



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

**5<sup>th</sup> Session**

**Day 26**

**15<sup>th</sup> Assembly**

## **HANSARD**

**Tuesday, February 13, 2007**

Pages 811 - 860

**The Honourable Paul Delorey, Speaker**

# Legislative Assembly of the Northwest Territories

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(Tu Nedhe)

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

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Tuesday, February 13, 2007****Members Present**

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

**ITEM 1: PRAYER**

---Prayer

**SPEAKER (Hon. Paul Delorey):** Good morning, colleagues. Welcome back to the House. Orders of the day. Ministers' statements. The honourable Minister responsible for Health and Social Services, Mr. Roland.

**ITEM 2: MINISTERS' STATEMENTS****Minister's Statement 66-15(5): Tobacco Control Act**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Tobacco is the single largest cause of preventable disease in the NWT. It causes heart disease, stroke, respiratory illness and many other diseases. Many have lost their lives or those of loved ones because of smoking-related cancers.

Since January 21<sup>st</sup>, the new Tobacco Control Act has been in effect throughout our territory. The act reinforces this government's initiative to encourage healthy, smoke-free lifestyles for all northerners. As we enter the fifth year of the Territorial Tobacco Control Strategy, the act is a further commitment to continue our government's efforts to reduce the NWT smoking rate, which is twice the national average.

Highlights of the Tobacco Control Act include:

- The sale and supply of tobacco to those under 18 years of age is prohibited;
- Retailers cannot display tobacco products and tobacco advertising;
- Tobacco can no longer be sold in pharmacies, athletic or recreational facilities;
- Smoking is not allowed on outdoor patios of restaurants or bars, complementing the existing Workers' Compensation Board smoke-free workplace legislation; and
- All retailers must post signage prescribed by the act in their place of business.

Also within the act is a provision allowing for the use of tobacco for spiritual or ceremonial purposes in recognition of traditional aboriginal cultural practices.

The Tobacco Control Act is enforced by inspectors to ensure this legislation is being upheld. Substantial fines or other penalties will be imposed on offenders.

Preliminary investigations done by our environmental health officers during the first week the act was implemented have shown positive results. While 13 of 35 retailers did not fully comply with the act during a first

inspection, all were fully compliant after 24-hour warnings were issued.

By removing tobacco and related products and advertising from public sight, our government is doing more to ensure tobacco use declines, especially among our youth. The act will help those trying to quit by denormalizing the product.

Our government is committed to the health and well-being of all northerners and we must do all we can to achieve a healthier lifestyle. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Roland. Ministers' statements. Members' statements. The honourable Member for Tu Nedhe, Mr. Villeneuve.

**ITEM 3: MEMBERS' STATEMENTS****Member's Statement On Support For Timber Harvesting And Production**

**MR. VILLENEUVE:** Mahsi, Mr. Speaker. Mr. Speaker, I'd just like to use my Member's statement today to talk about the environment and natural resources forest management sector, which takes up more than half of the total department's budget every year, and we're not talking about some small change here, Mr. Speaker. This is something to the tune of nearly \$30 million per year, yet to this day I do not know of one successful timber producer in the forest industry here in the NWT. So I'm just curious as to where all these resources are going, because I can see where our actual forest resources are going every year and that being up in smoke, Mr. Speaker.

I would like to see our own timber products going into all our mega projects here in the NWT such as the mining industry, and the oil and gas exploration and development industry, and our growing housing construction industry. The potential for local commercial production is huge, and I do not understand why the GNWT does not openly endorse and support community-based timber harvesting and productions in areas where the viability is blatantly obvious.

I would like to see more dollars in support services in timber business proposal development and marketing initiatives, in areas where the most expertise is lacking in the commercial zones and small communities, and stop spending these large sums of money counting trees year after year.

Later on in today's session I will be asking the Minister of Environment and Natural Resources how we can reassess the forest management dollars that are being spent by this government. Thank you.

---Applause

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

#### **Member's Statement On Caribou Management Decisions**

**MR. RAMSAY:** Thank you, Mr. Speaker. I want to speak again today about caribou and the importance of this great resource that it provides to our people.

**SOME HON. MEMBERS:** Hear! Hear!

**MR. RAMSAY:** Mr. Speaker, I take my job and my responsibility to my constituents very seriously. I have a duty to represent all of my constituents and, when it comes to the harvesting of caribou, I have aboriginal harvesters, non-aboriginal harvesters and the outfitters to represent. The difficult task in all of this is the fact that I have not been given the opportunity to debate, question and discuss the crucial piece of information that is missing and that is the numbers.

ENR itself has some very conflicting numbers in terms of total number of animals in this territory. The Minister of ENR has all but admitted that his department does not have a concrete answer on what the total population of caribou is in the Northwest Territories today. Yet his department was ready to kill the caribou outfitting industry in the North Slave region based on best guesses, without consultation with Nunavut and, worse yet, without consultation with the Regular Members of this House.

**AN HON. MEMBER:** Shame.

**MR. RAMSAY:** The big question is how and when was the Department of Industry, Tourism and Investment informed about the proposal that ENR sent to the Wekeezhii Renewable Resources Board calling for a reduction in tags to 350, which would, in essence, kill a multi-million dollar industry in our territory. Certainly, government has played a vital role in the growth and the development of outfitting in our territory and it would be very interesting to see what communication, if any, took place between the two departments.

Mr. Speaker, I must thank the Minister for intervening and getting the number of tags increased to 750 for the coming year. But the reality is, you can't make decisions based on incomplete information, especially with the importance of this great resource. Take for example the harvest of caribou in the North Slave region last year, estimated at 5,800 animals, Mr. Speaker. Why or how can ENR contribute the complete harvest to one herd, the Bathurst? It is completely and utterly absurd to do that when we know full well that at least four other herds frequent the area. We have to get to the bottom of it and that is the numbers have to be proven, Mr. Speaker.

The department, in 2005, told the Canadian Cooperative for Wildlife that there was an estimated 1.5 million animals in our territory, which would indicate a very healthy population. Mr. Speaker, I'm very pleased to see the inclusion of some more funding to get the answers we need. This resource is far too important to too many people to rely on half answers and half truths. Mahsi.

---Applause

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

#### **Member's Statement On Respect For The Contributions Of Elders**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, my Member's statement is on the contribution and the wellness of our elders in the Northwest Territories. I would like to ask the Member responsible for Seniors, later on in the House here, in terms of how do we take care of our elders. Our elders are our guiding post for us young leaders here. From time to time, we go to them to seek advice on such issues as caribou, climate change, the water, the environment, even the way of life that we live today. Our elders are the ones that provide us this strong direction in life.

Over the last couple of months, we have lost a lot of elders in our region. We have lost elders in other regions, also. Mr. Speaker, the role of our life today has changed quite considerably from our parents and our grandparents. As young children growing up in our communities, we were also told to go to see our elders and ask for direction and sit with them. This one time that my mother and I were driving to Fort Good Hope on the winter road, my mother told me a story of an elder when she was young; she was 14 years old or so. This elder always told her to come and sit down and she could put her head on her lap, and she would sort of clean her hair. My mother said, Granny, how come you always want me to do this, because you know you don't have dirty hair? Why are you making me do this? My mom wanted to go outside and play with the other children, but Granny always said to do this, so she did that. One day she asked Granny why she always had her do this, and Granny said because in our way we dream for you, we dream a long life for you, we give you gifts, spend time with us. So one of the values the elders have passed on to us that these are the type of values and beliefs that we live. However, it seems that sometimes that we're so busy in our days that we forget to use elders like this in terms of important issues such as the caribou, climate change, the water. They give us very wonderful insights to our decisions, so I want to say that we recognize the elders and people that we use in our community, to treasure them and to pay respect to them. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Members' statements. The honourable Member for Hay River South, Mrs. Groenewegen.

#### **Member's Statement On Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, the announcement in the budget address of \$3 million to increase funding for water and sewer services was, I am sure, welcome news to NWT municipalities who are, like everyone else, struggling to keep up with the rising costs of labour, utilities and materials. Given the overall increase one would have expected that all municipalities could look forward to receiving at least, if not greater funding compared to the previous years.

Unfortunately, Mr. Speaker, this is not the case for Hay River, which under the New Deal for community

governments will see its funding for water and sewer services cut by \$200,000. This is a decrease of 36 percent.

MACA's new water/sewer subsidy formula takes into account municipalities' fixed and variable costs, as well as their ability to raise revenues. Unfortunately, it seems that MACA has taken a cookie cutter approach when it comes to calculating the variable costs.

As I reminded the Minister on Friday, the Town of Hay River is responsible for trucked water and sewer services all the way from the West Channel to Paradise Valley, which is a distance of almost 30 miles, and I'm not aware of any other NWT community that provides services over such a large area. It seems obvious to me that costs like fuel, vehicle maintenance and person hours are going to be much higher when the service is provided over a 30-mile distance versus a one to three-mile distance, which I think would probably be the case in most NWT communities.

I believe the GNWT has historically recognized the extra cost of providing services along the Hay River corridor and funded the town accordingly. I, therefore, have to take issue with the Minister's suggestion last Friday that Hay River has been over funded in past years. In response to my questions on Friday, the Minister indicated that he expects Hay River to take funds from capital or other O and M programs to cover its \$200,000 shortfall for water/sewer services. What kind of solution is this, Mr. Speaker? Is this the kind of financial management advice that MACA is handing out? Capital funds are for capital. That is why we have a Water/Sewer Subsidy Program to fund water/sewer services.

If the formula isn't quite right, if MACA has overlooked the fact that Hay River provides trucked services over a 30-mile corridor, then the Minister, I would respectfully suggest, may want to fix the formula, not to tell the town to dip into other pots of money for intended other uses. Later today, Mr. Speaker, I'll have more questions for the Minister of MACA on the water/sewer subsidy for Hay River. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Members' statements. The honourable Member for Thebacha, Mr. Miltenberger.

#### **Member's Statement On Protection And Preservation Of Caribou Herds**

**MR. MILTENBERGER:** Thank you, Mr. Speaker. Mr. Speaker, the information we have tells us clearly that the barren land caribou numbers are in significant decline. They're in decline, we think, for a number of reasons: the broader impact of climate change, global warming, resource development, roads everywhere that makes hunting easier, the hunting, predation, infestation by pests and all these factors have combined to lower the numbers. We know this because the government has taken the time to survey the Cape Bathurst, the Bluenose West, the Bluenose East and the Bathurst herds. They did it twice to double check the numbers, and the numbers came back telling us there is a decline, a significant decline to the point that every co-management board, as well as the government, across the North came to consensus in Inuvik. It said these numbers mean we

have to do something; we have to take steps to protect the caribou. This is, first and foremost, a wildlife preservation conservation issue. This is not an issue where the debate should focus on what's happening with the outfitters or should they be able to take another set of horns. What we have to look at is a herd that has been roaming this land for thousands of years, lived off by the aboriginal people. The biggest herd of large mammals that are free-ranging in North America live up here.

We know that there are gaps. We know that the Beverly, Qamanirjuaq and the Ahiak have to be done. We know that the Porcupine has to be done. They know and they anticipate that their numbers are going to be down.

The folks from Quebec were as well at this conference in Inuvik. They are concerned that their herds are, as well, going to be showing the signs that we have already seen here.

The government committed to a number of very fundamental things in Inuvik. They committed to moving on protection of the calving grounds, removing of the satellite information, working with the co-management boards to look at how we can better monitor and regulate the harvest for all harvesters. Those are very serious steps that were only taken after months and months and months of consultation, and the success of the Inuvik summit was the fact that ENR and the government took the time to do the work...

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

**MR. MILTENBERGER:** Mr. Speaker, I request unanimous consent to conclude my statement.

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

**MR. MILTENBERGER:** Thank you, Mr. Speaker. So, Mr. Speaker, my suggestion is that this House, this side of the House should be showing support for the recommendations that the government has chosen to act on that have been supported by the 180 delegates at this summit, and we should be taking all the steps necessary to protect and preserve the herd not just for this generation, but we should be like the Iroquois and try to think seven generations out, because this is an issue that's going to be important for now and far until then. Thank you.

---Applause

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Members' statements. The honourable Member for Monfwi, Mr. Lafferty.

#### **Member's Statement On Ambulance Service In Gameti**

**MR. LAFFERTY:** (Translation) Thank you, Mr. Speaker. I will talk on something. This is regarding ambulance in Gameti. Last summer, Minister of Health and Social Services, Mr. Miltenberger, toured the community and also the health care centre. We heard a lot of concern and issues from the chief and council pertaining to the service vehicle that is available to transport patients from the health centre to the airport. It's been eight months now

when I asked the Minister the question later on. This is the concern to all of us. (Translation ends)

Last summer we visited the community with then-Minister of Health and Social Services, Mr. Miltenberger. At that time we toured the community and the health centre facility. We heard concerns and issues from the chief and council pertaining to the service vehicle that is available to transport patients from the health centre to the airport.

Mr. Speaker, I was appalled and, frankly, embarrassed when I saw and heard what the health centre was using to transport these patients. Mr. Speaker, those vehicles were at least 10 years old plus, those ambulance vehicles. My fear is that during an emergency in the community, while transporting patients this so-called ambulance will spit out smoke and croak before reaching its intended medevac.

---Laughter

While this might be amusing during some comedy at the movies, it would certainly be unfortunate for the patient whose emergency I'm sure will be very real, Mr. Speaker. I realize Gameti is a small, isolated community, but give me a break. This day and age we need to be fully equipped with up-to-date equipment and supplies when dealing with these people's lives, Mr. Speaker.

This is not acceptable today, Mr. Speaker. The Department of Health and Social Services, mainly the Department of Health, had over eight months to deal with this critical matter, Mr. Speaker. I'm certainly hoping that there's a plan in place to replace these older vehicles in the isolated communities more suitable on the ambulance service. Mahsi, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Lafferty. Members' statements. The honourable Member for Great Slave, Mr. Braden.

#### **Member's Statement On Unfair Treatment Of Barren-Ground Caribou Outfitters**

**MR. BRADEN:** Thank you, Mr. Speaker. Mr. Speaker, in the continuing debate on caribou in this Assembly, we're starting to get some answers but so far not a lot of accountability. Yesterday, Mr. Speaker, in exchange between myself and the Minister of Environment and Natural Resources, we learned that a decision was undertaken, from my understanding, on an emergency basis to restrict the number of tags potentially available to outfitters as the Wekeezhii Resources Board was not able to, in the department's view, reply in time.

So this was fine. There was an emergency provision and the Minister chose to act on it. However, Mr. Speaker, I'm really curious as to just where the emergency was on this one. If we're talking about the difference from what was originally on the commitment to make some 1,200 tags available and we're now down to 700, a difference of 500 tags out of the one herd that was counted which is about 120,000 animals. Mr. Speaker, where was the emergency, especially when no other identified harvester group had its targets or quotas changed at this time? It does not constitute, Mr. Speaker, what I would say is bold and decisive action. As a matter of fact, I see it as unfair, lopsided action and a betrayal toward these people for the

investment and the trust that they have made in the Northwest Territories.

Mr. Speaker, the role of the Department of Industry, Tourism and Investment has also yet to be explored. There are 20 years of public investment and promotion behind the sports hunting industry. Yet, based on a lot of what really is perceived as incomplete information, does this really warrant the elimination of the industry, which is what is before us with the recommendations that this government has made, Mr. Speaker?

---Applause

**MR. SPEAKER:** Thank you, Mr. Braden. Members' statements. The honourable Member for Nunakput, Mr. Pokiak.

#### **Member's Statement On Caribou Management Decisions**

**MR. POKIAK:** Thank you, Mr. Speaker. Before I make my Member's statement, I'd like to thank the Honourable Floyd Roland, Michael Miltenberger, MLA from Thebacha, and Commissioner Tony Whitford and Terry Testart for coming with me to the memorial service for Vince Steen yesterday. I appreciate that and I appreciate Caucus.

Mr. Speaker, last week and over a number of days we've been hearing about the caribou numbers, the decline of the caribou numbers. I truly believe and I think ENR is doing their best in regard to trying to keep the numbers in line in regard to subsistence on sports hunting. I appreciate, also, the Minister conducting a Caribou Summit meeting, which was held January 23<sup>rd</sup> to 26<sup>th</sup> in Inuvik. We had a lot of people from all over the Territories come to the summit there and I appreciate the input that they have. Especially it was good to hear the elders when they talk about how they survived years ago with regard to subsistence hunting and everything. It's proved that they did survive for subsistence that they needed.

Unfortunately, over the last few years, you know, I can't blame it really on sports hunting, but again that's another area that has to be looked at. As far as I'm concerned, Mr. Speaker, I think subsistence, or sports hunting, is a privilege. I think it's important that we do try to work with the sports hunters, but again, I think maintaining the numbers in caribou is important for all the people in the Northwest Territories.

I respect all the elders, and one of the important things we should remember is that there was a youth delegate at this conference who was very disappointed that there weren't that many youth involved and they would like to see their involvement also.

Mr. Speaker, I think for the Inuvialuit it's a situation where we have strived to make ourselves better. I also would like to say that under the co-management boards, they did talk about the numbers when they first come out and I think they're addressing the problem at this present time. I will have questions for the Minister at the appropriate time.

In closing, Mr. Speaker, I would just like to say a well respected elder once said, someone once asked me why don't you put your money, save your money and put your money in the bank? I should have told him at that time the land is my bank and that's what you should strive for, Mr. Speaker. Thank you.



---Applause

**MR. SPEAKER:** Thank you, Mr. Pokiak. Members' statement. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

#### **Member's Statement On Construction Of Mackenzie Valley Highway**

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, today I'd like to speak on what we can do with our share of the revenue from our resources.

---Interjection

---Applause

We speak all the time and we come out with these reports on corridors Canada, connect NWT. These are nice fancy reports. Why do we need these to tell us what we already know? We do know, Mr. Speaker, that we need a highway down the Mackenzie Valley. It's a given, Mr. Speaker.

---Applause

This highway would benefit, in my opinion, all of the Northwest Territories. You look up in the Beaufort-Delta, we have more in common with Whitehorse. We spend a lot of our hard earned money in Whitehorse because we're connected to Whitehorse. If we had that highway down the valley, Yellowknife, the communities along the way would benefit from all the money in the Beaufort-Delta. Believe me, when the pipeline goes ahead, there will be a lot of money to spend, and we'd rather spend it in the Northwest Territories than have to go spend it in the Yukon.

The people of the Northwest Territories would benefit too because it would bring the prices down. If you can truck everything into the communities, and I'm talking down the valley, we'll run into the Tlicho, run a highway into there, we have the funds. We have the resources. We can ask Ottawa to borrow \$700 million of our own money to build our highways. They'd get that paid back. The gas starts flowing, Mr. Speaker, then the royalties will double, maybe even triple. So we have a lot of resources at our disposal and we have to start using those resources to do what will benefit people up and down the valley. I believe, Mr. Speaker, that Mackenzie Valley highway is something that's possible and it's something that we should do, something that we should seriously look at. If we have to borrow, like I said, \$700 million of our own money from Ottawa to build it, then we have to do that. I'll have questions for the Minister of Transportation at the appropriate time. Thank you.

---Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Members' statements. The honourable Member for Yellowknife Centre, Mr. Hawkins.

#### **Member's Statement On Action Plan To Address Climate Change**

**MR. HAWKINS:** Thank you, Mr. Speaker. I want to talk about the energy plan and Greenhouse Gas Strategy today. We have a collection of initiatives from the government and they're all admirable in their own way. Increased funding to the Arctic Energy Alliance, which was a complete 180 from a few years ago, Mr. Speaker,

ECE talked about climate change curriculum, DOT is also doing some testing and training, but what is the plan? What do these initiatives add up to and what is the intention of this government? Are we serious about cutting back on emissions? If so, what are our targets? How are we going to get there? Will we enforce our penalties with people and companies who don't reduce their emissions? What will the effect on the economy be as a result, Mr. Speaker?

We all know about the poll from the Globe and Mail that found support for tough action against global warming. Fifty-six percent even said that they would support rationing the amount of fossil fuels an individual uses each year. I've been asking for a plan since oil prices started to climb over two years ago, Mr. Speaker. The time for this government to be proactive is certainly running out. We know the Arctic will suffer from climate change. We know the infrastructure where we drive, where we live, where we work, are all going to suffer enormous damage as the permafrost continues to melt and, as we know, energy prices continue to climb higher and higher.

We need an action plan with targets and, yes, we need consequences, Mr. Speaker. We need to have a serious discussion about what life is going to look like in the Northwest Territories in the next few years and what legacy we are going to leave. If the importance of climate change is not recognized today and we do nothing, there will be grave circumstances. If we work to mitigate these effects and it turns out that climate change is only a trend, our biggest burden, Mr. Speaker, will be a cleaner and healthier environment. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Mr. Hawkins. Members' statements. The honourable Member for Range Lake, Ms. Lee.

#### **Member's Statement On Caribou Management Decisions**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I'd like to speak on the caribou issue today. Mr. Speaker, I have to tell you that I don't believe that the Department of ENR have an agenda to attack or destroy the barren-ground caribou outfitters industry. In fact, I know that it has been an important partner and a supporter of this industry from the beginning. I don't believe that this is a Yellowknife versus outside issue, because we know that the caribou is an NWT issue.

When I had a constituency meeting last week, I had about three people show up and one of them, a non-aboriginal suburban, long-term Yellowknifer had a lot to say about how we could manage this issue. Mr. Speaker. While some of us may like to wait until every last caribou is counted, I think everyone who is familiar with what's going on in the land knows that there's something seriously desperate happening with the caribou. There's such a thing as a smell test. It's like climate change. A lot of people know when there's something going on and we need to act on it.

Mr. Speaker, I appreciate the fact that ENR's job is to protect the environment and natural resources, as the name says. This goes to the essence of why ITI and ENR were split, because it's ITI's job now to speak and support the industry, and to date I have seen no evidence that

they have done anywhere near enough in terms of foreseeing the impact of the cuts to the industry and in advocating and advancing some of the concerns that the industry has. Mr. Speaker, I understand the government's job is to protect, I mean, ENR's job is to protect wildlife and other natural resources, but there is a good way to do it and a poor way to do it and so far I see no concrete action from ITI.

Mr. Speaker, I do also appreciate the need for the ENR Minister to impose the reduced quota. But I believe the government, especially ITI, has the responsibility to do what it can to try and save the industry, even in a very reduced way. Many in this industry, Mr. Speaker, are wildlife conservationists and they want to protect the caribou very much, as well as preserving some of the industry. They are willing and able to work with the Minister to work toward that. Mr. Speaker, many of them, over the years, have voluntarily cut the tags they use and even implemented one-tag policy. Because ENR was unable to clamp down on operators that have been operating much more differently...

**MR. SPEAKER:** Ms. Lee, your time for Member's statement has expired.

**MS. LEE:** Thank you, Mr. Speaker. I seek unanimous consent to conclude my statement.

**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. Because, for whatever reason, ENR was unable to clamp down on operators that have been operating much more differently, now every operator is being painted with the same brush.

Mr. Speaker, as we move forward on this issue, I believe the government will need to look at all manners of harvesting because, in the long run, it has to do a comprehensive action plan that will save the caribou herd. But in doing so, I would like to ask the government and the Wekeezhii board and all the aboriginal leaders to be open minded and find a way to save the very small-scale mom-and-pop outfitter operators who are contributing greatly in creating valuable jobs, especially for aboriginal people, and showing the world the beauty of all that we have to offer in the North. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Thank you, Ms. Lee. Members' statements. Returns to oral questions. Recognition of visitors in the gallery. The honourable Member for Yellowknife Centre, Mr. Hawkins.

#### ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

**MR. HAWKINS:** Thank you, Mr. Speaker. I'd like to recognize Sandra Beaton in the gallery. Thank you.

---Applause

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

**MR. MILTENBERGER:** Thank you, Mr. Speaker. It gives me great pleasure to be able to introduce my constituency assistant, a long-time Fort Smith resident, successful businesswoman, Denise Yuhas.

---Applause

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Recognition of visitors in the gallery. I'd like to welcome everyone in the gallery today to observe the proceedings. It's always nice to have an audience in here. Item 6, oral questions. The honourable Member for Kam Lake, Mr. Ramsay.

#### ITEM 6: ORAL QUESTIONS

##### Question 298-15(5): Caribou Sport Hunting Tag Reductions

**MR. RAMSAY:** Thank you, Mr. Speaker. It's been very interesting listening to some of my colleagues speak about caribou and the importance of this great resource in our territory. No one can deny that we have to work with the co-management boards; we have to protect the calving grounds. We also have to take every step necessary to protect the caribou. Those aren't my issues.

My issue, Mr. Speaker, to be blunt, is how can we, as a government, make decisions that are going to put a nail in the coffin of a multi-million-dollar industry without knowing the numbers of all the herds that live in the Northwest Territories? That is the fundamental question, Mr. Speaker. I'd like to ask the Minister of ENR, when was ENR going to inform Regular Members of this House about the proposal that went to the Wekeezhii Renewable Resources Board? When was that going to happen? We found out by chance two weeks after we had a meeting with ENR about this. When was the Minister and the department going to let us know? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Minister responsible for Environment and Natural Resources, Mr. McLeod.

##### Return To Question 298-15(5): Caribou Sport Hunting Tag Reductions

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, there is a process that we have to follow when we determine what the allocations for quotas are going to be. The Minister-of-the-day had indicated to this House very clearly that there was a concern regarding caribou numbers February of last year and was indicated at that time that we'd have to do some reductions. We communicated this information on a number of occasions throughout the year to the caribou outfitters, and we also conducted another survey because the numbers at that time were contested. We brought those numbers forward, analyzed them, and brought it to Cabinet. During that process, we also indicated to the Members of this House, during the committee process, that there was a concern. We didn't have an actual allocation and quota set up then, but we didn't have the opportunity to present it to Cabinet at that point. So we would have provided that information. I'm not sure if we would have gone out specifically to send it to each individual Member, but it was something that we had to do on a sense of urgency basis, so that's the process we followed, Mr. Speaker.

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

**Supplementary To Question 298-15(5): Caribou Sport Hunting Tag Reductions**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, I would like to say there is a big difference between letting us know there is trouble with the numbers and a 70 percent reduction that was in the proposal that went forward to the Wekeezhii. There is a big difference there. I want to state that. I want to ask the Minister of ENR if he can walk me, and this House, through the process that was followed in developing the number of 350 tags, a 70 percent reduction. What was the consultation and the process that took place with the sister department of ITI, the responsible department for industry? Where was the communication there? When were they made aware of the fact that that proposal was going forward to the Wekeezhii Renewable Resources Board? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. McLeod.

**Further Return To Question 298-15(5): Caribou Sport Hunting Tag Reductions**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, we compiled all of the information as quickly as time would allow. Our surveys were done late in the fall and over the fall season. We compiled that information, had our chance to look at it and digest it, and our recommendation was based on the percentage of what the herd can sustain. We have, of course, always taken the position when we have that kind of a crash in numbers, that there is really no sustainable yield. As to the question about when we conveyed that to ITI, I think we did it in the month of November. They had a chance to look at it. Of course, there were concerns raised by ITI because it does affect a number of businesses in that field. Thank you, Mr. Speaker.

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

**Supplementary To Question 298-15(5): Caribou Sport Hunting Tag Reductions**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, it is nice that the Minister and ENR advised ITI in November, but they didn't advise us. Like I said, we found out after the fact some time the third week of December when we did have meetings with ENR in the first week of December. There was no mention of a drastic reduction of tag allocation at that time. I think this is a very important question, Mr. Speaker. The harvest of the Bathurst herd in the North Slave region, according to ENR's own numbers, the 5,800 animals that were harvested in the North Slave region were all attributed to one herd. How could that be possible? I think that is an important question to ask the Minister as well. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. McLeod.

**Further Return To Question 298-15(5): Caribou Sport Hunting Tag Reductions**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Our surveys were conducted over the last while for a number of herds that are in the Northwest Territories. There is still some work we have to do yet. We have to do

the Beverly herd. We are planning to do that next year. Mr. Speaker, this herd, the Bathurst herd, was surveyed I think in 2003. When we did it again in 2006, we saw a crash of about 50,000 to 60,000 animals. Now, that is a very great concern to us. We recognize that there is some mingling of the herds. The Bluenose herd sometimes during the winter season will mingle and mix with the Bathurst herd. However, I should point out to the Member that there is absolutely no outfitting permitted through the recommendations from the Sahtu Co-management Board that is allowed through the Bluenose herd. So that is something that we need to take a look at also, but our numbers indicated that this herd was crashing. We looked at what would be a sustainable yield to allow a small operation or several small operations to succeed or survive, and set our quota accordingly. Thank you, Mr. Speaker.

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

**Question 299-15(5): Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, I would like to direct my questions today to the Minister of Municipal and Community Affairs. Mr. Speaker, would the Minister direct his department to revisit Hay River's water and sewer subsidy this time taking into account the distance over which the town provides services and the costs associated with that distance? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

**Return To Question 299-15(5): Water And Sewer Services Funding**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, we would certainly permit our staff to sit down with the Town of Hay River and provide some models of how they can recalculate their numbers and look at some of the items that are still in the Water and Sewer Subsidy Program budget that should be backed out because of the capital. We have a number of other communities that have to haul water long distances. Fort McPherson, for example, hauls their water 23 kilometres on a daily basis. It is also a challenge for them.

Mr. Speaker, we did take some consideration as to the uniqueness factor when we set up our budgets. It is internal what it costs for fuel in terms of those types of flexible or variable costs for each community, but as to sit down and put all of the numbers back into place that are reduced or increased, that would mean we would go back to our old formula and throw this one out the window.

Mr. Speaker, this one is a new formula that is fair and reflects the actual costs of what each community will sustain. There is a fixed component of actual infrastructure and equipment that is in the community. There is a variable component that is also the calculation of what that community is able to raise in revenue. Mr. Speaker, we think it is fair.

In the case of Hay River, there was an additional pot of money that was in place, but it was built in or supplied

over and above the Water and Sewer Subsidy Program. It was put in place some time ago, and it does not reflect fairness across the board. It is one community that is getting more than what everybody else is getting. We can't qualify that. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Supplementary, Mrs. Groenewegen.

**Supplementary To Question 299-15(5): Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, the Minister stated last Friday that he was "not sure how and why there was more money being provided over and above the Water and Sewer Subsidy Program." That is from page 1689 of unedited Hansard. How can the Minister know that the so-called extra over and above \$200,000 provided to Hay River in previous years was not justified if he doesn't know how or why it got there in the first place? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. McLeod.

**Further Return To Question 299-15(5): Water And Sewer Services Funding**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, these dollars were provided over and above the Water and Sewer Subsidy Program. The amount that Hay River was getting for the Water and Sewer Subsidy Program was \$316,000, Mr. Speaker.

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

**Supplementary To Question 299-15(5): Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, Hay River, it has been indicated by the Minister, was getting more than they should have had in the past. If he needed a reason why we were getting more, perhaps it would lend to justifying reinstating that. Mr. Speaker, would the Minister agree to reinstate the \$200,000 he has cut from Hay River's water and sewer subsidy unless and until he can tell us what has changed to make that \$200,000 no longer justifiable and he can demonstrate that the cost of servicing a 30-mile corridor have been factored into the formula? To summarize, a reinstatement until we can absolutely determine how and why that was justified in the beginning. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. McLeod.

**Further Return To Question 299-15(5): Water And Sewer Services Funding**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. I am sure if we reinstated the extra money for Hay River, we would have every Member of this House standing up for an extra \$200,000, and our budget just won't allow that. Mr. Speaker, this allocation for each community was based on the assets in the community and what it costs to produce water and what the variable costs in terms of power, fuel and those types of things added and also factored in is the ability for those communities to raise revenue. I think it is fair system. Everybody has the same system in place. There is no mechanism now for some

communities to get more. Some communities that were provided no assistance are now getting assistance, so it is really a change. The old formula was set up so there were a number of things calculated, everything in the book: how long it took for a truck to fill up a tank, how many tanks and what sizes were the tanks in the community, what size the drivers were, how much fuel do you use, how often the trucks were replaced. It became a system that we couldn't calculate. We didn't know if it was fair. Some communities were asking us to change it. Other communities were saying they were being cheated. So this is a new system. People can understand it. It is fair across the board, Mr. Speaker. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Oral questions. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

**Question 300-15(5): Construction Of Mackenzie Valley Highway**

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, the construction of a highway down the Mackenzie Valley would benefit everyone. It would benefit all those living down the valley. It would benefit contractors. The contractors in the Northwest Territories have the capacity to build a highway like this. It would have them all work. I would like to ask the Minister of Transportation if the department keeps an open file on the cost of a Mackenzie Valley highway. Thank you.

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

**Return To Question 300-15(5): Construction Of Mackenzie Valley Highway**

**HON. KEVIN MENICOCHÉ:** Thank you, Mr. Speaker. The Mackenzie Valley highway is part of our Highway Strategy of the Northwest Territories. We did submit a proposal to the federal government. It is called, Connecting Canada: Coast to Coast to Coast. In 2006, I believe it was, in the spring, it was estimated at \$700 million at that time. Over the years, we have consistently approached the federal government time and time again providing them proposals of our strategy. In fact, it was August of last year the Premier had the support of all the Premiers across Canada to include new northern roads as part of the National Transportation Strategy and continue to press the matter. Even with that support, the federal government refused to give us any new dollars for new road construction of which they are responsible, Mr. Speaker. Mahsi.

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

**Supplementary To Question 300-15(5): Construction Of Mackenzie Valley Highway**

**MR. MCLEOD:** Thank you very much, Mr. Speaker. One of the main users of the highway, if it is built, would be industry, the oil and gas industry, the diamond industry. Has industry ever been approached about contributing to a highway system? Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Mr. Menicoche.

**Further Return To Question 300-15(5): Construction Of Mackenzie Valley Highway**

**HON. KEVIN MENICOCHÉ:** Thank you, Mr. Speaker. Industry has been approached, particularly in the Sahtu experiences that we don't really call them like tolls but they know the conditions of winter roads and they gladly agreed to contribute to the upkeep and maintenance of those roads. But we have had discussions in the past with industry, particularly with the Mackenzie Valley all-weather roads and the Connecting Canada: Coast to Coast to Coast makes reference to a toll system to help contribute or build the new Mackenzie Valley highway. Mahsi.

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

**Supplementary To Question 300-15(5): Construction Of Mackenzie Valley Highway**

**MR. MCLEOD:** Thank you, Mr. Speaker. I understand the Minister said that it was the federal government's responsibility. We are not getting the answers that we should be getting from the federal government. We should be putting more pressure on them. Will the Minister commit his department to submitting to the Regular Members' cost for the highway? Has a route been chosen? Would the Minister commit his department into providing us with that information so we can see some planning starting today, Mr. Speaker? Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Mr. Menicoché.

**Further Return To Question 300-15(5): Construction Of Mackenzie Valley Highway**

**HON. KEVIN MENICOCHÉ:** Thank you, Mr. Speaker. I can commit to get as much detail as the Member requests, because we do have a Mackenzie Valley corridor study that was done. Of course, there would be the final document, but there is a corridor that was selected and picked out. I can share that with the Member once I get it, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Menicoché. Oral questions. The honourable Member for Monfwi, Mr. Lafferty.

**Question 301-15(5): Ambulance Service In Gameti**

**MR. LAFFERTY:** Mahsi, Mr. Speaker. Mr. Speaker, as I spoke earlier about the need for ambulance service vehicles in Gameti, the one we have is very outdated. In the community, there is a need for up-to-date emergency vehicle in the community. I would like to ask the Minister of Health what criteria or standards does the Department of Health have in place for the safe operation condition of emergency service vehicles? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Lafferty. The honourable Minister of Health and Social Services, Mr. Roland.

**Return To Question 301-15(5): Ambulance Service In Gameti**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the issue of ground ambulance services in our communities is something that has come up on a number

of occasions in this Assembly. In fact, we have, along with the Department of Municipal and Community Affairs, been working on how we can improve the services more consistently across our communities. Right now, we have a number of different avenues of trying to address that issue. In some communities in our health centres, they do have vehicles that can be used for ambulances. In other communities, we have contracts in place with either the aboriginal government, the community, band, or a development corporation to supply a vehicle on an as-needed basis or in communities, for example, here in Yellowknife or a number of other communities through their municipalities. So we have a number of areas we work with communities on. The actual criteria, I will have to get that information for the Member. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Roland. Supplementary, Mr. Lafferty.

**Supplementary To Question 301-15(5): Ambulance Service In Gameti**

**MR. LAFFERTY:** Mahsi, Mr. Speaker. Mr. Speaker, in isolated communities, dealing with the lives in our hands, escorting patients to the airstrip and transporting patients in an older vehicle does not make sense. There is a real essential need for updated vehicles in the community. I understand where the department may be working with the local community government whether it be a contract issue, but at the same time, those vehicles are always busy as well. If there is an emergency, then there will be a crisis in the community. Mr. Speaker, I would like to ask the Minister, given the outdated ambulance service vehicle in Gameti -- the vehicle that I am specifically talking about is 10-plus years old, what is the department's plan with respect to replacing this vehicle with a new standard to date? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Mr. Roland.

**Further Return To Question 301-15(5): Ambulance Service In Gameti**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, the Member is correct; in Gameti, the vehicle there is an older one. It does belong to the Tlicho Nation in Gameti. That is who we have our contract with or it is on a case-by-case basis that we use that vehicle. We are sitting down to formally go over the contract. At that time, we can stipulate the type of vehicle we would like and, in fact, when an emergency is in place, request that we get first use of that. That is part of the language that can go into a contract. So we will look at that area. Thank you, Mr. Speaker.

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

**Supplementary To Question 301-15(5): Ambulance Service In Gameti**

**MR. LAFFERTY:** Mahsi, Mr. Speaker. Mr. Speaker, I would like to thank the Minister for his remarks on the ongoing discussion with the Tlicho Nation, especially specifically with the Gameti Community Government on the contract discussion. I would like to share from the Minister, when can we expect to see some changes in the community of Gameti with respect to the contract that he has outlined? Mahsi.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Mr. Roland.

**Further Return To Question 301-15(5): Ambulance Service In Gameti**

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, I don't have an actual timeline, but I will get a hold of the department and get that information and provide it to the Member. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Oral questions. The honourable Member for the Sahtu, Mr. Yakeleya.

**Question 302-15(5): On-The-Land Rehabilitation Programs**

**MR. YAKELEYA:** Thank you, Mr. Speaker. My question is to the Minister of Justice, the Honourable Brendan Bell. I would like to ask the Minister as he is aware that the pilot project has been initiated by his department with the Monfwi and the Sahtu region in terms of justices on the land and the land wilderness program. I want to ask the Minister if he will update the people in the Sahtu and the Northwest Territories as to this wilderness camp program that is used by an elder that has spoken about in my Member's statement about the respect for elders and the use for them in our today's society. Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Minister responsible for Justice, Mr. Bell.

**Return To Question 302-15(5): On-The-Land Rehabilitation Programs**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I can advise the House and the Member that the project is going forward and is under way now as we speak, I understand. It took us some time this season to get this off the ground. We had a very successful response last year. It worked very well. The inmates were involved and I think highly valued the experience. So we had some great feedback. I very much want to conduct it again this year. We had some difficulty finding prospective clients, Mr. Speaker, but we have been able to do that now, I understand, and are moving forward. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Mr. Yakeleya.

**Supplementary To Question 302-15(5): On-The-Land Rehabilitation Programs**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, the elders have given us some direction in terms of how to correct things in our life, and by taking us out on the land is one powerful way the teachers have given us. We should try to use this type of philosophy and belief into today's society such as the institution of corrections. I will ask the Minister in terms of how much flexibility can he give in terms of encouraging the inmates who are in these institutions to take advantage of going on the land? I know sometimes policy prevents us. Regulations bar us from going into these types of healing programs. Can the Minister meet with the community, meet with his officials to say let's make this the goal. It is, again, strong, forward thinking and good leadership on behalf of his department to make it happen in the views of the aboriginal people. Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Mr. Bell.

**Further Return To Question 302-15(5): On-The-Land Rehabilitation Programs**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I want to let the Member know, and Members of the House know, that philosophically we absolutely agree that where we can, it makes a lot of sense to have inmates on the land healing, Mr. Speaker, at times making amends to the community that they may have wronged. I think that's an important part of reintegration eventually into the community, so this is very important. We do have to be flexible, but we have to recognize that there are a couple of criteria that are important: The inmates in the institution have to want to and be prepared to go out on the land; and, two, they have to be a suitable security risk both to themselves and to the camp operators. When those criteria, Mr. Speaker, are met, I think it's in all of our interests to do what we can to get these people out on the land.

It has been a very good program. It is one that we want to replicate in other regions. We are working very closely in the Ticho region to try to do similar. I think it will be well received there, as well, Mr. Speaker. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Final supplementary, Mr. Yakeleya.

**Supplementary To Question 302-15(5): On-The-Land Rehabilitation Programs**

**MR. YAKELEYA:** Thank you, Mr. Speaker. Mr. Speaker, I certainly have given my support to the Minister in terms of his initiative and getting his department to undertake this huge, historical groundbreaking initiative such as putting inmates on the land. However, I would like to ask the Minister again to look at the program in terms of the aftercare programs. Inmates who are in these institutions, a lot of them have contributed to the alcohol abuse. It has contributed to their crimes and that's why they're in the institutions. I'd like to ask the Minister if he would support a strong aftercare program, wilderness program. I think inmates do want to go providing that there is opportunity for them to attend. So again I would like to ask the Minister that question. Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Mr. Bell.

**Further Return To Question 302-15(5): On-The-Land Rehabilitation Programs**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I think we can do that. I think that what we can do more of is having information sessions, Mr. Speaker, with inmates who are in our institutions to help them understand what kind of programming would be available to them on the land. I think it's very important. Again, as I indicated, inmates have to want to go, but I do think that many of them would want to go if they fully understand what is offered and what is available. There are, obviously, some expectations of these inmates and it is a commitment and it can be gruelling. It can be difficult to sit down and come to grips with many of these issues that have been suppressed for some time, but there's a lot of value in doing it. I think, Mr. Speaker, we should and I certainly will commit to making sure we sit down with inmates in the institutions and brief them exactly on what is available. I hope to be able to do this across the entire territory as we have more of these available in other regions. I think we need to build on this success. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Oral questions. The honourable Member for Great Slave, Mr. Braden.

**Question 303-15(5): Caribou Management Decisions**

**MR. BRADEN:** Thank you, Mr. Speaker. My question this morning will be for Mr. Bell, as the Minister for Industry, Tourism and Investment, and the department responsible for licensing tourism operations of all kinds across the NWT; as well, the agency responsible for assisting, developing and promoting our tourism industry and, of course, that includes the sports hunting industry in the NWT.

Mr. Speaker, we have been looking at the issues regarding the decisions that our governments and our regulators make, the decisions that we make based on the information that we get. As a very brief illustration of some of the frustrations that outfitters have been facing, Mr. Speaker, I present a bit of information about tags that have been allotted to an outfitter. This particular outfitter has two licences. In June of this year, Mr. Speaker, he was told he had 264 tags to sell. In December, that went down to 70. On January 8<sup>th</sup>, it was 205. On January 20<sup>th</sup>, it was 150. On January 29<sup>th</sup>, it was 166, Mr. Speaker. How the heck do you run a business when the government is playing such up and down, back and forth numbers with your resource?

Mr. Speaker, when did the Minister of ITI learn that his counterparts in Environment and Natural Resources were recommending, in effect, the elimination of the industry when they told the Wekeezhii board on December 15<sup>th</sup> that the caribou tags should be reduced to 350, Mr. Speaker?

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bell.

**Return To Question 303-15(5): Caribou Management Decisions**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. I want to make sure that Members of the House know that, as Minister McLeod has indicated, ITI was aware the survey results had come in and that the numbers were much lower, I think, than anticipated. In late November, we were advised that the survey numbers had come back and, as Minister McLeod has indicated, throughout December we had a policy debate going on between these two departments, and you can see that we had concerns around how this would impact the outfitting industry. There was a disagreement as to the best course of action to proceed on, on a go-forward basis. Mr. Speaker, I think that policy debate is healthy. I think you can see from the division of the departments that this policy debate eventually took place at the Cabinet level. You know that the Premier called a meeting of the two departments to discuss the best way forward and what we've arrived at is a solution that we think strikes the balance between the need for conservation. Clearly, the herd is under pressure, the herds are under pressure, we recognize that; but we had concerns about the outfitting industry. We felt that the proposal of 350 tags would, in effect, be fatal for the industry this year and we're advocating that more time was necessary for the industry and that we'd build a plan for 2008. Obviously, that's what the Minister of ENR has done in asking the Wekeezhii board to come back with recommendations.

Mr. Speaker, there certainly was a coming together of the two departments to debate the best course of action going forward. What we have now is a plan that, I think, although it's not everything the outfitters had desired and wanted, we think allows...builds a bit of a reprieve for the industry while we build a plan for the long term. Thank you.

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

**Supplementary To Question 303-15(5): Caribou Management Decisions**

**MR. BRADEN:** Mr. Speaker, the recommendation is still before the Wekeezhii Renewable Resources Board that the total number of tags available to the outfitting industry is 350. Clearly, the industry is not sustainable at this level. Is the Minister of ITI going to continue to work for these people in the tourism industry to not only prepare something that will get them through this difficult period, but will have a sustainable caribou industry, Mr. Speaker?

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

**Further Return To Question 303-15(5): Caribou Management Decisions**

**HON. BRENDAN BELL:** Mr. Speaker, I think all of us want to ensure that we have a sustainable industry, an outfitting industry as we move forward. The most critical component of that is sustainable caribou herds. Mr. Speaker, we have been working with the Barren-Ground Caribou Outfitters Association. In fact, I met with them prior to the Caribou Summit and indicated that I was prepared to help them develop a plan, an approach and a presentation for the Wekeezhii board, because that's a critical step here. The Wekeezhii board and their public hearing is going to make recommendations that will undoubtedly have a huge impact on the numbers that are eventually allocated to outfitters. It's critical that they come forward with a plan that demonstrates that they believe in conservation and demonstrates that this industry can live side by side a viable caribou herd in the Northwest Territories. We are helping them build that presentation and that plan.

We've also indicated to them as step two we would work with them to talk about assistance and aid for the industry, much the same way we did with the Aurora industry when it was under pressure, Mr. Speaker, we are doing the same with the outfitting industry. Exactly what form that aid will take depends very much on what Wekeezhii board comes back with and the recommendations that they make in terms of sustainable harvest numbers for caribou for 2008. At that point, we'll sit down to talk in detail about what the plan will look like. Thank you.

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

**Supplementary To Question 303-15(5): Caribou Management Decisions**

**MR. BRADEN:** You know, Mr. Speaker, we have to look at this in many different ways. The sustainability of the herds, of course, is paramount. However, I'm looking at management decisions that affect people who have made lifelong investments in the NWT. Mr. Speaker, there's a lot of reliance being placed by the Minister on the case

that the outfitters will have to make before the Wekeezhii board. ENR has already put a recommendation in front of the board, made a strategic recommendation. In fact, Mr. Speaker, ENR has two voting seats on the Wekeezhii Resources Board. Where is the Department of Industry, Tourism and Investment going to be to represent the interests of outfitters and businesses who have made investments based on 20 years of support, regulation and policy that this government has put forward and helped them build their case? Are we going to go to bat for these businesses, for these residents, Mr. Speaker?

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

**Further Return To Question 303-15(5): Caribou Management Decisions**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. As I indicated, we are working very closely and supporting the Barren-Ground Caribou Outfitters Association. I will admit that not every single outfitter has agreed to remain a member of that industry association; there are some divergent views. However, the majority of outfitters are still members of that group and we are very much helping them build their case to take before the Wekeezhii board, because, as we've said and we all acknowledge, what Wekeezhii determines will be critical in terms of what ENR eventually decides. It is the ENR Minister who has the legislative mandate to determine tag allocations. So we will be working with the outfitters to put this plan forward and make sure that their interests are advocated. Thank you.

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

**Question 304-15(5): Action Plan To Address Climate Change**

**MR. HAWKINS:** Thank you, Mr. Speaker. Today in my Members' statement I talked about my concerns about lack of energy plan, Greenhouse Gas Strategy, and my concerns that we've had the lack of identification of our targets and strategy, Mr. Speaker. My first question would be to the Minister of Industry, Tourism and Investment. My question is, has there been any evaluation on the government's energy initiatives in terms of cost saving or energy reduction and usefulness and, if not, will he agree to take on this task to do those evaluations? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bell.

**Return To Question 304-15(5): Action Plan To Address Climate Change**

**HON. BRENDAN BELL:** Mr. Speaker, I can tell Members that we are very much doing that evaluation and we are bringing forward an energy plan that moves together with the companion, the Greenhouse Gas Strategy. The two documents, I think, very much need to be read together and we are looking forward to coming forward in March and having the discussion with Members about the approach. There will be specifics, there will be budget items, there will be projects that are targeted. I think the Members will be very pleased and happy with the work that's been done on the energy plan and I look forward to

a very crucial discussion, as well, with the Minister of ENR and myself coming forward to committee to discuss that.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Mr. Hawkins.

**Supplementary To Question 304-15(5): Action Plan To Address Climate Change**

**MR. HAWKINS:** Thank you, Mr. Speaker. I'm glad to hear that the department is working on a Greenhouse Gas Strategy, but, Mr. Speaker, a lot of this problem requires leadership through its actions. Mr. Speaker, if you don't have actions and you don't identify targets and tools, then what's the point? I want to hear this Minister tell me today that have we identified targets, clear targets, from the GNWT point of view and have we identified compliance tools so we can meet targets with this strategy. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Bell.

**Further Return To Question 304-15(5): Action Plan To Address Climate Change**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. Certainly we don't want to scoop ourselves here and we have yet to get final approval for this plan before Cabinet. We intend to do that. However, I can tell Members that, yes, there are internal GNWT targets proposed in the strategy and we're hoping that that will meet with the support of Members. Thank you.

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

**Supplementary To Question 304-15(5): Action Plan To Address Climate Change**

**MR. HAWKINS:** Thank you, Mr. Speaker. Can the Minister speak to the issue of this energy plan where we're going to address rising costs associated with climate change and emission reductions and has the ministry changed their plan or target setting with the announcement of the ecoTrust by Prime Minister Harper this week? Thank you.

**MR. SPEAKER:** Thank you, Mr. Hawkins. Mr. Bell.

**Further Return To Question 304-15(5): Action Plan To Address Climate Change**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. We're very encouraged to see the announcement of the ecoTrust. Although we don't have the details yet to understand exactly what the programs will look like and what the criteria will be for accessing those funds, I can tell you that internally we're having discussions about how we approach the federal government, Ministers Lunn and Baird, to make sure that we see some projects that are funded through this initiative.

Yes, there are going to be rising costs. One of the issues that is paramount in this discussion -- and Members will know from the consultation documents -- was the affordability of the options that we're proposing to NWT residents. It's critical that we get a handle on that. I think an energy strategy that didn't propose to address those issues would be severely lacking. We're aware of that. What we're proposing, what we're bringing forward will



recognize and will deal with the issue of affordability. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Oral questions. The honourable Member for Range Lake, Ms. Lee.

**Question 305-15(5): Caribou Management Decisions**

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of ITI and it's with regard to ITI's role in this caribou issue. Mr. Speaker, I must tell you that I have read every e-mail and have talked to the outfitters inside and outside of Yellowknife, and the constituents have come to talk to me. I understand that this is a very complicated issue and we do need to address the caribou herds. Let me just get myself into more trouble by clearly stating that I can see a situation where it is possible for the government to make a decision to eliminate an industry where public interest is warranted. In this case, if the numbers of the caribou are such that and all the other actions were taken, which is questionable, that that industry has to be eliminated by government, it's incumbent on the government to have an implementation strategy that addresses the consequences. I don't see that coming from ITI.

I could tell you that when we met, when the MLAs met with the Premier and the industry on January 3<sup>rd</sup>, there had been no plan or discussion with the Minister of ITI in that regard. I would like to ask the Minister of ITI, on the basis of the information that we have does he see any future for the barren-ground caribou outfitters industry? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Minister responsible for Industry, Tourism and Investment, Mr. Bell.

**Return To Question 305-15(5): Caribou Management Decisions**

**HON. BRENDAN BELL:** We do see a future for the outfitting industry, Mr. Speaker, but we're not so naive as to recognize that the caribou are under immense pressure, and that means that the outfitting industry is going to be under immense pressure. I've said that not only are we working to support the association through the Wekeezhii board process, we are working with the industry to identify options and approaches, depending on what kinds of recommendations come forward for 2008.

I think it would be negligent and naive of us to not recognize that the Wekeezhii board could come forward with a no harvest level is sustainable, and that would really put some serious pressure on the Minister of ENR to make recommendations that see no tags or very few tags. So we've got to talk about industry support and industry aid in the event that happens. I'm hopeful that that won't happen, Mr. Speaker, but we are preparing for it and are presenting options and will be discussing options with the outfitters association. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Supplementary, Ms. Lee.

**Supplementary To Question 305-15(5): Caribou Management Decisions**

**MS. LEE:** Mr. Speaker, I would like to suggest that it is well beyond the time of being hopeful. Mr. Speaker, I

think the Minister is aware, as well as everybody here listening to the Minister of ENR, who is very determined and committed to addressing the caribou herd issue. I think it's quite irresponsible for the Minister of ITI to suggest that he's going to sit around and wait until what happens with Wekeezhii. He's government, he's Minister. The Minister of ENR has said that the quota we're looking at is 350 next year and I'm telling you that will be the end of the industry. It is now incumbent on the Minister to tell us what he is going to do. He mentioned earlier about doing similar things to Aurora industry. What exactly is that and why does he have to wait until Wekeezhii decides? Shouldn't the plan come before the horse is run out of the barn? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Bell.

**Further Return To Question 305-15(5): Caribou Management Decisions**

**HON. BRENDAN BELL:** Mr. Speaker, a number of these questions are hypothetical; we don't know what the Wekeezhii board will determine. Yes, ENR has come forward with a proposed plan. They are taking that out to Wekeezhii who are going to do a public consultation. We are very interested in hearing what the leadership of what the regions affected has to say about this. We're very interested in working with the Barren-Ground Caribou Outfitters Association to come forward and make their case that they play a vital conservation role and can, in fact, help the sustainability of caribou if it's managed in the correct manner, Mr. Speaker.

The Member doesn't need to tell us that 350 tags would be devastating to this industry. We know that and that's why we advocated that there be another plan put in place in the short term, because we were certain that that was going to spell sudden death for the outfitters association and the outfitting industry. That is why we came together with the Premier, we worked on a solution that we think provides the balance between conservation and sustaining this industry; however, we do have to take a long-term approach to this. We do have to have a plan for 2008. We will work on options with the outfitters association, and look at scenarios that talk about what happens if Wekeezhii comes back with a recommendation of very low tags. Thank you.

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

**Supplementary To Question 305-15(5): Caribou Management Decisions**

**MS. LEE:** Thank you, Mr. Speaker. That's a lot of words to say very little, Mr. Speaker. It is very well known that the Minister has burned up his portion of gas flying to Alaska and Washington on behalf of the pipeline industry. He has appeared before the board, before the Joint Review Panel, and various boards to argue on behalf of industry. This is before the industry even is in place. Now we're talking about a demise of an industry and he's talking about waiting until the board's decision, until this happens, that happens, and I think he needs a reality check. We are seeing the end of an industry. Government has made a decision to do that. This is the first test of what could be done with separate jurisdiction of ENR and ITI, and I tell you ENR has done its job and ITI is not pulling up its end of the bargain. So I'd like to know, in very specific terms, what has he done as of

January 3<sup>rd</sup>? Even after the letter had gone to the Wekeezhii board, the Minister didn't even have a meeting on that. There is no plan and he is still saying there's not going to be a plan and he's going to wait to see what's going to happen, and somebody has to tell him that he's facing the end of an industry. Thank you, Mr. Speaker. What is the plan?

**MR. SPEAKER:** Thank you, Ms. Lee. Mr. Bell.

**Further Return To Question 305-15(5): Caribou Management Decisions**

**HON. BRENDAN BELL:** Mr. Speaker, maybe the Member didn't hear me; I could restate the plan. But the plan is to help the outfitters association make their case to the Wekeezhii board. Part two of the plan is to work with them on options and scenarios should the Wekeezhii board come back with a recommendation of very low tags. I'm not sure if the Member is interested in seeing the end of the outfitting industry. That's not what we're advocating for. We want to help support them. Conservation is paramount, we recognize that. We're not denying, as a department, that the herds are under pressure. We agree with ENR that they in fact are. We're trying to find a way that strikes that balance between conservation of these herds which are so critical to the people of the Northwest Territories and the support for the Outfitting Association and industry in general. Thank you, Mr. Speaker.

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

**Question 306-15(5): Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Municipal and Community Affairs and I'd like to ask questions about the New Deal. My Speaker, in my last set of questions, I asked the Minister did he know what the contributing factors were to why Hay River was getting subsidy at the level they were under the previous formula. Does he know what the factors were that justified that level of support? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister of Municipal and Community Affairs, Mr. McLeod.

**Return To Question 306-15(5): Water And Sewer Services Funding**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, my understanding is the extra money that was being provided to the Town of Hay River was under a special arrangement, and I'm not sure if that was related to water and sewer subsidy programs directly, but it was not part of the Water and Sewer Subsidy Program. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Supplementary, Mrs. Groenewegen.

**Supplementary To Question 306-15(5): Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, if that level of contribution to the community has been changed under the New Deal, I think it's important to

look at why Hay River was getting that in the first place, in order to say it's not valid for those reasons to be considered anymore. I'd like the Minister to do that, if he could.

The other thing that the Minister mentioned on Friday was that Hay River had realized a 91 percent increase in funding for these various programs that are now in a formula under the New Deal. I don't think it's fair to mention only Hay River. I think that all communities have seen an increase in their support from MACA through the New Deal. So 90 percent, saying that number in isolation of what the other communities are getting, could be misleading because it sounds like a lot. I'd like to know what kind of range of percentage increase have the other communities in the Northwest Territories realized in the same period. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. McLeod.

**Further Return To Question 306-15(5): Water And Sewer Services Funding**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. We've worked very hard to put tools in the communities for all the different communities to have the ability to deal with taking on a lot of the responsibilities that come with the New Deal initiative. Some of the communities were ahead of the game, especially the tax-based municipalities, and our attempt was to have all the communities on a level playing field so everybody can make decisions on what happens in their communities. There's been a real broad range when you start looking at the different pots of money that were increased and changed, and we've gone from some communities having a negative growth balance to some cases where there's well over 110 percent in the case of Hay River. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Supplementary, Mrs. Groenewegen.

**Supplementary To Question 306-15(5): Water And Sewer Services Funding**

**MRS. GROENEWEGEN:** Thank you for that, Mr. Speaker. I'm a little bit confused, but let's move on to something else.

Mr. Speaker, the Minister has suggested that Hay River should, effectively, rob its other O and M and capital funds to make up for the water/sewer shortfall. I'm not sure if this is what communities had in mind when they heard the words like "flexible, open and transparent" in promotion of the New Deal. Does MACA typically advise community governments to cross-subsidize O and M and capital funds? Is this considered responsible community financial planning by his department? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Mr. McLeod.

**Further Return To Question 306-15(5): Water And Sewer Services Funding**

**HON. MICHAEL MCLEOD:** Thank you. Mr. Speaker, in the old system or the old formula, there was an allowance or requirement for the community to provide a capital reserve or a physical assets budget and start breaking out

a budget line for that amount. In this situation with our new budget, there is no budget line in the Water and Sewer Program for capital. That's taken out. Historically we didn't provide money for capital; we do now. So I'm not sure why there's such a reluctance to use capital money for capital in that budget. We've calculated what Hay River is probably paying for some of the capital. We know it's well in excess of what is being reduced, and the new dollars for capital are double that amount. So I'm not sure why there's such a reluctant to cross-subsidize some of these programs. We have to look at these as one lump of money, Mr. Speaker, it's money for the community, and not to stovepipe these issues. Thank you.

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

**Question 307-15(5): Caribou Sport Hunting Tag Reductions**

**MR. RAMSAY:** Thank you, Mr. Speaker. I want to pick up where I left off with my other questions, and it gets back to caribou numbers and the proposal that went to the Wekeezhii Renewable Resources Board. I want to talk about accountability, Mr. Speaker. From where I stand on this side of the House, somebody has to be accountable as to why the proposal was developed by one department, ENR, to reduce tags for caribou in the North Slave region to 350, and Cabinet fully knows that a reduction by 70 percent, to 350 tags, would, in essence, kill the outfitting industry in the North Slave region. So where's the accountability and when were Regular Members going to be advised of this proposal? Again, we found out third hand and there's something about the accountability. I want to ask the Minister of ENR, how does he define accountability in this regard? Mahsi.

**AN HON. MEMBER:** Good question.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Honourable Minister responsible for Environment and Natural Resources, Mr. McLeod.

**Return To Question 307-15(5): Caribou Sport Hunting Tag Reductions**

**HON. MICHAEL MCLEOD:** Thank you. Mr. Speaker, my responsibility is in the area of environment and natural resources, and the caribou falls under this heading. We've looked at the number of caribou that are out there; we've surveyed the herd; the numbers were questioned; we went back and surveyed the herds again, our numbers came back that there's even less caribou in our survey than we had previously calculated three years prior, and looked at the amount of caribou that were being harvested in this area. Mr. Speaker, there's well over 6,000 caribou being harvested and there is a requirement to start making some decisions. I don't expect my recommendation to be taken lightly by anybody, for that matter, Mr. Speaker, because there is real concern about the effect it's going to have on industry. But we have to recognize that we have a herd that is in trouble. We have a caribou herd that's in trouble. Their numbers are crashing. We have to do what we can. We have to work with the outfitters; we have to work with resident hunters; we have to work with the aboriginal governments to ensure that this herd survives. We've seen this herd crash by 60,000 animals in the last three years, Mr. Speaker. We have to do a lot more, including non-hunting

zones. We'll have to look at some of the ice roads where we limit hunting or else cancel hunting during certain times of the year. There's a number of things we have to do, Mr. Speaker, and I think that's being accountable, Mr. Speaker.

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

**Supplementary To Question 307-15(5): Caribou Sport Hunting Tag Reductions**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, I just think the way it was all played out, obviously Cabinet to have made a decision or was advised, and if they weren't advised of the reduction to 350 tags, then something's amiss, Mr. Speaker, because we weren't advised. I'd like to know when Cabinet was advised of a reduction to 350 tags. The fact of the matter is, a reduction of that amount would spell the end of a multi-million dollar tourism industry here in the Northwest Territories and we didn't even have the pleasure of being advised of that by the Minister or by anybody in Cabinet. If they made the decision, I think somebody has to be accountable for it. Mahsi. So I'd like to ask the Minister that question. Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. McLeod.

**Further Return To Question 307-15(5): Caribou Sport Hunting Tag Reductions**

**HON. MICHAEL MCLEOD:** Mr. Speaker, I'm surprised the Member said he didn't know what was going on. The Minister-of-the-day stood up in this House and indicated there was going to be reductions in February of last year. Those numbers were looked at and the survey was done this summer. The Minister's statement indicated that if there were further reductions to the quota, to the herd surveys, we would have to cut the numbers further. We brought all those numbers forward for discussion and looked at what we needed to do. We've also looked at what other harvesters are out there who are taking animals. We have taken some initiative in those areas. The resident hunts, for example, we've reduced those numbers. We've cut out the meat tags for some of the aboriginal groups that were out there.

So there are a number of other things we factored in here. It's not only been focussed on the outfitters. I think we've done our part. We've calculated the numbers. We've announced it in the House. We've provided that information to the outfitters, but, Mr. Speaker, I don't think anybody who is...Mr. Speaker, I am sure some people are not going to accept these numbers. Thank you, Mr. Speaker.

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

**Supplementary To Question 307-15(5): Caribou Sport Hunting Tag Reductions**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, I do know and I was advised in the past of declining numbers of the Bathurst caribou herd. No question about that. But I don't understand, and again I fail to understand, how it is we can manage a resource not knowing all the parameters. We don't know the numbers of the Ahiaik. We don't know the numbers of the Qamanirjuaq and they all

intermingle in the North Slave region. So how do you manage a resource not knowing all the numbers? I've asked the question the other day in the House, and I will ask it again, what is the total number of caribou in the Northwest Territories? I think it's a legitimate question and it has to be answered. Mahsi.

---Applause

**MR. SPEAKER:** Thank you, Mr. Ramsay. Mr. McLeod.

**Further Return To Question 307-15(5): Caribou Sport Hunting Tag Reductions**

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. I indicated before that we just recently conducted a survey. We know the three Bluenose herds and the Bathurst herds and the Beverly herds are surveyed. We have those numbers. We are planning to do the Beverly next year, the Qamanirjuaq is something we don't have in the plans to do right now. The Ahiak herd is another herd that we don't have any plans to survey. Mr. Speaker, those two herds that I mentioned are in another jurisdiction. We have our own estimates. I have my estimates that we have looked at and we know that all this information is out there in the public. The herds we haven't surveyed we estimate have dropped by 50 percent, as have other herds. Mr. Speaker, we don't have the resources to go out and survey all the herds. There is a plan through the International Polar Year that we will start looking at calving grounds and have all the calving grounds assessed over the next five years. That's probably going to help us in terms of resource development. Mr. Speaker, it's difficult to provide information when a lot of times the herds are in other jurisdictions. We need cooperation and there have to be resources identified to do that.

The herds we are talking about, the Bathurst herd, we are confident in the numbers. We've surveyed them twice. We know what the numbers are and that's the herd we are targeting. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Oral questions. The honourable Member for Great Slave, Mr. Braden.

**Question 308-15(5): Caribou Sport Hunting Tag Reductions**

**MR. BRADEN:** Thank you, Mr. Speaker. I would like to ask a question of the Minister of Industry, Tourism and Investment and it relates to the Tourist Deposit Assurance Program and the potential exposure that this program has in relation to caribou tags that have been sold by outfitters. Mr. Speaker, very late in December, well into the sale season for selling sports hunts, the government decided that 750 tags would be the limit. I want to know, Mr. Speaker, up to that time, caribou outfitters had anticipated that more...or they had been told that more tags would be available. Mr. Speaker, I want to know did sport hunting businesses, in good faith, actually end up selling more tags than the government has decided to make available and what is the impact on the Tourism Deposit Assurance Program if those deposits cannot be returned, Mr. Speaker?

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

**Return To Question 308-15(5): Caribou Sport Hunting Tag Reductions**

**HON. BRENDAN BELL:** Mr. Speaker, it's my understanding that the Department of ENR consulted with the outfitters to get a handle and an estimate on the number of tags that had been sold in December. The number that they were given, to my understanding, was 727. I think that's one of the significant factors in having the government arrive at a figure of 750. I do believe, though, that some outfitters have gone out and continued to sell tags, Mr. Speaker. So we potentially do have some questions that would impact on the TDAP program. Mr. Speaker, we will deal with those on a case-by-case basis. Thank you.

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

**Supplementary To Question 308-15(5): Caribou Sport Hunting Tag Reductions**

**MR. BRADEN:** Thank you, Mr. Speaker. Of course, not only do we have a collective 750 tags among the 10 licensed outfitters, but they are individual and independent quotas. Mr. Speaker, how is the department managing the allocation of those tags that may not have been used to the fullest allotment by each outfitter? Is there a pool system? Is there some turnover going here? Are some outfitters, if they potentially oversold, potentially going to be penalized, Mr. Speaker?

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

**Further Return To Question 308-15(5): Caribou Sport Hunting Tag Reductions**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. As the Members know, the allocation is done by ENR. ENR proposed, I understand, a couple of possibilities to the outfitters and eventually determined that the best solution was to come up with an equal number of tags be allocated to each of the outfitters, then a pool created for unsold tags or unused tags. If by a certain date, I understand, an outfitter hasn't used all those tags, they would go into the pool to be accessed by other outfitters. Thank you, Mr. Speaker.

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

**Supplementary To Question 308-15(5): Caribou Sport Hunting Tag Reductions**

**MR. BRADEN:** Thank you, Mr. Speaker. What kind of deadlines or timing has been placed on that pool allocation or that final assortment of who gets which tags for the 2007 season, Mr. Speaker?

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

**Further Return To Question 308-15(5): Caribou Sport Hunting Tag Reductions**

**HON. BRENDAN BELL:** Thank you, Mr. Speaker. The Minister of ENR advises me that the cut-off date will be May 15<sup>th</sup>, so tags that are unsold or unused by May 15<sup>th</sup> will go into the pool to be accessed by other outfitters. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Bell. Time for question period has expired. Written questions. The honourable Member for Range Lake, Ms. Lee.

#### ITEM 7: WRITTEN QUESTIONS

##### Written Question 43-15(5): Actions In Response To Caribou Tag Reductions

**MS. LEE:** Thank you, Mr. Speaker. My question is for the Minister of Industry, Tourism and Investment.

1. Please provide, in detail, information on what actions the Minister of Industry, Tourism and Investment has taken for the benefit of the barren-ground caribou outfitters industry from the time he was aware of the fact that the barren-ground caribou tags would be reduced to 750 for the year until today, February 13, 2007.
2. Please provide the details of the action plan, including financial contributions, if any, the department has developed in response to the ENR Minister's final decision as stated in the House to reduce the number of tags allocated for this year to 750 and for next year to 350.

**MR. SPEAKER:** Thank you, Ms. Lee. Written questions. The honourable Member for Hay River South, Mrs. Groenewegen.

##### Written Question 44-15(5): Municipal Funding Under The New Deal

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. My question is for the Minister of Municipal and Community Affairs.

1. Please provide information on the increase/decrease of accumulated community financial support for each of the 33 communities in the NWT under the New Deal.
2. Could the Minister please define how "communities' ability to raise revenue" is determined?
3. Please provide the cost of trucked water and sewer services as billed to consumers of these services for each of the 33 communities in the NWT.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. Written questions. The honourable Member for Great Slave, Mr. Braden.

##### Written Question 45-15(5): Complaints Filed Against Subsidized Housing Tenants

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

How many complaints since April 1, 2006, have been brought by landlords against tenants in subsidized housing, related to the lack of income/economic rent information provided by Education, Culture and Employment Income Support Program to housing authorities?

**MR. SPEAKER:** Thank you, Mr. Braden. Written questions. The honourable Member for Sahtu, Mr. Yakeleya.

##### Written Question 46-15(5): Outfitter Compensation

**MR. YAKELEYA:** Thank you, Mr. Speaker. My question is for the Minister of Industry, Tourism and Investment.

1. How many Sahtu Dene or Metis guides/employees were hired in the past five years by outfitters working in the Sahtu region?
2. What is the amount of financial loss in the Sahtu due to the Sahtu decision to the caribou hunting?
3. Will the aboriginal hunting be considered in all decisions that will impact the outfitters?
4. What information is the government reviewing in order to determine possible compensation for outfitters because of the reductions of caribou permits?
5. What are the precedents in the NWT for government compensation of an industry?
6. What are the factors that would affect the amount of compensation? In what form would compensation be made to the outfitters?
7. Is the government investigating maintaining the outfitting industry or on retraining the outfitters?
8. The outfitting industry employs over 300 people. Will compensation be available to the employees as well as the owners of the outfitting companies?

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Written questions. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

##### Written Question 47-15(5): Resource Development Royalties

**MR. MCLEOD:** Thank you, Mr. Speaker. My question is for the Premier.

Can you provide a summary of the amount of money from resource royalties taken from the Northwest Territories by the federal government in the past 20 years?

**MR. SPEAKER:** Thank you, Mr. McLeod. Written questions. Returns to written questions. The honourable Member for Nahendeh, Mr. Menicoche.

**HON. KEVIN MENICOCHÉ:** Thank you, Mr. Speaker. I seek unanimous consent to return to item 5, recognition of visitors in the gallery.

**MR. SPEAKER:** The Member is seeking unanimous consent to return to item 5, recognition of visitors in the gallery. Are there any nays? There are no nays. You may return to item 5, recognition of visitors in the gallery. The honourable Member for Nahendeh, Mr. Menicoche.

##### REVERT TO ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

**HON. KEVIN MENICOCHÉ:** Thank you, Mr. Speaker. Thank you very much, colleagues. I would like to recognize from my Nahendeh riding, Mr. Jo-Jo Gargan and Mr. Michael Lafferty. Thank you. Mahsi.

---Applause

**MR. SPEAKER:** Thank you, Mr. Menicoche. Recognition of visitors in the gallery. Replies to budget address. Petitions. Reports of committees on the review of bills. Tabling of documents. The honourable Minister of Finance, Mr. Roland.

#### ITEM 12: TABLING OF DOCUMENTS

##### Tabled Document 90-15(5): GNWT's Response To The Report On Pre-Budget Consultation

**HON. FLOYD ROLAND:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled GNWT's Response to the Report on Pre-Budget Consultation.

---Applause

**MR. SPEAKER:** Thank you, Mr. Roland. Tabling of documents. Notices of motions. Notices of motion for first reading of bills. First reading of bills. Second reading of bills. Consideration in Committee of the Whole of bills and other matters: Bill 18, Bill 19, Bill 21, Committee Report 7-15(5), Committee Report 8-15(5) and Committee Report 9-15(5), with Mrs. Groenewegen in the chair.

#### ITEM 17: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

**CHAIRMAN (Mrs. Groenewegen):** I will call Committee of the Whole to order. It's quarter to one. Is it quarter to one? What is the wish of the committee? Mr. Lafferty.

**MR. LAFFERTY:** Mahsi, Madam Chair. Madam Chair, the committee wishes to consider Bill 21, Appropriation Act, 2007-2008, specifically the NWT Housing Corporation. Mahsi.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Lafferty. Is the committee agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed. We will resume Committee of the Whole after a brief break.

---SHORT RECESS

**CHAIRPERSON (Mrs. Groenewegen):** I'm going to call Committee of the Whole back to order. When we adjourned yesterday, we were dealing with the NWT Housing Corporation. At this time I'd like to ask the Minister, Premier Joe Handley, if he would like to bring witnesses into the Chamber today. Mr. Handley.

**HON. JOE HANDLEY:** Yes, Madam Chair.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed. Thank you. I'll ask the Sergeant-at-Arms to please escort the witnesses to the table.

We left off on general comments. Mr. Handley, again for the record, could you please indicate who your witnesses are? Mr. Handley.

**HON. JOE HANDLEY:** Thank you, Madam Chair. With me are Jeff Polakoff, president of the Housing Corporation, and Jeff Anderson, the chief financial officer.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. Thank you, Mr. Handley. Under general comments, then, I have Mr. Pokiak.

**MR. POKIAK:** Thank you, Madam Chair. Just a quick few comments to make in regard to the Minister's opening comments yesterday. I had a chance to look at the Hansard and I think my questions or my concerns are going to relate to I know the Minister is working with the Minister of MACA with regard to developing lots in the communities. One particular community I was kind of concerned of is in regard to Tuktoyaktuk because, as we all know, it's a long distance to haul gravel. We don't have the gravel necessary to develop the lots that are identified for units. I'd just like to ask the Minister, where is the department now with regard to identifying lot availability in the communities, especially in the Nunakput riding? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. We have secured a deed for 2006-2007 and are now working on lot identification and agreements for 2007-2008. In fact, the regional superintendent was just in Tuk a few days ago. Thank you.

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

**MR. POKIAK:** Yes, just in that regard, I'm just wondering, can he be more specific, I guess, in regard to the agreements he's talking about, about the regional director going down to the community? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. I didn't really hear the question. Is it when he was there?

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Handley. Could you repeat the question, Mr. Pokiak?

**MR. POKIAK:** Yes, thank you, Madam Chair. I'd like to ask the Minister when the regional director went down to Tuktoyaktuk or to my riding of Nunakput, I wonder, can you tell exactly what was discussed at these meetings with regard to land and development? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. The district director, Franklin Carpenter, went into Tuk not that many days ago. He was there discussing primarily the affordable housing initiative, land development or land identification, and I expect at the same time he would have dealt with other issues that people would have raised. I don't have any notes from him on exactly what was discussed. Thank you.

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

**MR. POKIAK:** Thank you, Madam Chair. Can I get the Minister to provide that information once he's got information from Franklin Carpenter? Thank you. ... (inaudible)... Yes, thank you, Madam Chair. I'd also like to ask the Minister, I'm looking at numbers here, if I read it correctly, there will be a total of 258 units for the next year or so. Is that correct?

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. Yes, I will ask the district director to provide us some notes from that meeting and provide it to the Member. Second question; yes, there's 168 units planned for 2007-2008. There was 185 last year, and then the balance will be in 2008-2009. Thank you.

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

**MR. POKIAK:** Thank you. If those units are identified right now and if the community just can't identify the lots' availability, where will those units go? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. Of course our allocation we want to do based on housing need, but if for some reason a community is not able to identify land, then rather than risk losing the units altogether or the money, we would put them first of all somewhere else within the district. Failing that, then we would put the units somewhere in the Territories. Madam Chair, we can flow the money from one year to the next. So if we couldn't find lots for 2007-2008, it's always possible to do it the following year as long as we had some assurance there were going to be lots. We don't want, though, to end up in a situation where we're deferring half the program to the last year, otherwise for sure we will be sending the wrong message. Thank you.

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

**MR. POKIAK:** Thank you, Madam Chair. That's all I have for now. Thank you very much.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Pokiak. Okay. We're going to switch chairs here. Is there anybody else under general comments before we do that? Okay.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I have a few general comments with respect to the NWT Housing Corporation. A long-outstanding issue, and I don't sit on the Social Programs committee so I don't know if it's been identified or addressed, but a long-outstanding issue that's been talked about ever since the rent scale was introduced in the 13<sup>th</sup> Assembly that introduced the concept of zero rent for seniors in public housing. Ever since that occurred there has been a philosophical debate as to the fairness of that program in view of the cost to seniors who live independently in their own homes and the relatively small amount of support available to them.

The other thing that you can compare that free rent to is not just seniors living in their own independent homes, but also the fact that if they go into a care facility in the Northwest Territories where they are provided even a minimal amount of care, that they are, and reasonably, I think, expected to pay between \$700 and \$800 a month for that care that they receive. So there are gaps and inconsistencies in how seniors are treated and it causes a lot of division. Understanding that perhaps in some of the smaller more remote communities not a lot of seniors live in their own privately owned homes, but in the market communities it does become an issue.

I guess I don't really have the answer or solution to that inconsistency, but I hope that the Housing Corporation is turning their mind to how they can just make it a more fair process and how they would be able to give ample and adequate advance notice to seniors who have decided to partake in the Public Housing Program and who are receiving free rent and were counting on that. Now if the rules are going to be changed, I just think it's good to give everybody as much advance notice as possible.

On the subject of the affordable housing allocations, again, I would just hope that the Housing Corporation has put some thought and consideration when they're allocating those units to the issue of need as opposed to just doing it on a so many units per community no matter what. Because I think in this House, at least, we all represent very different communities and I think there's a pretty sound consensus that not all communities have the same degree of need for more housing as might another. So I think the Housing Corporation needs to be alive to that fact and allocate housing units on that basis.

Something that I still find a little bit curious is the reoccurring advertisement in the Yellowknife newspapers every week advertising subsidized housing through the housing authorities. There's a little disclaimer in brackets at the bottom and it says this is not an ad intended to solicit tenants. I don't know why that disclaimer is there. Maybe it was something that was raised by the private sector landlords or something. But it said it's for information purposes. Anyway, I just find it... You would think that people who were in need of support in housing would have their names on lists and it just seems... The message I get from that is that there's an overabundance of public housing units if it's necessary to spend money every week to advertise that there's subsidized housing available. That's the message that I get from it.

The other thing I just wanted to mention was that when in the budget you talk about the replacement of existing social housing inventory, I'd like to know what the process is going to be for disposing of. Now, in some instances it may be demolition of existing housing, but I think in other cases there's probably some market or economic value left to those units. So if you're going to replace a group of units, I think it's fair and, again, appropriate that people in the community would know by what process you're going to dispose of those and that it should be a very open and transparent process for the disposal of those government assets or those Housing Corporation assets.

So those are just some of the things that I wanted to touch on during general comments. Thank you.

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. I'll try to be brief on the three main issues that I heard. First of all, on the situation where seniors currently enjoy fully subsidized houses even though they may have sold their own private home and have a large bank account and similar kind of situations is a policy that was set a long time ago and it was not, at that time, contemplated that we'd have this situation where you have an increasing number of seniors who own homes and are getting into this kind of thing. Mr. Chairman, there's probably a good reason, a good example of why we wanted to consolidate our subsidies so we can make some sense out of it, because one department is doing one thing and someone else is doing another. So this issue falls more with ECE right now. The Housing Corporation is working with ECE. We have heard the message from the Social Programs and from other MLAs saying, well, we don't quite like what's going on here. We, working with ECE, will be bringing forward something for consideration that says here's a better way of handling this kind of situation, because there has to be some way of taking into account a situation where there's a large amount of assets that someone has. Even though they may not have a steady stream of income, they still could have a million dollars in the bank. So that one is an issue. That's one we're looking at with ECE.

The second one, I haven't seen the ads from the LHOs advertising subsidized housing, but I'm told they are out there. What the LHOs are trying to do is to help people to know that there are other avenues for them, that there is affordable housing out there, there is a concern about people in inadequate housing. They're not trying to advertise for more clients, they're just trying to make sure that everybody knows. I think the exercise of consolidating and streamlining our programs will make it more understandable for people to follow what support is available to them.

Judging by the number of calls I get to my office, there are a lot of people out there who are just not familiar with what the programs are and how they access them and who's eligible and so on. That's the second one.

Third issue raised by the Member was in regard to disposal of public housing units that are no longer required. Most often we want to use the land, so we would like to have them moved. If we need the land, we want them moved. We will make the unit available to the community and members in the community first on conditions that it's not going to end up back in our inventory through some other way. We don't want the unit back if we're demolishing it. So first of all it will be sold. People may have taken them out of the community and use them on the land or use them somewhere else, or they may even decide to retrofit them themselves. Failing that, then we would demolish the units and have someone in the community contracted to do that. Thank you.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I just want to go back to the whole seniors thing again because I was being extremely careful as I was portraying that situation because I don't, like I said, I am not prescribing the solution to this, I am just identifying it again as an issue. The Premier got into the detail of means testing and whether people have the resources to live on their own. That's a very touchy, controversial subject and I didn't go

there and I don't really want to go there. All I'm saying is that when you have senior A living here, totally taking care of themselves in their own independent home and getting relatively little support from this government, that's one type of senior constituent out there. Then there could be another person living in zero-cost housing, and then again I brought up the issue of the assisted living situations we have in some of our care facilities where, again, seniors are expected to contribute to the cost of their living through a fee that is between \$700 and \$800. All I am saying is that I think the system just has to be fair and has to seem to be fair and everybody should know what the rules are. Like I said, I think that is something that needs to be arrived at in consultation with the seniors themselves and just making note that it has caused some division in communities. Some seniors are very proud and they take great pride up into their very late years in their own home independently. It would be nice if there was some way of just levelling it a bit so they can get a little bit of support to continue to do that while, at the same time, maybe there would be some nominal kind of amount that everybody could contribute to the fund that would help do that.

The awareness campaign, I agree; people should be made aware that there is the possibility...Oh, sorry. My time is up, but I will just finish off this thought. There is an element, there is a requirement I think on the part of the Housing Corporation to create awareness and the LHOs to create awareness about what is available to people in the communities. Putting in something that looks like an ad on a classified page under a category called "for rent" I don't think is the only way you can create that awareness. It is one place, but I don't think it is the most appropriate place. There are opportunities for referrals to social housing offices, things like that.

Just to the last point where the Premier responded with respect to the disposal of no longer required inventory or inventory that is being replaced, I think that in some communities you may find there is new land to build on and that it wouldn't be economic to move units off the existing lots. It just wouldn't make sense for anybody. When you say made available to the community, I don't know exactly what that means, but I think that there may be a process similar to Crown assets disposal or disposal of any government asset that would be just an open, competitive, transparent process where units would be advertised and put on the open market could be sold or they could be offered to the tenant that is occupying them now that is a public housing client. There are various ways it could be done. I just want to ensure that it is going to be very fair and transparent. I don't think it is always going to be viable to move units off because there may be land readily available developed in some of the communities. Thank you, Mr. Chair.

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

**HON. JOE HANDLEY:** Thank you, Mr. Chair. I realize the issue around senior subsidies is always a touchy one. It is one, though, that we have to face straight up because there are an increasing number of people who will retire in the North because of the benefits we have in the North, whether it is health care, education, housing or whatever that may be, so we have to look at how can we level that playing field. I agree with Mrs. Groenewegen; it has to be a level playing field that is fair to everybody. So that one we will continue to work with ECE.



With the LHO ads, I agree the newspaper is fine for some things, but there are other ways of advertising. We do have a website. I think we just launched today or yesterday on a new program consolidation. We will do some newspaper ads. We have some brochures going out, and the Housing Corporation is also doing community visits on the new consolidated housing choices.

On the third one, getting rid of the old public housing units, you almost have to look at each case by case. In some situations, those units occupy prime pieces of land right in the middle of the community. The communities all want to have a nice looking community, a community that has a core to it, not boarded up houses, so they often want it moved. We will consult with the communities before we would ever move into them or sell them or whatever would happen. So that one is more a case of having to almost look at each case by case and deal with the local leaders. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. I don't have anybody on the list for general comments.

Before we go any further, I just wanted to make mention, I know we have a number of visitors in the gallery with us here this afternoon. Just for your information, we are on designated budget days which means we sit from 11:00 a.m. to 6:00 p.m. Tuesday, Wednesday and Thursday, thus us being in Committee of the Whole while you are in attendance. I would like to start off with recognizing the Western Arctic Aboriginal Headstart Council that is with us in the gallery. They are here to celebrate the Western Arctic Aboriginal Headstart, 10 years of Aboriginal Headstart in the Northwest Territories, 1996 to 2006. That is an evaluation booklet. The booklet will be launched tomorrow, February 14<sup>th</sup>, at 12:30 p.m. in the Great Hall of the Legislative Assembly. All are welcome to attend. With us this afternoon we have Julie Anne Blake from Fort McPherson;

---Applause

Clara Elias from Inuvik;

---Applause

Ed Hunter from Fort Smith;

---Applause

Joyce Villeneuve from Fort Providence, the Deh Cho region;

---Applause

Nancy Lefleur from the Deh Cho region;

---Applause

Leonie Vermillion from the Deh Cho region;

---Applause

Ms. Reanna Erasmus from Ndilo;

---Applause

Marjorie Matheson Maund from Behchoko;

---Applause

Marlyss Richardson from Behchoko;

---Applause

Louise Richardson, also from Behchoko;

---Applause

Liz Cayen from Inuvik;

---Applause

and the principal researcher, Dr. Jennifer Chalmers.

---Applause

Welcome. Also I noticed in the gallery, we have town councillor from Hay River, Mr. Kevin Wallington. Welcome.

---Applause

Anyone I have missed, welcome to our proceedings this afternoon. It is always nice to have a gallery. Mahsi.

---Applause

So we will now move on to the Housing Corporation detail. If I could suggest, we will defer to the end of the corporate summary located on page 2-149, and we will start if Members want to get their binders ready. We are on page 2-151. That is executive, operations expenditure summary, \$544,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 2-153, planning programs and strategic direction, operations expenditure summary, \$1.659 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 2-155, finance and strategic investments, operations expenditure summary, \$8.037 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 2-156, finance and strategic investments, grants and contributions, contributions, \$4.492 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 2-159, debt repayment, operations expenditure summary, \$12.197 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 2-161, infrastructure development, operations expenditure summary, \$3.777 million

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chair. In this area, we see that this division looks after the support and technical direction related to construction and maintenance of housing units. It is responsible for surveying, inspection, assessment and evaluation of energy efficiency in

construction design. I would like to explore a little bit, Mr. Chair, this notion of energy efficiency in construction design and I guess ask if there is, in summary, Mr. Chair, in a snapshot form just what kind of initiatives is the Housing Corporation undertaking with today's prices and technology to pursue energy efficiency in the upgrades or new construction that it is undertaking, Mr. Chair?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chair. In a nutshell, there are a number of things we are doing on the building envelope that go from the kinds of insulation, the thickness of insulation, the R value, the windows, the exterior doors, the design of the building itself, airlocks and entryways and so on. We look at that. We look at the mechanical systems. That is the heating system, the boilers. We look at the possibility of areas hybrid kind of hot water heating systems, wood stoves, plumbing fixtures and so on. With electrical systems, we do the same thing. We look at the kind of light bulbs. In other houses, we are piloting things like Conematics and so on.

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

**MR. BRADEN:** Yes, Mr. Chair. I know these are the things the department looks at. I am trying to find out what are you actually doing in terms of adapting or incorporating any or which of these new technologies or priorities are you actually looking at, Mr. Chair? I haven't got my copy with me. Maybe I do. Maybe it is buried here, but looking at the pre-budget consultations that committee undertook in several communities this fall, and the government's response, I recall that there was a lot of attention focussed on the cost of living and running and maintaining a household. One idea that came forward that I thought had fantastic potential environmentally, not only from a cost point of view, is changing some appliances in some of our houses, get it to modern. The new make and models of clothes washing machines, Mr. Chair, use less than half the amount of water. Think of the millions of litres of water that we would save, that we could save on the cost of trucking, process, cleaning and disposing of dirty water, heating it, and all these other things. These are the kinds of innovations that I am wondering if the Housing Corporation is looking at in our approach. That is what I was wondering. What specifically is the Housing Corporation adapting these days to become more energy efficient in our hundreds of units we have across the NWT, Mr. Chair?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chair. We are not only looking at these, we are doing them. First of all, let me say that all of the houses we have now are 2000 or EnerGuide 80, that meet those standards. That is a standard we expect. Of course, homeownership, we advise people. The final decision has to be made by the homeowner themselves, unless we are paying part of the cost. On appliance replacement, yes, we have a continual program of replacing appliances in public housing units to get more energy-efficient newer appliances.

On design and a lot of the other measures we're taking on energy efficiency, we work closely with the Energy Alliance. They work closely with us. They review our

designs. We sit on the board of the Energy Alliance. We contribute I think \$50,000 a year to support that group. We are building multi-family units which are more efficient. We are also, as I have said yesterday, doing the education modules now to help people to live more energy efficiently. There are many things that we are doing. I don't want to give the impression we are just looking at them; we are doing them.

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

**MR. BRADEN:** Thank you, Mr. Chair. That is more the kind of thing that I was looking for. I appreciate the information and the attention that is being paid to this area. I am wondering, Mr. Chair, if this is the appropriate area or maybe the Minister could advise. I wanted to do a bit of follow-up on where we are with the Novel housing opportunity, Mr. Chair. Is this the activity area in which the Housing Corporation is playing this opportunity, Mr. Chair?

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

**HON. JOE HANDLEY:** Mr. Chair, there is no budget line for Novel housing in this budget. We are continuing to negotiate with both Imperial and the federal government on the convertible housing. I had a meeting last week with Minister Solberg on it. But without a federal contribution, then this project is not going to go ahead. It doesn't make economic sense to pursue it further. So there is no budget line in here for Novel housing. I must say that Minister Solberg was very interested, in fact, in the notion, because knowing our housing core needs and the fact that you can get houses that are 30, 40, 50 percent less than a conventional stick-built house might be very attractive to a lot of homeowners that are all over the North, but there is no commitment at this point. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Is there anything further, Mr. Braden?

**MR. BRADEN:** Yes, thank you, Mr. Chair. The opportunity that this concept offers the NWT is an intriguing one and one that I support in relation to our need and what makes sense for us. This is very much where the negotiation, the review and the assessment has to continue. Mr. Chair, I hope it does continue. I know that we are, from what the Minister has told us, kind of in limbo on this one hearing that there is not yet a decision to go ahead with the pipeline or, in fact, award a housing contract to ATCO or from the federal people of just where they are ready to go. It is on that energy side, Mr. Chair, that I had a fairly specific question. With what we know so far of the design and our plans for refurbishing these units, to what standard or standards are we applying for energy efficiency and making sure that we are getting units that have the lowest possible lifecycle cost? Not just the lowest possible, let's get everything installed and open cost, but over the long term, are we really building in the very best technologies that we can to make sure that these are going to be the lowest possible operating cost units, Mr. Chair?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chair. The convertible housing units that we are still considering but without commitment are being built to an R-2000 EnerGuide 80 level to be efficient. So it would be no different in terms of energy efficiency than ones that are built in the communities. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Before I go to our next speaker, I just want to take a second to also recognize the Member for Monfwi's parents who are with us here this afternoon, Mr. Morris and Marie Lafferty. Welcome.

---Applause

I will now go to Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chair. The infrastructure development that I want to speak on is in regards to the energy efficiency and creating self-reliance and healthy life choices in our communities and larger centres. I want to ask the Minister in terms of the concept of helping out with installing in public units and also with homeowners the units, woodstoves that people would go out and get their own wood and put wood into their homes by having that option. Is that something that the department or the Housing Corporation is thinking about in terms of having woodstoves installed in homes or in public units? I know for homeowners, if they ask for it, they probably will get it, but I am talking more because in my region, there are a high number of public units that are used in our communities. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chair, the Member is correct; we install them regularly in homeownership units. There is no issue there. When it comes to public housing units, we have not been putting woodstoves in for a couple of reasons. One is that a lot of the houses were not designed for woodstoves. We are concerned about safety. That has to be a consideration. Sometimes the houses aren't big enough, given the number of people in the house and the size of the house, to safely have a woodstove in it. So we are reluctant to go there. The other is our own assessment, as well, of whether or not people will be able to manage with a woodstove in the house, safety, whether it is seniors or people who may need help in terms of their lifestyle and so on. It is one we'll consider. We pay for all the fuel and if it makes sense, then we'd certainly look at it. Thank you.

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

**MR. YAKELEYA:** Thank you. I recognize the Minister's question in terms of the safety issue and if people are capable of owning and maintaining a woodstove unit in their home. I would like to ask the Minister, has he considered looking at pellet stoves? A little bit different from the wood. Pellet stoves are the wood burning units that are used somewhat in the southern area of the Northwest Territories. Again, because of the high cost of fuel in my communities of Colville Lake, Deline, Tulita, Fort Good Hope and Norman Wells, we have a lot of people who are in these units that spend a lot of their hard-earned dollars to heat their homes up there because of many of the problems that contribute to the using of a

lot of fuel. Would he look at the cost of a pellet stove in the community? Mahsi.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chair. Of course, the one issue with pellet stoves across the Territories is the availability of pellets. Right now they are readily available in the large centres, in the southern part of the Territories anyway, but not so much in the small communities. That would be a consideration. Pellet stoves are definitely safer than our woodstoves, but it does mean handling bags of pellets and the ability to fill the stoves and so on. However, we would look at it if the situation seemed to make sense, particularly in those areas where the pellets are available.

We have also been trying out and replacing, since 2005, some of the old carbureted kind of heating appliances with the Toyo stoves. Those are more efficient. We put them into seniors' units. They supplement the heat, they're very efficient and, again, not terribly high maintenance. We're trying different types of heating units. Thank you.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, the Minister is correct; I've been in a couple of units where they have these nice units, the seniors have them. I would like to see them in all the seniors' homes that they have high costs of diesel in the Northwest Territories. Especially those ones, they need to have them in the seniors' homes, those units you have. They cost so much but I think for the seniors you have to, again I would state that, to look after them and put the units in there.

For people like my age or younger and people who are able to do things in life, I think we need to seriously look at creating self-reliance and creating a lifestyle. That means you can get woodstoves or pellet stoves into the house. Surely, my God, we could get up and cut wood if we have to. It's a crying shame that we allow these people my age to sit there and depend on government to give us fuel. We are creating more dependency than ever in this day and age. In this day and age we need to create responsible, healthy young people in our region, in our communities. Mr. Minister, all the other departments have this type of response...It's part of our overall vision for the North. We have to get the woodstoves into the houses, get them to go out in the bush. There's lots to learn on the land. Right now, I think we're doing them a disservice.

Mr. Minister, I know you have goodness in your heart, you work for the people. The elders, surely we can take care of them, they worked hard all their lives to take care of us. I know that from stories I've heard. It's our turn now to take care of the elders. We have to do that for them, but we also have to learn how to be as independent and self-reliant as they were. I know it's a tough job. We have created a theme of dependency into the houses. It makes a lot of sense to have woodstoves or pellet stoves.

I'm passionate about this because it's going to get really hard for us in the future. I don't think the price of fuel is going to go down. I think the price of fuel is going to go higher and higher when you create that lifestyle. It's for all northern people. There are some really good people in

the North and I think that somehow we have some incentive programs or start the management or design. There should be a cap; there should be a percentage of the Northwest Territories that in all our public units there should be 25 percent or 30 percent that have woodstoves.

The ones that really need the help, we have programs for them. Mr. Chairman, I want to ask the Minister in that sense, I guess the trick question is how do we support our overall goals of government, being self-reliant, having healthy lifestyles and healthy choices, and creating a life of well-being? I think one way is by doing the work. One way is by going out and having some physical activity to clear your mind, work your body, and start thinking about life in the bush, or life in the community. I'm thinking about that, Mr. Chairman, in terms of infrastructure. We have to give that kind of thought to create self-reliance. I know what he's saying. I do support the Minister in this initiative but coming down from a small community, these small communities, we really need help because the cost of living is going quite high and we really need to be strong in our decisions to help our young people. Otherwise, we're going to be here next year again talking about the same issue.

I want to say that in terms of...If the Minister would at least consider and look at ways that we could help this issue in terms of getting woodstoves into homes, or wood pellets, and if he would consider reviewing different programs that would support it, a pilot project. I think that it may work for some communities. Not all communities may agree with us, but I think my region, at least one or two communities would support it. Maybe other communities, the Tlicho or Beaufort-Delta, or even Yellowknife; I'm not too sure. I want to leave it at that, Mr. Chairman. I've taken enough time.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. I didn't hear a question there, so I'm going to go on to our next Member and that's Mr. Hawkins. Mr. Hawkins.

**MR. HAWKINS:** Thank you, Mr. Chairman. The Members before me were speaking about the issue of woodstoves and pellet stoves and that was a matter I raised in October in the last session. It was about trying to look at energy efficiencies. What I think we're getting at here is maybe could we search to get a commitment from the ministry, or I should say the corporation. Can they make it feasible and can they make it a policy shift whereas they ask if people want these woodstoves and pellet stoves in these types of housing? Can we make it sort of one of the checklist things that we do? Yes, they're wonderful but not everyone wants to carry the insurance burden, et cetera. Then again, you may have people who want these things. Really, what should be asked is can we make sure that it's on the checks and balances list incorporated upfront when we do some of these projects?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Certainly on homeownership units then it's up to the homeowner, it's optional, they can ask for it. In the public housing units we want to make sure that, number one, the people know how to handle a woodstove, because they are dangerous. Of course, we do have the STEP program that we're instituting to help educate people to be better homeowners, but also I'd like to see it help people in

public housing units to be able to be more self-reliant, as Mr. Yakeleya said.

In the large centres, one of the challenges we'd have is there's a fairly large turnover in public housing units. Quite often we have people who are struggling with other issues in their lives and we could be putting in woodstoves and taking out woodstoves so we have to be very careful that we don't set up a situation that's dangerous to people's own lives as well as the units themselves.

Where we have the stability, where we have the wherewithal with people to be able to handle them, then, yes, we will be consider them. Of course, things like availability of wood or availability of pellets also has to be taken into consideration.

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

**MR. HAWKINS:** Thank you, Mr. Chairman. Well, I'm speaking more to public housing units as opposed to any type of private homeownership plan that we may have set out. But the fact remains that if we have caution about they can't use a woodstove or pellet stove safely, then maybe we should be questioning should we be putting them in the house by themselves, if that's an issue.

I see this as a challenge but also an opportunity, Mr. Chairman, because if we could put a pellet stove in all of our social housing units, we're either paying for pellets or we're paying for oil, but we're paying for something. Right now the trend seems to be leaning towards, and a foreseeable trend for quite some time, that pellets will be significantly cheaper. What I'm really getting at is the advantage of maintaining a house at a more reasonable cost, and, by the way, we're the ones maintaining the cost because, yet again, we either pay for pellets or we pay for the oil.

If it's a safety issue then, as I see it, all we need to do is sit down with somebody to make sure we go through them. Even you have said, Mr. Minister, in the context of pellet stoves, they are quite safe. I've lived up here almost 30 years and I know a lot of people are extremely familiar around woodstoves. If I may say personally, even my one year old knows how to walk safely around a woodstove. What I'm getting at is, yes, there are inherent risks in everything, but reasonably, I guess, if we're looking at trying to do business better, I don't think it's too much to ask and I'd like to see it as a policy shift that we change the way we do business in social housing. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Hawkins. I didn't hear a specific question there, but I will allow the Minister to respond.

**HON. JOE HANDLEY:** Thank you. I agree with the intent of what the Member is saying. It is complex though, Mr. Chairman. We could put pellet stoves into houses, for example, as a backup source of heat, maybe, but as a main source of heat, you have problems with distribution of heat within the house, you have difficulties if people go hunting for two days and don't have someone reliable to look after the house and freezing it up, cold weather freezing up the house anyway, if you can't distribute the heat properly. There are all sorts of challenges there that we'd have to look at. We want to achieve what the

Members are saying, but we'd have to do it in a way that isn't putting a unit at risk or people's own lives at risk.

We're also looking at the cost efficiency and the cost effectiveness, whether it's Toyo stoves or pellets or wood, what is the real savings here for us? I appreciate the comments. We want to move in that direction, but do it carefully. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Anything further, Mr. Hawkins?

**MR. HAWKINS:** Thank you, Mr. Chairman. I'll accept what the Minister said, so we can move forward on this issue.

Just a last point, can we expect some type of evaluation in the near future on whether the Toyo stove or pellet stoves or that type of methodology as we move forward? I think we're all shooting for the same ends, as he had pointed out, and I'd like to hear that if we are doing some evaluation or consideration, when can we expect some paper before us? Thank you.

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

**HON. JOE HANDLEY:** Yes, Mr. Chairman. We will provide that, recognizing that we don't have a lot of baseline data so it takes a little time to build it up. However, we will do that.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. We'll now go back to our main estimates. Page 2-161. We're on infrastructure development, operations expenditures summary, \$3.777 million.

---Agreed

**CHAIRMAN (Mr. Ramsay):** Mr. Pokiak.

**MR. POKIAK:** Thank you, Mr. Chairman. I just have a couple of questions for the Minister with regard to energy efficiency. Can the Minister tell this House exactly how many public housing units are supplied by electric water heaters? Thank you.

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

**HON. JOE HANDLEY:** Mr. Chairman, I don't think we do supply any of them with electric water heaters that I can think of, unless there's some in Yellowknife. Electric water heaters are not that efficient. Thank you.

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

**MR. POKIAK:** Thank you. That's good information to know because at one time, when I first had my unit, I had an electric water heater and I switched over and saved a lot of money. That is what I was alluding to. If the Housing Corporation can continue to finding solutions for that problem, it will work.

Another question I have, Mr. Chairman, I don't know if it falls under the department but I'll ask and let you decide. The question I have is, just recently the federal government...I know their budget has not come up yet, but they identified some funding for energy efficiency, I guess. I understand it may go up as far as \$5,000 per

house that's available. I'm just wondering, the money that the department is supplying for energy efficiency, is that over and above what the federal government is offering now? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Pokiak. That question does relate to infrastructure development, so I'll allow the Minister to respond.

**HON. JOE HANDLEY:** Mr. Chairman, yes. The money we have is above what the federal government is proposing. We don't have enough detail on the recent announcement by the federal government to be able to assess what that fund will do. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Anything further, Mr. Pokiak?

**MR. POKIAK:** Yes. One final follow-up with regard to that. From my understanding, the feds want that money upfront. I'm just wondering if private homeowners want to access that fund now, can they get that money from the territorial government sometime down the road? Thank you.

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

**HON. JOE HANDLEY:** Mr. Chairman, I'm not sure if you're talking about the federal money. The federal money, yes. As we get more information on the guidelines and terms of reference, then we'll get it to the public in the Territories. My understanding, though, is that that money is meant for alternative technologies and ideas could be solar-heated water heaters or whatever it may be. I'm not sure that it goes as far as woodstoves, but it might.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. We are on infrastructure development, page 2-161, operations expenditures summary, \$3.777 million.

---Agreed

**CHAIRMAN (Mr. Ramsay):** Page 2-126, infrastructure development, grants and contributions, contributions, \$1.596 million. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. There's a new line in this particular category, Mr. Chairman, entitled Supported Lease Program, for \$226,000. It doesn't appear in any of the previous years' expenditures, \$226,000. The explanation offered is that this is GNWT funding to provide property management services on our leased housing portfolio. Can somebody untangle that little knot for me, please? Just what is this expense for? Is it new or is it something that's been reprofiled, Mr. Chairman?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. We encourage people to get into homeownership, so we have a Supported Lease Program where we help people make that transition from public housing to homeownership. Currently there are 112 units in the Territories that are under the Supported Lease Program. We don't have the staff to maintain them and so on ourselves, on the ground, so we pay the LHO \$100 a month per unit plus some utility money for them to maintain these units for us. So

far, Mr. Chairman, it's been a very effective way of getting people into homeownership. Thank you.

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

**MR. BRADEN:** Okay. Mr. Chairman, I guess I'm trying to figure out why did the Housing Corporation have to step in and pay for this service? Is it not something that the tenants were otherwise obliged to pay for? I'm just questioning why does government have to come in and pick up something that would seem should be a user fee type of service, Mr. Chairman?

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

**HON. JOE HANDLEY:** Mr. Chairman, these units are units in which the people are moving toward homeownership, so they are in addition to the public housing units that the LHOs have the mandate to manage. So we pay them \$100 a month per unit to do that management for us. I had said utilities, but it's actually maintenance. The client pays the utilities. We just help the LHO with the maintenance costs with some small amount of money. But this is, as I say, a program aimed at getting people who have the means to get into homeownership.

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

**MR. BRADEN:** Okay. Well, if those people have the means to get into homeownership, then I guess I'm still not satisfied that we should continue to be subsidizing them or creating these kind of dependencies, Mr. Chairman. Is this an expense that we're going to see disappear in time? Or is this likely to grow? It seems that when we do create these kind of new assistance programs and things, which way do they go? They go up. If I understand the purpose or the function of it, I do not understand the logic or the sustainability of it. Can we expect or anticipate that this budget line is going to at some point disappear, Mr. Chairman?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. There are people in the communities who don't have experience with homeownership. They've been in public housing for several generations now, so they don't have the experience. They have the means in the sense that they now have employment, they have a job, they have the future to be able to own and maintain their own home. So we have a program that is a transition to help them move from being completely dependent on the Housing Corporation in a public housing unit to one where they will become a homeowner. We help people through that and the help goes from anything, from the maintenance of a home, how to maintain a home, to paying mortgages, to paying utilities. So it's meant as a transition. The line will disappear eventually when we have reached our targets on homeownership or the number of people who can take that on. So people will move. This Supported Lease Program really becomes the core of the Homeownership Entry Level Program in our new programs. Most people who are successful in that will move onto the next one, which is where we provide assistance on their financing, becoming a full homeowner. So those people will be off

our rolls. There may be new ones coming up later on, but in the long term, yes, it will disappear.

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

**MR. BRADEN:** Mr. Chairman, I know that one of the things that the Legislature insisted the corporation end just last year was adding some 17 new, was it 17 new PYs? Most of them in the communities and the regions. I guess it concerns me, Mr. Chairman, that we keep adding and adding and adding to the size of the workforce in the Housing Corporation and yet we still have to go out, as the Minister has explained, to the private sector to get yet more assistance to run our programs. So the growth of the corporation, as it's illustrated here, it's not a big deal, \$226,000 in the great scheme of things. But it still illustrates that we have a Housing Corporation that is intent on growing itself. I'm not comfortable with this kind of a program, Mr. Chairman.

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

**HON. JOE HANDLEY:** Mr. Chairman, I can assure you that I am not at all interested in growing a larger and larger Housing Corporation. That's not where we're going. But we do have a program for three years to deliver about 530 new homeownership units or major repairs and so on. We have our regular programs to carry on. The bulk of the positions, 16 positions, are term positions. Those are there for the delivery of the affordable housing initiative. At the end of that they will disappear, unless we were to get another lump of money to be able to add to our homeownership programs. But those are only for term. We're not trying to build up something. We need them for technical support for the reasons we were just talking about, energy efficiencies and so on, and we need them for land. That's where the 16 of the 18, or 16 of the 17 are being utilized or proposed to be utilized.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. We are on page 2-162, infrastructure development, grants and contributions, contributions, \$1.596 million. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chairman. I just wanted to ask the Minister, and I listened very carefully to the discussions between my colleague and the Minister of Housing Corporation in terms of the Supported Lease Program. This is a term position, I understand. These are term positions. These positions, I guess, are to help our people, hopefully in the long run, to get off the dependency of housing. That's to help them become homeowners and live like the rest of Canada. People are going to own their homes. As you know, in our smaller communities this issue is a long-standing issue that has many different interpretations, so this is a new program. So I want to ask the Minister, this program here, because this program is going to be helping my people in my region, what's different than yesterday by introducing this program to help them? As you had some old programs that the Housing Corporation was running and now we're coming into a new area of programming. Just for clarification. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Well, I'll tell you, one of the more obvious differences we hope

that this will make is about \$6 million in arrears. We know we cannot take people who have lived in public housing for two or three generations, entice them into homeownership, not give them the support they need to understand what they've got themselves into, whether it's paying for the utilities regularly, paying the mortgage, or maintaining the house themselves so it doesn't collapse around them. We got people from being independent out on the land into public housing, now we have to help them back out of it. If we just continued what we were doing of getting people straight from public housing and getting them into homeownership, no support, then I think that's one thing that's going to cause that arrears to just keep going and going and going and people to walk away and abandon units because they weren't well maintained. So that's going to be the difference. Thank you.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman. Thank you, Premier. I think that's the type of answer that the people need to hear in the communities in terms of that dependency. To bring them back to a state of, an attitude of having their own dependency, this could take a while. Of being independent to where they were living in government housing and all of a sudden became very dependent on government. Now we're reversing. So I guess that answers one of my questions in my mind while I was driving down from Tulita to Yellowknife. How does this government create an attitude of self-reliance and healthy choices? It's a very tricky question, because a lot of our children grew up in possibly these public rental units that we have in the community where we have running water and electricity. May I dare say you and I grew up where there was no running water. The only running water that we had was from the Mackenzie River back to our cabin with a pail in our hands, and had electricity with gas. We were our own -- should I say, waste management specialists -- with a honey bucket system. So I guess, Mr. Chairman, I guess I'm asking because this is a really important program we have for our people in the Northwest Territories that, that's what we try to do with the government. This Supported Lease Program, I'm very supportive of it and confident that we are on the right track. I just do not want to see the perception that we could do this in two years or three years. It's going to take a longer time. So if we say term position, I hope we can do it in two or three years. I would support the Minister and his staff to see how far we can go. I think he's on the right track, Mr. Chairman. It's a lot of work and he's answered somewhat my question in terms of my own thinking and in terms of how do we create a generation of dependency and homeownership. We certainly have a different lifestyle. That's what I was trying to get at. It's not to be hard on anybody or to be rough on the people who live, because it's no fault of theirs. That's no fault of theirs. We have created it ourselves. So ourselves we have to do it. So I think this government is on the right track in terms of how do we do this. That's where we're going to see the benefits in 10 or 25 years. So I don't know if it's a question there, Mr. Chairman. I think it's a comment and my thoughts to the Minister. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. It's just a comment. We'll now go back to page 2-162, infrastructure development, grants and contributions, contributions, \$1.596 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 2-165, district operations, operations expenditure summary, \$37.818 million. Ms. Lee.

**MS. LEE:** Thank you, Mr. Speaker. I want to speak about the consolidation of I think 16 or 17 previous housing programs into four and I think this place might be as good as any. It's where I think the Housing Corporation will depend on the district offices to carry out these enhanced programs.

Mr. Chairman, I just want to state that yesterday in my general comments I stated that this consolidation of programs aren't necessarily introducing a lot of new measures, to which the Minister corrected that there are some refining happening. I do accept that. I think Social Programs committee worked very closely in going through these revisions and I could assure you that we spent a number of meetings and lots of hours and we actually...I think by and large all the Members enjoyed that process. We had an initial presentation from the Minister and staff and we had a number of questions. The staff and the Minister were quite helpful and very cooperative in terms of incorporating those changes that were possible and coming back with a refined program. I really do appreciate that.

Another thing is, I really think, and I'm not trying to sound frivolous here, but I continue to be amazed at these very helpful four-letter words that the corporation came up with. That only comes with thinking about it and really concentrating on that. I do really appreciate that because we have now four programs in four very neat, four-letter words. So we have STEP, HELP, CARE, and PATH. I think that's important, because I think that speaks to what the corporation is trying to do. We're just really hung up on the four thing.

But I want to know now, I'd like to know, my understanding is there is no real new money going into this. I think it's the same amount of money the corporation had to work with to deliver 17 programs is now concentrated into these four. We, yesterday, got a very nice package in the mail with four pamphlets, of course.

---Laughter

Four-letter words and four of them. It's very good and I understand that this is going to be rolled out on April 1<sup>st</sup> and there's a press release going out and such, but I'd like to know in more detail about how this is going to be rolled out and do the staff need to be trained on this? What additional resources are there? Is there more money being put in these programs compared to what we had before? I'm going to ask just one more question and maybe the Minister could incorporate it into that. Often when we do these programs on paper it looks really nice and neat and tidy and they make sense, but on the ground sometimes that's not the case. For example, one thing that I could think of is that one of these programs speaks to the Repair Program and the ability of people to take care of their own property and to give them incentive to repairing them and such. But when we were in Wekweeti over the summertime to do pre-budget analysis, we had a long chat with community people and they spoke about instances where houses, a public house was damaged due to rain or, no, it was frozen while the tenant was away and the problems that they had in repairing it and the

requirement that the corporation had in who they could go to to get the repair work done. In fact, I think they might have had a local person who could fix certain things and they were told by Housing Corporation officials or staff or I don't know whom that that would not happen. So I guess what I'm saying is in implementing and thinking of these great ideas, that's a very important step, but I'm not sure if we're concentrating enough time on local resources, especially in very small communities where there are no shops. You can't go and get all things, you know. People in Yellowknife, for example, go to Canadian Tire and they can find everything. So even if you wanted to fix things, I mean, it's a pastime to spend all your weekend in Canadian Tire looking for parts to fix whatever you have.

---Interjection

**MS. LEE:** It's the number one Canadian men's hobby, I understand.

---Laughter

But I'd like to know, seriously, what, are we going to spend any time in not only teaching, encouraging people to work on those, but we need to provide resources and why is it that in every community we don't have a hamlet or somewhere where people gather, where they could store some parts, in the general store or something? Is there anything like that? I think there's about five questions. Sorry.

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Just to answer a couple of them and then I'll have Mr. Polakoff just explain how the new program is going to roll out. In terms of is there new money going into these programs, no. Other than the federal top-up money that they provide to us, there is no new money. This is just taking the 14 old programs, roll them into four understandable programs and so there's basically no money in it.

The big issue we have, challenge, of course, is to change people from public housing over to homeownership. That's the challenge we're looking at. The new parts, of course, are the education side, the assisted or transitional lease program. Those sorts of things.

In other cases, we still have difficulty and the Member mentioned Wekweeti. Wekweeti is the one community where we have no public housing, we have no LHO. Where there is an LHO and there is public housing, I guess this is one of the advantages, they then have a warehouse and some material and so on. But in Wekweeti, it's all 100 percent homeownership. The one thing that we need to help people with is understand that it's...We have programs to help them with homeownership, but it is their house and there's a limit to how much we're going to interfere with them.

It is a challenge to have some availability of materials. I can understand that. If you need something as simple as a doorknob, it's not available in the store, probably. But it's something we're going to have to look at as we get into homeownership if the regular retail section isn't handling this and how are we going to make sure that people have the means to be able to manage their own homes. We're very proud of the people in Wekweeti, the independence they have, and we don't want to destroy that. So we need

to assist them, but at the same time continue homeownership there.

With regard to the four programs, I'll ask Mr. Polakoff to very briefly outline how we're rolling this new program out. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Polakoff.

**MR. POLAKOFF:** Thank you, Mr. Chair, and thank the Member for the question. The process that we're looking at and that we've indicated in much of our materials that the new consolidated programs won't be fully operational until April the 1<sup>st</sup>, but taking that as said, it's important to note too that as we roll up to April the 1<sup>st</sup> we also anticipate answering many, many questions that we'll get from residents of the NWT. We anticipate beginning the process of looking at applications and in fact taking in applications from residents. Between now and April the 1<sup>st</sup>, we also are going to be focussing on a lot of education and training of our own Housing Corporation staff, be they district staff or headquarter staff, and familiarizing people throughout the Territories about the new program.

As we've focussed on in a number of our topics today and yesterday, one of the things that we really feel is important from a corporate perspective is improved communications and an improved understanding of people in the Territories of how our programs operate. With rolling out this sort of major initiative and taking the 14 programs and rolling them into four, it's even that much more important that we make sure that people in the Territories have a good understanding of what it is we're doing and how these programs can assist them. So between now and April the 1<sup>st</sup>, a lot of education, a lot of training and we think a lot of discussions with people in various communities as to how these programs operate and working on a community-by-community basis to get that information out there.

The Member also mentioned and brought up the issue of renovation and repair programs and the need for looking at how we can better do that in communities, and we would agree as well. We believe that the participation in communities is very, very important. Again, as far as we're concerned, community capacity building is very important in making sure that people in communities are aware, through programs such as STEP, of how they can be better tenants and so on and so forth, but it's also important that we look at ways of engaging the communities to improve community capacity building and have communities take a larger role in housing. In our view, it's the people in the communities that understand their housing needs probably better than anyone, and we fully intend to learn from their experience and have our programs reflect those needs as we understand them. Thank you.

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

**MS. LEE:** Thank you. Just a short follow-up on that. I'm wondering if I could get a commitment from the Minister that he would come back to Social Programs committee on sort of a six-month check-up. Probably the next business plan process would be a good time to just see where we are on the rollout or any improvements or any twiggings that we might have to do and any new questions or issues that might arise out of this, because I think the



committee members would be very interested in how its received and if there are any new things to consider. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. Lee. You're time had expired, but I'll allow that next question. It's just that it expired when you started speaking. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, yes, we'll do that if there are some other issues that we'll bring up at the Social Programs committee at the first opportunity. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Next on the list I have Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chairman. I wanted to ask the Minister in terms of working with the district operations in the communities in terms of the universal agreements that we have done in the past and that this whole rollout of these programs is this somehow going to fit in with the scope of the universal agreements that they may be drafting. Maybe he wants to work with the communities in terms of having a larger role, as Mr. President of the Housing Corporation said, a larger role in the Housing Corporation by the community members. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, as part of the rollout of these new programs, I had mentioned earlier that Housing Corporation staff will be going to the communities and as they introduce and talk about the four new programs, they would also look at how that applies to the Universal Partnership Agreement, what changes might have to be made and so on. Thank you.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman, and thank you for that reassurance in terms of if the Housing Corporation would look at the impacts on the universal agreements. I would ask the Minister if they would provide some time for the communities to look at the impacts of this universal agreement so they can sit down by themselves sometime to look at it, how it will impact the community and the organizations that are affected by the universal agreements, and then come back to the district office until they say this is how we want to look at the universal arrangements as we understand it and give some time to the community and the district office to come to a satisfactory, should they go into a universal agreement, time to work out something that will be beneficial to both the Housing Corporation and the communities that are involved. I think that's what I'm asking for. I'll ask the Minister. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Change always brings some uncertainty and a lot of questions and things you didn't think of as we moved along. So certainly we'll provide the communities, the LHOs, everybody, with opportunity to have that kind of input. This is going to be a transition that will take a little while to fully implement.

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

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, I guess the one issue I would ask is did the department consider in terms of following up on Ms. Lee's comments in terms of surplus of supplies, and that is some of the supplies that the Housing Corporation has, do they I guess sell them on a yearly basis or every six months? Because I know there's a doorknob that cost about \$74 in Tulita, Northern Store, and padlocks cost about \$34 or \$35, a real good padlock. So that's over \$100 just for a padlock and doorknob. So does the Housing Corporation have any supplies that would be available to seniors in terms of them needing for their homes on notice? I think some of that affects our communities in our region and I know some elders just go to the Northern Store and they just purchase it right there. Stubborn. Like some people I know, but, however, some elders, they ask if they can help them out in terms of purchasing some of these supplies from the Housing Corporation. I'm not advocating that you guys open up a Home Hardware or Canadian Tire in the Housing Corporation, but be of assistance on an emergency case basis that you have some flexibility in that area. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, while it's not the core business of the LHO to be, as you say, opening a retail business with homeowners, but I know they have in the past helped out in emergencies and will continue to do that. But as we get more homeowners in the communities, hopefully the regular retail sector will become more responsive with giving people some options besides a \$74 doorknob. Thank you.

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

**MR. YAKELEYA:** No, thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Next on the list I have Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Just to confirm, we're on page 165 or 166?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Just for clarification, we're on 165, 2-165, district operations, operations expenditure summary, \$37.818 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Mr. Braden.

**MS. LEE:** Stay on this page.

**MR. BRADEN:** Stay on this page? Okay. Mr. Chairman, in the grants and contributions table shown here, and this is expenditures related to district operations and district operations means that working with local housing organizations and clients to provide housing and program options. So it's lands, development, maintenance, training and working closely with stakeholders at the community level. The total expenditure discussed in this neighbourhood, Mr. Chairman, was \$37.8 million. What I would like to query, Mr. Chairman, is a reduction from last year's grant in this neighbourhood, which was \$27.8

million down to about \$23.5 million. So we're dropping about \$4.3 million out of grants and contributions to district operations. That's a fairly substantial decrease and I'd like to ask for some detail as to why the reduction, or has it been picked up in some other area, Mr. Chairman?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. The \$4,000-roughly reduction is because last year the Housing Corporation benefited by, sorry, \$4 million, benefited by \$4 million from the community capacity fund. That was only a one-time amount of money. As you recall, we gave \$35 million to communities to be distributed, we gave \$4 million to the Housing Corporation, \$1 million was set aside I think for sports and healthy living and so on. So that was one-time money and that's why it doesn't appear this year. Thank you.

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

**MR. BRADEN:** Okay. Thank you. Can the Minister give us a snapshot of where then was that \$4 million invested? What is the evidence of the investment of that \$4 million in housing then, Mr. Chairman?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. The bulk of that money, in fact I think all of it, went into homeownership units in the Supported Lease Program. That's where it was invested. Thank you.

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

**MR. BRADEN:** Thank you. That's all for that page. I'll have a little bit more in the following page here in detail, Mr. Chairman. Thank you.

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

**MS. LEE:** Thank you, Mr. Chairman. Just a short follow-up to previous exchanges I had with the Minister in regards to the situation in Wekweeti. I think the Members that were there saw a beautiful community. We were told that it's a rare community in the Territories, especially in regards to smaller communities, where most people who need housing have housing there. It's a community where it's quite traditional and I guess I'm a little surprised to hear that because those units are not public housing units that there isn't really a lot we can do to help those who may need some help to keep what they have. I think if you look at the bigger picture of the government's objective, which is to keep our people self-reliant and self-sufficient and this is the kind of place where we want to keep them succeeding. The fact of the matter is, this is not new, this is something that happens in many of our smaller communities where there are no services or very inadequate services available in terms of people, you know, they can't go and get a mechanic to fix their cars or a lot of things. Our community people are very self-sufficient in that regard, but you can't produce a doorknob or there are lots of things you just simply cannot do no matter how much you try. So why does the corporation not think of a way to help people who are living in their

housing even if it is not public housing to help them fix that because there are simply not enough resources? I mean I think they did fly some technical people in, they tried to get some work done and they needed the Housing Corporation or they were told by Housing Corporation that they couldn't use some of the people that they had flown in, or I think in this specific case the lady who had her house frozen because she had to go away, there was extensive damage, probably where she could not afford to repair it herself. I'm wondering, in a general sense, wouldn't it be better off for the corporation to step in and help her out with maintaining the house she has, because we'll be doing far better than having her be homeless and all the problems that go with that, or that it happens that the house is damaged beyond repair. I mean that would just be really unfortunate if we ended up having that happen because everybody said well we can't do that or it's not within the housing mandate. I think it is within the housing mandate. I think there are lots of things we could do to help out, especially those who are already in the community with their own house, just help them out when they need it so that they could just keep on being self-sufficient. So I'd like to hear from the Minister, what's a way to fill that gap? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Certainly we want to keep people in homeownership and we want to help them maintain their programs. So we'll do whatever we can to help them. The direction, advice to the corporation is we'll do what makes sense. We're not going to say no, it doesn't fit this program or that program so we're not going to be able to help people. If it makes sense to help someone to repair their house because it froze up, then we'll do that. The people in Wekweeti have been talking with people in Gameti, for example, in looking at ways they can work together, because Gameti has more infrastructure and more capacity than does Wekweeti. So there are those things that the people are working on themselves as well.

I don't know if it's necessary for us at this time to help them with mail orders or that kind of thing, but I want us to do what we can to make sure that they stay independent.

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

**MS. LEE:** Just in the interests of closing this exchange on a positive note, could I just ask the Minister if he would have the district office person or a Housing Corporation person go in there and talk to the SAO and talk to whoever is in the position to assist in this manner and see what role the Housing Corporation can play in resolving that and what sort of step up program or something for the corporation to do to have the community continue to be self-sufficient without taking away anything from them? But I think it's a community that's quite self-sufficient and we just want to keep it that way by giving a little. I don't know if you could answer that.

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

**HON. JOE HANDLEY:** Mr. Chairman, yes, we will have someone from the district office go in there shortly and sit down with the band or the SAO or whoever is available

and look at what their needs are and how we can help them to continue that independence. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Mr. Lafferty.

**MR. LAFFERTY:** Mahsi, Mr. Chair. Mr. Chair...(English not provided).

Mr. Chair, I'd just like to highlight what I've said in my language with respect to the district operation. You know, we have district operations in Yellowknife and regional operations in the regions. At the same time we have small communities that go directly to I guess the Yellowknife district office, such as the community of Wekweeti. Wekweeti has been brought up on several occasions here and I'm glad that the Minister has identified the need for the department to come out to the community, but at the same time, we were in the community with Mr. Anderson when he was there, acting president at that time. We took a whole bunch of pictures at that time too, but until this day we're still dealing with those issues that are still outstanding.

Mr. Chair, I think we, as the Tlicho Government, have been in operation for a year and a half and I've raised this issue over some time now as well. We like to see more empowerment in the community. When we talk about district office, maybe we wouldn't be going through this if we had Behchoko as a regional office. I understand Premier, as Premier of this Cabinet is and I guess will be working with his executive team because I've raised this issue already, but at the same time we have small communities that are left out in the cold with nowhere to turn to. This lady that Ms. Lee is referring to has been an issue for a while. It's not resolved yet and it's February, it's a cold month and everything is frozen up. That's not the only issue; there's other issues besides that in the community of Wekweeti where we have lots of single dwellings. I think there are four or five of them empty, due to the fact that there's a larger family now and they're moving out. Even though they move out, they don't know where to turn.

So those are issues that we need to deal with at the community level, but where do they turn? They call Yellowknife. They call me constantly. I've been after the department on that particular issue, but I for one would like to see the department going to the community, similar to what they're doing in Behchoko on February 22<sup>nd</sup>, explaining what we have to offer, the program itself and single family dwelling versus a family dwelling. There's a big distinct difference in the building itself.

So, Mr. Chair, I'd just like to close off with this, again, implementation stages we're at. When are we going to see changes in our region with respect to having our district staff in Behchoko that can deal with the three outlying communities plus the Behchoko community because we have a large file? We talk about arrears in the past, we talk about mortgages, we talk about housing itself. There's a lot of issues there and we can certainly deal with it at the community level if we had staffing in place, but, according to what I have in front of me, there's no staffing transferable to my region. So I would like to ask the Minister when is that going to occur, what are the plans in place to deal with that on the housing perspective? It's a real essential need. Although we have a local housing authority, they are limited, and the decision is being made from here as well in headquarters

here. I'd like to see down the road, not-too-far-off distance, where a decision will be made at the local level within the Tlicho district office in Behchoko. That's what I'd like to pass on to the Minister about when. He also mentioned the staff of the district office going to Wekweeti. When is that going to occur?

So those are just some key issues that I wanted to address here, Mr. Chair. Mahsi.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Lafferty. Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. First of all, in responding to needs that are brought to our attention, I realize that just taking down the information and saying we'll get back to you is only half the problem. In fact it's a very frustrating one if they don't hear back from us. So we're working all the time to improve that. So when we say we're going to do something, we follow through right away on it. I don't know the person whose house froze up recently, but once we find out I'll follow up on that as well. So we'll deal with those ones as quickly as we can. We will have staff go into Wekweeti, district staff, as quick as we can. Of course, as we said, we're going in there anyway on the reorganization and consolidation of programs and hear what the people have to say.

On the decentralization of positions to Behchoko to be able to provide services into communities, I have some initial observations, suggestions from the regional director on my desk and want to have a look at them in terms of what it means for housing for staff as well. My intention was to bring this, as soon as I get a chance, to bring it to Mr. Lafferty and also to probably deal with this through the business planning process. But if there's anything we can do earlier, then I'm open to looking at that too, but probably through the business planning process is probably when we would do any kind of decentralization. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Minister. Mr. Lafferty. Thank you. We're on page 2-165, district operations, operations and expenditures summary, \$37.818 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Can we now turn to 2-166, district operations, grants and contributions, contributions, \$23.494 million. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. There is more detail here in terms of what is involved in our contributions to district operations. There's all sorts of things in here. In the area called minor capital contributions, Mr. Chairman, this is GNWT funding to assist families and communities for the provision of social housing. So quite a catchall here. A couple of things that stand out, Mr. Chairman, one of the things that committee looks for are the variances from year to year to see what was going on and there's a variance here, Mr. Chairman, in the area under rental programs, maintenance and improvement. Two years ago it was \$5.2 million. This current year, Mr. Chairman, it's \$2.4 million. It's dropping down to \$718,000. Those are significant declines, Mr. Chairman, in the area of maintenance and improvement and I'm wondering if the Minister could provide some explanation of that variance. Thank you, Mr. Chairman.

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. It has been reduced from the rentals program maintenance and improvement, but we'll find the offsetting increase in the major M and I, which is in the infrastructure fund. So it's just a way we categorize these things.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. For a little more certainty, could the Minister direct me where in the budget detail is that reallocation? Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, it is included on page 176 and it is somewhat buried and it would be difficult to pull it out.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Yes, thank you. Somewhat buried. From the point of view then...

---Laughter

...of the folks at the district level, Mr. Chairman, does this mean it's also somewhat buried? Are we making it harder or more difficult or more complicated for district operations to get their hands on maintenance and improvement money, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, no. At the ground level, it makes no difference at all. They still get the money. It's just categorized differently in our estimates.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Okay. I guess. Thank you. Trust us.

---Laughter

One other line if we are looking at these variances here, this one changes and we are actually going in the opposite direction now in the area of residential rehabilitation assistance. We are going from about \$190,000 last year to \$420,000 this year. What is the justification for that increase of a little bit more than double under residential rehabilitation assistance, Mr. Chair?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. These are federal programs, first of all. What's happened is we were historically spending more, or the LHOs were, on emergency repair programs, but experience has shown that they are now spending more money on the Residential Rehabilitation Assistance Program. So this accounting is tracking where they are spending the money.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. I know that two years ago, the allocation under that heading was just over \$700,000. We dropped down to \$200,000 and now it's at \$420,000. So there is a lot of play going on there.

Mr. Chairman, on another line, Disabled Residential Rehabilitation Program, the current allocation in the budget is for \$10,000. It was last year as well. If you go back two years, it was \$43,000. That's a considerable dip in this current year and it's been maintained at \$10,000, Mr. Chairman. What is the uptake on this expenditure? It has decreased considerably from two years ago and is not changing. What is the uptake, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Minister.

**HON. JOE HANDLEY:** Mr. Chairman, that is a figure that is used depending on client needs. So again it has to be an estimate of what we think we might need. Again, we don't know how many people will need the Disabled Residential Rehabilitation Program, so we put in a figure of \$10,000. If we found a situation in a region where suddenly we had more clients, we would have to look elsewhere in the Housing Corporation to try to find some money to meet those needs, but there is no way of predicting what the need is going to be.

**CHAIRMAN (Mrs. Groenewegen):** Thank you, Mr. Handley. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Madam Chair. I would like to ask the Minister on the budget item of miscellaneous, it has \$800,000. In a brief summary, the items add up to \$800,000 in terms of programs or services. What are the expenditures? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. The \$800,000 is funding that we use to fund YACCS for the new seniors' housing units.

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

**MR. YAKELEYA:** Thank you, Madam Chair. Thank you, Mr. Minister. The shelter enhancement is \$50,000. Is that for the whole Northwest Territories or is that for a specific location or program? I would like to know more about that. Thank you.

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

**HON. JOE HANDLEY:** Madam Chair, the amount of \$50,000 that we have here is for the whole territory and we have the regional breakdown if Members want to have that. Madam Chair, the Member is indicating he does, so I will just go through it. The North and South Slave regions is...Sorry, North is \$30,000 and South is \$20,000. The other regions have not proposed to spend money in this area.

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

**MR. YAKELEYA:** Thank you, Madam Chair. Thank you, Mr. Minister. These programs that the department is rolling out, given notice to the people of the Northwest Territories, I think the key person in that whole process would be the community liaison people in your region. I commend the Minister, the staff and previous people who implemented that program, that position in their communities, especially when we have these programs that we can read and understand the English version; however, it has to be translated into an aboriginal language and that is going to require some time and effort. I would like to ask the Minister, this position, it seems on the budget line, has dropped from \$370,000 to \$336,000. Is that due to phasing out that community liaison person or due to other expenditures that you just don't have? I would really like to see these positions maintained in the communities. This is one of the good things you have done for the Housing Corporation. I am not sure what is going to happen to this position, Madam Chair. Thank you.

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

**HON. JOE HANDLEY:** Madam Chair, no, we are not phasing this one out at all. In fact, we've made it available to all the communities. Right now, there are only 14 communities that have indicated an interest in continuing this and we provide each of them with a \$20,000 grant for liaison. It works very well in some regions like the Sahtu, the Beaufort. Others regions haven't bought into it yet. Thank you.

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

**MR. YAKELEYA:** Thank you, Madam Chair. My last question to the Minister is regarding the district operations. It's more of a comment to the Minister and his staff. I know you've done some work in terms of getting the technicians out into our communities and staying longer in the communities and to listen to the community liaison people and to have the district people really spend some quality time with the homeowners and working with the community leaders at different levels of the government and having the district people stay. People at the district office can encourage the technicians to stay longer. This is more of a comment to the Minister in terms of some of the needs that need to be looked at in our region. I am going to leave it at that, Madam Chair.

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

**HON. JOE HANDLEY:** Our objective is to have the communities make the decisions whenever possible, develop that self-reliance. Yes, our technical people will help, but again we want them to be supportive. Anything we can do on liaison or working with the local government is beneficial. Some of the changes we've made here in simplifying programs and putting in technical people will make a big difference.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Handley. Page 2-166, district operations, grants and contributions, contributions, \$23.494 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. Page 2-169, Public Housing Program funding, operations expenditure summary, \$36.895 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Mr. Pokiak.

**MR. POKIAK:** Thank you, Madam Chair. I just have a couple of quick questions for the Minister with regard to...It's sort of complicated because the funding has gone over to ECE for rental subsidies. When tenants leave for Arctic College or outside of the community and they are allocated a unit, how does that work? My understanding is ECE will cover the costs while they are away on education leave. But I found out just recently in December, in my riding at least four of them got notice of economic rent that ECE wasn't paying for. My understanding is that the Housing Corporation is evicting these people now. Thank you, Madam Chair. Clarification, thanks.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. As a policy, ECE will cover the unit for three months, but if there is a waiting list for clients to get into public housing, then the other demand would kick in and the person would have to vacate the unit. If there are empty units in the community, though, then ECE and ourselves would consider letting that person continue in that unit for a longer period of time than three months.

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

**MR. POKIAK:** Thank you, Madam Chair. My understanding, specially in Tuk anyway, they did get a letter from the housing board that they can go up to one year while they finish off their program, but they were very disappointed when they went home over the Christmas holidays that they get economic rent. They owe as much as \$5,000, so they are struggling right now. What they have done is they are continuing their schooling in Inuvik, but hopefully they can come back to Tuk and find their unit available. Do they have to get permission from the Housing Corporation to pass the three months? Thank you.

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

**HON. JOE HANDLEY:** Madam Chair, yes, there would have to be communication between ECE and Housing Corporation particularly where there's a waiting list to make sure the units are available. We can't hold several units vacant with nobody in them for a year or longer because someone is at school and have other people be homeless. Again, we've tried to take as practical approach as possible to this so it works out to everybody's benefit.

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

**MR. POKIAK:** So if I understand the Minister correctly, Madam Chair, does that mean that...You know, these students went back to Inuvik to complete their program this year, to finish off the year in June. Is it their responsibility to pay back the Housing Corporation or ECE the \$5,000 that they supposedly owe now? Thank you.

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

**HON. JOE HANDLEY:** Madam Chair, if it's something that we messed up on, then we are not going to ask the client to pay us for our mistake. Certainly they wouldn't have to pay back for the three months. That's pretty clear.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. Mr. Handley. Mr. Pokiak.

**MR. POKIAK:** Thank you, Madam Chair. Just one more clarification. Since turning over the funds, it's created a lot of problems. I think they've seen that. I think the local housing organizations are seeing a problem with that. It's mainly because ECE can't come out with that money to pay upfront for the units alone. They are having problems in that regard. If the local housing boards give the approval to these people already to complete their schooling, will they be able to go back to their units, forgetting the three months that we already talked about? Thank you.

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

**HON. JOE HANDLEY:** Madam Chair, if it's for a short period of time, quite likely they would go back to their own units, but if they are away at school for two years, for example, then that public housing unit may have been in high demand by someone else and we have to allocate it to someone else. Hopefully when they come back after their schooling, we will be able to work something out with them. I don't think we would keep a public housing unit available and open for two years, for example, for a training program. We don't have that much housing.

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

**MR. POKIAK:** Thank you, Madam Chair. This will be my last follow-up. I am curious if ECE provides the funds for the rental subsidies. I am just wondering, does that mean if the students are gone for over two years, that the Housing Corporation will shut down those units automatically? I think what I am saying is if there is no one on the list right now, but these people are in school, does that make the Housing Corporation shut the units down? Thank you.

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

**HON. JOE HANDLEY:** Madam Chair, no, we would not shut it down or board it up and close it at all. If there is no waiting list, then, as I said earlier, we could give approval for the student to continue to maintain occupancy or ownership of that unit. If there is a demand for housing, though, we might put someone else in there, maybe a teacher in there. We might put somebody in that unit. Thank you.

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

**MR. POKIAK:** Thank you. Does that mean that the tenant will have to sign an agreement with the Housing Corporation, so that they can supposedly hand it over to another client that requires it?

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

**HON. JOE HANDLEY:** Madam Chair, yes, if the student wanted to come back to that unit, they would have to come up with some kind of agreement. Again, this would be a case-by-case situation we deal with. There could be an agreement between ourselves, ECE and the student to arrange that.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Handley. Public Housing Program funding, operation expenditures summary, \$36.895 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Mr. Villeneuve.

**MR. VILLENEUVE:** Mahsi, Madam Chair. I have a quick question on maintenance and repairs of \$8.402 million from \$8.804 million. The \$400,000 reduction, I guess just from my experience with dealing with LHOs and talking with LHOs and public housing clients, I was just going over some of my LHOs' audited financial statements from year to year and the maintenance and repairs budget has gone down, cut in half over the last two or three years. I think one of the main reasons why people just don't pay their rent is because they just don't get the maintenance and repairs that they require from the LHOs. The LHOs say we just don't have the money to carry out all these repairs or these maintenance requests. I think if we did have more resources, even human resources in housing maintenance areas in these smaller communities, people would be more inclined to pay rent if they can phone the LHO and get their oven elements or furnace nozzles changed in a timely manner and not be put off for months and months to get a window replaced or a door fixed or any kind of minor repairs. That irks people in saying the LHO doesn't care. I think putting less money into maintenance and repairs, we just keep the problem of rental collection more difficult for the LHOs to collect. I think it's a big item on the grants and contributions side along with even the electrical, power and heating fuel. I don't know why the budget has gone down in heating fuel since heating fuel has gone up. It probably won't go down any time soon.

So the LHOs have to start moving money around in order to come out with a balanced budget. A lot of them are looking at deficits which they eat up and pass onto the public housing clients through cutting out maintenance orders or repair orders and stuff like that to save a dollar and balance their budget. So I really think the department should have put more dollars into maintenance and repairs and also ensure that these maintenance and repair dollars at the LHO level are actually going into maintenance and repairs and not into travel for staff and other things that people point out in the communities...That's just a point I want to make on how this rental collection could be easier, given the fact that we have more maintainers out there and more repairs being done at the LHO level. I just want to ask the president how his dialogue with the LHOs at the steering committee level is coming up with recommendations to address this really tough issue of rent collections. Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. It's always an issue, how much do we put in for repair and maintenance. This fund for maintenance and repairs is meant for preventative repairs to make sure the houses are maintained at a good level. The challenge we always have is we do spend more money than we want on tenant damages and that eats into it.

We could, and this is one I have made a note of, we will look at it in future years. Do we need to bump up this amount of money more? Right now, we give them the same kind of increases we do for a government. For example, for all the wages, all the salary costs, we've given three percent. If it's not enough, it is an issue we have to deal with.

The issue on heating fuel, that we've covered the actual cost. If the heating costs go up, then we will cover either through the Housing Corporation or ECE through the subsidy. That isn't an issue that the LHOs or the people would have to be too worried about.

In terms of working with the steering committee, Madam Chair, the Member asked if Mr. Polakoff would give a summary of how things were working out and their dialogues. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Handley. Mr. Polakoff.

**MR. POLAKOFF:** There is no doubt that one of the biggest challenges that the Housing corporation has right now, particularly with regard to protecting our assets and making sure that the assets that we have are in good repair, is maintenance. As the Minister indicated, one of the things we are going to have to look at is how we can get more resources to apply to those.

As far as the steering committee is concerned and their recommendation, they would be supportive of the notion of more resources. I think the Member had asked whether or not there was an opportunity to collect more arrears, if that was the specifics. It should be noted that in terms of public housing, the arrears collection is pretty good. The arrears collection is currently around 90 percent for public housing. I think the real challenge is how do we find more resources to ensure that the housing is maintained more effectively? That may require some reallocation of funds internally or looking at different opportunities that may be available when looking to the federal government for additional funds and so on. That's something we are always looking for as well.

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

**MR. VILLENEUVE:** Thank you, Madam Chair. Just a quick follow-up. I understand the challenge of trying to keep every house up to a certain standard, but every year that the maintenance and repair budget comes along, all of these houses have gotten a year older. Public housing does go through a lot of wear and tear during the course of one year. The condition ratings may not change due to the fact that a lot of these units don't get visited every year, which they should. Condition ratings should be updated every year. A lot of LHOs just fill out a lot of condition ratings and they leave them all the same from year to year, thus giving the government the impression that these units are pretty much up to standard, therefore,

not getting any more money in maintenance and repairs. But I am sure Mr. Polakoff is well aware of that.

I just want to ask a quick question about the administration funding. With respect to training dollars for getting more community housing maintainers at the ground level in the communities, is any training dollars that an LHO wants to put towards apprentice programs have to come out of their administration budget, or is there a separate program in the Housing Corp department that would provide funding for LHOs to say we want to take on two apprentices every year or every three years, a plumber and a carpenter who we can work with so we can get repairs done in a timely manner? Is there any avenue besides the administration that's allocated in this budget? Thank you.

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. We are looking at an initiative to train up to 25 apprentices if we can find the money to do that. We have no commitment yet on it. There is no other money in here for apprenticeship training, but I can tell the Member that that is a high priority for us, should more resources become available.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Handley. Public Housing Program funding, operations expenditure summary, \$36.895 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed. Thank you. Page 2-170, Public Housing Program funding, grants and contributions, contributions, \$36.895 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Mr. Braden.

**MR. BRADEN:** Madam Chair, thank you. On page 2-170, there are a couple of lines there that beg a little bit of review. It's in the area, Madam Chair, of allocations for utilities, for electrical power, heating fuel and water and sanitation. Predictably, Madam Chair, we are showing an increase from this current year from about \$5.1 million to \$5.4 million for electrical power.

In the other two principal utility areas, Madam Chair, heating fuel and water, we are showing considerable decreases here; \$5.7million for heating fuel this year down to \$5.1 million and we've dropped about \$300,000 off water and sanitation from \$6 million. This is an unusual environment here to be forecasting decreases in the cost of heating fuels and water and sanitation. I am wondering if the Housing Corporation can provide a little bit of detail on why we are going that way. It's good news indeed if we are able to see some cost reductions, but why is it and, in fact, are these reductions in the volume, amount or calibre of the service being distributed, Madam Chair?

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

**HON. JOE HANDLEY:** Thank you, Madam Chair. There are a couple of things happening here. One is that we want to get more efficiencies, but that doesn't mean we are going to suddenly cut people's heat off or give them less water delivery or sewage pickup and so on. We will,

at the end of the day, pay the actual cost. That's the reality here.

Now the other one is that because we need the subsidies from ECE to be able to pay these costs, it also depends on them being able to find a way of getting the money to us. But no matter how we do it, in the end, we are paying the full cost.

**CHAIRPERSON (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. So these proposed reductions then in heating fuel, water and sanitation, they are all assumed to be coming from greater efficiencies. That's okay. I don't need any detail there. That's exclusively the cause, Mr. Chair?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** We go through each of them. On the heating and the fuel side, we could realize some savings. On the water and sanitation side, there is a reduction in water rates in some communities through MACA's new structure. So there is some possible savings there. The other is depending on the subsidies we need, we are dependent on the funding from ECE to cover that. At the end of the day, we pick it all up anyway, whether we achieve the savings or not.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Page 2-170, Public Housing Program funding, grants and contributions, contributions, \$36.895 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-171, lease commitments infrastructure. Page 2-172, infrastructure investment summary.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-173, infrastructure acquisition plan.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-174, infrastructure acquisition plan, continued.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-175, infrastructure acquisition plan, continued.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-176, infrastructure acquisition plan, total department, \$18.343 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-177, pro-forma income statement.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. An ongoing flag on the health and status of the Housing Corporation

has been diminishing contributions from Canada Mortgage and Housing Corporation, which I believe started sometime in the 1990s. We are going to be going from somewhere in the neighbourhood of \$30 million a year down to zero. By 2037-2038, we are going to be down to nothing, from \$30 million a year now. Mr. Chairman, I don't quite know where those contributions are booked, but on this page, under income, I wanted to ask a question I know has been asked in just about every other budget review. What are the options that this government has to replace what we know is a diminishing sunseting contribution from CMHC into our public housing stock, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Minister.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. CMHC are cutting back on their programs. That's all on the public housing side both on repair and maintenance and operation of public housing units.

The most obvious alternative for us is to get out of public housing and more into homeownership. That will be successful if our economy stays strong. Then we will see more and more people in their own homes paying their own utilities and so on.

The other possibility as we move along, if the economy doesn't stay strong, nationally there is a very strong push by the AFN, for example, to do more dedicated funding for aboriginal housing, which would help to resolve some of that challenge.

At this point, there is a fairly major reduction over the next 30 years that's going to be happening.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Okay. Knowing that we are going to be losing the major federal injection over time, but it's on its way out, knowing that we still do not have the major engine of our future, the Mackenzie Valley pipeline for sure, knowing that quite a large section of our population, Mr. Chair, has become quite dependent on public housing and without a pipeline and lots of development down the Mackenzie Valley, we aren't going to have very many options to enable private homeownership. So what is the government's plan? I am uncomfortable looking at this sliding scale of income and not having a plan to either replace it or find other ways to manage it. Are we ignoring, deferring or delaying dealing with the inevitable here, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, there is no doubt that we have some major challenges on the housing front and this is one of them. On the positive side, if our economy stays strong, as it has been, then we are seeing more rent being paid. Right now, the rent being paid by clients in public housing is somewhere in the neighbourhood of \$200,000 to \$300,000 more each year. Not as much as the federal government is reducing it by, but we are moving in the right direction.

If our economy is strong, we will be okay. We will continue along the track of getting into homeownership rather than



public housing, gradually decreasing that to those who are in extreme need of housing; that kind of housing, whether it's homeless, people without incomes and so on.

If the economy is not strong, then we have the same problem as some other jurisdictions, because this reduction by CMHC is about a \$2 billion reduction across the country by 2037. So we aren't the only ones being hit. I think the only other option we have if the pipeline doesn't go ahead, we don't find a strong economy here, is to continue to join forces with the national aboriginal organizations, with the other provinces and territories and continue to lobby away at the federal government to put some housing money into the North. There isn't many other options for us. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Just one more comment or idea in this nature. Is the ability or the opportunity that aboriginal self-government organizations potentially have in this area? Certainly one of the broad objectives or visions of aboriginal self-government is that these governments will then gain back the authority, the ability and the responsibility for doing more things for themselves and for their own people in their own region. Is supplying housing one of the potential things that the self-government organizations here in the NWT could or should be entertaining? If the federal and, therefore, the territorial government's ability to do this is diminishing, what is their capacity to potentially be part of the solution, Mr. Chairman? Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. People will pay if they have money. They will only get money if there are jobs. So it really comes down to whether or not our economy stays strong and whether people can afford to pay rent or pay mortgages. We could pass part of this challenge on to self-government. Some may take that on, but one of the principles we are operating on as the GNWT is we don't want to pass the problems onto somebody else without them having a way out of it unless they choose to take that on themselves. But self-governments are going to be the same situations they are in right now unless people have the money to pay their rent or pay their mortgage. That is really what it comes down to. If our economy is not strong, we are all in trouble here. Hopefully we keep a strong economy.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. That's all I have on this particular topic. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you. Page 2-177, pro-forma income statement.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Can committee now turn to 2-149?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Corporate summary, Mr. Braden.

**MR. BRADEN:** Mr. Chairman, I am wondering if I have perhaps missed something. Has committee considered pages 146 and 147, active positions? There is something I would like to ask about there.

**CHAIRMAN (Mr. Pokiak):** Does committee agree to go back to page 146 and 147?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. What I wanted to ask the Minister in this area is page 146 shows active positions, the allocation of staffing from headquarters and then to the seven regions. It shows that we are going to increase from this current to next year from 52 to 59 people in headquarters. I can't do the math that quickly, but the balance of people are in the regions. So we are going from 100 people to 117 PYs or active positions in 2007-08.

Mr. Chairman, Members will recall that we dealt with a lot of this in supps last year largely to enable the Housing Corporation to tackle a long and large problem with lands issues. I know that there are concerns about being able to find staff or employees with adequate skills that would enable us to get up to speed and do so quickly. So what I wanted to ask is, have we indeed filled or been able to fill these additional 17 new positions for April 1<sup>st</sup>, or what kind of challenges are we facing in terms of staffing now, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. On this page, it looks like we are going from 100 to 117. It's actually 98 to 115. As you will note at the bottom, there are some part-time positions in there. In terms of full-time equivalents, it's 98 to 115. In headquarters there are six land and technical people to deal with the affordable housing initiative, plus one position is executive assistant to the president. That makes up the seven. Then there is 10 going out to the regions. As the Member mentioned, they are land and technical people. The corporation received money in November to begin this. Some of the positions are filled. We are going through a screening right now. In some cases, we are able to fill them with northerners. In other cases, we've had to go south because on some lands and technical people, we don't have applicants with that background to fill all the positions. Are we going to fill them? Yes.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you. So did the corporation use...How much of the money that was allocated in the last supplementary appropriation to enable this, how much of that money was used up and how much is going to lapse for this current year, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Mr. Handley.

**HON. JOE HANDLEY:** Mr. Chairman, we got about \$900,000 and we would have to calculate how much of that would be lapsing. I would say less than half.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. I don't want to get into minutia. Are we going to be able to reasonably soon, reasonably quickly, staff up to the requested levels, the anticipated levels here, or are we going to be facing some chronic staffing issues in this area, Mr. Chairman?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Braden. Will we fill the positions, Mr. Handley?

**HON. JOE HANDLEY:** Our goal is to be fully staffed by April. Again, it's hard to predict. Of course, it's easier to staff in Yellowknife than it is in some of the regions. So that's always more of a challenge. Our goal is to have it fully operational by April.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I was just waiting for my light to come on. I just wanted to take another swing at this. I will give it my best shot. Again, I really have trouble grasping or understanding how you could take \$30 million from the Housing Corporation's budget, put it over at ECE, hire 14 people at ECE to administer that money and then look at this year adding an additional 17 positions inside the Housing Corporation. I know earlier it was mentioned that under the Supported Lease Program you don't have the staffing at the regional level to deliver the Supported Lease Program, so you actually have to contact out to get that work done. Mr. Chairman, something doesn't quite add up when I think about that. When you are running any organization, you try to make the best use of the personnel that you have and I don't know if you are doing that through this whole transfer of the social policy or housing policy and the \$30 million over to ECE. I don't know if we have managed that effectively from a staffing level.

I guess that leads me to another observation or suggestion. I know the Minister has mentioned the fact that the new lands and technical officers will be term positions, but in our materials they are always shown as indeterminate full-time whether they are term or not. I think, going forward, we need to spell that out. If they are term positions, they can't be shown as indeterminate full-time in our materials. If that is not the case, then it's a misrepresentation of what you are proposing. You have said it yourself, they are term positions. Are they indeterminate or are they term? I think that's the question I have, Mr. Chairman.

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. If we didn't have the \$100 million affordable housing initiative, then we would not need 16 of those positions. But when you are almost doubling your delivery, then it is going to take more. So if we were to set that aside, you'd find that there isn't a huge difference.

The other one is with the LHOs. It was a fraction of somebody's time in each of the communities. It wasn't as if we could just take a position out of the LHO who did the rent subsidies and so on themselves. So we had to give them the means to be able to continue to be sure people had good quality housing and programs. We could not

take positions away, so there was some creation of new positions there in Education. So it's always difficult with the LHOs who were probably overworked anyway at the regional levels.

Most of the accumulation of the growth is because of the doubling of the delivery by the Housing Corporation. In terms of these other positions now, the ones related to the affordable housing initiative, they are term positions. It's in the business plan as term positions. We follow a standard format in doing all the budget estimates. So you won't find in here any category for term positions. They are listed as indeterminate, seasonal, part-time and so on. If you go back to the business plans, you will find they are term positions. They will phase out when the affordable housing initiative is over.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I thank the Minister for that. I think that perhaps might be a suggestion on budgeting and something we can bring up with the Minister of Finance at a later date. I thank him and his staff for their patience and their efforts over the last couple of days. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Page 2-146.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Can we now turn to page 2-149?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** NWT Housing Corporation, corporate summary, operations expenditure summary, \$1.927 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** There is no capital acquisition plan. Does committee agree that consideration of the NWT Housing Corporation departmental estimates have been concluded?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. At this time, I would like to thank the Minister and also his witnesses today. Thank you. I would like to ask the Sergeant-at-Arms to escort the witnesses out, please. Thank you.

Thank you, committee. Next on the agenda we have MACA. What is the wish of the committee? Mr. Lafferty.

**MR. LAFFERTY:** Mahsi, Mr. Chair. Mr. Chair, the committee wishes to consider Municipal and Community Affairs. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** We will reconvene after a short break. Be back at 4:30.

---SHORT RECESS

**CHAIRMAN (Mr. Pokiak):** Good afternoon, committee. We'll reconvene the Department of Municipal and Community Affairs. I'd like to ask the Minister of MACA if he would like to make opening comments.

**HON. MICHAEL MCLEOD:** Yes, thank you, Mr. Chair. I'd like to do the opening comments. Mr. Chairman, I am pleased to present the Department of Municipal and Community Affairs' main estimates for the fiscal year 2007-2008.

The department is requesting \$114.6 million in operating expenses for the 2007-2008 fiscal year. This represents an increase of 8.7 percent from the department's 2006-2007 operating expenses budget. In 2007-2008, funding of \$92.1 million, or 82 percent of the proposed operating budget, is in the form of grants and contributions, the bulk of which flows directly to our key stakeholders: community governments. This is an increase of \$8.7 million, or 110 percent, from the 2006-2007 grants and contributions funding level. The department's grants and contributions include formula funding for community government operations, water and sewer services and capital, sport and recreation programs, municipal insurance, grants-in-lieu of property taxes, and community development.

The 2007-2008 budget reflects a stable ongoing funding commitment for community public infrastructure as part of the New Deal for NWT community governments, a key strategic priority of the Government of the Northwest Territories.

The proposed budget includes \$32.1 million in capital funding, of which \$22.6 million will be provided to community governments via a capital funding formula for communities to use to set their own infrastructure priorities. In addition, the budget includes an increase of \$4 million for community government operations and an increase of \$2.6 million for water and sewer services funding.

Although April 1, 2007, marks the date for the formal implementation of the New Deal, MACA and community governments have been working in partnership over the last two years on the development of the initiative. We have recently finalized changes to the New Deal policy framework that serves as the basis for allocating formula funding to communities for water and sewer, operations, and capital. The policy framework reflects the autonomy and authority of community governments and is consistent with recent legislative changes that put in place broad accountability and reporting requirements for community governments.

The 2006-2007 fiscal year is the last year that MACA will play a lead role in capital planning and development for most non-tax-based communities. The changed approach will provide communities with the authority to make decisions about community infrastructure, and the flexibility to lever funding from other sources, enter into partnerships and get more value for money.

To assist communities with the transition, the department has entered into agreements with five community governments to pilot the New Deal approach.

Under the pilots, communities have received funding from MACA to proceed with specific capital projects identified by their residents as a priority.

The purpose of these pilot projects is to identify best practices, gain insights into community project management needs, and determine areas where all community governments can benefit from additional support or resources during the implementation. In addition, the information gained from the pilot projects is helping MACA identify training needs and staff requirements to assist all communities in capital project implementation.

MACA has also put in place new training modules for community government staff through the School of Community Government, and is providing communities with access to resources, planning tools and other supports. The department recognizes that the implementation of the New Deal is a process that will evolve over time, and that communities require ongoing advice, support and assistance. To assist in this process, the department is working on individualized transition plans for all community governments that are taking on new authorities.

In addition to the New Deal, MACA has several other important initiatives that it will continue to advance over the 2007-2008 fiscal year.

In 2006-2007, a multi-departmental drinking water quality framework was put in place to ensure all communities are provided with drinking water that meets federal guidelines. The department's 2007-2008 budget includes resources to continue departmental work on this initiative, including assisting communities with water licence applications, and with training and certification of water treatment plant operators.

The proposed 2007-2008 budget also reflects the transfer of two positions from the water and sanitation unit of the Department of Public Works and Services. The transfer of this function to MACA will complement and strengthen the initiatives undertaken to date as part of the drinking water quality framework. The transfer will also assist in addressing the ongoing need to provide coordinated water and sanitation expertise to communities as they assume new responsibilities under the New Deal. It is critical that MACA work closely with communities to provide the necessary technical expertise that will ensure the integrity of community water and sewage treatment systems.

The department will continue to assist communities to implement the requirements of the Gas Tax Agreement. This agreement, signed in November 2005, results in \$37.5 million in funding flowing to all communities in the Northwest Territories over a five-year period. As per the terms of the existing agreements, community governments will receive \$6 million in funding in 2007-2008, an increase of \$1.5 million from the funding provided in the current fiscal year.

The funding will be used by communities to address their infrastructure priorities related to water and wastewater treatment and distribution systems, active transportation infrastructure such as trails and sidewalks, and dust control. MACA is working with communities to determine how the gas tax funding can be combined with GNWT capital formula funding to provide for community public infrastructure. MACA also continues to work with other provinces and territories to encourage the federal government to make the gas tax funding a permanent program.

Communities continue to need assistance to address rising energy costs. The department is working with the Arctic Energy Alliance on its Community Energy Planning Program in the current fiscal year. The 2007-2008 budget includes funding for the department to continue this partnership, and to help communities develop integrated community sustainability plans, which include community energy plans. A planning conference to assist in this process was held in November 2006 and included representatives from 27 community governments.

Building on the momentum of the November conference, a second conference scheduled for April will provide a venue for the final discussion and approval of the NWT integrated community sustainability plan template. It will also assist communities to prepare for formal implementation of the New Deal through sessions on capital planning and project management, investment plans, land administration and capacity building.

The current fiscal year has seen the initiation and completion of several successful youth events, provided for on a one-time basis through funding made available under the Northern Strategy. This funding provided youth with the opportunity to participate in the Youth Trapper Training Program, the NWT Youth Leadership Program, a Youth Leaders Forum, and the National Aboriginal Achievement Awards. Funding was also used to establish a youth website to serve as a single window access point for youth on issues that may be of concern to them and to link all existing departmental youth related programs in one location. Since this funding was available in 2006-2007 only, it does not appear in the 2007-2008 budget. MACA will build on the success of these one-time initiatives and will continue to explore the potential for increased investment in youth programs through partnerships.

In the upcoming fiscal year, MACA will continue to advance GNWT priorities related to healthy living. The operational budget includes funding to continue the highly successful Get Active NWT initiative as well as funding to provide for continuation of a bilateral agreement with the federal government to support programming such as multi-sport youth camps and the NWT Games. These projects have been particularly effective in the more remote, primarily aboriginal communities, where the health and self-esteem benefits of sport are particularly critical.

Many of the initiatives we have implemented over the past year have been successful due to the support of our key partners.

The Northwest Territories Association of Communities and the Local Government Administrators of the Northwest Territories have provided invaluable insight and advice to the department throughout the New Deal initiative, and their recommendations were critical as we worked on developing options to flow capital formula funding to all communities. We look forward to their ongoing involvement as we begin the formal rollout of the New Deal in 2007-2008. The Sport and Recreation Partners Council has emerged as a significant source of input and advice as we continue our work on promoting the importance of active living, and Sport North was fundamental to the success of the NWT Games events over the past year.

It is the department's intent to continue to work in partnership with these and other stakeholders to reach our common goals over the next year. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. McLeod. At this time, I'd like to recognize Mr. Bobby Villeneuve, chairperson of MACA.

## **Municipal And Community Affairs**

### **General Comments**

**MR. VILLENEUVE:** Mahsi, Mr. Chair. The committee met with the Minister and his officials on September 26, 2006, to review the draft business plan of the Department of Municipal and Community Affairs.

The committee considered the department's draft main estimates on January 16 and 17, 2007.

Committee members made note that the department is proposing to spend \$114.7 million in operations expenses and \$32.1 million on capital projects in fiscal year 2007-2008.

Committee members offer the following comments on issues arising out of the review of the 2007-2008 Draft Main Estimates and budget-planning cycle.

### **New Deal For Community Governments**

The New Deal is a proposal from MACA to the communities, which is to provide communities with greater control and decision-making over their infrastructure, including planning and decision-making for capital projects.

The Governance and Economic Development committee has been cautiously supportive of this initiative. For example, we know that capital projects can run into difficulty and unexpectedly require expensive advice in the form of legal, engineering and contracts expertise which communities will need the capacity to manage. The committee is pleased that MACA committed to working with the NWT Association of Communities to make the New Deal a graduated process for communities. The committee is also pleased communities will receive increased funding to help them budget for long-term capital projects.

The committee appreciates MACA has several reports it uses to review the financial status of community governments. However, since we will no longer be reviewing the communities' capital appropriations, Members of the Legislative Assembly will need to have a level of comfort that public funds are being spent responsibly and the New Deal is providing communities with sufficient expertise and adequate funding for control over their infrastructure. For instance, Members are aware there are already problems arising with the revised water and sewer allocations. We have also been unable to review the baseline assessment study because it has been delayed. The baseline assessment study will look at every piece of community public infrastructure, including environmental liabilities, in every community, to evaluate the state it is in before MACA transfers those assets. These are the early days of the project and there is still outstanding information.

The committee is requesting ongoing and precise reporting on the progress and outcomes of the New Deal.

### Recommendation

The Standing Committee on Governance and Economic Development recommends the Department of Municipal and Community Affairs keep the committee updated with details of capital spending, including a performance and evaluation mechanism to assure the Legislative Assembly that the New Deal is really working and improving community access to infrastructure.

### Community Energy Planner

Municipal and Community Affairs is funding the Arctic Energy Alliance for one community energy planner position to support and assist communities in developing and implementing individual community energy plans. Through its obligations under the Canada-NWT Gas Tax Agreement, MACA has an interest in ensuring that there is technical support to communities to develop these plans.

The committee looks forward to reviewing the community energy plans. If well executed, they should be able to address the significant energy consumption and cost of living issues facing the communities.

These plans should become living documents with appropriate funding attached so they can be implemented and do not sit gathering dust on government shelves.

### Recommendation

The Standing Committee on Governance and Economic Development recommends that community energy plans be included in the government's Energy Strategy and receive adequate funding for implementation.

That concludes the Governance and Economic Development committee's comments, Mr. Chair. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Villeneuve. At this time, I'd like to ask the Minister if he'd like to bring in witnesses.

**HON. MICHAEL MCLEOD:** Yes, I would, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Does the committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. I'll ask the Sergeant-at-Arms to bring in the witnesses. Thank you.

Thank you. Mr. Minister, at this time, I'd like to ask you to introduce your witnesses, please.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. Mr. Chairman, with me I have Debbie DeLancey, the deputy minister for MACA, and also Laura Gareau. She's the director of corporate affairs with MACA.

**CHAIRMAN (Mr. Pokiak):** Thank you. General comments on the department. Mr. Ramsay

**MR. RAMSAY:** Thank you, Mr. Chairman. I'd like to thank the Minister for his opening comments and welcome him and his staff to our proceedings this afternoon. I want to first start off by saying I really have been encouraged with what I've seen come out of MACA. I think the

department in general is very responsive to community needs and does a good job at what it's there to do.

I do, however, have some concerns obviously on how the money is being spent and whether or not we have enough in terms of backup on the back end of it to ensure that the money that does flow through to communities does, in fact, get spent in an accountable fashion in the areas where it's supposed to be spent. I think it's important; these are public dollars. I've mentioned this in the past: not all communities are created equally, some need more help than others. It's important if we are looking at formulas that supply a base to all communities and then a percentage after that, obviously all communities are going to get money and some have a better capacity at the community level to ensure that projects are carried out and done accordingly, and others maybe not so much. So I wanted to mention that for the record.

The other thing I wanted to mention, too, and it isn't to pit the smaller communities against the larger communities, but when you look at funding and if you look at the gas tax, MRIF, and now this capital money, the base has been steadily increasing. It went from 1 percent to 1.5 percent and now it's at 2 percent. What that does, Mr. Chairman, is obviously it impacts the larger communities and takes away from dollars that are flowing through to the larger communities. Oftentimes, Mr. Chairman, the larger communities do have certainly the wherewithal to need the money, to use the money effectively and carry out the work. Not to say the smaller communities don't, but they might need some more help especially in the technical side of things. So I wanted to just mention that and I think that's one of the areas that has been a concern of mine.

But other than that, like I said, I think the ministry and the Minister and the deputy are doing an admirable job in looking after the interests of communities. I think we have come a long way even in the three and a half years I've been here, and I look forward to even more in the future. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. General comments. Mr. Lafferty.

**MR. LAFFERTY:** Mahsi, Mr. Chair. (English not provided)

Mr. Chairman, as I indicated in my opening remarks in my language, I highlighted the capital funding. The capital funding formula that has been outlined by the Minister is a new initiative. We're setting their own infrastructure priorities. We talk about the New Deal that's coming on stream. It's great news for the communities of the Northwest Territories. I must say it is welcoming in my region as well. I think this has been a long time coming. My leadership certainly supports this initiative. We're putting the power back into the community. The communities will be making their own decisions, whether it be artificial ice, as I indicated just the other day. Those initiatives can be put aside and start planning on that. That's why I would just like to highlight this important initiative that's in front of us.

Also, Mr. Chairman, there's also new training modules that have been initiated by School of Community Government. School of Community Government has been training community administrators in the communities for some time now. Just within the last couple of weeks there was a joint force with the U of A

partnership, which is a big step. They're leaving a legacy behind where...This will be an accreditation program; it will be recognized throughout the North and throughout Canada. The certification program, whether it be a diploma or leading to a degree, that's what I'd to see as an individual Member sitting here. I think that's the goal of the U of A. The U of A is going to expand North here, which is great to see.

With this new initiative, the New Deal, there's also individualized translation plans for all community governments taking on these new authorities. You know, we're not just walking away from it. We are supporting the communities as well as the government, which is great to see that, as well. It's sort of like an aftercare program.

I would just like to highlight also another training initiative that's been highlighted in 2007-08 budget, on the training and certification of water treatment plant operators. You know, we living in small communities, we have people coming out at times as plant operators but slowly we're training our own people. At the same time, this also highlights that we need to have qualified personnel in the community. That's a liability issue on MACA, on government as a whole. I like seeing this report in there. This is a step in the right direction, as well, having qualified personnel within the system.

Mr. Chairman, I just wanted to highlight those two, three key areas because they caught my eye but there will certainly be more discussion to take place with the New Deal. At this point I would just like to leave it at that and I can have questions at a later point. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Lafferty. General comments. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Mr. Chairman. Mr. Chairman, I want to make a few opening comments before we get into the detail of MACA's budget. I want to say that I like what the Minister has presented to us in terms of the deal, the New Deal, for the communities. In the small communities, the decisions and the authority will now be given to the local elected representatives of the community. Sometimes deal or no deal, just like that TV show.

---Laughter

The Minister has worked towards this. I'm not too sure how it's going to roll out in the future, but it seems like it's going to be a good thing for our people. We have to wait and see.

Some of the things I'm somewhat cautious about are some the infrastructure that's going to be left in our communities. My colleague alluded to that in his report on the baseline infrastructure study on what type of environmental liabilities that would be handed over to the communities. Later on it may be costing them more than it is and it may be using a lot of the money to fix up some of the infrastructure. I want to hear how that's going to be resolved or how it's going to be looked at and if the communities are prepared for it. If they're not, then we should have some alternate plans to look at situations like that.

Case in point, Mr. Chairman, the treatment facility plant in Tulita. The filters there are very expensive; the filters are ordered out of the United States. You have to change

those filters every so often according to compliance and regulations. Because of the fast moving water of the mighty Great Bear River, the filters get clogged up right away. I'm not too sure if we have enough money. I think the Ministers and deputy ministers are aware of this issue that our hamlets or small communities may not have enough money or a huge portion of these funds may go just to ensure that we have clean water throughout the year. That's what I'm cautious about, that these types of situations are being looked at and considered when we take over these facilities. It's no fault of anyone, it's just the way things are rolling out in today's society.

Mr. Chairman, those are some of the things I want to be cautious of giving the green light to the Minister and say you've done a good job, a pat on the back, if there are still some things that need to be considered. You have to have the Minister continue to work hard for our people here so we don't...

Mr. Chairman, the other one I wanted to ask about is about the water quality. I think it's somewhere in the opening comments about the water framework. It's the drinking water quality framework. I know the elders in Good Hope have said this to me and I've talked to the Minister already about what they call dead water. There's dead water in our communities. They have the water, like in a glass, Mr. Chairman, and the water just sits in here without being moved around and it gets pumped out into the communities and it's dead. They call it dead water. They want to look at some issues there. I'm not too sure if that's part of the New Deal, that they take responsibility for this situation or it's being looked at. I want to ensure that we not only train our workers to be up to par with the compliance and regulations and test the water, but how do we get our water and how do we keep it healthy? That is number one. You can have the best water system but where you get the water, the water is alive, it keeps moving, otherwise we're just creating positions and jobs to take care of that water that's sort of like in a cup here. You've got water delivery, you've got water testing, and all this type of units that fit into the quality of our water that we deliver in our community.

Mr. Chairman, the elders talk about dead water, the water is not alive. You add chemicals to it, you add different type of chemicals and we drink a lot of chlorine with those chemicals. It kills the, in one sense, it kills the spirit of that water. I think that's what they mean by dead water. I wanted to bring that to the Minister, that it's still an issue in our region. He may know more than me in terms of how it's being resolved or being done; done in terms of how it's being discussed and taken care of.

The last thing I want to point out to the Minister is that in his opening statement I want to give him 110 percent on this one here, the youth trapping program that's in our communities and our region, that our way of life in this program is so dearly needed with our youth. I support him in terms of promoting it, encouraging it, and have the youth know that this type of life is why we're still, as community members, we're still sitting here.

This type of youth trapping program has a lot of lessons in there. I hope these lessons from the youth trapping program somehow could be used in our modern day education curriculum. For trapping you have to be smart. You have to be a smart person to trap. You have to be healthy. You have to be aware. You have to know how to count. You have to know a lot of things to be a trapper.

These youth, they'd love that. You have to be on the land there. I hope this youth trapping program somehow makes it into our, God willing, makes it into our curriculum somehow because it's a good program. That's how we support our people. It's about climate, land, environment. It's about reading a lot that you can't understand in the bush. We should really support that in terms of encouraging our children, both girls and boys, the importance of trapping and the way of life that is going to be here for us for a long, long time. After the oil and gas has been extracted from our land and the mining companies that have done the digging that they've done and taken out the resources, trapping is always going to be here. Hunting is going to be here. Fishing is going to be here. It's a very important program. We need good water. We need good air and a good environment to trap and live on the land. They know this. I think this program should be right up there with some of the core curriculum we have in our schools. I don't know if that's possible or just my wish right now.

Colville Lake is a fine example of all other small communities up in...(inaudible)...Paulatuk, Wekweeti, and other communities around the lake here. They know the importance of trapping. I think that's a good program. I support the Minister on that initiative. I don't think there's enough money in that program right now. We don't have the power to increase the budget, but that's just my comments to the Minister. That's all I wanted to say. I would like to get on with the business and get down to the detail here. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Next, Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. I don't want to rain on the Minister's parade here today and all these accolades and well-wishing MLAs, Seriously, I do think that MACA, I have to chime in here, I do think that MACA is doing a great job. We work closely with them through our Governance and Economic Development committee. However, I have an unhappy community right now over the New Deal. I think the Minister is aware of that. I think there are some other communities as well that probably will have something to say about this over the next while. I guess it's just not enough to say, well, we're getting more money under the New Deal, so is everybody else. We think that it's not fair to expect the consumers of trucked water and services to pick up the difference. The ability to generate revenue through charging the customer is not a very palatable solution in Hay River. I think that the decision to cut the \$200,000 out of that particular allocation under the formula happened too quickly. It's a lot of money and it's very difficult for a municipality to recover from that kind of an adjustment and come up with a plan to address that.

Most municipalities -- and I will speak about a tax-based municipality because that's what I represent -- most municipalities are struggling with aging infrastructure. A lot of communities in Canada are of an age where they have probably got some pretty major capital projects to undertake with regard to infrastructure, whether it's municipal buildings or piped water and sewer services, sidewalks, roads. A lot of communities are struggling with human resource issues, getting qualified staff operating it. It's a very competitive environment out there right now in terms of the labour market and communities are having to increase their compensation packages they're willing to offer to attract people to work for their communities, to get

qualified people. There is a lot of pressure on communities right now. I think that to have a reduction of \$200,000 in a certain category just overnight, no phase-in, no lead up to it, where there could have been some kind of a plan put in place to address it, I think it was just too harsh.

I know the Minister is already well aware of how Hay River feels about that, but I did want to speak to it under general comments. Of course, I had written questions in the House today and I'll continue to have more oral questions about that, but I would respectfully and earnestly urge the department to consider if there is anything that they could do to mitigate the impact of that particular reduction. The idea of community autonomy and the flexibility to move money around is, I suppose, one way of responding to it, but the formula was developed in such a way that, I think, the money was allocated under the various activities, or the various programs, I should say, were put there for a reason and that's because there is money needed in those areas as well. It would be very welcome news for us if there was anything that could be done to mitigate that. With that, Mr. Chairman, I'll just leave my general comments there. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Ms. Groenewegen. General comments. Ms. Lee.

**MS. LEE:** Thank you, Mr. Chairman. I just want to say a few comments on MACA. I'm not a member of the GED, obviously, so I'm not familiar with a lot of the issues here, so I'll just keep it general. I have attended a number of conferences dealing with the New Deal and new fundings that MACA is working on its own or in conjunction with the federal government. As well, I have had occasion to talk to some of the municipal leaders, and just now I've had a chance to look at the information that we have been provided here on the MACA budget. I recall my time when I used to be a GED member when the whole funding formula was revised. We were aware at the time that on balance, I think it was going to improve the funding regimes for most communities, but there were some that were going to see more changes than others. I think Fort Simpson, Hay River and possibly Yellowknife. Also, the pool of money available for water and sewer was not going to be working the same way. In looking at the tables we have here in the back, forecasting the capital funding that would go to communities, what you would notice is that proportionally speaking, the money that would go to Yellowknife is not anywhere near the demands of the big city that Yellowknife is. I understand that Yellowknife does have revenue coming from taxation, but I think if you would talk to anyone in the city, I think there is a limit to how much tax you can collect for the people to support the municipal projects. There are a number of projects and funding that the city is looking for that it's not able to have.

So I am just going to ask the Minister if he could give me an idea as to how, in balance, in combination of the New Deal and some of the changes that have been made on the funding structure for the last five years, how does Yellowknife fare in comparison to the old regime? I realize that's a general question, but maybe you could give me an idea as to what has changed. Thank you.

**CHAIRMAN (Mrs. Groenewegen):** Thank you, Ms. Lee. Mr. McLeod.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. Madam Chair, the New Deal initially started as an initiative

to bring smaller, non-tax-based communities up to a point where they can make decisions and become municipal authorities. At that time, the largest centres were not included as part of the package. Having to do a review of all our communities in order to start looking at the needs, we quickly realized that all the larger centres also needed some investment over and above what we are providing to the smaller communities. So we decided to include dollars, especially in the area of capital, to the larger centres.

We also were able to do an infrastructure evaluation and recognize also that there needed to be more money put into the pot for non-tax-based communities and also larger tax-based centres. Over the last while, we also took the opportunity to review the operations O and M funding. The Water and Sewer Subsidy Program was reviewed and a new formula was developed. It's, for the most part, resulted in more funding all across the board for most communities.

In the case of Yellowknife, as the Member has requested, we are looking at an increase of \$382,000 for O and M funding for the City of Yellowknife. We are also going to be providing \$1.783 million, the actual amount, in new money for capital. We have to remember that the larger centres such as Yellowknife, Hay River, Inuvik historically never received capital from this government. That was built into their block funding. So this is over and above that. The city is also realizing and receiving \$1.795 million in gas tax funding for this year. So the city is receiving a lot of new money that they haven't received historically. That's the case for most of the communities. We try to put more dollars into the communities so they are able to govern themselves and make decisions that affect the communities. Thank you, Madam Chair.

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

**MS. LEE:** Thank you. I would assume that that is in addition to normal block funding then. I want to ask a question about the issue that came about earlier and that has to do with the public transit program. There is money that the federal government suggestion to enhance the public transit program. There is some among the municipal leaders in the previous government anyway that that money was something that was earmarked for the City of Yellowknife in that there are not too many other places with a public transit program. The public bus system in Yellowknife is something that has struggled to make it economical. I know the Minister wanted to revisit that to see how other communities could benefit also. Could I get the Minister to give us an update on where he is on that file?

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

**HON. MICHAEL MCLEOD:** Thank you, Madam Chair. The budget for the public transit system is \$1.7 million. We are in the final stages of our negotiations. We expect to sign an agreement before this fiscal year end. We expect to be rolling these new dollars out soon after that. It will be on an application basis with the condition that no one community get no more than up to half of it. There will be some flexibility in the criteria that allows some of the smaller communities to be able to access handy-vans and things of that nature.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Minister McLeod. Ms. Lee.

**MS. LEE:** Thank you, Madam Chair. When the Minister mentioned that he's in the final stage of negotiating this, is he suggesting that the negotiations are with the federal government, or is this something that's been worked through the NWT Association of Communities or municipalities that have shown interest in accessing these funds? Also, in order for the smaller communities to access, they may need some assistance in coming up with ways and means to take advantage of the program to introduce some kind of public transportation program. I am hoping that at the same time, the public transit system may be one sure way to reduce the use of fuel or the use of private vehicles or encourage less vehicles on the road, especially in busy times.

Also, in the smaller communities, we constantly hear of the need for special vehicles for the elderly or people with disabilities. Could we have a community vehicle in communities that could take advantage of this? Of course, this idea may turn into trouble with taxi companies or something in some communities that have taxi services. I guess I am looking for an idea as to how expensive this idea is; because I would think you would have to think of new ways in order for some of the smaller communities to take advantage of this program. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Lee. Minister McLeod.

**HON. MICHAEL MCLEOD:** Yes, Madam Chair, the intent is to try to create a criteria that will allow some of the smaller communities that are in need of systems to help the elderly or some of the disabled people to come to and from medical services or other facilities. We are also including community vans. Madam Chair, we are running all this through the Association of Communities. They have approved our process and we are negotiating directly with the federal government. It's an agreement we have to sign with them. We should be in a position to do that right shortly. I think we have dealt with all the issues that we had to iron out and are ready to sign an agreement fairly shortly, in the next little while.

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

**MR. POKIAK:** Thank you, Madam Chair. I just have a few quick general comments with regard to the Minister's opening remarks. I think one concern that I have heard from my constituents, especially in Tuk, and Mrs. Groenewegen brought it up before, is the Water and Sewer Services Program. They do see some flaws with it. They are running short of funding to operate especially when you are looking at 30 or 40 kilometres to transport the CEEA program in my community.

The other concern I have is with regard to the New Deal, the one-time funding. I appreciate the money that's going to the communities, but I think, Mr. Chairman, the concern I have is with non-tax-based communities especially in a small community like Sachs Harbour, they just don't have the amount of people to raise the taxes required of them to operate. It's going to be very difficult in a place like Sachs Harbour and maybe even Paulatuk. Maybe Tuktoyaktuk can get by, but again to raise funds like that it's going to be very difficult in terms of trying to get capital and capital infrastructure.



I appreciate the department and the School of Community Government. I think that's one way to work and try to get people trained in terms of us coming up with a new deal. Again, I think a lot is going to depend on the people you have working inside the communities that's going to operate the New Deal that's coming up. If you don't have the resource people in there, the expertise, Mr. Chairman, you are looking at probably coming up for failure. I think it's important that you do get these people trained in these communities.

The Minister indicated that in the 2006-2007 fiscal year, that it's the last year that MACA will play a lead role in capital planning and development. Again, it's important. Like I say, we have to get these people in line when they do take over.

The other comment I have heard in the past in the hamlets is with regard to the municipal insurances. Costs are coming up and they are concerned about that.

I just hope that MACA will be sure that all the supports that are required by the smaller communities are there, the support and the resources available to them because we are talking about so many self-government-type operations. When they take over their responsibilities, especially for capital projects, if they don't have the funding to operate these and can't raise the taxes for it, they will have difficulty. If that's the case, Mr. Chairman, I hope MACA will somehow be able to help them out so we can move forward.

There are no questions I have, Mr. Chairman. These are just general comments to the Minister for now. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Pokiak. Any more on general comments?

**SOME HON. MEMBERS:** Detail.

**CHAIRMAN (Mr. Ramsay):** Okay. We will defer the operations expenditure summary until the end. We will start on page 4-10, revenue summary.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-13, activity summary, directorate, operations expenditure summary, \$4.775 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-15, activity summary, directorate, grants and contributions, grants, \$225,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Contributions, \$390,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total grants and contributions, \$615,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-19, activity summary, community operations, operations expenditure summary, \$8.226 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-21, activity summary, community operations, grants and contributions, grants, \$350,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Contributions, \$4.768 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total grants and contributions, \$5.118 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, committee. We are on page 4-21, community operations, grants and contributions. Mr. Villeneuve.

**Committee Motion 42-15(5): Evaluation Of Capital Spending And Community Access To Infrastructure, Carried**

**MR. VILLENEUVE:** Mahsi, Mr. Chairman. Mr. Chairman, I move that this committee recommends that the Department of Municipal and Community Affairs keep the Governance and Economic Development committee updated with details of capital spending, including a performance and evaluation mechanism, to ensure the Legislative Assembly that the New Deal is really working and improving community access to infrastructure. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Villeneuve. The motion is being circulated. Now that committee has the motion, the motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

**CHAIRMAN (Mr. Ramsay):** Question has been called. All those in favour? All those opposed? The motion is carried. Thank you.

---Carried

Mr. Villeneuve.

**Committee Motion 43-15(5): Implementation Of Community Energy Plans, Carried**

**MR. VILLENEUVE:** I move that this committee recommends that community energy plans be included in the government's Energy Strategy and receive adequate funding for implementation. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Villeneuve. Again the motion is being distributed. The motion has been distributed now. The motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

**CHAIRMAN (Mr. Ramsay):** Question has been called. All those in favour? All those opposed? The motion is carried. Thank you.

---Carried

Thank you, committee. We are on page 4-21 and I am going to read that page again. Activity summary, community operations, grants and contributions, grants, \$350,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Contributions, \$4.768 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** For a total of grants and contributions of \$5.118 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-25, activity summary, School of Community Government, operations expenditure summary, \$2.197 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-31, Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I just have a question on the expenditure category for the School of Community Government of other expenses of \$1.314 million. I just want some clarity, some detail on what that includes. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Villeneuve. By the sounds of it, we are back on page 4-25, School of Community Government. I will call that page out again after we get a response from the Minister. Mr. Minister.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. The question was regarding other expenses, \$1.3 million. The other expenses are increases of \$15,000; attributed to the sunset of the management drinking water program in the NWT, \$30,000; an internal transfer of \$45,000 from regional operations to the GNWT Circuit Rider Training Program. This funding is required to continue the program.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Minister. Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Maybe the Minister can tell me what the Circuit Rider Training Program is. Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. Mr. Minister.

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. The Circuit Rider Training Program is a partnership arrangement we have with this company to go into the communities and work with the water plant operators and to provide certification and training. We are also working with another company that we will hopefully bring on stream at some point to work in this area also.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Minister. Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Wouldn't that expense fall under contract services? Thank you.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Villeneuve. Mr. Minister.

**HON. MICHAEL MCLEOD:** I will ask Debbie to respond to that.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Ms. DeLancey.

**MS. DELANCEY:** Thank you, Mr. Chairman. There is some funding in contract services and in regional operations, but there are also costs associated with this program within the department because we have staff that work with our contractors. So there will be travel and production of materials and other costs, school costs as well as the contracting services for the external contractor.

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. DeLancey. Anything further, Mr. Villeneuve?

**MR. VILLENEUVE:** No, actually. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Villeneuve. Committee, we are on page 4-25, School of Community Government, activity summary, operations expenditure summary, \$2.197 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-31, activity summary, lands administration, operations expenditure summary, \$2.667 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-37, activity summary, sport, recreation and youth, operations expenditure summary, \$2.215 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-39, activity summary, sport, recreation and youth, grants and contributions, \$925,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. Total grants and contributions, \$925,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-43, activity summary, regional operations, operations expenditure summary, \$94.576 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-445, activity summary, regional operations, grants and contributions, grants, \$44.822 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I just have a question on the senior citizens and disabled persons property tax relief. I am just wondering from '05-06 down to '06-07 there is a steady decline in that when I think we have more seniors coming onboard every year here in the NWT. So how do we cover those added expenses for property tax relief? Thank you.

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

**HON. MICHAEL MCLEOD:** Mr. Chair, I will have to ask the deputy minister to respond to that and give an

explanation why the '05-06 actuals are higher than what is required for this coming '07-08.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Ms. DeLancey.

**MS. DELANCEY:** Thank you, Mr. Chairman. The budget line in this area has been fixed and stable for several years. We did see a bit of an increase in demand in 2005-2006. So what we are doing is monitoring that. If the demand continues to increase, then we would seek additional resources through the business planning process, but this is a new trend. So what we are doing now is waiting to see what the '06-07 actuals look like.

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. DeLancey. Anything further, Mr. Villeneuve?

**MR. VILLENEUVE:** Thank you, Mr. Chairman. Thank you, Deputy Minister, for that. Just a question on the grant-in-lieu of taxes. Also an issue with this New Deal, I guess maybe I just want to ask the Minister, with the New Deal going down to letting the community governments collect property taxes and assume property tax revenue in their basic community operations, does control of the tax mill rates in all these GTA communities and non-tax-based communities still in the government's control, or is it going to be down to community control? If it is, I think these grants-in-lieu of taxes are going to be much higher than what we are showing here on our books today. I would just like to get some clarification on that. Thank you.

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. Again, I will get Debbie to explain the grants-in-lieu policy.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Ms. DeLancey.

**MS. DELANCEY:** Thank you, Mr. Chairman. The grants-in-lieu of property tax policy provides that because the GNWT does not pay property tax, this provides a grant to the tax-based communities in lieu of property taxes. Under the New Deal, as we propose to make more communities responsible under legislation for property taxation, the department is going to have to look at this policy and revise and update it. Right now, the policy is very specific about what categories of property are eligible and what communities are eligible. So that will be phase two of the New Deal as we look to expanding property taxation authority. The Member is absolutely right; this policy will need to be looked at and updated.

What you see in the budget now is just for status quo existing policy for the six tax-based communities.

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. DeLancey. Mr. Villeneuve.

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I just wanted to ask the question of the control over mill rates and the GTAs and non-tax-based communities. Is that going to remain with the New Deal? Is there a timeline when this setting of these rates are going to be in the hands of municipal governments, or is it going to remain in the territorial government's authority over the next three years? Thank you.

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. Mr. Chairman, the process as it stands now is the appraisals, the evaluations are done by MACA and the actual taxation amounts are set by the Department of Finance. The community, through the New Deal, will have the ability to request that the increases take place at some point. We will be expecting our communities to move over to municipal taxation authorities.

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

**MR. VILLENEUVE:** Thank you, Mr. Chairman. I am just kind of curious. This whole taxation issue is a real complicated can of worms here, especially in the smaller communities. The New Deal is going to allow the communities hopefully to become tax-based communities but, as we know in examples of Fort Simpson or there is a small tax base and in all these small communities, there is really no tax base to let communities be more autonomous in their tax collection or setting of taxation rates. I just wanted to ask, in this New Deal, is there something in there that clearly stipulates that before FMBS or the community makes any changes to mill rates and general taxation area or in non-tax-based communities, that there would be some thorough community consultation review process of how much they actually collect and how much they need to collect and how much the government is going to be providing them in lieu of taxes, et cetera? I know there are a lot of outstanding taxes out there and I just can't see people buying into it. What are the Minister's comments on that? Thank you.

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. The whole idea behind the New Deal was to allow the communities to make those decisions. We don't expect great change in one area. This is a new revenue stream for most of the communities in the Northwest Territories, except for the larger centres, of course. We expect the communities to be the ones that would work with the finance and our staff to be able to set what they think is appropriate and be able to determine that and work through that process.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. We are on page 4-45, regional operations, activity summary, grants and contributions, grants, \$44.822 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Contributions, \$10.260 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** That's continued on page 4-46, activity summary, regional operations, grants and contributions, infrastructure contributions, \$27.925 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total community government, grants and contributions, \$83.007 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Other grants and contributions, grants, \$55,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-47, activity summary, regional operations, grants and contributions, continued, contributions, total contributions, \$2.381 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total other grants and contributions, \$2.436 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total grants and contributions, \$85.443 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Page 4-50, work performed on behalf of others, continued on page 4-51, work performed on behalf of others and again on page 4-52, work performed on behalf of others.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total, \$6.627 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. Back to the department summary, which is located on page 4-7. That is Municipal and Community Affairs, department summary, operations expenditure summary, \$114.656 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, committee. I will now draw your attention, if I could, to volume II, page 3-5 of the capital book, infrastructure acquisition plan. I will just give committee a second to pull that page open. That is page 3-5, infrastructure acquisition plan, community operations, infrastructure contributions, total infrastructure contributions, \$4.218 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total activity, \$4.218 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. We will now turn to page 3-8, infrastructure acquisition plan, regional operations, infrastructure contributions, total infrastructure contributions, \$27.925 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total activity, \$27.925 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Total department, \$32.143 million.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, committee. Does committee agree that the Department of Municipal and Community Affairs is concluded? Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. There is one aspect that I would like to explore briefly. It has some relationship with the agency we just concluded earlier, the Housing Corporation. This has to do with our lands administration. A lot of the discussion and the issues regarding lands are kind of a shared portfolio here, from my understanding, Mr. Chairman. There has been a lot of lost time that MACA and the Housing Corporation have to catch up on in order to straighten out our lands files and enable more housing to be built. Mr. Chairman, the question I wanted to ask is in terms of integrating and working with the newly staffed up land division of Housing Corporation. What are the arrangements or the protocols that MACA has with Housing Corporation to enable lands to be streamlined for the delivery of housing in our communities?

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

**HON. MICHAEL MCLEOD:** Thank you, Mr. Chairman. Mr. Chairman, we have a very good working arrangement with the Housing Corporation. We have a joint working group and things have been progressing very well. It was on short notice that the affordable housing initiative came forward. We were able to meet all land requirements for this past fiscal year. There was one community of Fort Good Hope where we had to put some investment in to create some new properties. This year, we did our analysis. We have identified all the lots that are required for this upcoming year, except for two communities. Behchoko and Lutselk'e have some issues regarding the availability and we are working with those two communities. We are providing some dollars for the community of Behchoko and we expect to be able to resolve those issues this summer. We are still working towards the plans for the next fiscal year following that. I think we had some issues, not on the availability of land but the availability of gravel for the community of Tuk and we have provided some assistance in that community also.

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

**MR. BRADEN:** Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** I will ask again. Does committee agree that consideration of the Department of Municipal and Community Affairs main estimates is concluded?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, committee. I would like to thank Minister McLeod and his staff for being here with us this afternoon. Have a good evening. What is the wish of committee? Mr. Lafferty.

**MR. LAFFERTY:** Thank you, Mr. Chairman. Mr. Chairman, I move to report progress at this time. Mahsi.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Lafferty. The motion is in order. The motion is not debatable. All those in favour? All those opposed? The motion is carried.

---Carried

I will now rise and report progress.

**MR. SPEAKER:** Report of Committee of the Whole. Mr. Ramsay.

**ITEM 18: REPORT OF COMMITTEE OF THE WHOLE**

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 21, Appropriation Act, 2007-2008 and Committee Report 8-15(5) and would like to report progress with two motions being adopted. Mr. Speaker, I move that the report of the Committee of the Whole be concurred with.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Do we have a seconder? The honourable Member for Sahtu, Mr. Yakeleya. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Third reading of bills. Mr. Clerk, orders of the day.

**ITEM 20: ORDERS OF THE DAY**

**CLERK OF THE HOUSE (Mr. Mercer):** Orders of the day for Wednesday, February 14, 2007, at 11:00 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 Budget Address
10. Petitions
11. Reports of Committees on the Review of Bills
12. Tabling of documents
13. Notices of Motion
14. Notices of Motion for First Reading of Bills
15. First Reading of Bills
  - Bill 9, Write-off of Assets Act, 2006-2007
  - Bill 22, Supplementary Appropriation Act, No. 3, 2006-2007
16. Second Reading of Bills
17. Consideration in Committee of the Whole of Bills and Other Matters
  - Bill 18, An Act to Amend the Education Act
  - Bill 19, An Act to Amend the Archives Act

- Bill 21, Appropriation Act, 2007-2008

- Committee Report 7-15(5), Standing Committee on Accountability and Oversight Report on the 2007-2008 Pre-Budget Review Process

- Committee Report 8-15(5), Standing Committee on Governance and Economic Development Report on the 2007-2008 Pre-Budget Review Process

- Committee Report 9-15(5), Standing Committee on Social Programs Report on the 2007-2008 Pre-Budget Review Process

18. Report of Committee of the Whole

19. Third Reading of Bills

20. Orders of the Day

**MR. SPEAKER:** Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Wednesday, February 14, 2007, at 11:00 a.m.

---ADJOURNMENT

The House adjourned at 17:59.

