing no matter what our original term was. So what kind of time frame, how long are we going to continue to pay out \$460 a month for the vacant units, for instance, before we can either sell them at full cost recovery and I'm glad to hear that or do something different? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, as I mentioned earlier as I went through each of the different communities, we do have a very high expression of interest from individuals who are interested in purchasing or interested in renting. I think that's because they are now aware that there is a for sale sign, which we didn't have before. Also, we have been working with other organizations to do a little more promotion and I think that's helped. So in the majority or in just about every one of the communities that are out there now, we have that interest. So if the Member would like, I can give him a copy of the list of where we're at. I think it's also a question of timing. A lot of these individuals are trying to get bank financing. So they are working with different financial institutions to see how they can get the mortgage. So that's taking a little bit of time too. So we are feeling pretty positive right now, because of the amount of interest that has been shown, that we are going to be getting rid of a bunch of these units. Thank you.

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

MR. BRADEN: Thank you, Madam Chair. The Minister gave me some good information there, but still didn't answer the question, which was what is sort of the outside timeline that we're going to hang on to these before we decide on a different course of action? Right now we're losing money on this initiative. I don't want to lose any more than we have to. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we have to realize that the tenants that we're dealing with, especially now for the tenants that are in there; we have teachers in there, we have nurses in there, we have mental health workers. Most of them work on a term basis. So once their season is over, they may be leaving and not coming back. So we have to ensure that we accommodate for that. Also, we do have, I believe, about 28 staff housing units that we are responsible for in a lot of those communities. Again, at the present time, those are in communities. So I think if we had different types of tenants, the tenants are renting who are there for a short term and also once they leave I think they'll be gone because we do have some rented, we do have some being purchased and I think because the situation is different we can nail down exactly where we're going to be six months or eight months down the road.

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

MR. BRADEN: Okay. One other area that I wanted to explore here. Really it goes beyond the market housing initiative. It is a much more significant piece of work that lies before the corporation and probably more so before this government, and that is to figure out a way to replace what is now I think a \$35 million contribution that we get from CMHC. It's \$33 million, Madam Chair, which is over in about the next 20 years because it's going to be sunsetting. This is an enormous challenge. Madam Chair, what are we going to do to replace this level of investment and contribution into our housing infrastructure? The expectations that we've had and I know the Minister has had them, he has made quite a lot of comment about meeting with federal Housing Minister Joe Fontana and it's great to have these relationships and these meetings, but there was nothing, Madam Chair, in the federal budget for public housing. This lack of commitment from the federal government shocked people across the country. I'm looking at a news article from a national daily, Madam Chair, that describes how bitter everybody is at the federal government's failure to live up to a promise or a pledge that was out there for about \$1.5 billion in housing funds that were promised by the Liberals. So we've got a real uphill battle here, Madam Chair. How does the Minister propose to go about restoring \$33 million a year that is slowly slipping away from us? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, with regard to the mandate one of the main components is that, as a corporation, we realize we have these declining dollars that are not going to be there. How do we replenish our cash flow to bring other cash in? One of the ways is to sell off our old housing stock and use

those dollars and put them into more energy-efficient units like multi-plex units. So we'll sell three or four houses and we'll build multi-plex units, maybe eight or 10 units. That way we can continue to find that balance. I think we have to realize that you talk about nothing in the budget, but Fontana, it was in the Liberal red book and it was also a commitment they made at an aboriginal conference they had where they mentioned \$1 billion for aboriginal housing, but in the budget they mention \$275 million.

As Housing Ministers across Canada, we're having the same problem across the board because there's almost \$2 billion of federal money that is in this social fund that's declining right across Canada. It's affecting some 650,000 homes across Canada. Those are dollars that are declining. So the \$33 million that we're talking about declining, that's our operational money for our social houses. So we do have to find other initiatives. I mentioned earlier that we are developing a northern housing strategy to look at ways of how we can address the housing needs in the Northwest Territories, but also meeting our housing challenges to find unique ways to try to get these houses on the ground, develop a budget around it, do an estimation of what the cost is going to be, take that to Ottawa and say look, this is the problem we have, this is how many houses we're going to need. Also through our needs surveys and the information we've developed so far, there's a clear picture that we have to deal with this crisis. So the way we are approaching this is we are developing a northern housing strategy for the Northwest Territories along with our counterparts in Nunavut and the Yukon so that we can go there as a northern front to our First Ministers' meeting with the federal Ministers and also provincial Housing Ministers to look at how do we change. This program is no longer going to exist, so what do we put in place to replace that program? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. General comments. No further general comments? We will proceed with detail. Does the committee agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Okay. Page 8-11, activity summary, NWT Housing Corporation, operations expenditure summary. Mr. Braden.

MR. BRADEN: Thank you, Madam Chairperson. I would like to move a motion. I move...Should we wait for it to be distributed first, Madam Chairperson? Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Braden. As soon as the written form is distributed, would you then proceed with your motion? Mr. Braden.

Committee Motion 26-15(3): Recommendation To Evaluate And Restructure The Market Housing Initiative, Carried

MR. BRADEN: Thank you, Madam Chairperson. I move that this committee recommends that the government evaluate and restructure the current market initiative to ensure more stringent control of costs, results and efficiency;

And further that its objective be exclusively to serve the needs of the original target market, namely essential community workers.

Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Braden. The motion is in order. To the motion. Mr. Braden.

MR. BRADEN: Thank you, Madam Chairperson. I don't think I need to be too lengthy here because I would be repeating what I have already said not too long ago. But I do believe that it is worth having back on the record, because some more Members are back in the House and not engaged in too many sidebar discussions.

Madam Chairperson, the motion is directed at the government, not the Housing Corporation. The market housing initiative is an instrument of the government; they only directed the Housing Corporation to implement it. We have heard many, many very critical comments of the performance of the Housing Corporation in instituting this directive.

My intention here, Madam Chairperson, is not to threaten this program or the investment in this much needed housing requirement. In fact, my colleagues have really helped to bring me to ground on this. We had a little bit of a wrestling match earlier today and they brought me to my senses.

SOME HON. MEMBERS: That was hard.

---Applause

MR. BRADEN: I know; I had to work at it. My position on this is much less radical than it was a little while ago, Madam Chairperson. I believe that it is still a constructive one, because the mistakes that were made in this program, which I have not heard the corporation is prepared or willing to address or correct, have got to be fixed at the Cabinet stage. Go back and re-examine that directive, tighten it up and please bring it back to its original and its most appropriate purpose, which was to help the small communities bring in and house essential community workers.

If the Housing Corporation wants to engage in other kinds of initiatives, I am more than happy to look at it, but don't ask me to consider one program and then have it twist and change its shape into something else. That is not acceptable. That is why I bring this motion forward and I hope my colleagues will support me in having a more efficient program delivered to our communities. Thank you, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Braden. To the motion. I have Mr. Menicoche, Ms. Lee, Mr. Zoe, Mr. Hawkins, in that order please. Next, Mr. Menicoche, to the motion.

MR. MENICOCHÉ: Thank you, Madam Chairperson. I would like to speak to the motion. In my two or three general remarks I never had the opportunity to get to the market housing initiative. I'm sort of glad, because now I have a chance to talk about it. I would like to say that, yes, I am in support of the market housing initiative.

---Applause

Well, that being said...

---Laughter

That being said, Madam Chairperson, it has come to the point where I don't care how we got the houses in the communities, as long as they got there.

SOME HON. MEMBERS: Hear! Hear!

MR. MENICOCHÉ: Government went headlong into this initiative last year and largely because of something that I probably said, too. I take ownership for wanting to get those houses in the community real quickly. As I have always said, its staff housing. Sorry; it's not staff housing, it's housing for staff, Madam Chairperson, and that is the need. Just the other day the chief from Nahanni Butte gave me a call and said I want one of those too. How can I get in on that? So I have given it some thought and, Madam Chairperson, I like the way it is being planned for this coming year.

I, too, am not happy the way it got rolled out last year and the huge costs and I didn't know that we had sent some up to Alaska but...

---Laughter

I don't like how they rolled it out last year, they have a better plan this year and it can be better yet. I believe that the corporation can do it better yet, using some of the words in this motion like efficiency, controlling costs, and it's just a matter of perhaps putting one person on it, Madam Chairperson, and making sure that the rollout this coming year is done more efficiently and not so rushed.

I still think it will work, because this time around we are talking about affordable rent; \$900 per month, which includes utilities, if I heard the Minister properly in the briefings. That is what people want. I believe the professionals, the teachers and the nurses, that we want and we drag to the communities, we have to provide for them and this is one of the ways of doing it. I am very supportive of this and I am just hoping that the other units that are out there, the ones that are unoccupied, that the corporation really takes an honest look at those and reduces the cost and stretches it out over a longer period, because I know that they want full cost recovery on these units and that is what we want the corporation to do, but they have to spread it out longer.

The units that are there now make them more affordable. That is one of our goals, affordable, accessible housing and that means market housing too. So they are going to have to really bite the bullet on this one and take a bit of a loss. Lord knows how many losses we have been taking over the year-and-a-half I have been in the government. A little bit of a loss in market housing, I don't think it's going to hurt very much, but it will help the people in the smaller communities. That is exactly where we are headed and I am supportive of it. Thank you very much, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Menicoche. To the motion then, please, Ms. Lee.

MS. LEE: Thank you, Madam Chairperson. Just a short comment in support of the motion, Madam Chairperson. I need to say that it is not usual to see this kind of excitement from Mr. Braden.

---Laughter

We all have a different level of excitability and I can tell you from my experience, that he has demonstrated a huge level of passion and commitment to this issue. I have to tell you that the Minister has beaten us down on this argument...

SOME HON. MEMBERS: No. Never.

---Laughter

MS. LEE: ...and he did a fine job defending this project. He is going to have a doubly more difficult job defending this next year if he doesn't demonstrate the performance that he has promised us. This motion is not stopping the initiative, it is only asking something fair, and this is not about communities to big cities or anything. It is about doing something new that government is doing, but doing it better. I don't think that is asking for a lot. I support this and I think the Minister and the department got our point. I think that there were some legitimate points that we had to raise and have been raised and repeated and reinforced and made impressions on. I think that this is a good end to this debate and I would really like to ask the colleagues on this side of the table to be generous in this late evening and support this, at least for the spirit of it. Thank you.

---Applause

CHAIRPERSON (Mrs. Groenewegen): Thank you, Ms. Lee. To the motion, Mr. Zoe.

MR. ZOE: Thank you, Madam Chairperson. I sort of have difficulty with the language that is being used in the motion. I realize that phase two is going to go ahead, but my understanding was that we were going to ask the government to evaluate after phase two to fix up all the problems that they had in phase one, so that they don't repeat the errors that they have done. After they do phase two, then we want the government to do an evaluation on those phases and then do a report and hopefully during the business deliberations in the fall, we will have some sort of report pertaining to this on the evaluation to say how good of a job has been done and then we will take it from there for the following year. That was my understanding.

The way the motion reads, I don't know what the mover means by restructuring the current market housing initiative. I don't think we need to restructure it. Maybe improve the current market housing Initiative pertaining to, rather than amortizing it over a number of 20 years, maybe to 25 years, so that it is more affordable for the clients. Those are the types of things that this evaluation would take into consideration, is stuff like that, to make improvements on it, not to restructure. I don't know what he means by restructuring. I have difficulty with the wording of it.

We want to see the results and to be more efficient. I am in favour of phase two and I am in favour of an evaluation at the end of phase two. I am not sure if I am going to support this or not, because the wording is not really what the intent was. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Zoe. Is that the end of your comments to the motion? Okay. Next on the list, Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chairperson. As I see this, our job is to build our communities one modular or doublewide at a time. That is what we are doing here, building our communities.

Madam Chairperson, the problem here is some of the issues that we have are...We changed the communities the moment that we said we were going to put one of these in there. We are going into communities that had primarily social housing and now we are introducing a market housing initiative and it is changing these markets. It is never going to be perfect, no matter what we do. I can't support this motion right now, especially when it has something like essential community workers because it takes out the flexibility that they may need. I don't think that this is going to work and I really hope that Mr. Braden will reconsider and vote against this motion...

---Laughter

...because it doesn't provide the flexibility the department needs. I think in the first paragraph it talks about working harder and making sure that this is more stringent and the costs are under control. I think that the department has already got the message that there were concerns the first time around, and I'm sure Mr. Krutko got that message loud and clear from all of us, that we are really concerned about this. The headhunters have taken notes and names and we will be watching next year, very closely, on how this one works out. We have Mr. Krutko on the top of the list. I will be voting against this motion because I just don't think that it is productive to the long-term needs of the communities and, like I said earlier, this evening, which at the rate we are going was probably about five hours ago, these are necessary items in these communities to build capacity in these communities. I will be voting against this motion I don't think it is productive to the needs. Thank you.

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

MR. POKIAK: Thank you, Madam Chairperson. I, too, will support this motion; however, I think Mr. Hawkins pretty well summed up my concern regarding the essential community workers. The way it is written right now, we are pretty well tied to making sure that these are the people that are going to get these units that are coming up and we are tying the corporation down by indicating that. Just bear in mind though that I think that if the essential workers don't get these units, that they will be available for the local people in the communities that they are there for. I will support this motion, Madam Chairperson. Those are just my general comments. Thank you.

---Applause

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Pokiak. Now for round two. Mr. Braden.

MR. BRADEN: Thank you, Madam Chairperson. This will be concluding remarks, at least to address Mr. Zoe's questions about what did I mean here about restructuring the initiative. I go back to the Cabinet, which issued the directive. The directive, I believe, according to where the Housing Corporation says it wants to go or can go, is much too loosey-goosey, Madam Chairperson. It tells me that we are putting taxpayers' money into a certain program, but then allowing it to go just about any way the corporation wants, depending on what goes wrong. Not

acceptable. I would like to see this, although I will never actually see it because it is a decision of Cabinet, but I would like them to look at restructuring the directive so that the Housing Corporation has much more explicit instruction about the expectations for costs and cost recovery, for occupancy, for turnover and turnaround.

Madam Chairperson, what really concerns me, although I know this is such an attractive feature of this program in the communities, is that when we put a brand-new three-bedroom unit on the ground in Fort Providence for \$115,000. That is a pretty attractive price. For one thing, the Housing Corporation, from previous information that I have got, isn't charging any overhead or administration. It is essentially putting in a subsidized unit, and people like private sector buyers or private individuals in these communities are getting a pretty good deal, because our Housing Corporation has put a unit there and is selling it at a subsidized rate. That is not appropriate at all. If we are going to enable a market to develop in these communities, we better follow market rules. This is where I am saying restructure the directive and tighten it up so that we don't have this water sloshing around in the pail here, like my colleague said before. That is my answer to Mr. Zoe's question about what I mean by restructuring. That is my direction, Madam Chairperson.

CHAIRPERSON (Mrs. Groenewegen): This is Committee of the Whole, so the person who moved the motion doesn't have to be the last speaker to it. Does anybody else want to speak to it?

AN HON. MEMBER: Question.

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

---Carried

--Applause

CHAIRPERSON (Mrs. Groenewegen): We are on page 8-11, NWT Housing Corporation, activity summary, operations expenditure summary, \$35.956 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Agreed. Thank you. Pages 8-12 and 8-13, information item, NWT Housing Corporation, active positions.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Page 8-15, information item, corporate summary, operations expenditure summary, \$93,518 million. Mr. Hawkins.

MR. HAWKINS: Thank you, Madam Chair. If the Minister could enlighten me as to why corporate travel is almost \$700,000. Where do we spend most of our travel? Is this sending employees across the territory fixing things? Maybe if we can get some enlightenment on this. Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, we serve some 23 communities and we also have our district operations, so that's the majority of

those costs. You can see it's less than what it was in 2003-04. The majority of travel is dealing with regional operations and our local housing authorities. As Members all know, they all want me in the communities and the ridings they represent to deal with housing issues. Thank you.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Krutko. Corporate summary, operations expenditure summary, \$93,518 million.

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Mrs. Groenewegen): Thank you. Page 8-17, information item, executive, operations expenditure summary, \$618,000. Mr. Menicoche.

MR. MENICOICHE: Thank you very much, Madam Chair. The Minister never adequately addressed my question with regard to HR functions of the NWT Housing Corporation. What's the plan for that function of the corporation?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, as the Members know, they are looking at establishing a centralized human resource operation in government. Right now, we are looking at five positions moving to that operation from our shop. That's in light of the centralization for the human resources operations for the overall government.

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

MR. MENICOICHE: Thank you very much, Madam Chair. That's a very unique approach to relocating HR to a regional centre. I will be very supportive of that.

I'm just looking under the executive on page 8-16, in the last line it says "it ensures that the delivery of the housing programs and services to the residents of the NWT is in accordance to the Social Housing Agreement with CMHC." So I assume the agreement is still in force. Is that how it's working, Madam Chair?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, yes, we are still obligated to that agreement until 2038. In regard to the social funding aspect; with the decline of the social funding that's there, the O and M and the amortization of those funds we received through the Social Housing Agreement are going to decline over that period of time. But we are committed to that agreement until 2038.

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

MR. MENICOICHE: Thank you very much, Madam Chair. I guess the next logical question is we have social housing dollars, what are they being used for today? Thank you.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. That \$33 million pays for the O and M for the 2,300 public housing units we have. That's the O and M that operates those units, and that is also expended in our LHOs.

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

MR. MENICOCHÉ: I'm just kind of snickering here. So it's \$35 million to run O and M with 2,300 units. That's kind of hard to believe. So it's all budgeted for and set aside. Perhaps there's opportunity here to allocate some of this funding towards HAP units and helping people build their own houses. I don't know if there's room for that there, Madam Chair.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Just for the Member, I mentioned it was 2,300 units that the O and M was to cover the cost for.

With regard to the other programs that you mentioned, we do have separate agreements for the EDAP programs and the IHP programs. Those agreements are between ourselves and CMHC, with regard to RAP and DAP and SNAP.

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

MR. MENICOCHÉ: Okay, thank you, Madam Chair. I think the Minister forgot one acronym; it's SLAP.

---Laughter

There will probably be another time to try to refocus some of the social housing target. I have spoken about it over the last couple of days and I would like to see us realign that. Indeed, we spoke a few times about realigning the focus and really have a good look at our Housing Corporation. With that, I'll stop there. I have no further questions.

CHAIRPERSON (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Minister. Okay, just a comment. Thank you, Mr. Menicoche. We have Mr. Hawkins on the list next.

MR. HAWKINS: Thank you, Mr. Chairman. Mr. Chairman, the Minister said earlier with Mr. Menicoche's question about them moving the HR function of consolidating the HR function in the regional centres. Would that also include in Yellowknife?

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, that includes the Yellowknife HR positions as headquarters. The five positions that are going to be moved into this centralized human resource...In the government, we're centralizing like a department of personnel. The dollars are still in the budget and once they do the transfer, it will be transferred along with those positions.

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

MR. HAWKINS: Thank you. There was a big fight a while ago to keep them out of it, I thought. What was the change? I thought the Housing Corporation was to be exempt from this. What was the change?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. It is a concern from our department, because we do a lot of training and counselling with our LHOs with regard to our managers and also programs for our maintenance people. So they do have a lot of hands on. So that was a concern we had with the transfer, to ensure that that will continue on. We have to have that continuing with this transfer to ensure that we do have human resource capacity to deal with our service providers, such as the local housing authorities and the training people we have at regional operations by way of our program officers. So that was a concern we had but, because it is being centralized by the government, we were also on the list to do the transfer.

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

MR. HAWKINS: Thank you, Mr. Chairman. Although it's probably not exactly in this section, it's probably applicable to the executive branch of the Housing Corporation; which is, will it's computer section, we'll call it the Housing Corp TSC, be migrating to the greater good, as is the case in the human resource function is moving to the greater collective, as well? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. No, that will continue to remain in our operation.

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

MR. HAWKINS: Thank you, Mr. Chairman. So I guess if I said please, would you reconsider it? Would please help?

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

HON. DAVID KRUTKO: I'm not too sure what he's pleased about. No comment.

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

MR. HAWKINS: Thank you, Mr. Chairman. Mr. Chairman, I'm just curious why we're holding on. If we're giving up the HR function and allowing it to consolidate in a proper format, why are we holding on to the computer services offered in this department? I'm just curious on what dinosaur thinking we have holding on to this semi, little, independent autonomy, and what's stopping us from moving them into the greater collective. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like any business or corporation, you have to have a strong communication system. With our IT program it does link us directly to our LHOs, to our

maintenance operations, so we can have a hands-on communications system with all of our 23 local housing authorities with regard to the maintenance programs, and also to ensure that we are able to pass information back and forth. Again, it's a system that we feel is critical to the operation of the Housing Corporation, especially with the type of business that we're in when you're dealing with maintenance programs and also ensuring that your inventories are all in place and that you're able to keep tabs on what you have in stock, and also how the communications is dealt with financial information sharing between our regional offices and our local housing authorities, and also transferring files from one spot to another.

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

MR. HAWKINS: Thank you, Mr. Chairman. I'm not exactly sure the Minister said anything that the TSC doesn't do for everyone else. Maybe the Minister would like to say that on the record; his opinion of the TSC versus the ability of the Housing Corp. I'll let him get that in when he has a chance. I don't think the Minister said anything that we don't do now for every other function, so maybe I'll get the Minister to address this another time. But I would like the Minister to at least commit to having a discussion with me separately on this item. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, one of the other reasons is we do believe that our system is secure and we don't have to depend on someone else. If the system goes down, we're able to respond to it. Especially with the problems we see with the IT program in the other departments, I think we have a better system than they do and it's functioning well. So it's not broke; we'll keep it.

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

MR. POKIAK: Thank you, Mr. Chairman. I just have a couple of questions for the Minister with regard to the travel. In 2003-04 there was \$109,000 and then in 2004-05, the main estimates came out to be \$36,000, and the revised estimates for 2004-05 is \$98,000. What's the big difference in travel there, Mr. Chairman? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, with regard to 2004-05, that number was understated, and we're basically dealing with the actual number. As you can see, the actual cost was \$109,000. So to bring it more in line with the actual costs, that's why we're going with the \$98,000.

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

MR. POKIAK: Thank you, Mr. Chairman. On the contract services, also to go back to 2003-04, it's \$140,000 and then in the main estimates it's \$11,000; then in 2004-05 you come out with \$125,000. Can you explain that? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, again it's bringing it in line with the actual contract services we have. We do have contracts with groups such as the Arctic Energy Alliance, and government corporate services, and also with regard to the different homeless coalitions that are out there. We have been contributing money through these contribution agreements, so we do have arrangements with these different organizations. So in order to get a real snapshot, we included all those contracts under contract services because they are not grants, they are contracts we had to provide a service to us. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. I have some questions on page 8-17. Mr. Chairman, the budget for the executive for next year is \$618,000. I would like to know from the Minister how many PYs are in this section. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. There are three PYs.

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

MS. LEE: Thank you, Mr. Chairman. I guess the Minister can say no, but is it possible to get a breakdown of the salaries along with the three PYs?

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

HON. DAVID KRUTKO: Yes, I should be able to get that for the Member.

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

MS. LEE: Thank you, Mr. Chairman. I would appreciate getting the breakdown provided to all the Members.

My next question has to do with the travel budget. The point I need to make is the fact that there is quite a fluctuation in the travel budget under other expenses. First of all, the other expenses constitutes \$232,000 out of \$618,000, and that's for three people. Last year the travel budget was budgeted for \$36,000, but they actually spent \$98,000. That's \$62,000 more than what was budgeted last year. I guess there's a lot of reward to overspending, because this year's main estimate is exactly what they overspent; the final number of what they spent, regardless of the previous year's budget. That's just one interpretation, and I'm hoping that the Minister has a better interpretation.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like I stated, one of the requests that we received from a lot of Members was to go into the communities to deal with housing issues. We went to the

majority of the communities over the last summer months. I, as the Minister, have taken the Members with me into the ridings so we could have meetings with the public on the housing issues. We also hear about housing concerns here in the House, and I think it's just as loud in our communities. I think because of that, we've made an extra emphasis on making sure we get into as many communities as we can so that we can deal with these housing issues with the people in the communities to try to resolve some of these issues. Thank you.

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

MS. LEE: I have to tell you it's easy enough, I guess, for us to say the people want to see us and we need to travel. I think there is an argument to be made there. But at the same time, this is almost \$100,000, and \$100,000 will almost get you a mobile home in one of these communities. If you do that kind of travel for many, many years, I don't know if people would rather see you or have five more mobile homes in their communities. We can sit here and approve \$60,000 or a \$100,000 travel budget; \$100,000 is a lot of money. Most people don't see that kind of money in their bank account in their lifetime. I don't think I'm ever going to see that kind of money in my bank account.

I think there is a huge concern on the part of the Members about the travel budget and accounting for it. It's a three-member executive. Further to the Minister's question, could I ask what portion of that was spent by the Minister and accompanying MLAs and what portion was the staff?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, about 30 percent covers the cost of myself and other Members of the Legislature for travelling on business on behalf of the Housing Corporation.

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

MS. LEE: Thank you. Could I get a breakdown of that in the same communication that the Minister had committed to earlier? I also have a question about the contract services. Last year contract services were budgeted for \$11,000. The actual expenditure was \$125,000. Once again, the Housing Corporation, I understand, has a different way of accounting, because out of all the other departments it's a very strange kind of accounting system, I must tell you. They really go by main estimates and they spend as they need it and then they account for it at the end of the year. Obviously this has been budgeted for what they spent last year instead of what was budgeted last year and there's a difference of \$114,000. I think the Minister of Finance should revisit that and we make a reference to that in Social Programs committee's book. I'm not saying there's anybody doing anything untoward. It's just that it's a really difficult way for the Members to be approving a budget that almost means nothing because we vote to approve one number and then the corporation has the right to spend as they need it and come back and account for it. I think there has to be a better way to keep accounting. Having said that, I'd like to ask the Minister what is contained in that contract services for \$125,000. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as I mentioned, Arctic Energy Alliance \$50,000; GNWT corporate review transitional services, \$70,000; and social envelope to cover a salary to one of the non-government organizations here in Yellowknife for \$14,000; and, the Homeless Coalition for \$5,000.

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

MS. LEE: Thank you, Mr. Chairman. I don't have further questions other than to reiterate that I would like to get correspondence from the Minister on the breakdown of the compensation for the three PYs, as well as a breakdown of the travel budget for last year. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I'd just like to point out that the actual costs of the 2003-04 were higher than what we're budgeting for this year. The expenditure was \$109,000; we're asking for \$98,000, so it has gone down. Also, with regard to the audited statement that we do, we do have to basically do two audits. Right now we must, for this government, have an audit by the Auditor General as well as to do an audit of the dollars we get from CMHC. So that's why the auditing system is different than other organizations, because we have to audit to two organizations; once to the GNWT, and to the CMHC for the program dollars we get from them. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. I was going to make that last statement my last statement, but I have to tell you I don't think going from \$109,000...but then, why, if the actual expenditure for travel for 2003-04 was \$109,000, why in the world would they budget it for \$36,000 next year? What is the meaning of that if they were going to spend \$98,000 anyway? The Minister is asking me to give him a pat on the back because they went from \$109,000 to \$98,000? I just wanted a commitment. I thought I was being nice. I wasn't even asking to put this on the record. I could ask for that right now. I was giving him a break. Give us a letter and we'll go ahead with that. He's trying to argue with me that going from \$109,000 to \$98,000 was a good move? I wasn't asking about...and to say that because they're being audited by two parties that this is how they...So it's almost meaningless what you put down as an estimate as opposed to what you spend? Is this what the officials are telling him in his ear and he's just repeating what the officials are saying and not listening to what he's saying himself? I think he and the officials should check the Hansard tomorrow and really think about what they're saying because, I tell you, in terms of accounting for public funds, this makes absolutely no sense and I'm putting the Minister of Finance on notice that he better go and look at the budget of the Housing Corporation. Because I'm telling you, as the Social Programs committee I'm sure there is an explanation for this, I'm not saying anybody's doing anything wrong, but whatever they're doing is not making any sense.

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. Mr. Krutko, did you care to comment on that?

HON. DAVID KRUTKO: Thank you, Mr. Chairman. I guess everybody here knows that an annual report is reported to this House every year, which is done by the Auditor General in regard to the expenses of this corporation. That's all I was trying to say. I mean, if you want, the report is tabled in this House. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. I have Mr. Yakeleya next.

MR. YAKELEYA: Thank you, Mr. Chairman. Mr. Chairman, last year the people in my region complained quite loudly to me in terms of not seeing enough of the Ministers in our region. I know I'm going to be different from my colleague here, but one of the biggest complaints was in not seeing enough Ministers, especially the Housing Corporation Minister, Health and Social Services Minister and other Ministers in our region. They see you once every four years and that's it, they said. They want to see you more often. I know travel is expensive up in the Northwest Territories and the Sahtu region, but they want to see the representatives in face-to-face discussions. The chief from Deline said no more letter writing. Let's have face-to-face discussions to talk about the issues.

---Applause

He doesn't have much faith in the letter-writing process. They want that and they get results. So I think the budget should be as it is here. You have to come to the region to see the people. Up in the Sahtu region, where there are no highways, you can't drive there every weekend, except for three months -- Mr. Handley knows that -- and there are no goats on the roads today because all the oil and gas activity scared them off.

Mr. Chairman, these Ministers need to come into our communities in our regions and see our people. They have to talk to them face to face about the housing issues and other issues. So, if anything, I think this budget should go up.

SOME HON. MEMBERS: Hear! Hear!

MR. YAKELEYA: That's what the people want. Maybe it's different in other regions, but that's what we want in our region. So I want to say that to include social housing in there. I think it's about high time that the Ministers started coming to our communities and to our people in the regions. Get out of Yellowknife and go into those regions and see the people. The cost is high. You know what kind of living conditions we're in. Instead of just reading reports, go talk face to face with people in 43 below and their houses are broken up and frozen and that. Talk to them. See how they like living in those kinds of conditions.

For me, this is what needs to happen. That's what good government is about. You have to look at the other side of the equation, Mr. Chairman. I'm passionate just because I've seen enough houses in Fort Good Hope, Colville Lake, Tulita, Deline and we need housing in there. Social housing, repairs maintenance program. We hear it day after day when we go in those communities. Those old people come and talk to you. How did they survive over the winter in cold weather with frozen pipes? Welcome to the program.

They want to see the officials there; the top dogs in the Housing Corporation. The top dogs. It's a crying shame you don't come often enough to the region. Make sure they don't cut the budget for travelling to come to the region. It may be different elsewhere, but for us, gee whiz. That's just a comment that I wanted to make, Mr. Chairman, that I think enough is enough here.

---Applause

CHAIRMAN (Mr. Ramsay): Thank you. Mahsi, Mr. Yakeleya. It was a comment. That's good. I have Ms. Lee next. Ms. Lee.

MS. LEE: Well, I have to say that obviously there has been some misunderstanding about what I'm saying. If we want to spend money having the Minister travel all over the place, we should at least budget it right. We can't have a policy where the Minister completely disregards the budget for travel and just goes wherever and just ignores the budget. They can just travel as much as they want. I could tell you, I know Mr. Krutko has been around, he's very well known. A lot of people know him. He knows exactly what's going on in communities. So don't tell me he needs to spend \$100,000 to see what's happening with the elders. I think it was not that long ago when in Tuktoyaktuk or Sachs Harbour the people were really offended that a Justice official chartered a plane to come all the way to their community to tell them that they weren't going to get funding. I'm telling you, the elders or anybody in the communities would rather you bring housing than somebody coming and asking you what your problems are.

I'm talking about budgeting here. If you're going to spend \$100,000, say it. Bring it to the House. We'll approve it. Don't tell us you're going to spend \$36,000 and then spend \$98,000 and then be rewarded by putting in \$98,000 next year. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. Okay. We're on page 8-17, executive, operations expenditure summary, \$618,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-19, policy, programs and informatics, operations expenditure summary, \$1.832 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-21, finance and administration, operations expenditure summary, \$6.403 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-22, finance and administration, grants and contributions, contributions, total contributions, \$3.59 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-25, debt repayment, operations expenditure summary, \$13.013 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-27, human resources, operations expenditure summary, \$658,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-29, operations, operations expenditure summary, \$4.101 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-30. Mr. Zoe and then Ms. Lee.

MR. ZOE: Thank you, Mr. Chairman. Under district operations I think the Minister knows, but I want to reiterate the need for the district personnel to do frequent visits to the communities that they serve on a more scheduled manner. I would like to see this. Right now most of the programs are administered out of the district office and the level of consultation and meetings with clients is sporadic right now and I'm hoping the district office will improve on that. As the Minister may know, we ran into that particular problem, especially in Rae, where the clients were dissatisfied with the services coming out of the district office. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Zoe. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I have identified this problem with headquarters and, as part of our review of the mandate of the corporation, we are looking at how we deliver programs and services and also how our headquarters and regional operations operate. Also making it more user-friendly so it does serve the people it's supposed to serve while also doing it in such a way that we're able to get better results. I think, from my experience, you get a lot of frustrated people usually when you go to communities for meetings. In most cases it's just simple communication. It's not there. I think I've made that loud and clear to the headquarters staff and that is definitely one of the things we're looking at in the mandate review of the corporation. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. Mr. Zoe.

MR. ZOE: Once again, thank you, Mr. Chairman. Because of the previous problems we experienced, even if the district office personnel have to stay there a couple of nights or rather than just going in, especially in Rae, Mr. Chairman, because we're on a road system the tendency for the staff is they go in in the morning after they go to their office and then come back at 5:00. It doesn't leave that much time to deal with the clients. There are services available to accommodate them in those types of facilities and they could stay to do a good chunk of their workload. If they could at least notify the LHO that they're coming in way ahead of time so that they could line up the various clients they have to see. If we could make these types of improvements, I'm sure that your office would not have that many headaches. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Zoe. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I have definitely been lobbying that we do get these universal partnership agreements signed with bands or communities that don't have a local housing authority present, and for them to hire people to be the contact people in communities so they can be the ears and mouth

of the people. Then they can talk to people in Yellowknife, they can tell them when the meetings are going to be held, when these people are coming in and ensuring that these people follow up on the applications that these individuals help the clients put together. Again, that's another way we're working on improving our communication. Like I said, this is one of the main components of the mandate change that we're looking at to improve the service that has been provided by the corporation to the clients in all communities. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Krutko. Mr. Zoe.

MR. ZOE: Just one more suggestion or recommendation to the Minister on district operations. Mr. Chairman, a lot of the clients in my area raise a big concern where the district people when they are there, they communicate verbally, but there's nothing put on paper of the discussion that has taken place. Then once the district people have gone back home, the clients receive a letter totally different than what was discussed or agreed to and they're frustrated by these type of things. I wonder if the Minister would make sure when he's reviewing this, that this type of documentation takes place so both parties know exactly what was agreed to or what the process is going to be or the amount of their application, or whatever the need may be. I mean, that was one of the frustrations the clients were encountering. The Minister is well aware of it because there are a couple of clients that raised it with him when we met with the Minister. So if that type of thing would be resolved, I'm sure we can go a long way. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Zoe. Mr. Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, one of the areas we're also looking at is giving more authority to communities to the local housing authorities to let them take on more program responsibilities such as the program delivery. Like you say, at least the documentation will be there in the communities and that the individuals that you talked to are there and you can walk into the office the next day and say, hey, I forgot about this. I think it's important that we restructure the organization so that it does reflect the people that you're serving. I fully support that, knowing the challenges people face in the communities. I think you will hear loud and clear that people come in and in some cases eight months or a year later they still don't get a reply. I said that's frustrating. One of the things I've directed the department to do is take a close look, when we do this mandate review at how we deliver programs and services to the communities and to our clients. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. Could I ask the Minister how many PYs are under this division?

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

HON. DAVID KRUTKO: Seventeen.

CHAIRMAN (Mr. Ramsay): Just for clarification, Mr. Krutko, we're on page 8-29, operations. Is that 17 PYs for operations?

HON. DAVID KRUTKO: Yes, 17 PYs.

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

MS. LEE: So we have 17 PYs for \$1.4 million where we had three PYs for almost \$400,000 in executive. Next, I see the travel budget, Mr. Chairman, and the travel budget for 17 people is \$71,000. We just went through executive where the travel budget there was almost \$100,000 for three PYs. I think lest there be any suggestion that I somehow am blinded to what's happening in the needs of communities, I just think it's very unfair that 17 people have to share \$71,000 in travel budget while the executive spends \$100,000 in their travel budget. How are these district people who are supposed to...The mandate says here on page 8-28, "One of the major functions of this division is to assist communities in developing their own capacities to deliver housing programs." I heard earlier from a Member saying it's expensive to travel. I'm wondering if they have a special road they travel on that's a lot cheaper than the fancy Ministers and executive staff. Let's start an argument on that.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like the Member stated, that's part of doing business up here. It is a costly endeavour and in most cases your highest costs are your travel costs. These individuals have to basically deal with the local authorities. They're the ones who look at the land development that has to be associated with our housing packages and also ensure that all the logistics are done to deliver our programs. I think that's the cost of doing business. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. I think another thing that should be noticed here is that there is a reduction in the budget for this year of almost \$350,000. This is the point that members of Social Programs have made and Member McLeod, who is quasi-Social Programs committee member, has firsthand experience and he talks about the fact that while the budget for headquarters keeps in line or keeps growing and their travel budget grows as fast as they spend, the operations budget that is supposed to be for those people who are on the ground who keep in touch with people on the ground the corporation is reducing the budget. You know, last year, in 2003-04, the budget was \$4 million. The corporation reduced that budget to \$3.9 million the year after, but they actually spent about \$500,000 more than what was budgeted. It seems like the principle that applies for executive where you get what you spend, here they're reducing it back to previous years. Where is the fairness in these rules? Executive gets what they spend and operations gets less than what they need. Is that the rules the Housing Corporation operates under?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, under grants and contributions in regard to clients, most of those are because we are now managing the staff housing portfolio from the government. In this case there's the \$300,000 for a buy-back to purchase back a unit that was owned by a government person. That's why you see the change of \$300,000. But that is an ongoing cost because we have to cover the cost of those assets which we are now managing on behalf of the government.

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

MS. LEE: So back to that travel budget of \$71,000, if 17 people are sharing that budget, how are they expected to travel to communities to see what's going on in terms of the mandate that they're supposed to be delivering?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like I stated, the majority of those 17 positions are technical people we send to our regional operations when we look at our programs, IHP, building multi-plex units or seniors facilities. They're the ones who do the logistical work. So the majority of their travel is from headquarters to the regional offices and then into those communities to ensure that we have everything in place to construct a lot of these units. In most cases they'll go in two or three times a year just to oversee those programs or projects. Thank you.

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

MS. LEE: I think that's enough for now. Thank you.

CHAIRMAN (Mr. Ramsay): Okay. Thank you, Ms. Lee. We're on page 8-29, operations, operations expenditure summary, \$4.101 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-30, operations, grants and contributions, contributions, total contributions, \$2.262 million. Mr. Villeneuve.

MR. VILLENEUVE: No, my question was on the district operations later on. Thank you.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you. We're now on page 8-33, district operations, operations expenditure summary, \$31.676 million. Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chairman. I guess I'll just reiterate what a lot of the other Members are saying about district operations and how they negatively affect the effective delivery of our housing programs because of the communication gap that happens from the grassroots to the headquarters. There's always a buffer zone that the district offices stop a lot of communication that should be going to the headquarters because a lot of it relates to district operations in general and the lack of support and communication that clients are receiving from their district personnel.

Just another point with the LHOs with respect to the support and monitoring and assessment that the district offices provide to the LHOs. I think that's pretty much nil. As far as what my experience is with the LHOs, the district offices or the district manager never did any kind of a monitoring or assessment or asked any questions as to the decisions that the LHO board makes or why they make those decisions. I think that's why a lot of the complaints from clients about nepotism, favouritism, only family members are getting houses, I think that's where it all stems from, is because they have been telling the district offices about these things but nothing ever comes out of it. The district offices say, well, it's the LHOs' responsibility, they made the decision and you have to abide by it. Even though their decision is clearly a decision based on favouritism and family. There's no appeal process for people who are eligible for a house but don't get a house because they have the wrong last name or something like that.

There's nowhere for them to go and ask for a review of that decision, and I think that's up to the district offices to provide and we don't get that out of any of the district offices, as far as I know. I think the South Slave district office is connected to all our communities by a short highway system, except for one community, Lutselk'e. I haven't seen a district manager there once since I've been in this position, and I don't think he's been there once yet, as far as I know. I just don't understand why he doesn't jump in his vehicle and do a tour every month and go talk to the people and find out what their concerns are and address them head on, instead of waiting for the people to come to his office with complaints of no progress or no communication and the likes.

Also with the support and the delivery of programs, I know five years ago the government had proposed that the LHOs would take on the social housing fabric or the responsibility for public housing, and then they would move on to carry on with more programs and stuff like that. It hasn't happened. That hasn't happened either because, again from my experience in the LHO, I was building capacity at the LHO level and then the district office would take the staff from my office away after they were trained with my training dollars, and they would go and be employed at the district office where they wouldn't really do anything then. That was a good job, because you'd be sitting in a nice government district office, whereas at the LHO level, you're always working and busy. So the vice versa was happening, and the office was actually built in a way that it could provide some room for some expansion, more office space so we could take on more programs and the like, but it hasn't even developed into anything more than the LHO still is, whereas the district offices have become bigger. They're all cramped in one office space, there are more staff and there are more dollars at the district level, yet each year the LHOs have to kick and scream for any extra little dollars that they get. There are no more training dollars in the LHO budgets. There is no incentive for people anymore to go and work for these LHOs, because they're always clawing back. If they come in under budget, they have to give it all back to the government. If they go in over budget, they have to come up with the funds themselves. There's something wrong with that system, I think.

I think in all the years I came in under budget, you had to turn it back into the government to go back in the general

revenue, where if you go \$100,000 over budget, you have to eat it, you have to bite it somewhere, lay off some staff or whatnot, and I don't think that's fair for the LHOs. I know that the district offices are constantly growing, and I think the dollars have to go through those district offices down to the LHOs.

Just another thing about some district office employee performance reviews. I think if this government sees employees in their district levels, good, long-term employees at the district level, handing in resignations because they can no longer work under the conditions that they're put under, then the Minister has to question what's really happening at that district level and get right to the root of the problem to find out why these long-term employees are moving on and don't want to be there anymore. There are a few instances I can name, but we're not here to do that.

I just wanted to make those concerns known to the Minister. I know the feedback he gets from the district level is all pink and rosy and everything, we're doing our best and whatnot. But a lot of times, it's all fabricated information and it's all la-ti-da, things are just status quo, nothing's worse, nothing's better. But things are getting worse, and I think the people are starting to just bypass the district level and just come straight to headquarters and the MLAs and the Ministers, instead of going to their district manager who is the guy who should be handling all of this stuff. When everybody is bypassing that level of authority, then I think that's something that should be examined. The Minister is probably going to be looking into that; I hope he will be anyway. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as we know, the local housing authorities do operate under their own rules, they do have their own by-laws and most of them are registered under the Societies Act. But I think that we definitely are trying to get more communities involved in retaining more of their revenues and generating more of their own revenues in-house with regard to delivering the different programs such as mortgage collection and also looking at the seniors repair programs and keeping those dollars in those communities. Again, through this review process that we're going through and reviewing our mandate, we definitely look at the way that we function, like I stated. Also as part of that, we are looking at our district operations to see exactly if they're functioning as they should be. If not, exactly what do we do to ensure that they are? So we will be looking at that as part of our review of the mandate and also looking at how we deliver programs and services and making sure that we are working with the local housing authorities to ensure that they have the tools they need to operate.

We all realize that over the last number of years there have been a lot of cuts, especially in housing, where, like you say, a lot of people left because they ended up with less money and also because of the cuts that happened during 1995 and on. That has had an effect on employee morale.

We do have to ensure that we maintain a good operation in the communities to maintain the housing stock that we have. But we have to keep our employees well trained and also acknowledge that we have an aging workforce, so they are going to be leaving and we have to replace

them and get the new people trained. Again, this is part of the overall review that we're looking at. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Mr. Villeneuve. Thank you. Committee, we're on page 8-33, district operations, operations expenditure summary, \$31,676 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-34, district operations, grants and contributions, contributions, total contributions, \$19.314 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-37, Public Housing Program funding, operations expenditure summary, \$35.217 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-38, Public Housing Program funding, grants and contributions, contributions, total contributions, \$35.217 million. Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chairman. I have a quick question on the rent supplement programs. I know the Housing Corporation has a number of contract arrangements with private developers to provide housing units, and do you pay rent supplements to these contractors based on occupancy or not. They just basically pay a flat fee for these units, regardless of whether anybody is in them or not. I know that the budget has gone up about \$300,000. A lot of these contracts are 20-year contracts for buildings that aren't going to last for any longer than 20 years, but they're going to pay for themselves probably about 10 times over during that period. I'm just wondering if the government is still entering into similar types of contract arrangements for rent supp units in any of the communities. I know that for any private developer, that's just a money grab. It's a program that takes money right out of the government's pockets and puts it into a private developer's pocket. He just sits back and collects the rent fee. Housing is in charge of all the maintenance and the wear and tear of the building. I'm just wondering what the government's position is on that.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, we do have these arrangements, but most of them have a five-year time limit with an option to extend. We do lease some 250 units with this program. Again, most of the clients we are looking at are in the social envelope. We are getting out of this, but again we do have lease commitments for five years.

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

MR. VILLENEUVE: I guess what I want to ask the Minister, is the department still in the process of negotiating similar contracts with other private developers?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, no, we are no longer getting into this type of lease arrangement. If anything, we're getting out of them.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. We're on page 8-38, Public Housing Program funding, grants and contributions, contributions, total contributions, \$35.217 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-39, lease commitments - infrastructure.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-40, infrastructure investment summary.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-41, infrastructure acquisition plan.

CHAIRMAN (Mr. Ramsay): Continued on page 8-42, infrastructure acquisition plan. Mr. Menicoche.

MR. MENICOCHÉ: Thank you very much, Mr. Chair. I just wanted to mention at this time with respect to Fort Simpson, I'm happy to see 10 units over the next three years. I just wanted to see if the department will look at advancing the six single housing units up a year, and perhaps they can move the four single units to another year. It's to get more units in Simpson faster, to address the need there, Mr. Chair. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as we all know, if you move capital money in one area and move it ahead, it affects someone else. So unless you want to take it out of another community in your riding and move it into Fort Simpson...Again, we have to realize that we have to be fair to all communities. So whatever you do by moving one project, it's going to have an effect on another project. So as long as it's within the amount set and it also meets our core need, if we find that we have to move it up because of the condition of certain buildings that we've identified through our needs survey that this has a higher priority than another capital item, then it could be moved through that process. But as it is right now, that's the plan. Again, that's something that we have to look at it again and how it fits with our needs survey.

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

MR. MENICOCHÉ: No, thank you very much.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Menicoche. Mr. Zoe.

MR. ZOE: Thank you, Mr. Chairman. The assessment that the Housing Corporation does pertaining to the infrastructure acquisition plan, there's a great need, at least I thought, based on that report. On page 8-43, for Rae-Edzo, they're not getting anything for the next two years, until 2007-08. Can I ask the Minister why that

particular community is not getting anything for the next couple of years?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. The Member may not know, but in our capital programs, this year Rae is going to get \$2 million, but most of that is through the IHP program and also the market housing initiative. So this year under the program budget, Rae-Edzo is going to get \$2 million.

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

MR. ZOE: Well, as you know, Mr. Chairman, they have been lagging behind for a number of years, and I still feel that the corporation should reconsider for at least 2006-07 and bump up from 2007-08. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like I stated earlier, the needs surveys that we have done have given us a snapshot of exactly where the core needs are, and I think I have made it clear in this House that we have to deal with those communities. There are 20 communities that fall within that excess of 30 percent core need, and that's where the majority of them are and Rae-Edzo is in that bracket. I think as we look at our capital allocation, we have to ensure it is followed. Also with the motion that was passed in this House, for us to bring it down by 10 percent, we have to see if we can meet that by 2007. The only way we're going to do it, like I said, we need 188 houses in those 20 communities to even put a dent in that. Again, we do have to look at our needs survey, and also realizing the motions that were passed in the House to get there. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. I have some questions on housing for Deline. I understand it was the last page...Payback time.

---Laughter

Sorry. In a good-natured, good-spirited way. Mr. Chairman, I notice in last year's budget there was \$1.080 million allocated for six new public housing units in Deline, and I don't see that this year, so could the Minister explain what happened to it.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I believe we did a pilot project with the Deline people, where we built log homes. That was the six units that the Member is referring to. So that's how the six units got in. But this year for Deline there's \$1 million going in there for housing.

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

MS. LEE: Sorry, I didn't catch that. Did the Minister say there is \$1 million going into Deline and, if so, what is that

for? Is that something different than what was budgeted last year, which is six public housing units in last year's budget? I have last year's budget right now. I compare both of them.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, like I stated, there was a project done in Deline where they built log homes as a pilot project. The money was allocated for that. That public housing was moved to a community project where they built log homes to be used as public housing by clients in the community. But this year there's \$1 million in place. There's \$450,000 more for IHP units for independent housing, and \$300,000 is for major repairs to the public housing stock in the community.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Could you just restate, for the record, the last two sentences of your last response? Thank you.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. I also mentioned that as part of the major repair program where we have \$296,000, there is also minor repair dollars of \$135,000. Thank you.

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

MS. LEE: Thank you, Mr. Chairman. I don't think the Minister is answering my questions, which are that in last year's budget, there was \$1.080 million budgeted for 2005-06 for Deline. The detail of that was for six public housing units. It was for six new public housing units. It's not there. So what happened to \$1.080 million allocated for Deline?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, I understand that because of our new needs surveys, we are reacting to those needs surveys and those units you are looking at was a snapshot of what we thought the need was, but because our core need surveys were done, those units were not built in that program. So they weren't built in Deline last year because the core needs were allocated elsewhere.

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

MS. LEE: Thank you. That's not what I am hearing. I don't know how the Minister could argue that the core need went down in Deline. In last year's budget, there were two items for Deline. There was \$1.080 million for 2005-06 and then another \$1.080 million for 2007-08. What I see here is that has been pushed back. That's what happened. So now there is \$300,000 allocated for next year and then \$780,000 the year after. So \$1.080 million has been put back with a majority of the money being spent two years from what it was originally intended for. I think the Minister has to explain more about how that happened.

Then down in Fort McPherson, Mr. Chairman, I can tell you that the money has been moved forward. This year it's been moved back, so I won't speak to that. I think the

Minister should explain that, because I don't understand how the Housing Corporation determines where they are going to spend their public housing money. It's frustrating when we know that there is \$1 million budgeted for the very next year and when you get to that year, it's gone and then you have to ask the Housing Corporation what happened. All of a sudden, the need is not there. The same thing happened to Aklavik, there was \$1.6 million planned for Aklavik. This year it's \$800,000. It's halved. How come their need became half of what it was last year? What happened there?

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

HON. DAVID KRUTKO: Mr. Chairman, as we all know, community priorities stay. Dollars that are allocated to communities can be moved from public housing programs to an IHP program. Once the dollars are allocated, that's what happened in Deline. They decided to go with the Independent Housing Program instead of going with public housing. They built these log units as part of their decision. Again, circumstances change with regard to need. Also, the Member is quoting something that I don't have in front of me. She's quoting from something that happened last year. Last year is last year; we are dealing with this year's budget. The Member is commenting on something I don't have knowledge of.

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

MS. LEE: Okay, it's not like I am referring to a secret document. This is a House document. It was tabled last year. We passed it. It's not a strange document. Surely I think the officials over there should have information on what was allocated for last year. Okay, if he doesn't have that information maybe he could tell us in writing why it is that \$1.080 million allocated for Deline this year is gone. The Minister should explain that. Another \$1.080 million allocated last year in last year's budget for the year 2007-08 is gone. What determines that there is a need for \$2 million in a community and the year after, there is no need for that? What shows in his needs survey that establishes that? Thank you.

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

HON. DAVID KRUTKO: Mr. Chairman, like I stated, this information is based on need. Some years, the need may be greater one year than the next and circumstances change. We do have needs surveys that we didn't have a number of years ago. Based on those surveys, we do the assessment. The numbers you see for 2006-07, those could change on the basis of the needs of those communities. It's a fluctuating number. It's not solid. You cannot determine the capital item exactly. If a budget is cut or we have to cut another three-and-a-half percent, it will have an effect on the overall amount. Circumstances change.

With Deline, they felt it was more important to put money into IHP programs than it was into public housing, so that is what they did.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. We are on page 8-42, infrastructure acquisition plan and it continues on to 8-43, total department \$12.448 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Page 8-44, pro-forma income statement.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you. We'll go back to page 8-7. Mr. Braden.

MR. BRADEN: Mr. Chairman, if I could ask about a line on page 8-44, pro-forma income statement. The detail of the particular, I would like to...

CHAIRMAN (Mr. Ramsay): Just one second, Mr. Braden. Does committee agree that we go back to page 8-44?

SOME HON. MEMBERS: Nay.

CHAIRMAN (Mr. Ramsay): I am hearing some nays. Does committee agree that we go back to page 8-44?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you. Mr. Braden.

MR. BRADEN: Thank you, colleagues. I would like to see some details for the line called market housing expenditures for \$892,000. Specifically, Mr. Chairman, does that have anything to do with the market housing initiative? Is there any crossover there? Thank you, Mr. Chairman.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. That's for the old staff housing allocation, which we are now responsible for managing on behalf of the government. So if a teacher bought a unit and ended up moving to another community, we are obligated, under this old agreement, to buy back those units. That's what that is.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. We are back on page 8-7, operations expenditure summary, \$35.956 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you. Does the committee agree that consideration of the Housing Corporation estimates are concluded?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Ramsay): Thank you. I would like to thank you Minister Krutko, Mr. Koe and Mr. Anderson for being with us this evening.

---Applause

Thank you, committee. What is the wish of the committee? Mr. Menicoche.

MR. MENICOCHÉ: Thank you, Mr. Chairman. I move that we report progress.

CHAIRMAN (Mr. Ramsay): There's a motion to report progress. The motion is in order. It's not debatable. All

those in favour? All those opposed? The motion is carried.

---Carried

I will rise and report progress. Thank you.

MR. SPEAKER: Can I have the report of Committee of the Whole? Mr. Ramsay.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 19, Appropriation Act, 2005-2006, and would like to report progress with one motion being adopted and, Mr. Speaker, I move that the report of Committee of the Whole be concurred with. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Ramsay. There is a motion on the floor. Do we have a seconder? The honourable Member for Mackenzie Delta, Mr. Krutko. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Item 21, third reading of bills. Mr. Clerk, orders of the day.

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Mercer): Orders of the day for Friday, March 4th, at 10:00 a.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions
9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motion for First Reading of Bills
16. Motions
17. First Reading of Bills
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 17, Modernization of Benefits and Obligations Act

- Bill 19, Appropriation Act, 2005-2006

- Bill 20, Supplementary Appropriation Act, No. 3, 2004-2005

- Committee Report 9-15(3), Standing Committee on Accountability and Oversight Report on the Review of the Draft 2005-2006 Main Estimates

- Committee Report 10-15(3), Standing Committee on Governance and Economic Development Report on the Review of the Draft 2005-2006 Main Estimates

- Committee Report 11-15(3), Standing Committee on Social Programs Report on the Review of the Draft 2005-2006 Main Estimates

- Committee Report 12-15(3), Standing Committee on Rules and Procedures Report on the Review of the Report of the Chief Electoral Officer on the Administration of the 2003 General Election

20. Report of Committee of the Whole

21. Third Reading of Bills

22. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Friday, March 4, 2005, at 10:00 a.m.

---ADJOURNMENT

The House adjourned at 9:33 p.m.

