

# NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

5<sup>th</sup> Session Day 36 15<sup>th</sup> Assembly

# **HANSARD**

Wednesday, March 7, 2007

Pages 1271 - 1334

The Honourable Paul Delorey, Speaker

#### **Legislative Assembly of the Northwest Territories**

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#### Mr. Jackson Lafferty

(Monfwi)

Ms. Sandy Lee (Range Lake)

#### Hon. Michael McLeod

(Deh Cho)

Minister of Environment and Natural Resources Minister of Municipal and Community Affairs Minister responsible for Youth

#### Mr. Robert McLeod

(Inuvik Twin Lakes)

#### Hon. Kevin Menicoche

(Nahendeh)

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#### Mr. J. Michael Miltenberger

(Thebacha)

#### Mr. Calvin Pokiak

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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 Wednesday, March 7, 2007

#### **Members Present**

Honourable Brendan Bell, Mr. Braden, Honourable Paul Delorey, Honourable Charles Dent, 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 of Youth, Mr. Dent.

#### **ITEM 2: MINISTERS' STATEMENTS**

#### Minister's Statement 80-15(5): Northern Youth Abroad

HON. CHARLES DENT: Thank you, Mr. Speaker. Good morning. Northern Youth Abroad, or NYA, is a non-profit, non-government organization founded in Nunavut in 1997. The NYA program encourages the development of northern leaders through an extensive program of activities and challenges that help young people from the NWT and Nunavut to grow. Participants learn in a supportive environment, both in their home communities and while on volunteer job placements in southern Canada or Africa.

The Department of Education, Culture and Employment has been a supporter of the NYA program since it began in Nunavut. The first pilot project was held in the NWT in 2005. The Department of Municipal and Community Affairs has also been a significant partner.

Mr. Speaker, some of the challenges participants face include learning to live in a different environment with a host family. Another challenge is learning to deliver public presentations on topics related to their community and territory.

To date, in both Nunavut and the Northwest Territories, participants have mainly come from smaller aboriginal communities. Some of the successes of the program are that very high percentages of past participants begin to contribute as volunteers when they return to their home communities. Also, there is a secondary school graduation rate of over 90 percent of our northern youth who have completed the NYA program.

#### ---Applause

Mr. Speaker, many alumni have gone on to post-secondary education.

In 2006, nine youth from the Northwest Territories were placed in the Canadian phase summer placements with host families in southern Canada. Five youth were involved in the international phase in Botswana, Africa.

This year, more than 60 applications have been received for the Canadian and international phase spaces reserved for NWT youth. For the first time, applicants come from every region of the Northwest Territories, but still mainly

from smaller communities. Mr. Speaker, this represents a record level of interest.

Every applicant to the NYA program is interviewed. For many, this is the first interview they have ever had to prepare for. It is a great opportunity for applicants to develop new skills even before they begin the program. Final selections have been made and I was pleased to note those chosen come from 13 different communities representing all regions of the Northwest Territories. I will write to Members to share the names and success of program participants over the next year. Thank you, Mr. Speaker.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. Dent. My apologies for recognizing you as the Minister of Youth. The Minister of Youth is actually Mr. McLeod. Ministers' statements. Members' statements. The honourable Member for Sahtu, Mr. Yakeleya.

#### **ITEM 3: MEMBERS' STATEMENTS**

### Member's Statement On RCMP Presence In Colville Lake

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, my Member's statement is about the community of Colville Lake. Residents of Colville Lake believe the time is right to start looking after the interest of its residents by having accessible RCMP presence in the community.

RCMP bring a sense of safety and comfort for the people they serve. Communities across the Northwest Territories should have access to this service, so we can all feel safe knowing there is law enforcement present who will not tolerate the types of behaviours that plague small communities without RCMP officers. This is why RCMP is needed to have a distinct presence within our communities, especially those that are isolated.

Mr. Speaker, having an RCMP detachment in Colville Lake would prove beneficial to this community providing this essential service, help decrease crime rates, and help address safety concerns people in my constituency have voiced. Mr. Speaker, since crime and criminal activity already negatively affect our smaller communities, it's fair to say with increased resource development crimes would be worse from a result of increased alcohol and drug use and other family problems.

Mr. Speaker, recently the community of Sachs Harbour was given a detachment to address the needs that this community has voiced, just like the Member for Monfwi expressed the need for an RCMP detachment in Gameti during this session.

Today, Mr. Speaker, I am voicing the same concerns for my constituents in Colville Lake. There is a need for the same amount of protection and safety in all communities of the Northwest Territories. The people in Colville Lake deserve those types of services like any other community the Northwest Territories has just like RCMP, nursing and other issues that I have brought up over the life of this government. Thank you, Mr. Speaker.

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

Member's Statement On High Rates Of Sexually Transmitted Infections And AIDS In Small Communities

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

Mr. Speaker, today I would like to talk about the state of sexually transmitted infection, including HIV/AIDS in the Northwest Territories. As Members know, the Northwest Territories has the highest rates of sexually transmitted infections in Canada. This is particularly troublesome, not only because of HIV infection, but if an HIV/AIDS virus is introduced into small communities where the rate of STIs is already high, there is a good probability that this deadly disease, for which there is no cure, Mr. Speaker, could become a major heath and social problem; this at a time when our health care suffers from frequent gaps in staffing at our health centres, with the number of nurses and doctors that we need.

Mr. Speaker, I understand that the Department of Health and Social Services has developed a strategy to deal with STIs and has significantly increased resources to regional health authorities to establish public health units. For this, the department and GNWT is to be highly commended, Mr. Speaker. However, despite all of these new resources and dedicated work of our health care professionals across Northwest Territories who have been trying to lower the rates of STIs in communities, the rates have continued to remain very high compared to a decade ago. I believe that this is because STIs are not just health care issues, but a community issue as well, Mr. Speaker. This is a community dimension to a problem that cannot be addressed by traditional medicine approach to STI prevention and treatment. Mr. Speaker, I seek unanimous consent to conclude my statement. Mahsi.

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

MR. LAFFERTY: Mahsi, Mr. Speaker. Mahsi, colleagues. In my region, the Tlicho Community Services Agency has been trying for the past year to address this community dimension as well as providing traditional medical approaches to prevention and treatment, Mr. Speaker. Groups of elders and youth have been trained by health care professions in our region to carry the message of STI prevention to every household and to work with the families to help change the social behaviour that leads to such infection and illnesses. The agency is currently working with the university-based researchers from the University of Ottawa to implement a community-based research process which is intended to help understand why our communities have high rates of

infection. Mr. Speaker, I will have questions for the Minister of Health and Social Services at the appropriate time. Mahsi.

---Applause

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

Member's Statement On Relocation Of Fort Smith Fire Centre

MR. MILTENBERGER: Thank you, Mr. Speaker. Mr. Speaker, today I would like to raise the constituency issue that has very many of the characteristics of the discussion of the courthouse in Yellowknife. Mr. Speaker, in my constituency for the last 11 and a half years, there has been a lobby intent to relocate the Fire Centre that is currently residing in the federal building in Fort Smith into its own northern-built, northern-owned operation.

Mr. Speaker, we have been spending, and we continue to spend, over \$300,000 a year to the federal government for lease and rent in this office. It is a key piece of our government infrastructure. I know the department has supported this over the years too, but unsuccessfully to date

As we look at the rationale for the courthouse where they are already spending money on leases that they want to convert to a building, the same rationale should apply to those projects outside of Yellowknife and specifically, in this case, relocating the Fire Centre out of the federal building into a northern-owned and operated building. This would also give us the added benefit, Mr. Speaker, of freeing up federal office space in our community that would be filled by the federal government either through Parks or other federal positions. I know that we made the case and it is somewhere on the capital plan, but in this House, I want to raise the issue. I want to give notice that it is still a fundamental unfinished piece of business in my constituency and we look forward to seeing this project advance as fast, if not faster, than the courthouse as we proceed in the coming years with the 16th Assembly. Thank you, Mr. Speaker.

---Applause

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

#### Member's Statement On WCB Claimant Ivan Valic

MR. BRADEN: Thank you, Mr. Speaker. I have spoken often in this Assembly on the plight of injured workers in the Northwest Territories. One of them, Mr. Ivan Valic, came to this country as an immigrant and 19 years ago suffered an injury while working on a construction project here in Yellowknife and has been, up until recently, Mr. Speaker, battling our WCB in an effort to secure fair treatment and compensation for his injury.

Within the ranks of injured workers in the North, Mr. Speaker, Mr. Valic is an inspiration because of his enduring fight for proper treatment with the WCB and for compensation for his chronic pain condition. He persevered even though he lost everything except for his belief in his cause against an organization with

tremendous financial and legal resources, unlike his own. It was a tremendously unequal battle against a bureaucracy that trampled his rights and denied him justice, as shown last December when Justice Virginia Schuler of the Supreme Court of the NWT ruled that, indeed, Mr. Valic's Charter of Rights had been violated and his right to natural justice denied.

Mr. Speaker, part of Justice Schuler's ruling was that Mr. Valic should have a new Appeal Tribunal hearing. Ten months was taken to put that together for him. In early December, Mr. Valic invited me to attend this tribunal hearing, but the following day I was told that the issue was concluded. I can only take from this that a settlement was reached with Mr. Valic and I am pleased for him that his case had finally been resolved.

I understand that there is a confidentiality agreement in place. Of course, I will respect this agreement. However, other injured workers continue to have cases before the WCB and, in fact, before the Human Rights Commission in the NWT. I am very interested and concerned, Mr. Speaker, to see just what we have learned in the case and the example that Mr. Valic has set for us and how are we applying this to the case of other injured workers. There must be accountability, Mr. Speaker, for the actions of the WCB in pursuing these cases for those injured workers whose lives continue to be affected by their injuries. Thank you, Mr. Speaker.

#### ---Applause

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

#### Member's Statement On Ensuring Northerners Are The Prime Beneficiaries Of Northern Resource Development

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I stand today again to speak of an issue that I have become quite passionate about in the last little bit as the more research I have done and the more that I have seen with the royalties from our resources leaving the NWT. The Northwest Territories, Mr. Speaker, is rich in resources. We have it all. Mr. Speaker, what is next? Is it our water? Are they going to build a pipeline for our water next? We have resources like caribou. We have resources like the oil and gas, diamonds. We have it all, Mr. Speaker. I think many will agree with me that the main beneficiaries of these resources should be the people of the Northwest Territories. Yet, the Government of Canada continues to make decisions on our behalf and they reap the rewards of our resources. Mr. Speaker, enough is enough.

#### SOME HON. MEMBERS: Hear! Hear!

**MR. MCLEOD:** This government is going to have to dig their heels in and tell Ottawa that they will not tolerate this injustice any longer.

#### ---Applause

So much of the money that could be used could be used to benefit the people of the Northwest Territories. That is my problem, Mr. Speaker. The people of the Northwest Territories are not the main beneficiaries of the resources, the royalty from the resources. It has even come to a point, Mr. Speaker, where I have almost thrown up my

hands and said enough is enough. What am I doing here? Time to throw in the towel. But I can't do that because I want to be here to remind this government, to remind Ottawa, that the main beneficiaries of those resources...Even Steven Harper said it and I hope it wasn't just talk because we are tired of talk. We have to have some action. We have to have it done soon because they will continue to negotiate for the next 50 years. In the meantime, they will continue to drain the Northwest Territories of all our valuable resources for the benefit of everybody else except the residents of the Northwest Territories. Thank you.

#### ---Applause

MR. SPEAKER: Thank you, Mr. McLeod. Members' statements. The honourable Member for Kam Lake, Mr. Ramsav.

### Member's Statement On Public Service Growth And Dependence On Contracted Services

MR. RAMSAY: Thank you, Mr. Speaker. Today I will again stand in this House to discuss the issue of government spending as it pertains to the growth of our public service and the contracted services which we enter into as a government. I want to start with the public service, Mr. Speaker.

Since 1999, our public service has grown from 2,750 to approximately 4,700 in 2006. There are another 101 new positions included in this upcoming budget. Mr. Speaker, I will not debate the growth in areas where we desperately need help such as social workers, teachers, nurses, health care professionals. However, our growth is occurring in the absence of any long-range human resource plan. With the settlement and implementation of aboriginal self-governments here in the Northwest Territories, we will need to look at how our public service will fit into what will ultimately become a new political landscape here in the Northwest Territories.

I have been asking questions about this growth and lack of a plan since I walked through the doors three and a half years ago. It hasn't been addressed and it has plainly been ignored. If we continue to operate as a government without a human resource plan for the future, we are failing those who we represent. Let me be clear, Mr. Speaker, the level of growth is not sustainable.

Mr. Speaker, contracted services and growth in the use of consultants and the prevalence of reports, studies that just end up collecting dust has to be addressed. It has been my observation, Mr. Speaker, that not only are we paying over \$500 million for the 4,700 employees that we have, but some of these employees are becoming contract administrators, hiring consultants or contractors to do the work that should be done by the various departments. Why do we sole source so many contracts? Why do these mostly end up in the hands of southern firms?

A case in point, Mr. Speaker, is the recent budget address delivered recently by Minister Roland. Why is it that his office had to contract via sole source contract to an Alberta communications company to write his budget address? The cost for this work was \$15,000. Between FMBS and the Department of Finance, they have 111 employees. Why wasn't somebody there tasked with doing this budget address, Mr. Speaker? Mr. Speaker, I seek unanimous consent to conclude my statement.

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

MR. RAMSAY: Thank you, Mr. Speaker. Last summer, the Department of Human Resources sole sourced a contract for \$550,000 to an American company. They were brought in to help straighten out the business processes at Human Resources. Mr. Speaker, what did Human Resources get for that money? The issues are still there. Things really don't seem to be improving any. Why can't our people in that department figure out how best to address the issues? Is that not what we pay the management at Human Resources to do?

Mr. Speaker, this government must develop a human resource plan for the future. What we require is a zero-based review of each and every position government-wide and a thorough analysis of our operation from top to bottom. Mahsi.

---Applause

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

### Member's Statement On The Need For Exploration Companies To Consult With First Nations

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, today I would like to use my Member's statement to talk about some issues of due diligence, respect and adherence to addressing concerns raised by First Nations organizations, groups or elders and many northerners when southern corporations or individuals come north looking for minerals or claims for their own benefits.

Mr. Speaker, we hear about southern exploration companies poking around in the North here every day, many times without the knowledge of locals or First Nations groups simply due to the fact that no one requires First Nations approval before being issued staking permits. The respect issue first lies with the federal government's hands, Mr. Speaker. Part of Indian and Northern Affairs' responsibility is to inform the First Nations groups of who they have issued staking permits to and why. How hard can this be? The second lies with the southern companies or the individuals who are coming snooping around on our First Nations lands without our knowledge or approval, whether they may be looking for minerals, wildlife or a place to put a tent frame, perhaps, or even plotting just a nature trail. It only makes sense to inform and inform and then inform.

By informing First Nations people who use this land and know this land better than any one else, Mr. Speaker, many of these people and companies will realize what is acceptable and unacceptable and the reasons why prior to moving ahead on these projects. The adherence to recommendations received by the people who will be affected will avoid any confrontations or rejections by the First Nations people or the locals in many areas of development or exploration.

In closing, Mr. Speaker, I would just like to edify all of the potential exploration companies or the individuals who want to venture north and stake their claim and possibly make their fortune or misfortune. You need to consult the

First Nations first and foremost. If you are unsure what the First Nations consultation is, it is whatever the First Nations say it is, Mr. Speaker, nothing less. Mahsi.

---Applause

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

### Member's Statement On Solutions To Labour Market Shortages

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, I am not sure what is happening and what all of the contributing factors are, but we are experiencing a protracted labour shortage. We have talked about the fierce competition for skilled tradespeople which is being fuelled by the unprecedented activity in the resource development sector. Yesterday, Minister Dent spoke of a program to get older workers into, or back into, the workforce. It seems such a short time ago that many sectors were downsizing, offering incentives and inducements to get workers over 55 to take early retirement. Now the 55 to 65 age group is being eyed as a potential source of valuable workers. Whether in Yellowknife, Hay River or Edmonton, almost every business has a sign posted for help wanted.

Although resource development is important, any and all new activity needs to be supported and services offered by sometimes small and medium-sized private companies and employers. To that end, in Hay River, our mayor will convene a meeting to discuss the need and shortage of workers in our community tomorrow. It is a problem that many employers are struggling with and need creative solutions. I believe our government has a role to play in helping find a solution to labour market shortages in the private sector. The unemployment rate in the NWT is very low, but surely there are potential workers in other parts of Canada, new Canadians and maybe even people who would like to come to Canada to find a better life for themselves and their families.

I look forward to the suggestions that will result from the meeting in Hay River tomorrow, but I would also welcome anyone else who has creative ideas of how we can address these challenges that are being experienced presently by small business to come forward with their suggestions and help to alleviate this problem which I believe for too long has been overlooked. Our government does have a role to play. Thank you, Mr. Speaker.

---Applause

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

### Member's Statement On Addressing The Issue Of Youth Violence

**MS. LEE:** Thank you, Mr. Speaker. Mr. Speaker, I would like to take this opportunity to respond to the story on page 3 of the Yellowknifer today about the teenage girls who were violently attacked by other youth. Mr. Speaker, I do this because I am concerned that the readers may mistakenly draw two conclusions from reading it. One is that if you mind your own business and do the right thing,

this could never happen to you. Two is that this is not a serious situation of youth violence that needs a real focus and action.

Mr. Speaker, I can tell you that I know the victim and her family very well. I have a first hand account of what happened. The victim was, in fact, minding her own business doing all of the right things. She was not alone. She was with her two close friends in broad daylight after school. They came out of Breakaway after exercising and decided to go to Reddi Mart to get a drink. They were followed by a group of three other girls. The victim was pulled out of the group by these girls and attacked. She managed to get away from them and ran into the store to escape them and seek protection, at which time the three girls followed her into the store where they continued to beat on this girl. It was also reported that the girls who attacked the victim smelled of alcohol. As the owner of the store said, if the people didn't stop them, they would have been even more seriously injured.

We should be very alarmed, Mr. Speaker, that such a brazen act of violence can be perpetrated by our youth against other youth. The fact is, Mr. Speaker, these girls who did this were completely unknown to the victim and the fact is they are still swarming the mall. They are familiar to the security and the merchants at the mall. In fact, they were heard telling others about how they beat up this girl, and they continued to cause trouble without any repercussions, Mr. Speaker.

Mr. Speaker, I don't believe these girls are an organized gang, but there are serious youth crimes being perpetrated by youth against other youth. This needs to be taken very seriously. The worst thing to do is to blame the victim as though she caused this to happen, or to underplay the seriousness of this situation. Mr. Speaker, I am aware that the RCMP is doing the investigation. I do hope that the charges will be laid and the girls who did this will receive necessary consequences and some help in order that they are not left to keep on doing this to other victims.

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

**MS. LEE:** Thank you, Mr. Speaker. May I seek unanimous consent to finish 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. It is important that we take this seriously and have these girls account for their actions in order that they are not left to keep hurting others and hurting themselves, because obviously they are in need of help themselves to be that violent against others and that doesn't come from without having issues and having hurt themselves. Mr. Speaker, I call on the RCMP and the schools and parents and everyone involved to act on this so that we don't have this happening again. Thank you, Mr. Speaker.

---Applause

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

## Member's Statement On Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. After listening to Members of this House talk about Alberta depleting our water resources, talking about the disappearing caribou, talking about our changing climate, we know that our resources are not endless. We know that we do not have a bottomless pit to draw from. We need to talk about conserving and protecting, Mr. Speaker, and we need our leadership to set the example and encourage everyone to follow

If Canadians eliminated inefficient lights, in eight years we could save enough energy to heat 100,000 homes and reduce carbon dioxide emissions by an amount equivalent to the annual emissions produced by more than one million automobiles. Compact florescent bulbs use 66 percent less energy than standard incandescent ones and last as much as 10 times longer. In your home, the toilet uses the most water, accounting for approximately 30 percent of indoor water use, while many first generation six-litre toilets did not perform well, today's six-litre toilets have been re-engineered to flush, in many cases, better than the 13-litre counterparts.

Energy efficiency saves consumers money, helps the NWT maintain a competitive economy and reduces the impact on our environment. Most importantly, energy conservation is easy to practice. However, our stores hand out plastic bags by the ton, our downtown streets are littered with plastic bags and disposable coffee cups, but, Mr. Speaker, the B.C. government has come out and made the commitment to meet half of the province's future energy needs through conservation by 2026. Australia has announced that it will make it illegal to sell items that do not meet energy standards, citing incandescent light bulbs as the prime example. By 2010 they will have banned and replaced them with florescent. The Aussie Environment Minister says that the move could cut the country's greenhouse gas emissions by 800,000 tons by 2012. California is looking into this and so are Canadian provinces like Ontario and Nova Scotia. Even the state of New Jersey, where in a few years Edison, New Jersey, will have made the change.

It's the little things that make the difference. Massive strategies take time and money to enact. We need to promote simple and constructive things everyone can do in their daily lives to help save the planet. The government has produced what I would call an energy savings strategy, but has done little to strongly encourage consumer businesses to implement energy conservation initiatives. Mr. Speaker, at this time may I seek unanimous consent to conclude my statement.

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

MR. HAWKINS: Thank you, Mr. Speaker, and thank you, colleagues. What I'm saying is where is the discussion about replacing plastic bags with canvas bags or reusable bins? Where is the discussion to say the sale of florescent light bulbs is to be no longer legal? Where is the discussion about banning certain non-recyclable containers? Energy conservation is about a practice about decreasing your energy use. It's not about losing anything; it's about conserving it and using it wisely. Mr.

Speaker, in closing, if the Governor of California is moving in this energy solution direction, why aren't we? Thank you, Mr. Speaker.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. Hawkins. Members' statements. The honourable Member from Nahendeh, Mr. Menicoche.

### Member's Statement On Passing Of Vedor Poncha AKA Victor Boots

HON. KEVIN MENICOCHE: Mr. Speaker...(English not provided)

Mr. Speaker, I rise to honour the passing of a well-known elder, Vedor Poncha -- Victor Boots -- of Willow River, at 90 years old. Vedor was the last of the Boots brothers who lived in the small community of Willow River along the Mackenzie, 70 kilometres south of Wrigley. The family has a long history of hunting and trapping and living throughout Wrigley, the Willow River area and in the mountains west of the Mackenzie River. Joa Boots, an older brother who died a few years ago, said from the time they were very young they built and lived in 18 different houses in the bush before they settled in Willow River. Vedor was a quiet, gentle man who stayed close to home looking after wood, water, snare lines and generally doing chores around the house. In the last year, up until his death, he cared very much for his pets, Pusia, his cat, and two dogs.

Early in his life, once while he was visiting rabbit snares, he came upon a moose. He had only a 22 and one 22 short shell, Mr. Speaker. He shot the moose in the heart and ran home to get a bigger gun. When he returned, the moose was dead. So with a 22 short shell he killed a huge moose. So was life then tough, but simple. Today I'd like to send my blessings out to his family, his cousins and his loved ones that took care of him up until his passing. Mahsi cho.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. Menicoche. Members' statements. Returns to oral questions. The honourable Minister responsible for Municipal and Community Affairs, Mr. Mcl. and

#### ITEM 4: RETURNS TO ORAL QUESTIONS

Further Return To Question 322-15(5): Sport Development In Small Communities

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I have a return to oral question asked by Mr. Yakeleya on February 15, 2007, regarding the Canada Winter Games hockey team that held a clinic in Fort Good Hope. Mr. Yakeleya had asked for information on the support the Department of Municipal and Community Affairs provided for this event.

Mr. Speaker, Fort Good Hope hosted the Canada Winter Games NWT men's hockey team on February 2 to 4, 2007, as part of a celebration marking the involvement of a young man -- Mykle Grandjambe -- on the team from Fort Good Hope. I am pleased to advise that the department has provided funding of approximately \$7,500 from the NWT Youth Corps Program to support this event.

The NWT Youth Corps Program provides funding to community governments and organizations for programs that offer a structured and varied program of outdoor, cultural, or related personal growth experiences that challenge, engage, reward and recognize youth.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Returns to oral questions. Recognition of visitors in the gallery. The honourable Minister responsible for Justice, Mr. Bell.

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

HON. BRENDAN BELL: Thank you, Mr. Speaker. Mr. Speaker, today it gives me great pleasure to recognize Superintendent Tom Middleton. He will soon be the new commanding officer for G division in the Northwest Territories. His last posting was Edmonton. Accompanying him, as well, today is Superintendent Rick Roy, who filled in ably after the retirement of Pat McCloskey a couple of months ago, and, as well, Bronwyn Watters, ADM of Justice is with them today. I want you to welcome Tom Middleton to the gallery. Thank you.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. Bell. Recognition of visitors in the gallery. The honourable Member for Hay River South, Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, it's my pleasure today to recognize in the gallery Mr. Jerry DeMarco, who is our representative of Tamerlane Ventures, who is looking at getting some economic mining activity going on in our area again. We welcome him to the House. Also, my constituency assistant, Wendy Morgan.

#### ---Applause

**MR. SPEAKER:** Thank you, Mrs Groenewegen. Recognition of visitors in the gallery. The honourable Member for Sahtu, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I recently met two wonderful people from Montreal, Quebec -- they are here visiting in the Northwest Territories -- Celine Goulet and Albert Brierley. I apologize if I said the name wrong, but they were here, physically. Thank you.

#### ---Applause

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

**MR. HAWKINS:** Thank you, Mr. Speaker. I, too, would like to recognize Superintendent Rick Roy. He's not only a constituent but he's also an excellent neighbour. Thank you very much.

#### ---Applause

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

MR. KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, it gives me great pleasure to recognize the chair of the Workers' Compensation Board, Mr. Denny Rodgers; the interim president, Mr. John Doyle; and Mike Triggs, the corporate secretary and legal counsel, along with them, Jeannee Johnson. Thank you.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. Krutko. Recognition of visitors in the gallery. The honourable Member for Inuvik Twin Lakes, Mr. McLeod.

**MR. MCLEOD:** Thank you, Mr. Speaker. I'd also like to recognize Mr. Denny Rodgers who's a constituent of mine from Inuvik Twin Lakes. Thank you.

#### ---Applause

**MR. SPEAKER:** Thank you, Mr. McLeod. Recognition of visitors in the gallery. The honourable Member for Great Slave, Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Speaker. I, too, would like to recognize a constituent, Mr. Bronwyn Watters, assistant deputy minister with the Department of Justice, Mr. Speaker. Thank you.

#### ---Applause

MR. SPEAKER: Thank you, Mr. Bell. Recognition of visitors in the gallery. If we've missed anyone in the gallery today, welcome to the House. I hope you're enjoying the proceedings. It's always nice to have an audience here. Oral questions. The honourable Member for Hay River South, Mrs. Groenewegen.

#### **ITEM 6: ORAL QUESTIONS**

### Question 434-15(5): Solutions To Labour Market Shortages

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, in keeping with my Member's statement, my questions today are for Minister Dent, responsible for Education, Culture and Employment, with the emphasis on employment. I'd like to ask Minister Dent if in any of the meetings that he attends with his counterparts from provincial or territorial jurisdictions, has the issue of labour market shortages in the private sector, retail service and hospitality industry ever been discussed as an issue? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The honourable Minister responsible for Education, Culture and Employment, Mr. Dent.

### Return To Question 434-15(5): Solutions To Labour Market Shortages

**HON. CHARLES DENT:** It has, Mr. Speaker, particularly at the meetings of Ministers responsible for Immigration.

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

### Supplementary To Question 434-15(5): Solutions To Labour Market Shortages

**MRS. GROENEWEGEN:** Thank you. Did those discussions with Ministers of Immigration have any

initiatives in them that might be a solution to any of our labour market shortages here in the Northwest Territories? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mrs. Groenewegen. Mr. Dent.

### Further Return To Question 434-15(5): Solutions To Labour Market Shortages

HON. CHARLES DENT: Thank you, Mr. Speaker. We are looking at, in terms of immigration, perhaps working more closely with the federal government. We don't currently administer immigration programs ourselves in the Northwest Territories. What we have done, though, is started to look at what territories like the Yukon have done and what some of the provinces are doing. We've asked the federal government if we could participate with them on one of their committees in Alberta to get some experience and understanding as to how we might work more collaboratively with them, and we intend to take a look at whether or not that will work. One of the things that's happened recently is the federal government has just announced an extension in the temporary Foreign Worker Program, and workers who are now in that program can have their stays extended to two years from one year. I understand that workers who are currently here on one-year permits could seek to have those permits extended for a second year.

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

### Supplementary To Question 434-15(5): Solutions To Labour Market Shortages

MRS. GROENEWEGEN: Thank you, Mr. Speaker. That's an interesting piece of information and I'm not sure if we have an immigration office here in the Northwest Territories, but it might help if we did if we were going to actually realize any effects to benefit the employers in the North. I would like to ask the Minister does he have any other ideas of any other initiatives that could be undertaken by this government, through his department, to alleviate this pressure on the private sector? Thank you, Mr. Speaker.

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

# Further Return To Question 434-15(5): Solutions To Labour Market Shortages

HON. CHARLES DENT: Thank you, Mr. Speaker. We have, as I said, a number of initiatives that we're taking a look at in terms of immigration. We're also, of course, working with partners in aboriginal governments and the federal government to make sure that we train more northerners. We know that we have people who are capable of taking more jobs. Often literacy is a challenge and that's one of the areas in which we have tried to focus. Thank you, Mr. Speaker.

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

#### Question 435-15(5): Public Service Growth

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister responsible for Human Resources. I'd like to start off by saying that the

unprecedented growth in the numbers of our public servants has gone from 2,750 in 1999 to over 4,700 today. That's over 43 percent, Mr. Speaker. I'd like to ask the Minister who's responsible for Human Resources what the government's game plan is to address the increase and whether or not this is sustainable over the long haul. Thank you.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Two questions there. The honourable Minister responsible for Human Resources, Mr. Dent.

#### Return To Question 435-15(5): Public Service Growth

HON. CHARLES DENT: Thank you, Mr. Speaker. The growth in the public service over the period that the Member talks about has largely been driven by growth at the front lines. So we have seen a tremendous increase in the numbers of teachers. We reduced the pupil-teacher ratio over the last six or seven years significantly. We have increased the amount of money that we're putting into supporting students with special needs. We have hired a lot of social workers and nurses. So most of the growth is actually in front-line services. The departments have to come forward with their request for funding to increase staff to the FMBS and only those cases where it is clearly necessary are those requests being authorized. Thank you.

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

### Supplementary To Question 435-15(5): Public Service Growth

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, there's been a lot of occasions over the past three and a half years where the justification for increasing positions has always been something that's been approved. Mr. Speaker, I'd like to ask the Minister how can a government continue to operate over the past seven years, and I'll use that as a baseline, how can a government operate? This Minister is only responsible for the last three and a half years. How can a government operate without a comprehensive human resource plan? How is it possible that we do that? Thank you, Mr. Speaker.

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

#### Further Return To Question 435-15(5): Public Service Growth

HON. CHARLES DENT: Thank you, Mr. Speaker. Actually, I've only had the department for three and a half months, not three and a half years. The department and the government have government-wide policies that cover hiring and, as always, the Financial Management Board has the overall decision-making power when it comes to departments coming forward and asking to add persons onto the government payroll. So every time we were looking at hiring new staff, if there's an additional expenditure, it has to be approved by the Financial Management Board, and one of the things that has to happen there is a clear justification for the need for the position. Thank you, Mr. Speaker.

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

### Supplementary To Question 435-15(5): Public Service Growth

MR. RAMSAY: Thank you, Mr. Speaker. I understand the Minister's only been there for only three and a half months and maybe he wasn't listening when I was asking questions to the former Minister about this situation.

#### ---Laughter

But, Mr. Speaker, I'd like a better explanation from the Minister if indeed we're letting departments come up with their own human resource game plan when we've amalgamated that whole HR function in our government. So are we still not coordinated in the area of human resources? Is that what the Minister is telling me today? Thank you.

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

### Further Return To Question 435-15(5): Public Service Growth

HON. CHARLES DENT: Thank you, Mr. Speaker. The Department of Human Resources is responsible for frameworks for overall management of the public services. That means that each department uses those frameworks when they come forward to apply for positions. I guess one of the steps that I've omitted to mention to this point is that every time that we're talking about increasing staff of the government, whether it's on the front line or an administrative position, that's reviewed also with Members of the Legislative Assembly through the business plan process and here as we go through the budgets. So the Members of this House have a clear opportunity to talk about those issues. The bottom line is that there are government-wide programs or government-wide policies that are administered by Human Resources, but each department is free to work within those frameworks and make sure that they can deliver the programs and services that they are mandated to deliver.

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

### Question 436-15(5): Sexually Transmitted Infections And AIDS

MR. LAFFERTY: Mahsi, Mr. Speaker. Mr. Speaker, I would like my questions directed to the Minister responsible for Health and Social Services. I would like to know would the Minister please outline for this Assembly what action the department is taking to deal with the high levels of STIs in the Northwest Territories, especially the communities, and any plans they have to deal with an increase in potential HIV and AIDS infection? Mahsi.

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

#### Return To Question 436-15(5): Sexually Transmitted Infections And AIDS

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the Member in his Member's statement, by raising this issue, has brought some very important facts to the table and sad ones, I must say. The fact that in the Northwest Territories we are 10 to 15 times above the national average when we talk about STIs or sexually transmitted infections. One of the things that the

department started doing, along with Members of this Assembly, is the STI Prevention and Control Strategy that was launched back in 2005, the strategic direction document entitled The Naked Truth was launched in 2005 with limited resources. One of the things we have started doing through our chief medical health officer is working with authorities to help deliver the enhanced awareness program in trying to make people more aware of the dangers in this area. Thank you, Mr. Speaker.

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

### Supplementary To Question 436-15(5): Sexually Transmitted Infections And AIDS

MR. LAFFERTY: Mahsi, Mr. Speaker. Mr. Speaker, as you know, in small isolated communities such cases can spread rapidly once it's passed on. That's a huge fear in the small communities, especially in the North. Considering the epidemic levels of ST infections, does the Minister believe that enough resources have been provided by this government to both the department and authorities to make the necessary difference? Mahsi.

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

#### Further Return To Question 436-15(5): Sexually Transmitted Infections And AIDS

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, the area of having the necessary resources is always a challenge when you look at the whole area of health and social services and the need to deliver that. But over the years we've added substantially earlier the questions about the growth in employees. When you look at the health and social services side, we have brought in, through a number of initiatives, a substantial amount of new employees to help around the delivering of the message out there, whether it's public health workers or social services workers in communities across the Territories. Always more can be done. Mr. Speaker, this is one area, when we talk about these infections, that is absolutely preventable. The biggest prevention can be abstinence. Thank you, Mr. Speaker.

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

### Supplementary To Question 436-15(5): Sexually Transmitted Infections And AIDS

MR. LAFFERTY: Mahsi, Mr. Speaker. Yes, there's been discussion on the growth of the GNWT public service, but at the same time we must keep in mind that these kind of issues are highly regarding the communities. We need staffing to deal with them in the professional areas, health and social services specifically. Mr. Speaker, I'd like to ask the Minister my final question. Will the Minister commit to working with this Assembly to find additional resources for the department and authorities to mount a major campaign to try to resolve this largely preventable health problem in the North? Mahsi.

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

### Further Return To Question 436-15(5): Sexually Transmitted Infections And AIDS

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, I will commit to work with Members of this

Assembly to try to come up with the resources necessary, as well as just getting the campaign and the message out about the issue of STIs. Thank you.

**MR. SPEAKER:** Thank you, Mr. Roland. Oral questions. The honourable Member for Thebacha. Mr. Miltenberger.

### Question 437-15(5): Relocation Of Fort Smith Fire Centre

MR. MILTENBERGER: Thank you, Mr. Speaker. I'd like to address my questions to the Minister of Environment and Natural Resources. It's in follow-up to my Member's statement. This capital plan clearly doesn't contain the project to relocate the Fire Centre, but I'd like to ask the Minister, given the fact that shortly after we finish passing this budget the preliminary work on the 2008-2009 budgets and business plans will commence. I'd like to ask the Minister whether he intends to bring forward that project again for consideration in that process. Thank you.

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

### Return To Question 437-15(5): Relocation Of Fort Smith Fire Centre

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, I recently had some discussion with my staff on this issue of relocating the Fire Centre in Fort Smith and we have some more discussion that is warranted to take place. We have to take a look at the cost-benefit analysis of relocating the facility and also the convenience and access to the offices. So we are reviewing it at this point. I can't make a commitment that we will include it in next year's plans, but it's in the works and that's something we were considering at this point.

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

#### Question 438-15(5): RCMP Presence In Colville Lake

MR. YAKELEYA: Thank you, Mr. Speaker. In terms of following up on my Member's statement, I'll ask the Minister of Justice, can he tell me why Colville Lake residents still do not have an RCMP detachment? Thank you.

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

#### Return To Question 438-15(5): RCMP Presence In Colville Lake

HON. BRENDAN BELL: Thank you, Mr. Speaker. I think we had a good discussion yesterday about the policing budget in Committee of the Whole and obviously we would like it as the end desire, the main desire is to have detachments in every one of our communities eventually. We can't do it immediately, Mr. Speaker. Unfortunately, we don't have the resources. About a year and a half ago I sat down with the RCMP and talked about our small community policing priority and agenda, talked about the need for new detachments, asked them for some operational priorities in terms of greatest need, and three detachments were identified. They were Sachs Harbour, Gameti and Wrigley. We've been working very hard to try to get detachments there. Mr. Speaker, obviously we will

continue to work to see improved policing solutions in all of our communities. Thank you.

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

### Supplementary To Question 438-15(5): RCMP Presence In Colville Lake

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I've asked the Minister to go back to his colleagues and look at the urgent need that Colville Lake is asking for some presence and consistent presence of an RCMP detachment in Colville Lake. Production of the oil and gas is going to happen and Colville Lake is sitting on billions of barrels of gas and oil and that is going to happen shortly. So could the Minister again commit to the people of Colville Lake that he would take their strong concerns and their arguments to his Cabinet Members to put it on the high priority list in terms of getting a detachment in Colville Lake as soon as possible? Thank you.

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

### Further Return To Question 438-15(5): RCMP Presence In Colville Lake

HON. BRENDAN BELL: Thank you, Mr. Speaker. I can tell the Members that Cabinet has been very receptive to finding new policing resources. Of course, it also must involve the federal government. It is the federal government that will make decisions about new detachments. They provide the capital funding; we're responsible for O and M and continued operations of those facilities. So, yes, as I sit down with the federal government and the RCMP and we move forward and talk about the business plan and new resources required, I will talk about additional small detachments and, of course, his community of Colville Lake will be involved in that discussion. Thank you.

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

### Supplementary To Question 438-15(5): RCMP Presence In Colville Lake

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, people in the Northwest Territories want to ensure their safety and comfort by this government in terms of our living standards today. There's no difference in Colville Lake. I ask the Minister to look at the various options, that he commit his officials to look at the various options how to create some safety and comfort for the people in Colville Lake by having an RCMP presence or detachment in that community over the next few months of this government to ensure that we do care as a government. Thank you.

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

### Further Return To Question 438-15(5): RCMP Presence In Colville Lake

HON. BRENDAN BELL: Mr. Speaker, absolutely we care as a government and, yes, I can commit to doing that. We are currently doing that. We're sitting down to talk about increased patrols in all of our smaller communities without detachments. I went through the list yesterday of the number of patrols in 2006. I have agreed to provide more information to the Member about the patrols. We're

looking at other options, other ways. Members know Canada Labour Code requirements mean that we need two-member detachments now, even for our smallest detachments. We're talking about options and possibilities that might see one full member and another member who would be a special constable or a part-time parks officer. There are many, many options. We are looking at all of them, Mr. Speaker. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bell. Oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

## Question 439-15(5): Fort Smith Electric Heat Pilot Project

MR. VILLENEUVE: Mahsi, Mr. Speaker. Mr. Speaker, I just have a couple questions today for the Minister responsible for the NWT Power Corporation with regards to the pilot projects going on in Fort Smith. I would call it a long delay in assessing what we could do with the excess power that we have at the Taltson today. Mr. Speaker, I just want to ask the Minister, my first question is, with the distribution system that has to be upgraded in order for this interruptible power or for these pilot projects basically to become viable and maybe for the whole town of Fort Smith to become viable and maybe Res and Hay River to follow, why has the Power Corporation, in all their wisdom, only decided to consider using interruptible power today? The Power Corporation has been making money for years and years and years. Why haven't they put some of that money, I know a lot of it goes to subsidy programs, but why hasn't a lot of it gone into upgrading these systems for this very reason and why are we only doing it now? Thank you.

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

### Return To Question 439-15(5): Fort Smith Electric Heat Pilot Project

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, as a government, we have been looking at different initiatives over the years and, again, this is a pilot project. It's to see exactly the feasibility of providing electric heat to public facilities in our communities. In the case of the pilot project, it's going to be laid out in Fort Smith to look at certain facilities there and to see exactly if the technology is there. More importantly, to ensure that we have the capacity by way of the power source itself, by way of the hydro surplus that is presently there, almost eight megawatts from the Taltson hydro system. So again, it is a pilot project and until we figure out what these results are of this pilot project, again, if the results are positive, we will look at the possibility of implementing this program in other communities. Thank you.

**MR. SPEAKER:** Thank you, Mr. Krutko. Supplementary, Mr. Villeneuve.

### Supplementary To Question 439-15(5): Fort Smith Electric Heat Pilot Project

MR. VILLENEUVE: Thank you, Mr. Speaker. I want to ask the Minister why we haven't taken on this pilot project back in 1983 when Pine Point mine shut down and we had 10 extra megawatts of power. I thought that would probably have been a good time to look at this initiative. Thank you.

MR. SPEAKER: Mr. Krutko.

Further Return To Question 439-15(5): Fort Smith Electric Heat Pilot Project

HON. DAVID KRUTKO: Thank you, Mr. Speaker. I cannot answer that question because I wasn't around in 1983. Thank you.

---Laughter

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

Supplementary To Question 439-15(5): Fort Smith Electric Heat Pilot Project

MR. VILLENEUVE: Thank you, Mr. Speaker. Okay. Okay, let's get off the topic of dates and interruptible power. But I want to ask the Minister, now that we have this pilot project on the way, I'm not sure how much the government is willing to spend on this pilot project. If the Minister could maybe inform this House of what the budget is for this pilot project, because I don't want to spend all this money on these pilot projects to find out, yes, they are viable, but like he says in his note that we got Tamerlane, we got pipe coating plants, we got so much development all of a sudden happening in the South Slave, why are we taking it on now when it might not even be feasible two years from now, Mr. Speaker? Thank you.

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

Further Return To Question 439-15(5): Fort Smith Electric Heat Pilot Project

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, this project, again I have to repeat, is a pilot project. We are looking at the cost analysis to see about the cost recovery, how long it's going to take us to recover our costs and also ensure that the technology that we're using is practical in the context of conserving energy on the one side in regard to greenhouse gases by getting these buildings that are presently being heated by diesel heat, convert those heat systems to electric heat and see what the viability and return, how many years it's going to take us to get the return on our investment and also look at the possibility of expanding this system in other areas. So that's the reason for the pilot project. Thank you.

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

Question 440-15(5): Surplus Vehicle For The Community Services Patrol Program

MS. LEE: Thank you, Mr. Speaker. Mr. Speaker, my question today is for the super action hero Minister of the day, which is Minister David Krutko. Mr. Speaker, yesterday I made a statement in this House, a very compelling, passionate, grovelling statement, about the state of the van for the Yellowknife Coalition for Community Wellness and how they have set up a new program called Community Services Patrol. Really what they really needed was a van and the one they had was a 1984 van which needed major work and they had to get help from the automotive department from Sir John. When the teacher's away, they couldn't get it fixed and they had to get the private sector to help get it fixed at Canadian Tire. Anyway, this morning I learned that Minister Krutko managed to find a van. So I'd like to give

the Minister an opportunity to tell us how he was able to act so fast and what that's all about. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Ms. Lee. The honourable Minister responsible for Public Works and Services, Mr. Krufko

Return To Question 440-15(5): Surplus Vehicle For The Community Services Patrol Program

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, as we all know, the Department of Public Works and Services is responsible for disposing of government assets, such as vehicles and surplus materials that we have. So I asked the department to see if there were any surplus vehicles out there that are to be disposed of and we were able to identify one. So with that, that was why I was able to accomplish that. Thank you.

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

Supplementary To Question 440-15(5): Surplus Vehicle For The Community Services Patrol Program

**MS. LEE:** Thank you, Mr. Speaker. So may I ask the Minister as to what steps the association should follow to work with the Minister to get this on the road? Thank you.

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

Further Return To Question 440-15(5): Surplus Vehicle For The Community Services Patrol Program

**HON. DAVID KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, it's just a matter of contacting myself, either through the Member who raised the issue in the first place, but, more importantly, that we make contact with the association and also with the department and find a way so that we can transfer this asset over to that society. Thank you.

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

Supplementary To Question 440-15(5): Surplus Vehicle For The Community Services Patrol Program

**MS. LEE:** Thank you, Mr. Speaker. In that regard, is it possible for DPW to look into providing maintenance service for this van? Thank you, Mr. Speaker.

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

Further Return To Question 440-15(5): Surplus Vehicle For The Community Services Patrol Program

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, we'll ensure the Member that we'll do whatever we have to, to ensure the vehicle is in good standing and is safe to drive and also meets the road conditions that it has to operate under. With that again, that's something we can work on with the organization to ensure that it is usable for their requirements. Thank you.

---Applause

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

### Question 441-15(5): Implications Of Chronic Pain Policy Settlement

MR. BRADEN: Thank you, Mr. Speaker. My questions this morning are for the Minister responsible for spare vehicles.

#### --- Laughter

Otherwise for the Workers' Compensation Board of the NWT and Nunavut. Mr. Speaker, I'm very happy to see that the longstanding case of one injured worker has been resolved based on what I perceive to be changes in the WCB's approach to claims for chronic pain. Mr. Speaker, my question: Will the settlement of the Valic case have implications for other workers with longstanding claims for chronic pain before the Workers' Compensation Board? Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Braden. The honourable Minister responsible for the Workers' Compensation Board, Mr. Krutko.

## Return To Question 441-15(5): Implications Of Chronic Pain Policy Settlement

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, this issue is not unique only to the Northwest Territories. Chronic pain is an issue right across the country. I think all workers' compensation agencies across Canada realize that we have to come up with a change to our policies to ensure we have a way to deal with the issue of chronic pain, but also deal with it in our existing policies that I mentioned in the House. The Workers' Compensation Board, at their last meeting in Igaluit, did move on this matter where they're now directing it to legal counsel to do a revised policy, come back to the board possibly in April, and then at that point they will make a decision to either accept the policy change and then implement that change at that time. So with that change, I think it's in the context of the court case and because of not only this court case, but the court cases across Canada has forced the Workers' Compensation Board to deal with chronic pain. I think with this policy change we are doing that. Thank you.

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

### Supplementary To Question 441-15(5): Implications Of Chronic Pain Policy Settlement

MR. BRADEN: Mr. Speaker, I'm going to pursue the question perhaps on a different line and see if I can get an answer to my question. It's about whether or not other workers, and I know there are several, who have longstanding claims before our WCB for chronic pain, are they going to now get an opportunity to have that claim addressed? Will the WCB be opening its files and allowing those people to have their day and their appeals to get compensation, Mr. Chairman?

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

### Further Return To Question 441-15(5): Implications Of Chronic Pain Policy Settlement

**HON. DAVID KRUTKO:** Thank you, Mr. Speaker. Mr. Speaker, I believe with the changes that are coming forward, I mentioned the change to the policy in regards to chronic pain policy that's being drafted and also looking

forward to bringing forward the legislation next week to the House in regards to changes to the Workers' Compensation Act itself. I think through those changes, we'll clarify exactly what the roles and responsibilities are of people but, more importantly, to ensure that there is conclusion to these processes through additional medical evidence being able to come forward, also getting the third and final opinion from another medical advisor. So again, through the legislative change, through the policy changes we are dealing with, we see a major change which will improve the services that the Workers' Compensation provide to chronic pain victims. Thank you.

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

## Supplementary To Question 441-15(5): Implications Of Chronic Pain Policy Settlement

MR. BRADEN: (Microphone turned off)...understood very much of that. Mr. Speaker, for, in the case of Mr. Valic, there's some 19 years of considerable cost and effort that went into the WCB's avoidance and resistance of his claim. It is now resolved. Mr. Speaker, just what changed at the WCB that allowed this settlement to happen without the benefit of the Appeals Tribunal hearing that was so ordered by the Supreme Court, Mr. Speaker?

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

# Further Return To Question 441-15(5): Implications Of Chronic Pain Policy Settlement

HON. DAVID KRUTKO: Thank you, Mr. Speaker. I'd just like to clarify, for the record, that this case has been concluded. As far as we're concerned, it's been addressed and I will not comment on that case. But more importantly, it's not unique in the context of cases going to the Supreme Court. I think because of the issue, like I say, it is a national issue which is not unique to ourselves. There are other cases in Canada that have dealt with this issue and now we are trying to find clarity to change the policies that we have so that people that do fall in the category of chronic pain, we'll be able to diagnose those individuals using a method that hopefully will bring conclusion to these cases so we don't have long, drawnout cases that go on for 10 or 15 years. So again, by making these changes, we are addressing the need for these long outstanding cases. But again, we may not be able to conclude all of these cases because of the status of those cases in context of the evidence that is presented. Thank you.

### Question 442-15(5): Resource Revenue Sharing Negotiations

MR. MCLEOD: Thank you, Mr. Speaker. As I mentioned in my Member's statement, I have almost come to the point where I am ready to throw in the towel on something like the resource revenue sharing deal, but we can't do that. We have to just keep plugging along. But we have talked long enough, Mr. Speaker. I think now is the time for action. I would like to ask the Premier if the Government of the Northwest Territories would be able to take Ottawa to court for some of our resources without affecting our transfer payments. Thanks a lot.

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

### Return To Question 442-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Thank you, Mr. Speaker. I am glad to hear the Member say that he is not going to throw in the towel because I am not going to throw in the towel on this one either. This has been 20 some years that we have been working at this. It is getting to be a critical issue for us, especially when I look at the growth in non-renewable resource revenues that come to the federal government from \$12 million just 10 years ago to \$200 and some million now.

Mr. Speaker, we have to keep working. Given the collegial nature of our consensus government, we all have to work together on it. Mr. Speaker, I don't think we can take the federal government to court on it because, legally, the resources still belong to the federal government because the land is still a federal Crown land legally. Thank you, Mr. Speaker.

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

### Supplementary To Question 442-15(5): Resource Revenue Sharing Negotiations

**MR. MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, do we have the support of the provinces in our request to get a devolution resource deal? Thank you.

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

# Further Return To Question 442-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Thank you, Mr. Speaker. The provinces and the other two territories tell me that they support us 100 percent. They also have their own interests to look after. So, of course, they look after that first, given their constituencies each of them have. But, Mr. Speaker, they all tell me they support us and are behind us. Everything that they have said would indicate that. Thank you, Mr. Speaker.

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

### Supplementary To Question 442-15(5): Resource Revenue Sharing Negotiations

MR. MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, as I said, we have talked for a while and now we have to take some action. We seem to be an administrative government administering money for Ottawa. That has to stop. I would like to ask the Premier if he would tell Ottawa that we will not be administering any more programs for them. Can we withhold our corporate tax repayment of \$290 million? Can we start taking some bold political action? Thank you.

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

### Further Return To Question 442-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Thank you, Mr. Speaker. Yes, we have to take action but taking action on trying to sue the federal government probably wouldn't work. Withholding payments on taxes wouldn't work. They would just deduct it off our formula anyway. Mr. Speaker, there is an

election coming up sometime. I don't know if it is in the next few months or the next years. The best action we as northerners can take is to take action when it comes to a vote. Are they going to live up to the word of the previous Liberal government and the current new government in Ottawa? Who is going to live up to it? What commitment are they going to make to us? Let every person in the Northwest Territories vote that we want our fair share of resource revenues. That will be the most effective action we can all take together. Thank you, Mr. Speaker.

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

#### Question 443-15(5): Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. In 1996, the Ontario Building Code introduced legislation requiring six-litre toilets for all new homes. Currently, no other province or territory has developed innovative legislation, but some municipalities like Vancouver have implemented six-litre toilet bylaws to react to changes in our climate and environment. Mr. Speaker, I would like to ask the Minister of ENR, if we are really serious about conserving energy, what is stopping us from enacting legislation to put some teeth behind our energy conservation activities such as low-flow toilets, plastic bag restrictions, non-recyclable bottle restriction, maybe even some efficiency light bulb legislation here in the NWT? Thank you, Mr. Speaker.

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

### Return To Question 443-15(5): Innovative Approaches To Energy Conservation

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, energy and Greenhouse Gas Strategy is something that we have been working on very hard for the last several months. We are looking at all of the different areas that need to be addressed. We are coming out with a document next week. Mr. Speaker, we have, over the last several years, had programs that were committed to reducing energy use. We have had education programs that also were out there to put the word out to the communities and to the general public that we need to conserve energy.

Mr. Speaker, there are a number of initiatives that we have included in our new strategy that will be coming forward. The Greenhouse Gas Strategy I think has 39 actions and we would be looking at that. Mr. Speaker, our intent is, first of all, to get our own house in order to start looking at what we can do as a government, what we can do to reduce energy use and reduce greenhouse gas. We also are encouraging the general public. We have a number of programs that are out there. We want to work with industry. We have set some targets that we will be looking at internally. However, to move forward on legislation is something that we will not be doing at this point. We will be reviewing the strategy. We will be reviewing the situation in three years' time after this document is released. Thank you.

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

## Supplementary To Question 443-15(5): Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. In the energy conservation action plan update, there was a proposed \$200,000 for changing energy behaviours. What is the status of this? How will the success of this program be measured? Thank you, Mr. Speaker.

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

# Further Return To Question 443-15(5): Innovative Approaches To Energy Conservation

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. The \$200,000 Energy Conservation Program is administered by ENR and it is to provide matching funds for retrofit programs that would be focussed on reducing the amount of utilities used in government-owned or leased buildings. It is also available for community government and non-profit organizations that can qualify for the monies. We are also a member of the Arctic Energy Alliance, Mr. Speaker. We contribute to the programs that they deliver also. Thank you.

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

## Supplementary To Question 443-15(5): Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. The energy conservation action plan update is heavy on financial incentives and education programs. However, as mentioned before, we have very little legislation that encourages people to conserve energy. So, Mr. Speaker, with that said, how does this government know if financial incentives are the best way to encourage everyone, poor and rich, businesses and private citizens alike, to take energy conservation seriously? Can the Minister point to any study that has been done on this matter? Thank you, Mr. Speaker.

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

### Further Return To Question 443-15(5): Innovative Approaches To Energy Conservation

**HON. MICHAEL MCLEOD:** Thank you, Mr. Speaker. We are trying to move away from doing more and more studies.

#### ---Applause

We have an action plan that we are going to present in the next couple of days or next week, Mr. Speaker. We recognize that our energy plan and our Greenhouse Gas Strategy were becoming outdated. We have taken the time and initiative to step up and have the discussions and talk about the different areas that need to be updated. We will be providing that information in terms of two documents. That will be available next week, Mr. Speaker.

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

### Question 444-15(5): Reliance On Contractors And Consultants

MR. RAMSAY: Thank you, Mr. Speaker. Mr. Speaker, I want to get back to my Member's statement. It is my belief that the government has an acute addiction to consultants and contractors, Mr. Speaker. This might have been okay when we had 2,750 employees, but we have 4,700 employees now and the addiction is still there. It is too easy for government departments to go out and contract services. Mr. Speaker, I have a question for the Minister of Finance. I know the sum of \$15,000 to contract with an Alberta company to prepare the budget address is not a big amount. That is not what I am talking about here. I am talking about the principle. The principle is, between FMBS and Finance, they have 111 employees. I would like to ask the Minister of Finance why it was necessary to contract an Alberta company to prepare his budget address. Thank you.

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

### Return To Question 444-15(5): Reliance Or Contractors And Consultants

HON. FLOYD ROLAND: Thank you, Mr. Speaker. I am glad to see the Member has so much time he can go after the \$15,000 amounts and not the \$2.3 million amounts. The fact is that if the Member had come to see me, he would have found out that, in fact, the amount that was allocated was not totally used for that area. In fact, budget speeches prepared by previous Finance Ministers had people that helped the department put the pieces together. In this case, I went after someone that had ties to not only our government but has worked out of Alberta and can also influence the message not only for northern residents but for the Government of Canada. In this case, I think it is money well spent. Thank you, Mr. Speaker.

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

### Supplementary To Question 444-15(5): Reliance On Contractors And Consultants

MR. RAMSAY: Thank you, Mr. Speaker. My apologies for not coming down the hallway to talk to the Finance Minister about this contract. I guess I could have done that but, Mr. Speaker, again it gets back to the point that I think as a government we are relying too heavily on contractors. Just last year, there was an ad in the newspaper looking for a speech writer in the Department of ITI. We don't have speech writers in our departments? What is going on? Why do we have to go out and contract these services, Mr. Speaker? Thank you.

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

### Further Return To Question 444-15(5): Reliance On Contractors And Consultants

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, most departments, in cost-cutting initiatives over a number of years, have got rid of staff that used to be in the communications area. In this case, the Department of Finance has, in my case particularly, gone out to seek some additional help in the area of communications and not only just for the budget but for a number of other initiatives that we see as critical to getting our message

out there to the rest of Canadians. So departments don't have specific areas of communications. There are some departments that do have them. We use them internally in those cases. Thank you, Mr. Speaker.

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

# Supplementary To Question 444-15(5): Reliance On Contractors And Consultants

**MR. RAMSAY:** Thank you, Mr. Speaker. Mr. Speaker, is the Finance Minister telling me today that, as a government, we cannot get our message out there with 4,700 employees? Thank you.

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

### Further Return To Question 444-15(5): Reliance On Contractors And Consultants

HON. FLOYD ROLAND: Thank you, Mr. Speaker. Mr. Speaker, with 4,700 employees, we are delivering services in communities that are needed. In fact, I think if you polled most Members in here, one of the jobs you see is trying to secure good jobs in your communities so you can have some good levels of employment. So I think there is some debate at that one. If they are all sitting around waiting for us to give them a sign to walk outside and say deliver our message. I think, when you look at it, the numbers have been provided as to what we do with our staff, the kind of jobs that are being done and what we have repatriated within government that was done outside of government before. In the area of contracting and speech writing, some departments do have their internal staff in place; some don't. In Finance, we did not have. Each Minister, if he feels that he needs to get additional resources to the table or a special expert field to the table, they can consider that. Thank you, Mr. Speaker.

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

### Question 445-15(5): Resource Revenue Sharing Negotiations

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I want to follow up with Mr. McLeod's questions to the Premier in terms of the Northwest Territories. Once a year or more, we get up to pound on our chests and see how we want Ottawa to deal with us and handle our issues such as resource revenue sharing and devolution. I want to ask the Premier, can he tell the good people of the Northwest Territories? I know he said 20 years is long Thirty years is long enough in terms of enough. negotiating a resource revenue sharing deal or devolution. What is it that we can do in the Northwest Territories in light of what obstacles that we are facing as a small territory and number of people? What is it that we can do in terms of getting Ottawa's attention? Certainly, what we are doing right now is not working.

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

## Return To Question 445-15(5): Resource Revenue Sharing Negotiations

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. I wouldn't give up and say that what we are doing is not working. We have to recognize that this takes a long time.

If I look at Alberta, in Alberta's case, they became a province in 1905 and I believe it was 1931 before they got resource revenue sharing. They stayed in there. They stayed the course and they went for a good deal. Don't accept any deal, but wait for a good deal. I think we have to do the same. Mr. Speaker, we could have accepted a deal that would have been bad for us years ago if we wanted to, but we are not going to do that. We are entitled to be the primary beneficiary.

Mr. Speaker, what we are doing is being consistent. We have to stay together. We need the aboriginal leaders onside and all of the other municipal leaders. We need everybody, all 19 of us as MLAs and stay consistent. I think elections, as I mentioned before, will give us a great opportunity to express our views but we have to keep making the argument. Canadians are hearing it now more than they ever have before. I tell you, not just government leaders support us, but I think Canadians support us now. Everything we do will work. Thank you, Mr. Speaker.

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

### Supplementary To Question 445-15(5): Resource Revenue Sharing Negotiations

MR. YAKELEYA: Thank you, Mr. Speaker. I certainly agree with the Premier. We have come a long way in the last 20 or 30 years, but when I hear my colleagues and Members and I read the papers in terms of the amount of resources leaving this good land of ours and all of the resources that are still being taken today as we speak, it sickens my stomach that we are still crying for RCMP officers in isolated communities, health care issues and education issues. We are a small number of people, but we have a huge land mass. It is a crying shame that today in this society here that we still are knocking on the door. I support the Premier in terms of whatever we can do. Again, I ask the Premier, would he look at some type of action plan that we can do in terms of shaking the heads of the bureaucrats and politicians in Ottawa to say enough is enough? What types of options or plans can the Premier provide to this government? Thank you.

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

# Further Return To Question 445-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Thank you, Mr. Speaker. We have looked at everything. We have looked at whether or not it is possible to force the issue. We can't. We don't have the authority right now to do that. We need the devolution deal to be able to do that. We have looked at other ways of trying to negotiate some interim arrangement where they would give us advances. That hasn't worked.

Mr. Speaker, the current process that we are using right now, the steps we are taking is, number one, to continue to get this message out across the country. People probably get tired of hearing me talk about resource revenue sharing and devolution, but we have to stay the course on that one. Every opportunity, whether it is in Toronto or Northwest Territories or wherever, we keep to that message. Mr. Speaker, I don't miss an opportunity to meet with the Prime Minister, the Minister of DIAND or any Minister to talk about this. Mr. Speaker, we are

working together as a team with aboriginal leaders who are increasing the understanding and importance of this.

Two hundred twenty-four million dollars left the Territories in 2005-06. Half of that at least should have been ours. I am going to continue along that path. If there are other good ideas on how we can improve on the strategy we have, then I would certainly appreciate hearing them. The main thing is we cannot throw in the towel on this. We have to stay together on it and we have to stay on the course with this. Do what Alberta did even if it takes 25 years, but I don't intend to take that. I want to see an agreement-in-principle. I am meeting with the Minister of DIAND and hopefully with the aboriginal leaders in April again to deal with this, among other issues. We will just continue with that course. Thank you, Mr. Speaker.

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

### Supplementary To Question 445-15(5): Resource Revenue Sharing Negotiations

MR. YAKELEYA: Thank you, Mr. Speaker. Mr. Speaker, I will again encourage all Members of this House. Whenever you have the opportunity, talk about the resource revenue sharing issue in the Northwest Territories. Mr. Speaker, Alberta has negotiated a good deal in 30 years. I think we should sit down with Alberta and see how we can help them. We have to do something. Mr. Speaker, the Premier said it very clearly. We do not have the authority. That is a key point. What can we do to get some authority that will say, what is ours is ours and what is Ottawa's is Ottawa's? Thank you

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

# Further Return To Question 445-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Thank you, Mr. Speaker. That authority is going to come through a devolution agreement. That is what devolution means. So we have to, as a territory, work together. Mr. Speaker, we can talk about doing it through aboriginal claims and self-governments, but really, if we are going to be one territory, we have to have devolution. I think everybody agrees we need to stick together as one territory. Mr. Speaker, we will continue the path we are on and persist at every opportunity we have. Again, Mr. Speaker, if there are other things we should or could be doing, then I am certainly open to hearing those as well. Thank you, Mr. Speaker.

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

#### Question 446-15(5): Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, I'd like to continue questions directed towards the Minister of ENR. Mr. Speaker, as I rose in my Member's statement today about issues such as why are we discussing the light bulb issue, the plastic bag issue, the low-flow toilet issue? Mr. Speaker, what is the problem for the Minister of ENR to have these types of discussions? Thank you.

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

### Return To Question 446-15(5): Innovative Approaches To Energy Conservation

HON. MICHAEL MCLEOD: Mr. Speaker, we encourage the discussion on energy reduction. It's something that's certainly at the forefront of everybody's minds. We've had a lot of discussion at this forum here over the last several days about how the climate is changing and how water is being affected by the use of energy and resource development. Mr. Speaker, I think we all recognize that we're entering into a new era. We've taken all our initiatives and reviewed them and we've updated them and we've added a lot of new actions. We've added a lot of review that has been required to be done. We are looking at the new announcements that have been made by the federal government. We're packaging all this up and we'll provide it to the Members, Mr. Speaker. Thank you.

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

# Supplementary To Question 446-15(5): Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. Well, I'll give credit where credit is due to the Minister of ENR, because we certainly saved a lot of energy by doing nothing, Mr. Speaker. So the fact is why can't we get out there and have this type of discussion, Mr. Speaker? Why can Vancouver have bylaws that we could be doing here in legislation? Why is the Minister afraid of having these discussions? Would he commit to getting out there and having some discussion papers out there, talking to people about real energy saving plans that everybody can buy into? Thank you, Mr. Speaker.

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

### Further Return To Question 446-15(5): Innovative Approaches To Energy Conservation

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. Mr. Speaker, as indicated before, our energy plan and our Greenhouse Gas Strategy will be released next week. I'm sure that will stimulate a lot of discussion, Mr. Speaker, and if these documents fall short of what the targets are by the people of the Northwest Territories, I'm sure that will generate some discussion around providing legislation. At this point, we are looking at what we can do in terms of what the government can do to reduce energy consumption, what's out there and alternate energy, what we can do with the residents, what we can do with the homes. All these types of issues are being addressed and looked at. Legislation is not something that we're ready to do at this point. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Final, short supplementary, Mr. Villeneuve. Sorry. Mr. Hawkins.

### Supplementary To Question 446-15(5): Innovative Approaches To Energy Conservation

MR. HAWKINS: Thank you, Mr. Speaker. Mr. Speaker, the time has come to the point where the wait-and-see approach, we cannot live by that example anymore. Mr.

Speaker, we need to have discussions today. We should have had them yesterday and we definitely should have been thinking about these things years ago. What is the big issue about having discussions about getting rid of those non-recyclable bottles out there, getting rid of the plastic bags and replacing them with plastic containers? Mr. Speaker, what is the problem and the hurdle that stops the Minister from opening up those type of public discussions? Thank you.

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

## Further Return To Question 446-15(5): Innovative Approaches To Energy Conservation

HON. MICHAEL MCLEOD: Thank you, Mr. Speaker. The Member is very impatient to see our document, obviously.

#### ---Laughter

It lays out a number of initiatives. Mr. Speaker, we are taking action. We have done all the necessary legwork that is required to release these documents. It has an action plan. We're working towards packaging it up with a budget. We are also looking at all the recyclables. The recyclable program is under review. We have put out a request to hire a contractor that will look at the different initiatives and look at the different priorities.

That document will be released in December. There are a number of things that we can do across the board, Mr. Speaker, but at this point we are not in a position to be able to deal with all the different ideas that have been brought forward. We need to sort them out, place priority on some of them, and then move forward. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. Oral questions. The honourable Member for Tu Nedhe, Mr. Villeneuve.

### Question 447-15(5): Surplus Equipment In Remote Communities

**MR. VILLENEUVE:** Mahsi, Mr. Speaker. Mr. Speaker, I just got a couple of questions for the Minister of public works and surplus, the Honourable David Krutko.

#### ---Laughter

I know the Minister is probably well aware that the Nuni Corporation got into a negotiated contract with Public Works last year to take over airport services along with highway maintenance. I just want to ask the Minister if they're giving away vehicles on the one hand and on the other hand they're taking away equipment, because the Public Works department did go into Fort Resolution after the contract was signed, sealed and delivered and removed a snow blower and a loader from the airport that they could have used to improve their capacity building in the community and there was no mention in the negotiated contract that they would have to do that or they would even do that. So would the Minister commit to maybe renegotiating or returning the equipment to the community at a negotiated rate or at a cost or something like that? Can the Minister do that? Thank you.

**MR. SPEAKER:** Thank you, Mr. Villeneuve. The honourable Minister responsible for Public Works and Services, Mr. Krutko.

## Return To Question 447-15(5): Surplus Equipment In Remote Communities

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, when equipment is basically put up for public tender or put out for disposal, it's mostly in the case when the vehicle or whatnot has come to the end of its usefulness and basically a department will dispose of that vehicle, which they'll bring it to the Department of Public Works and we basically go out and either put it out for tender or do a public auction process. So again, we don't unilaterally just go into a community and pick a vehicle out. It had to be the department making the decision that they wanted to dispose of this vehicle by way of using our public disposal policy, which basically then Public Works will come in and then dispose of the policy either through, like I mentioned, a public tendering process or put it out for bids through a bid process. So again, I'm not clear on exactly where the Member is coming from. I believe the equipment may have been Department of Transportation or MACA's, but I do not believe that Public Works has anything to do with those. Thank you.

**MR. SPEAKER:** Thank you, Mr. Krutko. Short supplementary, Mr. Villeneuve.

### Supplementary To Question 447-15(5): Surplus Equipment In Remote Communities

MR. VILLENEUVE: Thank you, Mr. Speaker. The equipment was airport's, I guess, and whatever airports fell under at that time. But wouldn't it be prudent or smart of this government, instead of going into other remote communities, spending more money than the equipment is worth to get the equipment out of there, to just leave it in the community and negotiate with the community, the contractor, whoever's taking over the contract, to say we'll give it to you for a dollar. Or if we're going to spend \$10,000 to get a truck out of Colville Lake that's worth \$500, why doesn't the government just get rid of that whole headache of public tendering and however they dispose of equipment and just allow the community the option, the first right of refusal even, to say whether they want that equipment? Is that a possibility? Thank you.

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

## Further Return To Question 447-15(5): Surplus Equipment In Remote Communities

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, I believe the policy does have that type of flexibility in which basically if the community notifies the department that they would like that equipment to remain in their community and have it disposed of through the process that we have spelled out, that could be done simply by communication or letter between local, municipal government and the government department or the Department of Public Works to dispose of it locally instead of having to take that equipment out of the community. Thank you.

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

### Supplementary To Question 447-15(5): Surplus Equipment In Remote Communities

MR. VILLENEUVE: Okay. Can the Minister, because I know the equipment was still useful, I don't know if it

reached the end of its useful life, but basically when Nuni took over the contract, the government just went in, took the equipment out of there, and they said it wasn't included in the contract. I think it should be the other way around. The government maybe should inform the community of whether they want to purchase the equipment or not and not the community, because they don't know whether it's the end of its useful life or not. So I think the onus is pretty much on the government to say we're going to take it if you don't want it. I think they would have wanted it to stay there, because it's still good equipment as far as I know. So can the Minister go back to Nuni and say if you guys still want that equipment you can come and get it in Hay River where it sits right now in the surplus yard doing nothing when it should be clearing our airports? Thank you.

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

### Further Return To Question 447-15(5): Surplus Equipment In Remote Communities

HON. DAVID KRUTKO: Thank you, Mr. Speaker. Mr. Speaker, for the Member's sake, I'll give him a copy of the policy and ensure him that basically the department will show him exactly how the policy works. But more importantly, how we have to ensure that the policy has been followed the way it's been drafted and how it can benefit communities. So in the case of the Member, I will give him a copy of the policy and sit down with the department to ensure that it's being followed. Thank you.

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

### Question 448-15(5): Resource Revenue Sharing Negotiations

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Mr. Speaker, once again I hear Members asking questions about resource revenue sharing and devolution as something that our government continually delivers a message to Ottawa that we want. We've asked about legal obligations. Apparently there are none. We've asked about moral obligations. Apparently there are none. We have no authority. It's the golden rule. They have the gold and the gas and the diamonds and everything else, and so they rule. So let's not delude ourselves. What reason do we possibly have to go to Ottawa to convince them that they should do right by northerners in terms of resource revenue sharing and devolution? Tell me the reasons that we could possibly offer. Can we shame them? I mean, we've tried everything. We've tried being nice, we beg, we plead. We...

#### ---Interjection

**MRS. GROENEWEGEN:** As Mr. Yakeleya says, we beat on our chest. We've tried everything. Is there anything else at our disposal to convince them that we need this done? Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. That question wasn't addressed to anybody. I'll put it to the Premier, Mr. Handley.

### Return To Question 448-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Thank you, Mr. Speaker. Well, I'll tell you, there are 224 million reasons why we have to continue to do this. We have to do it. We may not have a legal right. We may have to shame them. We are We should have the equal rights to Canadians. Canadians anywhere. We are a resource rich area. All those good arguments that we've been making. Mr. Speaker, we're in negotiations right now, and we are negotiating. The federal government has agreed; they've appointed a negotiator. He is negotiating hard to protect federal interests, which is the 224 million reasons. Mr. Speaker, negotiations are going on and between that negotiating table and our continual lobbying other leaders to support us and trying to shame the federal government, Mr. Speaker, I'm afraid those are the main avenues we have right now and hopefully our negotiations are going to be successful and we can look forward to an agreementin-principle soon. Thank you, Mr. Speaker.

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

### Supplementary To Question 448-15(5): Resource Revenue Sharing Negotiations

MRS. GROENEWEGEN: Mr. Speaker, I think the Premier makes the point that we've tried just about everything. I think we should try something new. I don't think there's anything more important to the people of the Northwest Territories right now than resource revenue sharing and devolution. Maybe we should buy a bus for the Premier and put a big slogan and his picture on the side and send him on a cross-country tour to talk to ordinary Canadians to explain to them what is happening here. We are being ripped off of what we deserve. In the closing days of this government for the next six months, I can't think of anything more important to do. We need to appeal to someone. Maybe we should take on a nation-wide campaign. What does the Premier think of that?

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

# Further Return To Question 448-15(5): Resource Revenue Sharing Negotiations

**HON. JOE HANDLEY:** Thank you, Mr. Speaker. Maybe I can even get a spare van from Public Works to travel with.

#### ---Laughter

But, Mr. Speaker, if I can fit it into my schedule anywhere, I have never turned down an opportunity to speak to a group, right from the...(inaudible)...alliance to chambers of commerce to school groups to aboriginal groups to some of the groups like the Empire Club and the Canadian Club and the politicians and everything. I will continue to do that, and I'll take every opportunity to do that. I think there are 19 of us here. We should all be out there. I shouldn't be the only one out there. I think we should all be saying it and I hope that your constituents, particularly the aboriginal leaders, will also be doing that. One of the Members said we may need a big bus, but maybe that's what we need.

But we need everybody to be saying the same thing because we're getting shafted every day here.

- ---Interjection
- ---Applause

HON. JOE HANDLEY: We are.

---Applause

Mr. Speaker, whatever we can all do we need to do our part as elected MLAs. Thank you, Mr. Speaker.

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

Supplementary To Question 448-15(5): Resource Revenue Sharing Negotiations

**MRS. GROENEWEGEN:** Thank you, Mr. Speaker. Mr. Speaker, desperate times call for desperate measures. Would this Premier support a moratorium on development in the North until we get a resource revenue sharing deal? Thank you.

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

Further Return To Question 448-15(5): Resource Revenue Sharing Negotiations

HON. JOE HANDLEY: Mr. Speaker, I would not do that without the support of all the aboriginal leaders, because they have a lot at stake. When I look at the Aboriginal Pipeline Group, that's one group alone who have a 33 percent stake in the biggest project in Canada's history. We can't just forfeit that because we...So we have to work with everybody and if that was the decision by the leaders in the Northwest Territories, then I'd be right there with them, but I have to talk with them before we can make that decision. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. Item 7, written questions. The honourable Member for Sahtu, Mr. Yakeleya.

#### **ITEM 7: WRITTEN QUESTIONS**

Written Question 53-15(5): Diabetes Programs In The Sahtu Region

**MR. YAKELEYA:** Thank you, Mr. Speaker. My question is for the Minister of Health and Social Services.

- Will the Minister consider listing diabetes as an NWT health risk, similar to climate change?
- What diabetes programs are scheduled for delivery in the Sahtu region this year?
- 3. How many diabetes programs/clinics scheduled for delivery in the Sahtu region are geared towards school-age children?
- 4. When will the Sahtu region be provided with additional resources necessary to deliver their own diabetes programs, similar to the Stanton or Inuvik health authorities?

How many people in the Sahtu region are registered as being diabetic patients? I have four questions for the Minister:

Thank you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. Written questions. Returns to written questions. Mr. Clerk.

#### ITEM 8: RETURNS TO WRITTEN QUESTIONS

Return To Written Question 49-15(5): New Deal Community Plans

**CLERK OF THE HOUSE (Mr. Mercer):** Mr. Speaker, I have a Return to Written Question 49-15 asked by Mr. Villeneuve on February 19<sup>th</sup>, 2007, to the Honourable Michael McLeod, Minister of Municipal and Community Affairs, regarding the number of communities that have completed their integrated community sustainability plans and their capital investment plans.

Mr. Speaker, I have a return to written question asked by Mr. Villeneuve on February 19, 2007, regarding the number of communities that have completed their integrated community sustainability plans and their capital investment plans.

The Gas Tax Agreement, signed between the Government of the Northwest Territories and the Government of Canada in November 2005, requires that, as a condition of funding, all communities complete an integrated community sustainability plan by March 31, 2010. The integrated community sustainability plans have several elements, including the requirement that capital investment plans are completed by March 31, 2007.

Regional staff of the Department of Municipal and Community Affairs are currently working with all communities to complete their capital investment plans. The department has developed a template and a capital planning tool to assist community governments in developing these plans. This information was shared with communities at a conference held in November 2006 to discuss the development of integrated community sustainability plans. The department has also completed an assessment of community infrastructure which has been provided to community governments as the starting point for capital planning. Finally, the department has sponsored regional capital planning training workshops for community government staff and council members.

No finalized plans have yet been submitted to the department, but staff are confident that all communities will have plans completed and submitted in the near future. If communities require an extension to the March 31, 2007, deadline, MACA will work with Infrastructure Canada to ensure that this need is addressed.

Since finalized integrated community sustainability plans are not required to be submitted to MACA until March 2010, no communities have submitted these plans. However, departmental staff are working with community government representatives to develop the integrated community sustainability plan template which will be presented and reviewed by community governments at the Strengthening Communities Conference scheduled to take place in Yellowknife in early April 2007.

#### Return To Written Question 52-15(5): Sahtu Region **Roads And Bridges**

Mr. Speaker, I have a return to Written Question 52-15(5) asked by Mr. Yakeleya on February 21st, 2007, to the Honourable Kevin Menicoche, Minister of Transportation, related to Sahtu region roads and bridges. Thank you, Mr. Speaker.

Mr. Speaker, I have a return to written question asked by Mr. Yakeleya on February 21, 2007, related to Sahtu region roads and bridges.

Can the Minister outline a concrete plan that shows how the Sahtu winter roads will improve road access, including safety and maintenance?

Construction of bridges at winter road stream crossings allows for an earlier road opening and reduces temporary road closures due to overflow or other impassable conditions. Bridges also mitigate environmental issues caused by dumping debris into the stream or by freezing the creeks down to the streambeds. Road alignment and grade improvements enhance safety by reducing gradients, improving curve radii and increasing sight distances for road users. By 2008-09, under the current Canada strategic infrastructure fund, the department will have invested \$41 million in the winter road. These improvements are also being complemented by the installation of additional warning and information signage and highway patrols. The department has also restructured the winter road construction and maintenance contracts to increase the base level of effort and to allow industry to contribute to the winter road to address their

When does the department plan to meet with Sahtu leaders to report on the details for approving winter

I am available to meet with Sahtu leaders to discuss winter roads at a time mutually convenient for all parties. I would also like to highlight that my officials will be travelling to Sahtu communities this spring and fall to consult on our proposed plans for grade improvements. It may also be good to meet once the details of new federal infrastructure funding expected in the March federal budget is known.

What offices outside the Sahtu region have Transportation responsibilities like the Mackenzie Valley winter road and marine services?

Regional offices in Inuvik and Fort Simpson provide seasonal support to all Department of Transportation activities in the Sahtu region. This includes winter roads, airports, community access roads and community marine programs. These duties are split between the two offices. The department also has a district airport manager and staff located in Norman Wells that support the department's activities as required.

4. When will the Sahtu bridges be completed?

Thirty-two bridges have been constructed to date along the Mackenzie Valley winter road. Over the next two fiscal years, another five bridges are proposed for construction. These include Little Smith Creek, Big Smith Creek, Bob's Canyon Creek, Strawberry Creek and Blackwater River. At the end of the 2008-09 fiscal year, it

is anticipated that only three bridges will remain to be completed. These three include the Great Bear River Bridge, Bosworth Creek and Jackfish Creek. completion will be subject to the availability of additional

What is the Minister of Transportation's strategy to develop the Mackenzie Valley road to support the Mackenzie gas pipeline?

The need for a Mackenzie Valley road in support of the Mackenzie gas pipeline has been highlighted in a number of department documents including, most recently, the Connecting Canada funding proposal. The issue of how an all-weather road could support pipeline development and/or future follow-on oil and gas activity has also been brought up in political discussions involving the Prime Minister, various federal Ministers and the pipeline proponent. The involvement of the federal government is required to make this road a reality. The GNWT may be in a better position to consider investing in this road, if devolution and revenue resource sharing were to become reality. In the meantime, the department continues to work with the pipeline proponent to ensure road alignment and pipeline crossings and conflicts are minimized.

MR. SPEAKER: Thank you, Mr. Clerk. Returns to written questions. Petitions. Reports of committees on the review of bills. Tabling of documents. The honourable Member for Yellowknife Centre, Mr. Hawkins.

#### ITEM 11: TABLING OF DOCUMENTS

Tabled Document 108-15(5): Letter From The Auditor General Of Canada Regarding Audit Of Crown Corporations

MR. HAWKINS: Thank you, Mr. Speaker. Today I'd like to table a signed letter from the Auditor General of Canada, Sheila Fraser. It's in regards to the issue I keep raising: our potential Crown Corporations Accountability Act. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Hawkins. Tabling of documents. Notices of motion. 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 21, Committee Reports 7, 8, 9, 10, Tabled Document 104-15(5). By the authority given the Speaker by Motion 22-15(5), Committee of the Whole may sit beyond the hour of adjournment until it is ready to report, with Mrs. Groenewegen in the chair.

#### ITEM 16: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRPERSON (Mrs. Groenewegen): Okay, I'd like to call Committee of the Whole to order and ask what is the wish of the committee today. Mr. Lafferty.

MR. LAFFERTY: Mahsi, Madam Chair. It is the wish of the committee to review Tabled Document 104-15(5), Workers' Compensation Board Comprehensive Response to Committee Report 5-15(5); and Bill 21, Appropriation Act, 2007-2008, specifically Executive, Aboriginal Affairs and Intergovernmental Relations, and Finance. Mahsi.

CHAIRPERSON (Mrs. Groenewegen): Thank you, Mr. Lafferty. Does the committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Agreed. Thank you. Then we'll do that after a short break.

#### ---SHORT RECESS

CHAIRMAN (Mr. Ramsay): Thank you, Members. I would now like to call Committee of the Whole to order. We are now dealing with Tabled Document 104-15(5), Workers' Compensation Board Comprehensive Response to Committee Report 5-15(5). First, I would like to ask the Minister responsible for the Workers' Compensation Board, Minister Krutko, if he would like to provide opening comments to committee. Minister Krutko.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. I am pleased to be here today to report on the progress made towards the implementation of recommendations made by the Auditor General of Canada and the Standing Committee on Accountability and Oversight on the Workers' Compensation Board of the Northwest Territories and Nunavut.

Mr. Chairman, the Auditor General tabled her report on the WCB in June 2006. The Standing Committee on Accountability and Oversight conducted a review of this report and provided their response to this Legislative Assembly in October 2006. As part of their review, Members of this Legislature conducted public hearings and met with injured workers and other stakeholders about the administration, compliance and process in relation to their cases with the Workers' Compensation.

Mr. Chairman, the Auditor General's report and the subsequent report by the standing committee are positive documents that identify a number of important issues that need to be addressed with respect to the workers' compensation system. These reports also provided helpful recommendations on how the WCB could improve communication with injured workers, other stakeholders and the Legislative Assembly.

My office and the Workers' Compensation Board are working diligently to implement these recommendations and look forward to additional observations and feedback from both the standing committee and the public.

While the Auditor General concluded that the board was correctly applying legislation and policy, and that injured workers were receiving the benefits they are entitled to, she also pointed out a number of areas where client service could be improved.

In its response to the Auditor General, the standing committee made a number of specific recommendations. I was pleased to table our comprehensive response to these recommendations earlier this week. I would like to take a few minutes to speak briefly about the steps we are taking to address specific recommendations:

- A draft communications protocol and action plan has been prepared and was tabled in this House as part of our comprehensive response earlier in the week;
- The board is working with the Department of Public Works and Services to finalize separate office space for the Appeals Tribunal. We hope this can be concluded prior to the end of March;
- The board has approved a budget and design for renovations to the reception area that will provide a

more inviting and accessible setting for injured workers and employers, while continuing to provide a secure work environment for WCB employees;

- The WCB agrees with the standing committee that training is of critical importance; therefore, the WCB will continue to invest heavily in training programs for its employees. In 2007, \$260,000 has been budgeted for training which will focus on key areas such as sensitivity training, communications training for front-line staff and staff orientation; and
- Next week, I will be introducing a bill to amend the Workers' Compensation Act that will clearly set out the roles and responsibilities for all parties in the workers' compensation system. This bill will also deal with important issues such as processes to resolve cases where there are conflicting medical opinions.

Mr. Chairman, I want to thank all Members for their input during this valuable process. I look forward to answering any questions Members may have. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Minister Krutko. I would now like to ask if you would like to bring in witnesses.

HON. DAVID KRUTKO: I would, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, Minister Krutko. Sergeant-at-Arms, please bring in the witnesses.

Thank you, Minister Krutko. Thank you, Sergeant-at-Arms. If you could, Mr. Minister, please introduce your witnesses, for the record.

**HON. DAVID KRUTKO:** Thank you, Mr. Chairman. To my left is Denny Rodgers, chair of the Workers' Compensation Board; to my immediate right is John Doyle, interim president of the Workers' Compensation Board; to my far right is Mike Triggs, legal counsel for the Workers' Compensation Board.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. The chair would also like to recognize Mr. Bill Aho, Mr. Steve Petersen, members of the Governance Council of the Workers' Compensation Board who are with us this afternoon and anybody else in the gallery watching the proceedings this afternoon, welcome.

I will open the floor to general comments. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I would like to thank Minister Krutko and his officials for being here with us today and also I would like to thank the Members for allowing this discussion to occur. I think we are well aware of the fact that this is an important moment because it's not usual or we don't regularly have WCB officials appearing before us. I think this speaks to the desire on the part of the Members of this House to work through some of the long outstanding issues pertaining to the WCB and its services to the public. This is a part of a long-term process, long-term work that's been going on for at least the time that I have been here for the last seven years starting with the Act Now hearing that we

had. There have been series of studies and legislative changes and action plans.

I think this is an occasion for us to comment on the Auditor General's report on the review of the WCB, as well as the response from the WCB along with the other documents such as the communication plan that the Minister has so kindly tabled in this House for us to discuss

Mr. Chairman, as a general comment, I think the most important thing I would like to see us get a full grasp on and something I would like to see stated very clearly in the upcoming legislation, because we understand that in short order there will be new legislative amendments or new legislation of WCB that's going to replace the current one. I think the important thing that we need to keep in mind and that has to be clarified in the legislation is what the Auditor General said herself in the review. That is that the WCB is a public institution. There is a lot of weight in that and there is a lot of significance in that. For me, something that is a public institution means that it is publicly accountable. That is where my focus is also.

Mr. Chairman, I believe very strongly that it is very erroneous and irresponsible for anyone to adhere to a legal opinion that because WCB does not directly get the money from this body that they are not directly accountable to either the government or the Legislature or the public. I have heard that often and I want that completely discarded. Mr. Chairman, the important thing is WCB, I know they get money from the ratepayers, but they would not be able to get money from ratepayers if it weren't for the fact that this body, a legislative body, a law-making body, made the law that allows them to do that. There is no employer in this jurisdiction who could operate without collecting WCB money. That makes WCB a public institution and a publicly accountable body.

There is a contract that goes behind the fact that WCB can collect ratepayers' money, and that is that employers get relief from any action from injured workers. Injured workers give up the right to sue the employers, so that in exchange employers pay that money to the WCB. So in that very fundamental way, this is a public institution and one that should be publicly accountable. I think that we should take some time and address our mind to what that exactly means.

Mr. Chairman, I think it's really important to say that there is a reason why WCB is called the Workers' Compensation Board. It's not called ratepayers' protection board. I don't have anything against ratepayers. I understand the money has to be spent responsibly, but the board is, first and foremost, the Workers' Compensation Board and they are there to serve the body. It's not called WCB administration protection board nor is it called we will deny you until you give up board. The board is there to compensate and protect the workers, not anything else. The board has an obligation to set up necessary administrative and policy framework so that workers get supportive and courteous service at every level.

Workers have the right to a fair hearing from an independent and a fair-minded tribunal at every step. Workers should have the right, and they have the right, to access necessary resources to make their case and present their case and not the way the situation is now, where the workers have to spend years getting through

the process. They have to get their own legal help to take on the establishment that is so much more resourced than they could ever hope to have.

Mr. Chairman, we need to balance this. The whole system runs under the principle that the workers give up the right to sue. Employers are protected, but we are seeing situations where so many workers are having to sue. We have to revisit that.

Mr. Chairman, workers have the right to expect that the board respond to the decisions of the court of the land. When there are decisions at the Supreme Court of the NWT, Supreme Court of Canada or if there are policy decisions in the medical field, even the employers have argued that they would like their workers compensated.

I think that evidence is quite overwhelming that in many cases, and it's not in just one or two cases, in many cases with a consistent theme such as chronic pain policy or in many areas, the workers have not had that kind of response from the Workers' Compensation Board. Workers have the right to expect the...Workers' Compensation Board works for the people and that they would address their mind to change policies with the time, with the changing environment, with the lifestyle, with the kind of work involved, the Workers' Compensation Board would change to address the needs of the workers. We have to go back to the basics. Why does a Legislature like this set up legislation like this to allow a body to collect money from employers and ask the employees to give up their right to sue? Why do we do that? That is so that we have something that works for everyone, the workers, the employers and that there is an accountability principle behind that.

Mr. Chairman, the need to change with the time is very important because when the WCB system was set up in the late 1800s, we lived in a completely different time. The Meredith principle is a good principle but we have gone beyond that where we need to get on with different conditions, different working conditions, different expectations on the part of people about their rights and about their needs from the government in a public accountable body such as this. I can tell you I have not seen any of that. Any measures to accommodate that are being resisted, are being denied, are saying we are being presented with unilateral positions that give no room for discussion and constant effort on the part of WCB to reduce and minimize the role and responsibility of a public accountable body like this.

I am really pleased that we have the Minister and the WCB chair here, because I know that they are very responsive, and the board members. I know we are going to have lots of specific questions and comments with regard to WCB's response to the AG report. I am going to have questions on the communications strategy and what I would like to see included in the new legislation. For now, those are my opening remarks. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. Lee. Just so the Minister is clear as well, I will just mention we are going to go through general comments before there are any questions. Next on the list I have Mr. Braden.

**MR. BRADEN:** Thank you, Mr. Chairman. Thank you, Mr. Minister and executives, for coming before the Assembly and Committee of the Whole today. This

meeting here is not one of a kind, Mr. Chairman. It is a continuance of the public process that this Assembly initiated some time ago now, some months ago with the Auditor General of Canada to review the performance of the WCB, especially as it relates to the handling of the claims of injured workers and how their interest could be better met and more efficiently met.

Mr. Speaker, the Report of the Auditor General of Canada was tabled and publicly reviewed by the committee last June for some three days. I believe it was September, Mr. Chairman, that we had a further public review of the progress to that time. What we are hearing today is the discussion about WCB's commitment to bring forward an action plan on the recommendations that came from the Auditor General. I believe there were some 34 or 36 recommendations

So the committee chose to use this venue, the Committee of the Whole and Legislature, as a good way to continue the whole idea of a public review, the opportunity for the public to see and hear our discussion. We have the benefit here of television, radio, live broadcast on the web and it's an expression, Mr. Chair, of the committee's mandate and desire to open up the business of what we do and how we engage with agencies and organizations of the GNWT, like the WCB. I personally want to see much, much more of this kind of thing on an ongoing basis. I believe that will strengthen not only the job that we do here, but I think that overall that transparency and openness and the ability to hear and listen and at times participate in what we do is indeed a major cornerstone of good government. So I'm pleased that we're continuing to open up the discussions and the affairs of the WCB.

Mr. Chairman, the Minister tabled quite a bit of paper in relation to the recommendations that have been made. In some areas I find that they are indeed a work in progress. Some of the recommendations have been satisfied or are close to being satisfied, and that is understandable that we are certainly not looking for a quick and complete turnaround. A number of things that were identified are complex and will take time to move on.

Some of the responses that we've received, Mr. Chairman, we're going to be probing for some more information. Some of the responses, quite frankly, I find very wanting; and, in fact, continue, regrettably, Mr. Speaker, continue a sort of pattern and habit that we've seen within the WCB to avoid or defer or deflect attention from what we have requested and what the Auditor General has also recommended. So this will be where I'm going to go, Mr. Chairman. I look forward to other comments and getting into some detail.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Next on the list for general comments I have Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. Mr. Chairman, I also want to thank the Minister and his officials for coming before the committee today in terms of this important issue on the Workers' Compensation Board. More importantly, as I see it, Mr. Chairman, is how is this going to affect the people in my community and my region, in the Sahtu region? What is that today and in the future that we can tell them in our communities that, you know, how this legislation, the things that we have, are going to talk about today is going to affect them? That they know if it's an aboriginal speaking person or a non-aboriginal speaking person. That they know these

measures are getting to them, and how this legislation is going to take care of some of the workers in our community. The little guy, as I call them. We pay the big bucks for this type of service that we provide as legislators. So I want to know, and how is this going to be explained to my people and other people across the Northwest Territories who are in the same boat. How will it make life easier should something happen to them in the workforce?

Mr. Chairman, the issue sometimes gets confused and sometimes it gets pretty complex and I think any worker in the Northwest Territories will tell you, you know how hard it is sometimes and sometimes it's frustrating and it's a difficult job here. So we have to really think about the workers here and that who are in this type of position, what we're trying to give them as legislators.

I'm here because my people have put me here to work for them on their behalf on these type of issues here. That's where our tax dollars are going. That's where the services are. So I really want to stress that this is a very important piece of work. People sit on these boards here to work on behalf of our people and to see that the services are there for them there. As Mr. Braden has alluded to, and also Ms. Lee has talked about, the importance of this legislation.

I guess, Mr. Chairman, I really didn't see how this legislation was really working until I had a member of my community be affected by this and how hard that aboriginal person had to work even to get some kind of attention on this issue. All the work that we did, and this person is 70 years old, speaks the Slavey language, and me just being a first-time Member and the first year of this Legislature, I had to do work on his behalf. So I got introduced to it real fast. There were some gaps that needed to be fixed in this area here. At the end of the day, Mr. Speaker, it became frustrating not only for me, but for this person that I was representing on his behalf.

I think there's certainly some recommendations we need to look at and I'm really looking forward to seeing where these number of areas where service, client services, as the Minister has indicated in his statement, number of areas where client services can be improved.

I'd also like to ask the Minister in my discussions later on in terms of the communication plan and the protocol as to how this is going to be rolled out. The Minister has indicated in page 3 of his Minister's statement about the training program for employees. I certainly think that's a valid statement there for employees to get some training, but I also want to ask the Minister, has he, his board, considered training for some of the people in the communities on some of these things here? It's good to train the employees and that about their responsibilities and roles, but you also need to really get back into the community, understand to see what type of training needs for the community members or the workers there, what type of training that's needed for them. I don't know if that's feasible or not, but I think that's, you get one side all the amount of information, but the other side doesn't have They come to us, as legislators, and they come banging at the Minister's door in terms of what we need, so we have to be cognizant of that area here.

I'm not too sure how this is going to be rolled out in terms of the communication plan, but I'll leave that until I hear other questions by our colleagues here to talk about some

of the recommendations that were pointed out to us by the Auditor General, and as a committee we had some discussions already with the Minister on this issue here. So I want to say that it's really important that our people, the little guys in our community, understand how the worker's compensation is being developed and it's going to come out and how they're going to be protected or looked at in terms of who's going to help them in these areas here. I hear a lot of stories, Mr. Chairman, about injured workers and workers that have tried the system and I'm going to say for my own self, for my region, that we want to look at some of these issues that have impact on the aboriginal population, because a huge number of my people fit in that area.

So, Mr. Chairman, the closing remarks that I would have is that I'm certainly glad that the Minister is here with his officials and hoping we can have a good dialogue that would go forward with these, see the workers come out on top in terms of how do we take care of them. That's my sense and I look forward to further discussions on this.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Next on the list for general comments I have Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, the WCB is an organization that does many things well, and fiscally, I believe, it's still one of the best and probably the most solvent in the country. However, there are some areas that are areas of frustration, having listened to my colleagues around the table here. Having been the Minister responsible back in '99 for the last part of the 13<sup>th</sup> Assembly, I know how much time was spent by staff in my office dealing with concerns from workers. I know the extreme frustration as Minister that I had trying to work out what I thought was an appropriate relationship with the board and with the WCB, to the point of even being told that it wasn't really necessary for me to meet with the board. They didn't really have a great interest in anything I really had to say other than I just fulfilled the function as Minister; which is, in their opinion, very minimal. I know that I don't think things have changed since then. I think every Minister that has responsibility for the WCB faces the same level of frustration.

So clearly, the legislation that we have before us to be looked at and amended should clarify that. It should be clear that the Minister is more than just a rubberstamp and signs off what's put in front of him by the WCB. It should be clear that if there are significant issues of concern raised by a Legislature that makes the laws for this territory, that the WCB would be well considered to work with the concerns raised and attempt to address them, recognizing that they have a job to do and that they're arm's length and that they get their direct funding from the businesses. But also recognizing that, as Ms. Lee indicated, they are a public institution. It's, I think, that particular circumstance which has to be addressed, is probably the underlying reason why there is such a builtup frustration in trying to deal with the WCB when you're an elected official in this Legislature, either as a Regular Member or as a Member of the Executive, and it's something that I would look to see being remedied as we bring forward the legislation for consideration in this Legislature. I think one side is clarified and there can be acceptance by the WCB that we are not the enemy and that we have to have a productive, cooperative relationship, then I think a lot of things can get worked out because I don't know of any MLA or Minister, for that matter, that wants to spend inordinate amounts of time

trying to mediate and work with constituents to sort out WCB issues. We all have lots on our plates and it's not something that I know of any MLA that goes looking for that kind of work. But when it comes through your door, you have to respond. So as we deal with the more specific issues, in my opinion that's the fundamental issue that has to be clarified and once that's done, then I think we can resolve a lot of the other process issues and administrative issues. But until there's that fundamental clarity on the relationship and the role of the Legislature in relation to the WCB, and that it's more than just a figurehead relationship but it's a constructive working one that has to be clarified legislation, then we can move forward.

So I'm looking forward to the rest of the discussion. But clearly the key piece for me, the vehicle we have to remedy that situation with the WCB is how we write the legislation. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Miltenberger. Next I have Mr. Villeneuve.

MR. VILLENEUVE: Mahsi, Mr. Chairman. I'd like to thank the WCB and the Minister for coming today to go over this long overdue process of review of the WCB and how we can help from our end to make WCB more responsive and more worker directed, I guess I would put. I don't know how else to put it better. But I'm not going to say all the things the other Members have already spoken about because I'm sure the WCB has pretty much gotten the message through the Auditor General's review and the recommendations that she's come out with. I'm sure they're taking those very seriously and working to resolve a lot of them and make some changes in WCB, I hope, that we'll see in the near future.

When I go out to my constituency, and even here in Yellowknife, and people talk to me about WCB, I never hear any good things about WCB. Maybe one in 100 people that I talk to say something good about WCB. I'd like to see that turned around. I'd like to see people be highly commendable of what WCB does for them and how supportive they are for them, whether they receive compensation or not. I think compensation is something that's a whole different issue altogether. I think the issue of compassion is probably the one that I can think of, as there really is none there. It's just like walking through WCB cold, hard steel doors, like jail doors, and that's the feeling that people get. I hope that what they're talking about renovations and moving things around, that's great. But it's got to go beyond the doors. It's got to go right up to the people that are working there. It's right up to the board level.

One thing that really bugged me during the whole Auditor General's review, that whole process that we were going through, Mr. Chairman, and you were there too, and a lot of Members there were here, and every day that we sat there and we talked with the Auditor General about all this, the review that she put in front of us, the only day that we did see the Worker's Compensation Board there was the day that they had to be there. Every other day there was nobody there from the board. To me, that was really a sad sign of how much they really cared in what they were doing, that they were being dragged through the coals and that they were being turned inside out, and there didn't seem to be any...You know, nobody really batted an eye. I would have liked to see a board member there every day of the hearings, even just to report back to the members.

But we only saw them there that one day and to me that was a real strong indicator that we're going up against something that's really entrenched and going to be really tough to try and turn around and spin around for the betterment of the common worker.

I hope, like my colleagues were saying, we can make some resolution to find better service and better responses and more positive outcomes for the injured worker. I don't want to see it going as far as creating new legislation that all of a sudden doesn't put them at the arm's length that they are right now. But you know, if push comes to shove, I think that's where it's got to go. I would like to see them stay the way they are. I think they're totally financially responsible, which is great. They are definitely in the good books of the government because of their financial situation, but I think we really have to stop thinking about the dollar and start thinking about our workers here in the NWT and all across Canada, because I know they get all kinds of people that are from the East that are filing claims and I know the logistics in trying to sort those out are probably pretty complicated and drawn out, but I think they're totally capable of handling caseloads like that.

With that, again, I'm not going to drag it on much longer, but I'd just like to see after this process that through this sitting in this House that the Minister can come back with some real clear messages for Members, for the public, that the WCB has gone a little awry, I guess, insofar as helping the common injured worker in dealing with a lot of legitimate injuries, I guess, maybe, and even the illegitimate ones. I think even those ones have to get the same amount of attention and support and direction or advice as to what they can do and how they can address those issues. I hope that we can really come out of this smelling like a rose, you know, for the general public, for all the workers that have been working with the WCB for 20 years. Some people have been fighting with WCB for stuff like chronic pain and injuries that they can't substantiate anymore because it was so long ago. To me, just to hear that, I'm just so glad that I haven't had to go to the WCB for anything yet, but lo and behold, that day may come. Anyway, with that, Mr. Chair, I'll just leave it at that and I hope we come out looking really positive in the eye of the public after this and I hope that the WCB does too, you know, right alongside, arm in arm, with the government. At arm's length, mind you, but still working together. Thank you.

CHAIRMAN (Mr. Ramsay): Mahsi, Mr. Villeneuve. There's nobody else on the list for general comments so what I think we'll do is perhaps we'll go through the document. Do Members wish to ask questions on a variety of subjects or do you want to go page by page, the document, as tabled? What is the wish of the committee? Page by page? Okay. It's Tabled Document 104-15(5), the WCB Comprehensive Response to Committee Report 5-15(5). So questions, page 1. Questions? Mr. Braden.

MR. BRADEN: Thank you, Mr. Chair. So we're looking at Committee Motion 31 and this motion, this was one of eight specific committee motions, Mr. Chairman, that this committee presented to the WCB last fall. The commitment was that answers would be delivered by the end of 2006 and, I think, indeed they were received by committee early in January so that was just fine. The motion that's the first one up here, item number 31, recommendation is that the Minister come forward with options to expedite the resolution of longstanding claims

and to improve the timelines for the hearing of appeals. The document goes on for about a page and a half and outlines the process and the status report of the review committee within the WCB itself and then how this relates to the Appeals Tribunal, which is, of course, a separate and an independent organization that also has a hand in the resolution of longstanding claims.

Mr. Chairman, I don't see in here something that directly takes up the recommendation that the Minister come forward with options to expedite the resolution of longstanding claims. We have information here in terms of the number of days of turnaround, how long or, you know, how quickly or otherwise it takes to resolve the matter, but what we were specifically looking at was how can we, for the longstanding claims that are before the tribunal, especially to me, Mr. Chairman, get them moved along more quickly. The document here tells us that there are 21 appeals now before the Appeals Tribunal. It documents the status of six of them. That still leaves 15 out there that we don't have any information on. I guess I'm wondering whether these have a longer life to them or a less definite process. How can we get these moved up and decided on a quicker basis? That was the request here, Mr. Chairman, and I don't see it answered in the document.

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

**HON. DAVID KRUTKO:** Thank you, Mr. Chair. I'll refer that question to Mr. Doyle.

CHAIRMAN (Mr. Ramsay): Mr. Doyle, please.

MR. DOYLE: Thank you, Mr. Chair. In the response, we outline the number of claims that are before the Appeals Tribunal right at the moment. The other 15 that are referred to are not long-outstanding claims. At any given time there are 20 or so claims before the Appeals Tribunal just because of the normal activities of the Workers' Compensation Board.

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

MR. BRADEN: Thank you, Mr. Chairman, and thank you for the answer, Mr. Doyle. The document tells us that last year the average time from the filing of an appeal to the rendering of a decision was 246 days. Is that a reasonable time? Reasonable; that's in the eye of the beholder or perhaps the appellant, isn't it? Are we doing better? Is the amount of time that it's taking on average to render a decision getting shorter, or what is the status on the amount of time it takes?

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

MR. DOYLE: The amount of time varies from year to year. I can't answer the question as to whether we've seen a significant improvement this year but, again, the Appeals Tribunal has its own operations which is outside of the Workers' Compensation Board so it's a little difficult for me to answer that, although, as we note in the response, they have had some difficulty scheduling hearings because of the travel difficulties recently.

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

MR. BRADEN: I guess I'm going to go back to the initial motion, Mr. Chairman. The recommendation to the Minister was to find ways to expedite the resolution of longstanding claims so perhaps we shouldn't be asking whether 246 days is too long or not, but whatever our length of time is, how can we expedite things, how can we move things along in a faster method for long-outstanding claims? Mr. Chairman, I wish I could put some framework to that. I can't. But we're dealing with the impressions that we're getting from constituents, from workers, that there are some cases that have been lingering out there for years. Those are the ones that we wanted to have addressed; they're not, and I would say, Mr. Chairman, that the committee should send the Minister back to come up with an answer that more directly addresses the motion. I'll stop there, Mr. Chairman, if our process is to take things motion by motion.

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

MR. RODGERS: Thank you, Mr. Braden. I'll speak to the first motion, I guess. Currently we have only two claims that are in the system that are awaiting decision; longstanding claims. In the past 20 years, we've had 34 claimants who have been through the appeals process more than three times and that's the group that the OAG had requested that they investigate, and they did, because they seem to keep going through the system. So the OAG reviewed those files and in the report they did not find that they were improperly denied, that the claimants were improperly denied their benefits. At least 34 in the past 20 years represent about .09 of all claimants that have went through, so essentially 99.91 go through the system. Are we perfect? No. Some may fall through the cracks; some we may consider have been resolved. But in the past 24 years, we've had 34 who have brought matters back more than three times.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Rodgers. Anything further, Mr. Braden? Thank you, Mr. Braden. Ms. Lee.

MS. LEE: Thank you. Mr. Chairman. On that timelines for reviews and appeals, the WCB's response, although it's long, a couple of pages, it basically outlines what they're doing now, but really it's not speaking about how this could be improved, and that's the kind of response that gets us wanting, as Mr. Braden said. Mr. Chairman, I think it's really important to note that when we are here talking about this and trying to improve the situation, we're not saying that everybody should be entitled to compensation or anything like that. As Mr. Miltenberger said, I think that when the system works, that's the time when you have less cases coming before us. This is not our department, if you don't mind me saving so. I mean it's just that in my job, in our job we get everybody coming and talking to us and we're not the first point of contact for their issues. When they're stuck, they come here and they're welcome to come here. From our point of view, we make assessments and we make judgments and we understand our job. I'm telling you from my standards, if I get a string of people saying the same thing from the same place about the same issue and the same process, I take that very seriously. WCB, on this issue, is one of them.

Now on these long appeals, I know WCB repeats often that they do a customer satisfaction survey and 89 percent say they liked the work or whatever. There are

lots of details to that that would question that. I know an employer who was called and he was desperately wanting to answer the survey, but as soon as he said there were no claims, click, off the phone. Now, Mr. Chair mentions that there is only zero point whatever percent that are not resolved or...Okay, I understand there are many, many cases that go through the process, they're gone and they are dealt with but that's not to say there are lots of people who have given up. It's like unemployment numbers: there are people who are out of the employment market, they are not counted as unemployed. There are claimants who have just had enough, they've given up, and also you have to look at the quantity and quality of the cases.

Now, back to this point, I am very disappointed, and this is one of the, you know, many -- I'm going to have lots to say about all the other responses -- but why can we not get a response from WCB, okay, this is what we want to do to improve this situation. I am aware also, Mr. Chairman, that in between the time that the Auditor General filed her report and this response time, workers were contacted by WCB to say that we're going to settle your cases but you're going to get 50 percent, or you're not going to get retroactive pay. So what I'm saying is this is very important. This is very important.

I want to know that if workers are entitled to something, they're entitled to something; and if they're entitled to something, they're entitled 100 percent. There's nobody who should be allowed to say to them you're only going to take 50 percent. If you're entitled, you're entitled. you're not, you're not. All I'm interested in hearing is they go and get assessed, worker says no, they should go to the tribunal process where they're well resourced; that they have an independent, fair-minded hearing and they are well resourced to present their case. They can have a fresh hearing...which is questionable at the moment, which I will deal with later. If they win the case in Supreme Court or the next level of the hearing, I want them to be able to make some progress with that win and not go back to the same process where they're going to be reviewed by the same people, the same way, same rules, same lack of resources and all the resources on the WCB part. I have a problem with that. I want a fair process out of this. I want a fair system whether it's one person, five people, 50 people. They could all go there, they're going to get a courteous, compassionate worker service at the entry level; and if they have grounds for appeal, they should be able to appeal, and they should get legal resources. If WCB has the resources to make their argument, I want the people to have legal resources. I want them to rely on their own medical opinion. If they're going to the tribunal, then I want the tribunal to be in a separate office with separate resources, separate medical opinions, separate lawyers. No one, no doctor, no lawyer, nobody knows everything. I hate to tell you. Everybody has to be open and be subject to counter opinion. There is no God. There is only one God and no one around anywhere here knows...

#### ---Laughter

There is only one God; and he or she is the only one that knows everything and who can't be questioned. I know God doesn't reside in the WCB.

#### ---Laughter

So I want to know, just on this motion, I want to know why and if Mr. Chair or the Minister could suggest if...I want a

confirmation from them that if anybody is going through this timeline, they get the fair hearing. If they're not entitled to benefits, that's fine; but not tomorrow you're entitled to 50 percent and you're going to get retroactive and then you start questioning that and you say you're cut off. Like who gives that kind of power? I want the chair to confirm that that doesn't happen and that the WCB comes with a solid plan as to how they're going to cut this, I mean, improve the timeline process without arbitrary measures. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, the whole process we're going to now is to identify those crucial areas through the Auditor General's report, the Member's committee report, more importantly, redrafting the legislation that this board operates under. I think through these changes, these processes that we're going through, if anything, it will improve the communications that are out there which were identified by all parties. Also ensuing that we do have an appeals mechanism that does work and does serve the workers of the Northwest Territories.

Also, with regard to the Member's issues of timelines and how do you treat people and exactly how fair are we, with that, I'll pass that question over to the chair, Mr. Rodgers, with regard to how we conduct ourselves when we're reviewing appeals or applications by individuals.

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

MR. RODGERS: Thank you, Mr. Chair. I guess, first of all, from a Governance Council point of view, we don't look at this as our money. We're all on the same team here. We're all here because we want to help injured workers. We want to ensure that the fund is being looked after, and we don't look at it as our wallet. The system works for the high majority of claimants. Some claimants sometimes either fall through the cracks or they're not happy with how the system works. I think, out of 39,000 claims, we have 36,000 claims would come through, I think about 260 claimants have filed an appeal, which is a really low number. What we're doing, I guess, I won't speak to the administration end of it but from a GC point of view, that's why we're here. We look forward to the Auditor General's report and we're here to get input and to say we're all on the same team. If people are falling through the cracks, let's make it work. We really feel, and I know we're going to get into it a little later, our new chronic pain policy and perhaps some of the longstanding claims, there are few in numbers but, you know, had to do with the chronic pain policy and we think that we've filled that void now as a lot of jurisdictions across the country have had to do.

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

MS. LEE: Mr. Chairman, Mr. Chairman just stated that that's why we are here, to get input, but I'm not sure if that's entirely accurate. The process we have now is that after much debate in the House, the House, -- this House -- passed a motion to invite the Auditor General of Canada to review the WCB. She did her job. We had public hearings. Our committee wrote a report with motions. This is a motion...(inaudible)...responding. Since then we

have received a response from the WCB, so we are way beyond the getting input process. The response from WCB is basically we're not going to do anything in that regard. Perhaps because the chair and the GC or whoever is the decision-maker there feel that these long, drawn-out cases are very few, that by and large, the system works. I am just telling you, reading the response from the government, the WCB Tabled Document 104-15(5) and page 1 to the top of 3, your answer to that motion is not saying anything in terms of how you are going to improve that, unless, of course, you are saying things are working fine. I would just like to state that we are beyond the time of saying; we are looking for input. We are looking at action. We are talking in terms of if we are going to not get the response from WCB, then we are going to have to legislate everything. I don't think that is the way to go, to legislate everything. Legislative good behaviour has limits. So I wanted to know from WCB what sort of proposals they have to improve timeline and reviews and appeal process for those who go through that, however small that may be. What is the suggestion here? Thank you, Mr. Chair.

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

MR. DOYLE: Thank you, Mr. Chair. The point that we were making here and possibly not making it very well is that, at this point, of the longstanding claims that were identified through the Auditor General's report and through that process, there were only two of them that, right now, are before any body at all, both before either of the Appeals Tribunal or the review committee. We are addressing those as expeditiously as we can.

In the Auditor General's report, the comment was made several times that the way that we were communicating our decisions was causing a lot of difficulties with the claimants that were coming to us. That we will touch on a little bit later, but that has been part and parcel of our response to this whole report through the action plan. It has been to try and improve how we are communicating our decisions to people, which is really what the Auditor General identified as being the major problem.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Doyle. Before I go any further, I just wanted to make mention that we have had two speakers now. We have asked five questions in 20 minutes. So if you could, Members, please keep the preambles to a minimum and ask questions as good as you can. Next on the list I have Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chair. With respect to the Appeals Tribunal, I would just like somebody to outline for me what kind of legal or administrative-type law support does that Appeals Tribunal have access to in conducting their appeals review process? Thank you.

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

MR. TRIGGS: Thank you, Mr. Chair. Again, the Appeals Tribunal is separate and independent from the WCB. They have a budget item for their legal counsel. They can access that. Also for medical opinions they require, there is a budget for that. The budget is sufficient. They have never had to go beyond what they have been allocated for that amount. It is free for them to do what they wish with

that when they feel it is necessary to access legal opinions and medical opinions. Again, it is entirely independent of WCB, but they control that.

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

MRS. GROENEWEGEN: Mr. Chair, so then Mr. Triggs is suggesting that they may conduct appeals without seeking any legal advice? He is saying it is optional, so it is possible that some of these complicated cases that have been long outstanding, that the laypeople that sit on that Appeals Tribunal would arrive at conclusions without any legal opinion? There isn't an automatic requirement to have someone with a legal background sitting at that table?

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

MR. TRIGGS: Currently, the tribunal members are made up of representatives of workers, employers and general public. I am not aware of any of them having their own particular legal background. They do have access to the legal advice when making their decisions. I do not know how often they access that legal advice, whether it is done on every case or not at all. I am not privy to that, but they do have the option and the ability to access legal advice when they feel necessary.

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

MRS. GROENEWEGEN: Thank you, Mr. Chair. When they want to access legal advice, from where would they get that?

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

MR. TRIGGS: It is my understanding that the Appeals Tribunal has a lawyer on retainer that they ask just questions of him for that. I believe it is John Donihee. He is a lawyer. When they require legal advice, they approach him with their questions. They may have other lawyers on retainer as well, but I am not aware of any.

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

**MRS. GROENEWEGEN:** Thank you, Mr. Chair. Does the lawyer who acts as legal advisor to the Appeals Tribunal have any contact in any other form or any other case with the Workers' Compensation Board?

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

MR. TRIGGS: The only time when there would be, that I am aware of any contact, is when a worker is taking a matter for judicial review to Supreme Court. Then the WCB is made responsible for having to defend the decision of the Appeals Tribunal. That is the way the system works. It is the Appeals Tribunal decision. We are responsible for defending it. Sometimes there is communication with the Appeals Tribunal's legal counsel for the purposes of getting documents together and so forth.

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

**MRS. GROENEWEGEN:** Mr. Chair, has the WCB ever overturned the decision of the Appeals Tribunal?

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

MR. TRIGGS: There is a provision in the act, subsection 7.7(2), which allows the Governance Council, not the WCB, to hear an application to stay a decision or order a rehearing of that particular matter. In the past 10 years or since 2000, there have been 10 applications that have been brought before the Governance Council for that. Six of them were brought by workers who wanted to have a decision stayed. In only three cases in that time, the Governance Council has stayed a decision and ordered a rehearing.

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

MRS. GROENEWEGEN: Thank you. I was kind of under the impression that the Appeals Tribunal decisions were conclusive, final and binding, but I guess in some instances they have not been. I am a bit concerned about the arm's length, as you describe it, nature of the Appeals Tribunal from the Workers' Compensation Board. I would like to ask, Mr. Chair, if, to the knowledge of the people who are presenting here today, if anybody from the Governance Council or the Workers' Compensation Board has ever, I don't want to use the word tampered, I want to use the word consulted, even with members of the Appeals Tribunal when a case was being heard. What kind of interaction would be necessary to have between the Appeals Tribunal members and anybody on the Governance Council or in the senior management or the WCB in hearing appeal? Thank you.

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

MR. TRIGGS: Yes. I don't have the actual paragraph number from the Auditor General's report at my fingertips. but the Auditor General looked into that matter and said if there are no communications between the WCB and the Appeals Tribunals, the Governance Council does not have any discussions with the Appeals Tribunal if the matter is before them. For clarification on one point, what you said was about not being final and conclusive. They are final and conclusive. The only area in which the Governance Council can stay a decision is when they feel that the Appeals Tribunal hasn't followed the rules for deciding a matter. Again, that is outlined in the Auditor General's report how that works. So it is when they feel they haven't properly applied the rules, they say no. You should rehear this one because you haven't applied the rules. Make your decision. Your decision is final, but apply it with the rules.

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

MRS. GROENEWEGEN: Just a final comment on the Appeals Tribunal. I just find it curious that an appeal panel or an Appeals Tribunal that is comprised entirely of laypeople could deal with matters that are highly technical from a medical and sometimes from a legal perspective and not have to rely on pretty much a consistent advisor in those areas in assisting or arriving at their decisions. That is comment. I find that very curious. Thank you, Mr. Chair.

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

Thank you, Mr. Chair. I have MR. YAKELEYA: questions. What I am hearing here seems to have a familiar ring in terms of what I experienced with the residential school claims and the students in the Northwest Territories. We agreed at some point as parties to the claims. It seems that, in principle, we agree with it, but when it gets down to the administration part, it seems like us in terms of our claims in Ottawa, some bureaucratic processes that pumps it up and shoots it back. It has a severe impact on people who are going through this process. Sometimes there is verification on the claim. There are witnesses. These people are provided with some advice and some support to go through it, because it is traumatic being off the job, away from work or whatever. It is a traumatic period of my life in terms of our turmoil in the community and your family, just like the residents who claim. Is this a process that we are once the governance committee or whoever rules the tribunal says, yes, this is what we ruled on? Do what they have done. It is similar to what we went through in the residential school claims in the Northwest Territories. We found out through that process. It is aggravation and pain that we had to go through because some of the senior bureaucrats that put doors in the way that said uh-oh and we kept getting phone calls. I guess as a legislator, that is why I am coming to voice my concern here. Is this what is happening here? If it is, what can we do to straighten that

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

HON. DAVID KRUTKO: Mr. Chair, in regards to the legislation that is coming forward next week, that is where we see making the fundamental changes to ensure that the rules and responsibility of the different groups that are involved in the workers' compensation process is clearly spelled out in legislation. That is where we can make the change to ensure that it is doing what it is supposed to be doing, and also ensure that we do have those overlaps or loopholes where we are able to clarify that through the legislative changes. That is the process we have seen, also through these recommendations and the process we are going through here is to ensure that we improve the system so we avoid these situations where you have policies and regulations that interpret one way for one group and basically interpret for someone else; that they are clear, precise and also that they are doing the job that they should be.

Just to answer the Member's question, we have to realize that this process has been around since 1977. We have legislation that has been changed pretty well once since then which was the Act Now document. There was major public consultation in that. We implemented phase one. We are now in the process of implementing phase two. I think we have learned from mistakes that have been made. More importantly, we have an opportunity in front of us here today and next week to really improve on exactly what the legislation is but, more importantly, having that input so that we can make sure that these things are avoided in the future. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chair. Mr. Chair, the process, as the Minister has indicated, has been around since 1970. I guess through the trials and errors of hard workers of this process right here, I just want to see in the future that history doesn't repeat itself. Many officials talk about the gaps and we hope we can fill these gaps. Again, as I said in my opening statement, services to the workers in a fair and just manner that they receive as the Workers' Compensation Board will have the resources to have at their disposal to argue a case. The same thing a worker should have. That is all I am going to say. Workers should have the same type of resources available to them as any other person in this process here. Thank you.

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

**MR. BRADEN:** Thank you, Mr. Chair. If that concludes committee's discussion of motion 31, could we go on to motion 32? Is that our process here this afternoon?

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Does that conclude comments on 31? A short question on 31 is being indicated. Do you want to defer to Ms. Lee? Ms. Lee.

**MS. LEE:** Thank you. I just have a question on the reviews and appeals. Are the workers who are going through reviews and appeal process; it was mentioned that the appeals office has legal advice on its own. Do the workers have access to legal opinion and independent legal and medical opinion going through that? Thank you.

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

MR. TRIGGS: Both the system of the review committee and the Appeals Tribunal, it is an inquiry model where it is the responsibility of the decision-maker to go and find the evidence. When there are questions of whether or not there is evidence lacking in a particular area, both the Appeals Tribunal and review committee have the resources available to go out and find additional information for them that could be in the form of medical matters opinion. That is where the major area would be for that. So they do have that, but they have to make the decision as to whether or not it is appropriate to go out and spend the resources to do that. It is their decision on a case-by-case matter. There is, at the other levels, really no or very few legal issues that ever come up at the review committee or at the Appeals Tribunal. The workers are represented by the worker's advisor's office in doing these matters. He is quite able to deal with the matters that are associated with the worker claims there.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Triggs. Follow-up, Ms. Lee.

**MS. LEE:** Thank you. So I take that to be that the workers who are going through the process don't have automatic access or any access to legal advisors of their own other than the worker's advisor. Is that right?

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

MR. TRIGGS: That is correct.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Triggs. Is there anything further, Ms. Lee? Thank you, committee. We will now move on to page 3 of 6, committee motion 32. Questions on number 32. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chair. This motion recommends that the Minister ensure the Governance Council and the Workers' Compensation Board administration complete a draft communication protocol and an action plan to address the Auditor General's recommendations. Indeed, that is now before us to the extent of some 30 pages or so. Mr. Chair, I can say that a reasonable effort was made to respond to each of the recommendations. So we do, indeed, have something to work with here and in most cases.

The one that I would like to undertake here, Mr. Chair, is the draft communication protocol specifically. In this area here, it has been the cause of quite a bit of our frustration, and I might even go so far as to say mutual frustration, Mr. Chair, of not knowing quite what the channels are, the expectations between ourselves as MLAs representing constituents who, I would like to point out, may be workers. They may also be ratepayers or businesses that are paying premiums. So we have a diverse constituency. Who do I go to when I have an issue or a question that that constituent cannot get resolved? That is where we have run into a fair amount of our consternations and where the direction to come up with a communication protocol would be something that would help do this.

Mr. Chairman, the draft was tabled. It is some seven pages and I wanted to ask, given that the letter from the Minister on February 1<sup>st</sup> says that this protocol has now been approved by the WCB Governance Council, it's been approved by Mr. Krutko and by his Nunavut counterpart, and it's also apparently been approved by our Cabinet. So it's a draft communication protocol which has had lots of approvals all the way down the pipe, except for this committee. Mr. Chairman, I guess my first question is, is this still draft or, given the number of approvals, a very high level of approvals that has been given, is this essentially a fait accompli and this is being handed to us or do we actually have a chance to have some say in it?

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, as we all know, the problem has been the communication factor with regard to how we, as Members of the Legislature, the Minister, people at the Workers' Compensation Board, communicate amongst ourselves. I think it was crucial that we had to come up with something with regard to the recommendation of the Auditor General, but also we realized that this is a draft document in which it will change over time and it will be implemented to make sure that it does fit with regard to the Legislative Assembly.

As Members coming in, we all know that we have briefings and the question is what is the best process to use to brief new Members coming forward into the Legislative Assembly. How does that fit in with the Legislative Assembly agenda itself? So we have to see exactly how this is going to work. It has to be implemented. It will have to be changed ensuring that it is workable, it is a workable document and there will be trying times when we try to meet the demands of everyone. More important is how does it work in the

context of the real action? Simply having a draft communication plan doesn't really mean anything until you can implement it and see how it's working.

So the challenge for all of us here is to spell out how this is implemented, how does it work, how are the different segments being involved in this process. We need to ensure that we try our best to find those ways so that we can bring down those barriers between ourselves as Members of this Legislature, myself as the Minister, the board and the workers' compensation system, so that it is transparent and it is workable.

So again, just getting back to the Member's question, yes, this is a plan and has gone through all the steps for approval, but now it's just a matter of implementing it. Thank you, Mr. Chairman.

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

MR. BRADEN: Mr. Chairman, I would suggest that it's not just a matter of implementing it now. A very critical stage was left out, I would suggest, in designing this and that is actually talking to us about what our expectations or our thoughts might be. I don't recall a deliberate step that was taken by the Minister to say, Bill, you asked for better communications. What do you think and how do we go about this? If I had been asked and if I had been shown what might have been a draft when I had a chance to change it, there is no way what is before us now would have got to this stage without my criticism. I would like to think we have influence on what we do about it.

Mr. Chairman, let me give you a few examples. The proposed...It's not proposed now, it's all been approved. One of the things about it that I found surprising from the get-go on page 3 is called assumptions. There are about 10 assumptions there. How can we have a communication plan that makes assumptions? Communications, Mr. Chairman, is about avoiding assumptions and making sure that people agree on what's going on or at least trying to make an effort of understanding and then going from there. If we have an organization that is making assumptions about what I think, then we don't have very good communication to begin with.

Mr. Chairman, there is one example of why I think this is a flawed document, the process by which it was arrived at did not include me, did not include this committee, even though that is suggested on page 2 where it says the parties to the protocol, the Ministers' responsible, the Governance Council of the WCB as represented by the chair, the WCB itself is represented by the president and then it says MLAs. I don't know where I fit into this.

So there are several other aspects of it, but I think I would like to turn it back to the Minister to see whether or not we can take this very essential part of the program and see if we can have another go at it before we take the words "draft" off it.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. With regard to the communication plan, it is direction we were given by the Auditor General to develop such a document so that it can improve communications between ourselves and all the parties involved to ensure that we are talking

amongst ourselves. I think it's important that we allow this thing to proceed. It is a draft document like any other draft document out there. It is draft and it can be changed. The whole reason we are here today is to get input from Members here, discuss these items in front of us and make changes for improvement to the document we have. So I think that we are open to those changes, especially with this being the perfect opportunity for us to do that. I think the findings of Mr. Braden are great because exactly how does the structure we use as committee members, Committee of the Whole, the legislative process, as Members, come in? How do you dialogue between yourselves as MLAs and constituents? This is going to not only improve the dialogue here, but improve the dialogue with the general public and our stakeholders and, at the end of the day, that's what this is all about. Again, it's direction we have from the Auditor General with regard to implementing and developing that communication plan. It was endorsed by committee by their recommendation for us to bring something forward and we have done that. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Minister Krutko. We are on number 32. Is there anything further on 32? Ms. Lee.

**MS. LEE:** Thank you, Mr. Chairman. Just to add, I have to thank the Minister for even allowing us to even have this communications protocol discussed here, because I understand at the beginning we weren't even going to have a look at it. We had to work with the Minister to get to this point.

I go back to the original point and I am not going to belabour it too much, but I really think this speaks to a lack of agreement between the WCB and the Legislature as to the accountability. Communication is a medium or accountability. I found it interesting in the communications protocol, the board states that they do their research on how departments do their communication. Lo and behold, there is nothing written anywhere. So I am told that they cannot borrow from that, but the fact is we don't have a rule but we have very good convention and understanding. The Minister responsible for the department responds to whatever the Members have to inquire about. We don't have to write a letter, we don't have to write a law, we don't have to have a policy to have regular communication.

I don't know. I feel like we are the North Koreans and South Koreans negotiating the boundaries and you still have to agree on the size of desks and where you are going to sit.

Like Mr. Braden said, communication is an attitude. The communication strategy can't be like we are going to have three meetings a year and if you have any questions by invitation, you are going to wait until that happens. Could it be that WCB make a communication statement saving we are open to informing our stakeholders about what's going on and that we understand that we account to the Legislature because they represent the public? We have a Minister that we have to report to. Whenever called up, we will give briefings. When we have a policy announcement like the chronic pain policy, we will let you know or it's assumed by practice. That's the latest example. When the chronic pain policy was issued and decided in Iqaluit, I got a call from the media saying do you know that WCB made a decision in Iqaluit. Of course I didn't know because we weren't privy to that. We had to

read it in the media. When there was a meeting last fall when a lot of information was going back and forth, we were invited to the briefing. That briefing invitation was not asked...If you are going to meet with somebody, you should have the courtesy to ask them, can we meet. A week from now, are you available, are you town? This is so minimal. I can't even believe I have to talk about this. We all got an invitation in our mail box and we were all booked up with other meetings. You said we offered and you didn't show up. There was a briefing in the middle of session about the building idea. I went there and I had to leave because session was on and I was told later that Ms. Lee can't be aware of what she's talking about because she left in the middle of the meeting.

This is such an attitude thing. This protocol continues to do that. It says we are going to decide when we will give the committee members a meeting. In fact, it tells us that MLAs should consult with MLAs from Nunavut. With all due respect, we don't need the WCB telling us how a committee of this House is going to communicate with a Nunavut committee. Somebody at WCB, please get your thinking cap on.

I will pose a question. Sorry. Could the Minister go back and review this and write a statement of spirit that we are open for business, we will communicate and we will communicate as long as it takes for the people to understand what we are doing? Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. The chair does not want to have to utilize the priority button if at all possible. Thank you. Before I go to the Minister for a response, I just wanted to recognize in the audience, Ms. Denyse Nadon-Holder who is executive director of the NWT Native Women's Association. Welcome.

#### ---Applause

Sitting next to her is Ms. Sharon Thomas, executive director of the Status of Women Council of the Northwest Territories. Welcome.

#### ---Applause

Always nice to have an audience. As well, I see we have Ms. Jeannee Johnson with us from the Workers' Compensation Board. Welcome.

#### ---Applause

Thank you, committee. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chair, I will just touch on it and then I will pass it over to Mr. Doyle with regard to the process. Again, right now we don't have a communication protocol. I think it was identified by the Auditor General that we need one. This is the first cut at it. It's not perfect. I think we are trying to improve that relationship. Everyone realizes that, along with myself as a Minister, that it is frustrating that you are either the last one to hear or there is no real day-to-day, weekly, biweekly or monthly correspondence between the parties. We are a crucial party to what goes on here because we do pass that legislation. We want to ensure that the powers given to the board are being carried out the way we expect them to be by the legislative authority we give them.

We had to find a mechanism of how to work better together as being responsible for the workers in the Northwest Territories and elsewhere and ensuring the legislation we pass is being implemented the way we understand it. It's a first cut at it and we are open to make revisions and changing it to ensure that it is workable.

For myself and the Minister of Nunavut, we have different committee structures within our Legislatures. We found it hard amongst ourselves just how our committee structures could have input into the reporting mechanism and the Workers' Compensation Board. We don't want to just file an annual report at the end of the year and that's the end of it. You have to do more than simply file an annual report. Because of the recommendation of the Auditor General, they made it clear that we need to do a better job of communication and we have to have a protocol to do that. I will pass it on to Mr. Doyle.

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

MR. DOYLE: Thank you, Mr. Chairman. Just in response to the question, the communications protocol is not intended to tell the MLAs, the Minister or anybody what they have to do or exactly when they can do it. We are not trying to take the place of open communication here. What this is, as requested and directed by the Auditor General and the committee, it's an intent to document specific areas where we do have to communicate and how those communications will be done. The references within the document to the corporate plan and the annual report and how those will be used as tools of communications with the committees and with the Legislature are meant to assist with timelines and with specific times when we can communicate our accountability to this Legislature and communicate how we are doing in terms of that accountability.

It's noted that there are some statement of values that may be missing from this communications protocol; however, the Governance Council has recently approved a vision, mission and values that really talk about how we treat our stakeholders, how we speak to our stakeholders. Those values will be inherent in the documents that come forward through this communications protocol to the Legislative Assembly.

One of my favourite sayings is what's not documented doesn't get done. So this is an attempt to document that.

CHAIRMAN (Mr. Ramsay): Thank vou. Mr. Dovle. Anything further, Ms. Lee?

MS. LEE: No, we'll move on.

CHAIRMAN (Mr. Ramsay): Thank you, Ms. Lee. I have Mr. Braden next.

MR. BRADEN: Thank you, Mr. Chairman. Yes, I think we can move on the communication protocol unless of course there are any other Members here, but this very much misses the boat to me. I do think I heard that there may be some avenues that we could discuss this and see if we can iron a couple of things out.

I guess if there was one thing I would like to clarify, Mr. Chairman, is that if the approvals that have already been given, as I say, at just about every other level will be put into abeyance, if you will, until we do get something...I

would also suggest that we would want to talk to our counterparts in the Nunavut Assembly to see if we can come up with something that works for everybody, Mr. Chairman.

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

HON. DAVID KRUTKO: Yes. Mr. Chairman, we can allow for more input with regard to the process. The whole reason for the approval was to get it into this public forum in order for it to become a public document. That's why it was approved for the different governments, the Northwest Territories and Nunavut. Nunavut also has a copy of it and is reviewing it in the context of the revised legislation that will be coming forward next week in this Legislature and also it will be coming forward in Nunavut at the same time. That's the reason we have those approvals. It is crucial that we get those approvals to have it become a public document. That's the reason for the approvals. I am open to allowing more input in allowing changes to improve on the communication protocol and make it a workable document. Thank you.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Minister. Anything further there, Mr. Braden? Thank you, Mr. Braden. Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. This is more just a check process as to what the intention is. We've been discussing now for some time the WCB. There's been some very clear signals given, I think, about the concerns of this Legislature and the need to resolve some issues and work on some things that we're not going to get done in this House. We have a significant agenda left before us today and I was just wondering, are we going to continue on with the detail work or are we going to accept the message being sent has been heard, sent and heard and then we can deal with the detail in another form? It's more a question, Mr. Chairman.

CHAIRMAN (Mr. Ramsay): Thank you, Mr. Miltenberger. Mr. Minister. Oh, okay. That was a question. Yes, just so we go back over what we had set out at the onset for everybody's information, we were going to go through the committee motions one by one and ask questions related to those committee motions. When we get to the end of that, we can go through the other two documents, the action plan and the communications protocol as a whole. I would suggest that would then end the discussion on the comprehensive response as a package. So we are on number 32 and, actually, if I could, I don't have anybody else on the list.

Number 33 we have, there was a number of questions regarding the Appeals Tribunal office being located separately. So if there aren't any more questions on that, I think we've done that.

Let's now go on to number 34 and we'll see if there are any questions on 34. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. On the WCB's answer to this Motion 34-15, in which committee recommends the Minister direct the Governance Council to overhaul its reception protocols, security practices, and client and public relations function to provide a more accessible and responsive level of service. Mr. Chairman, I have to point out to you the answer, and the answer says, you have to read this. I have to read this into the

record. It says, "The Governance Council has long recognized the concerns that the committee identified about the unfriendly, fortress-like atmosphere and has stated" and I quote, "It is hard to have an open-door policy when you have no door." That's the answer to committee's motion. I have to say that's another example of not understanding the spirit and intent of what we're trying to do here. The response is we need to get a new building so we can get a door so we can have an open door. I mean is WCB the only people in the world who don't understand what the spirit of an open-door policy is? I mean last time I was at WCB building in that office when we went there for briefing, there is a door. If we want to talk about whether they have doors or not, there is a door and there's a security guard sitting behind that. Every possible door on that floor is locked. You cannot go there without somebody escorting you from one point to another. So now I'm telling you if you have a shack or a log house or a 20-story marble building, every place has a door. So I'd like to ask the Minister when could we expect the WCB to really, you know, just have a common sense understanding of what we mean by friendly, compassionate, responsive, open-door policy where people could go in there?

There are a lot of Members here who are threatened for the work we do. There are lots of people in the income security office; there are lots of people who are in lawyers' offices. There are lots of people whose job it is to deny clients, to deny cases for people who really want it. WCB is the only place that has that fortress policy. So I'd like to know how will the Minister implement this open-door policy? Or, Mr. Chairman, whoever wants to answer it. Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, in regards to my opening comments, I made reference that we are doing a major retrofit to ensure that we improve the environment that people walk into so that they know that it's friendly, it's open, you feel that you're not in the situation that the Member states. I think it's that type of atmosphere that we have to improve. First it's to improve the atmosphere, improve the physical seating arrangement they have in that facility, and remove some of those barriers that people run into as soon as they get off the elevator. I think that for us is one of the stages.

But also the other improvement that we're seeing is the amount of money we're putting into training and also improving the client relationship, ensuring that we have people who are able to deal with clients friendlier to ensure that we make you feel welcome. I think that, if anything, that's what we're going to be doing here and I think for the amount of capital investment that we are putting into this, it's something that we have to not only look at by way of training our staff but, more importantly, make it a friendly environment that our clients would come into, regardless if it's the worker or employer or the injured worker, so that they feel comfortable coming into that place that they're able to open it up. So I'll just pass it on to Mr. Doyle to add exactly what we're doing by way of physical capital investment on this. Thank you.

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

There are different aspects to the MR. DOYLE: perception of a fortress-like atmosphere, but the most important one that tends to be mentioned is the fact that you have to go through security doors and you can't just walk from area to area in the public part of the building. The purpose of the renovations that we're currently undergoing at the Workers' Compensation Board are to open up the public area of the Workers' Compensation Board, which is the 5<sup>th</sup> floor. So virtually all of the parts of the WCB that need to have access by the public will be open as soon as you get off the elevator. There won't be any door or any security guard or anything. You'll walk out and you'll be at a reception desk. The facilities like the classroom, like the library and the interview rooms, will be immediately accessible right there.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Doyle. Anything further? Thank you, Ms. Lee. I have Mr. Villeneuve next.

MR. VILLENEUVE: Thank you, Mr. Chairman. With the open-door policy, the emphasis really wasn't on the door, the physical door, when they mean an open-door policy. They more or less referred to something like an openarms policy or to be more receptive and supportive. I just recently helped somebody fill out their workers' compensation claim form. There were questions, and even though it's a two-sided form, eight and a half by 14, there were some questions in there that I couldn't even understand. I didn't even know how to answer the question. I wasn't even really sure what they were asking in that form. I could really see why they didn't, I mean, these people were really, they were just looking at it pretty much dumbfounded and I thought I could help them. I did and I answered them to the best of my ability, but really there were things in there that I couldn't even understand. I said, well, maybe you should go to the Workers' Compensation Board and ask them what they mean and ask them to help you fill it out. They said oh, no, it's something they said you have to do, go see a lawyer or something and help them fill it out or a doctor or something like that. So that's the kind of open door I'm talking about.

I don't see why people who maybe have been refused by workers' compensation for a claim, shouldn't be allowed to go into that office with their letter of refusal and say, well, what can I do next? How can I carry this forward? How can you help me appeal? They should be able to do that. They should be able to help people appeal. Even in their own office and say, well, maybe you do have some grounds for appeal and you should carry it forward and we'll help you do that. Right now that just doesn't happen. People really, when they, I think they don't get any, that 267 appeals that they had out of the 36,000 claims that went through, I think a lot of the people after they get the refused, claim they just say, well, I'm not even going to try to appeal because I know there's nothing going to happen anyways. So I think if they did have an open door where if you say you think you have grounds for appeal, come and see us and we will help you appeal, I think you would get a lot more appeals going through and I think you'd get a lot more people saying, gee, you know, they really provided me with some good advice and really helped me understand why they didn't approve my claim and they explained how I can appeal, and they even offered to help me appeal, but I refused it because they explained it in the office. I think that's the kind of open door thing that I think the committee was talking about. I don't think it has

anything to do with the locks and whatnot, but even that, you know. So I'd just like to make that point. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Villeneuve. Mr. Doyle.

MR. DOYLE: As I understand the Member's statement and it brings up an important aspect of an open-door policy that has more to do with communications than it does with the physical surroundings. Prior to the recommendations coming forward, the staff at the WCB were being put through a regimen of sensitivity training, as well as since the recommendations came forward we've also been instituting plain language training, in particular for claims letters. As well, we have been insisting that the letters of denial be approved by a manager before they go out. We've made the vice-presidents of operations within the WCB accountable for ensuring that all the letters that are going out are understandable and in plain language so that people can actually understand them. Because we heard loud and clear from the committee at the hearings in June that this was a concern, that they couldn't explain the letters being brought to them by their constituents, and it was made abundantly clear in the Auditor General's report as well.

The other part of this is the policy development and as part of our three-year planning cycle for policy development we are looking at our policies because there's the recognition that if somebody walks in the door of the Workers' Compensation Board with an expectation that comes from reading a policy and you can communicate to them very clearly that it doesn't fall under the policy, but you've still created a very negative response from the claimant in that situation. So we are looking at both our policies themselves over the next three-year policy development period, but also the resources like our website and like our brochures to make sure they explain the policies in clear language. It's a major effort over the next year with our staff.

Sometimes the words that are used in describing how we communicate with the public are callous and fortress-like and I just wanted to mention that the people behind the doors of the WCB are not callous and we don't have any intention to create a fortress-like atmosphere. We're public servants. We care about the people we serve. I can speak for every member of the staff that we do take our relationships with the claimants very seriously.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Doyle. Next on the list I have Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you. I just want to weigh in on this whole thing about open-door policy. Everybody's trying to communicate and convey what it is we're looking for in terms of that receptiveness and that caring. I'm hearing that, but I guess one of the things I'm curious about is when a worker comes in, what is the first point of contact they have with a person? What kind of credentials does that person have, and how often is there turnover in that position? I don't want to drag this out because I know time is going by here, but I think you need to approach injured workers from the mindset of the Royal Bank slogan, "can do," as opposed to "no can do." I mean you can't negotiate everything in terms of your due diligence with the injured worker from a no position. You can't start from there and then work your way back to maybe, or yes, you qualify and you're approved. The benefit of the doubt to me should always be that people are operating in good

faith and, yes, there will be exceptions and that's why we have to have processes in place to identify people who are not operating from a position of good faith. But I think the standard reaction and receiving of people should be from we are here to help you, and they should feel that and they should sense it in the communication and the tone, in the atmosphere, in the surroundings, in everything. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs. Groenewegen. Not sure if I heard a question there, but I'll go to Mr. Doyle to comment on it.

MR. DOYLE: The first point of contact for a claimant would be somebody from the client services section of the operations, which would be an entitlement officer. If they are going through the process of filing a time-loss claim, then it would go to a case manager. These are the people that we've been focusing our sensitivity training. Although sensitivity training is going to be mandatory for all staff of the WCB, these are the people that we're focusing on at the moment and we're, it was on the president's accountability agreement for 2006 and we have spent some money on it in 2006 and there's some money earmarked for it in 2007 as well.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Doyle. Does that answer your question adequately, Mrs. Groenewegen?

MRS. GROENEWEGEN: Yes, I guess it does. I mean on the sensitivity training, we all experience going to public places, going to places of business and we know how we get treated. Think about how refreshing it is to come across somebody at a bank or at the dental clinic or anywhere that you have to go that is warm and thoughtful and accommodating. You don't always get that, but when you do find it, it is very refreshing and it obviously is very well received. I think WCB just needs to take that kind of approach. You need to treat it like you are running a business. You're acting as an agent on behalf of employers and employees, and these people that are coming through your doors are the customers. There's some very, very good models of customer service in this town. I noticed the other day that Hassan Adam got a patient appreciation award. There is a place where you go into where bar none every time you go into that clinic you get received professionally, warmly, with friendliness. We need to take a page out of some of these examples and that one in particular. But anyway. There's no question there. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mrs Groenewegen. Next on the list I have Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. I endorse, I think, the tone and the sentiment that my colleagues have expressed about the sort of front end of the operation. I do respect that the WCB, like any office, has to observe conditions of security and safety for its staff, for the confidential nature of the papers and the information and things that are stored there; and there, I can certainly accommodate and indeed expect some care and attention at the front end. But I think that can be built into something that is welcoming and not as, I guess, cold and sterile as it may be perceived today.

I was interested, Mr. Chairman, the WCB has recently sort of petitioned or gone through an exercise to have its own office building. I'm assuming or considering that that is

still a potential that's out there and, in fact, I think it has some merit as an investment and something that the WCB could undertake. That's a different issue. But considering that this may come about at some point, I'm just wondering what kind of cost is the WCB considering in this reconfiguration or this redesign of the front end and is it something that in light of the fact that there may be a new building undertaken at some point, just how much is a prudent expenditure on a remodelling, a physical remodelling as opposed to more the cultural remodelling that we might be talking about, Mr. Chairman?

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

MR. RODGERS: Thank you, Mr. Chair. The amount of money that the GC has approved for our renovations this year -- and they'll take place in June 2007 -- is approximately \$460,000. That money, whether we are successful in building our own building or not, we feel, you know, we've heard you loud and clear, and we're going to spend that money in O and M in 2007 anyway. Essentially what we're doing and the plans we approved is on the fifth floor. If you've been in the WCB offices recently, when you get off the elevator there now you're essentially looking at a hallway and a wall and you walk down to where Ralph sits there at the desk. So what you'll see now is going to be an open area, our public library will be moved out there because right now, as the Members have stated, you need to get kind of guided down there through a card lock system to get in there, and it is very fortress-like, so we are going to move that to that floor, as well, to allow public access to the library and a more, I guess warm is a good word, a friendlier atmosphere when you come in there.

To touch on the sensitivity training, again, we did hear you on that and the GC, we made it part of the CEO's accountability agreement that all staff gets sensitivity training. We're very concerned, as well. You know, the question we asked ourselves is why is that out there? Why don't people like us? What are we doing? Because when I walk through the hallways of the WCB, I see friendly people, I see people participating in the Terry Fox Run, I see people smiling and happy and I guess I don't see it. So I'm saying there must be an issue out there or these people wouldn't be saying that. That's where the sensitivity training comes in.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Rodgers. Anything further, Mr. Braden?

MR. BRADEN: Thank you, Mr. Chairman. I'm not going to undertake to assess whether \$460,000 is a prudent expenditure. That's why there is a council of governors to help make those kinds of decisions, and, of course, there is also accountability from the ratepayers and people who are the employers who are ultimately paying for that expense. Thank you for the information. I think the messages that I've heard clear things off for now, Mr. Chair, on item number 33.

**CHAIRMAN (Mr. Ramsay):** Thirty-four, Mr. Braden. We're on 34, committee, and next on the list I have Mr. Yakeleya.

MR. YAKELEYA: Just a comment there, Mr. Chair, in terms of the open-door policy. I hope that policy again extends to outside of the Yellowknife area to the regions where we have this type of service also available to us.

Again, I come from a population where about 50 to 60 percent speak the aboriginal language and this is also open to the sensitivity of the people that use, are comfortable using the Slavey language in terms of talking to these friendly people at the WCB in terms of explaining some of the things here. I just want to make a note to the Minister and his officials about this in terms of an opendoor policy. I, myself, haven't been in the building so I really don't know what I'm saying here in terms of the physical structure and that. To Mr. Rodger's comment, I come into this House here and there's friendly people, the staff members are happy and that and you go into the community outside and you don't know why people are looking at it differently, looking at you funny, so, you know.

## ---Laughter

I'm in the same boat as you, Mr. Rodgers, and I think it's because sometimes we make some decisions that are sometimes very unpopular. So we're in a tough position, but that's another issue and I just want to leave it at that, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Mahsi, Mr. Yakeleya. Is there anything further, committee, on motion 34? Mrs. Groenewegen.

MRS. GROENEWEGEN: Very, very briefly, two things I forgot to say before. Number one is it is important to be receptive, friendly, informative and professional. It is particularly important when you're dealing with injured workers. I mean it's because people are vulnerable and probably going through a fairly stressful time. You know, any kind of injury is not a happy time and that's why it's particularly important. I was using examples of going to the bank or the dentist, I mean, this is particularly important. We need to put emphasis on that. To the point of you acting as agents, as an employer, we entrust you, we send our premiums to you and we entrust you to take care of our employees and we want them treated in the same way that we would, because I hardly know an employer that does not care for their employees and value them. So we want that by extension for you as our agents to treat them in the same way. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thanks for that, Mrs. Groenewegen. We are on page 4 of 6, committee motion number 35. Before we go on, we have talked about this extensively and asked a number of questions. Are there any more questions on motion 35? Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. Just one question, I think. This recommendation, we've already touched a bit on the orientation and training. recommendation asks that mandatory orientation and training be implemented for all new employees before they are allowed to engage clients. Further that the committee recommends that ongoing professional development be programmed for each employee, manager and executive member and this be documented. Specifically, Mr. Chairman, the reply that the WCB provides does not touch on what committee felt was an important part of the recommendation, and that was mandatory orientation and training before employees are allowed to engage clients. We were of the understanding, Mr. Chairman...Every office in the North is facing workforce challenges, but that the WCB had, in some occasions found itself where brand new, or very new, very fresh employees were being put on sort of the front lines, if you will, of client relationships without the training or the

orientation to the organization, and this definitely was inappropriate and unacceptable. Does the WCB agree with the recommendation that there must be mandatory training before staff is allowed to engage clients? That's really the key point.

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

MR. DOYLE: We agree with the recommendation. Obviously when the recommendation came down, our major focus was on ensuring that we roll the training out to the existing staff to make sure that we did provide as much staff coverage as possible. It will be part of the orientation. I'm not sure it's going to always be practicable to ensure that we provide the training before they have their first contact with a client, just because of the fact that when you've got somebody new that's until such time as they can have the sensitivity training. However, we can make it and give direction that it be part of the initial employee orientation.

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

MR. BRADEN: Mr. Chairman, this is something that I'd like the Minister and the board to really look at with a keener eye. I have a constituent who, in, I think, the 8 or 10 years that they've had ongoing claims and situations before the WCB, they've gone through something like, I think it's almost one sort of client relations officer or claims officer. I'm sorry; I don't know just what they're called, but just about one a year. I think it's been a major factor in some injured worker's frustrations and difficulties. The front line, the people who are servicing their file, change so frequently and they have such different levels of competency, skill or experience. That is one of the reasons why I feel this is a very important recommendation, that regardless of just the...Sorry, not just "the" but the sensitivity training and this kind of thing, that as thoroughly as possible, the policies, the practices, the situations that are particular and peculiar to the North and to Nunavut, that when we put somebody on the telephone or in an office or on a meeting with a client, that they are, to the very best of our ability, tuned right up and ready to go to work and there's as little doubt as we can possibly allow in their ability to service the client from the first day they're on the job. Very important to building the credibility, and I'd like to suggest, Mr. Chair, to the efficiency and the overall cost of resolving the worker's situation, getting them back in their workforce and hopefully saving the fund some money, Mr. Chair.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. As Members know, we do have a fair amount of work in front of us today so, if you could, please get to the point of your questions sooner rather than later. Thank you and we'll go to Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, we have heard the Members loud and clear and consideration of the motion we've invested \$270,000 last year and we're going to invest another \$270,000 this year. Also to make it compulsory that everyone takes this training so that at the end of the day we have all our employees who have the training so that they can deal with our clients. Again, it's a capital investment that we're very serious about. We're in our second year and hopefully by the time we get to year three, year four, we

can cover all our employees. So we have made that capital investment and we will continue to do so. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Anything further, Mr. Braden? Thank you, Mr. Braden. Thank you, committee. Are there any further questions on motion 35? Thank you, committee. Motion 36. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. On that motion, the response from the WCB is that this issue will be addressed in the bill that's going to come before us in the next coming days. Could I ask the Minister whether he could share with us whether that legislation will have a specific mandate and a specific statement about how the WCB will demonstrate its meeting of obligation, duty, to assist the injured workers? Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. Lee. I'm not certain how much information you gentlemen might be able to provide, but if you could do you best and we can understand if that's not readily available. Thank you. Mr. Minister.

HON. DAVID KRUTKO: Thank you, Mr. Chairman. Mr. Chairman, the fundamental difference between the old legislation and the new legislation is to make it readable; make it so that people can understand exactly what the intent of the legislation was, because the old legislation was all over the place. I think now, by bringing forward legislation, by redrafting the whole act so that it's a totally different layout than what we've seen before, would give us that improvement that we're hoping to bring forward with that legislation, but also clearly spelling out especially the roles and responsibilities of the different departments. More importantly, it's simple, clear language so that people reading it can really understand what it says; not legal mumbo jumbo. I think, in most cases, that's what you find with a lot of this legislation. It's trying to simplify legislation, make it clear so that anyone reading it can understand. If anything, that's probably the most important improvement we'll see coming forward with this new legislation. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you for sharing that, Mr. Minister. That bill is not before the House. Ms. Lee.

MS. LEE: Well, certainly plain language is an important thing but also the substance is as important and also the living up to the spirit and intent of the legislation. I'm going to wait for the legislation. I am going to ask the Minister this, and he doesn't have to answer it but it's something that I will be looking for. I'd like the Minister to indicate whether or not the new legislation, or anywhere, whether in legislation or anywhere, there will be a reflection of the fact that the WCB system...and I think it speaks to the mandate of the WCB which is that the benefit of doubt in decision-making should go in favour of the workers. The practice right now is that the benefit of doubt for the workers only kicks in where the evidence is equal. I don't think that's proper implementation of that rule. I think that benefit of doubt under the WCB system always should go with the workers. I'd like to ask if the Minister or Chairman Rodgers if they could give us any insight as to how the WCB proposed to deal with that, because it's not really saying much in the response. Thank you.

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

HON, DAVID KRUTKO: Well, I think the whole principle of the workers' compensation system is to ensure that it's a no-fault insurance system and that people that do pay into it should receive the benefit of the doubt that they are protected. More importantly, they are injured workers and we do whatever we can to ensure that they are able to continue being employed or ensure that they're covered by way of the compensation system. I think the changes to the legislation, like I mentioned earlier, it hasn't been changed for some time and I think that with the final enactment of the Act Now, which is the final phase that was missing which included a lot of the responses by way of dialogue that took place when we had public hearings on that document back in the '90s and implemented in 2001. However, I think it's more important that as workers' compensation legislation across the country realize that we have different aspects of how you need to deal with injured workers and also different types of injuries that weren't there before in the past with regard to environmental aspects, asbestos, and other issues that are out there. I think we have to be able to react to those types of new challenges that are facing workers' compensation boards across the country. I think by adapting from other boards and agencies but, more the importantly, implementing final of...(inaudible)...will give us that. But at the end of the day is to try to, like I stated earlier, clear language and simplify the process, that it is transparent and it is workable for all people involved in the workers' compensation system. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Anything further, Ms. Lee? Thank you, committee. We're on motion 36. Are there any further questions on motion 36? Thank you, committee. Now on to motion 37. Are there questions? Mr. Braden.

MR. BRADEN: Mr. Chairman, this motion recommends that the Minister direct that the worker's advisor draw up a proposal to provide for assistance to workers who need expert medical evidence and/or legal assistance with judicial reviews to move their case forward. Mr. Chairman, the response given to this recommendation, this motion number 37, seems to completely avoid the request here. There's no information in here whatsoever that says that the worker's advisor was contacted and asked for how this could be done. All we have here, Mr. Chairman, is a reply that seems to have been drawn up by the WCB, not by the worker's advisor, to why this isn't necessary. This is a question for the Minister. Why wasn't the worker's advisor brought into the response to this recommendation?

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, the worker's advisor is aware of this decision, but he has not had the time to come up with the final wording, but he is going to have to be developing it and bringing it forward. So he is aware of it, he has been given direction to draft such a proposal. So again, we're still waiting for him to come forward with a draft. Thank you.

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

**MR. BRADEN:** Mr. Chairman, it's completely unacceptable that the WCB should...

AN HON. MEMBER: Appalling.

MR. BRADEN: ...should attempt to present itself on behalf of the worker's advisor. It is not the advisor. The Minister has to take responsibility for even attempting to put this in front of us. Totally unacceptable. This is the kind of thing that we want to change, we want to see changed within the WCB. Quite frankly is the arrogance that's assumed in some areas here that it can go around and hold sway and essentially dictate what it wants instead of what we request. The Legislative Assembly is not some special interest group or discretionary body. We issued a serious recommendation here and it was very badly handled. This is unacceptable. recommendation stays on the books for a proper and a full response at the earliest possible time by the worker's advisor as originally instructed, Mr. Chairman.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. I'm not sure if you wanted a reply from the Minister. Mr. Minister.

**HON. DAVID KRUTKO:** Thank you, Mr. Chair. Mr. Chair, again, the worker's advisor has been aware of this motion and he is developing the policy. Again, we're just waiting to hear back from the advisor in regards to the draft policy. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Minister. Anything further, Mr. Braden? Thank you, Mr. Braden. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. The motion 37 reads "Minister to direct the worker's advisor to draw up a proposal to provide for assistance workers who need expert medical and or legal advice." It's a very specific motion. The response we received basically says WCB doesn't feel that that's necessary. I respectfully submit that that's not for the WCB to decide. It was a motion of the communities. So I would like to ask the Minister, in his opinion, or in the chair of the Governance Council, or not an opinion, why is it that the motion gets ignored in that way? No, actually, I look forward to looking at the legislation and putting this into legislation if we can't get it under a committee motion. But having said that, the Minister mentioned earlier that the worker's advisor is aware of it and he's working on the proposal. I would like to know when was the worker's advisor advised of this motion. When was he asked to do a proposal?

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chairman, the worker's advisor, in regards to his responsibility, is there so that injured workers looking for appeal or to have an opportunity to get a second opinion can work with a worker's advisor. But again, the whole area of medical advice or legal advice goes through that appeal mechanism that we have through the Appeals Tribunal that is set up for that second observation or opinion that takes place once that injured worker has filed a claim, got it rejected and then appealed. Again, it's to ensure that the mechanism that we use fits within the responsibility of the different authorities that are out there. The worker's advisor is one authority which his authority is clearly spelled out. I think that in order for him to be able to carry out this duty, right now he does not have the full authority to get medical evidence or give legal advice in regards to someone filing a case. So I think that, again,

it's how do you interpret that motion in the context of what the worker's advisor responsibility is; more importantly, how do the other processes fit within the context of this motion. Thank you.

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

MS. LEE: Mr. Chairman, for the benefit of the committee I just read that motion. It's one sentence long. It's not complicated. It doesn't need legal advice. It doesn't need any interpretation. It's pretty clear. The Minister, with all due respect, did not answer my question. I want to know when was the worker's advisor asked to do this proposal? The Minister mentioned that he was asked. I want to know on what date. A week ago, two days ago, a month ago? When was he advised to do this proposal? Thank you.

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

HON. DAVID KRUTKO: Thank you, Mr. Chair. Mr. Chair, I met with the worker's advisor when I was in Iqaluit, along with the Minister of Nunavut, in regards to the motions that were in front of us, which was presented to ourselves as Ministers. At that time we had a discussion with the worker's advisor in regards to this particular motion. At that time he basically needed a little more time to look at this and also develop the proposal. That's when I met with the Minister, which was in January in Iqaluit.

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

MS. LEE: Then why was that not provided as an answer on page 5? Why wasn't that said, worker's advisor was asked to do the proposal and he will do that? Instead, we get a whole page telling us how it's being done, which is basically that the workers right now do not get independent assistance. You know, worker's advisor is one person. All the workers who need his assistance have to go with him and it was made very clear in our public hearing process that we need to balance this imbalance of power so that the workers don't have to The WCB administration and tribunal, everybody, by law, have WCB lawyers, WCB medical advisors. They have all the infrastructure they could ever have. Workers have nothing other than the worker's advisor. We, as a committee, said we need to balance this and we are asking the expert. The worker's advisor is the expert on workers' interest issues. We're asking the Minister to ask him to do a proposal. You know what? I'm not going to ask any more questions because I think this goes back the fact that WCB is a public institution, they're supposed to be accountable to the Legislative Assembly. The Legislative Assembly is a law-making body, WCB gets to do what they do, collect money from employers because we enable them by law to do that, and the whole infrastructure and the intent of this legislation exists for the benefit of workers and nothing I see today...It just demonstrates again that WCB doesn't get it, and this latest answer says that again. I'm sorry; I cannot help it. But it just repeats itself. There's a whole page on WCB telling us how it's done now and it ain't gonna change. So I just want to put WCB on notice that I look forward to seeing the legislation next week and I expect to have there enough infrastructure built for the workers and, if not, we will change the legislation to make sure that it does. So I don't need to ask any more questions. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thanks for the comment, Ms. Lee. Mr. Braden.

**MR. BRADEN:** Enough on this one, Mr. Chair, enough. Thank you.

**CHAIRMAN (Mr. Ramsay):** Thank you, Mr. Braden. Any further questions on 37? Thank you, committee. Now on to 38. Are there any questions on 38? Mr. Braden.

MR. BRADEN: Mr. Chair, this motion addresses a longstanding situation that has confounded, I know it's confounded workers who have talked to me and, consequently, myself, and this relates to medical opinions. I think, thankfully, the vast majority of the injured workers who come before the WCB are dealt with in an expedient and professional and satisfactory manner, given that most conditions that come before them are pretty straightforward, from a medical point of view, and quite conventional. It's the ones that are less obvious or require more sort of interpretation or clinical diagnosis and require the WCB to exercise more discretion and more care in how it assesses them. Where workers have really come up against some issues here is that sometimes multiple specialists' assessments and recommendations are made, but they continue, for some reason, to conflict with the medical assessment made by the WCB itself. So we have this argument going on among professionals, and in the meantime the worker continues in limbo, potentially without a pension or without rehabilitation, until these conflicts are resolved. We are hoping through this motion, Madam Chair, to see that we could a have a process or a polity that would address these situations. However, the response indicates that the proposed solution is going to be a legislative one contained in the bill that we anticipate will be coming before us next week. So it doesn't give us anything to talk about here. It does say that the proposed solution is supported by the WCB, the Appeals Tribunal and, in principle, the NWT Medical Association. I guess I would like to say where are the workers or the workers' advocates, the employers? Have they been consulted in this proposed legislative solution and is it one that we, as a committee here, will be able to endorse?

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, in regards to the legislation that we're hoping to bring forward next week will allow us to find another avenue to resolve these disputes, especially when it talks about medical opinions. Also, having an outside opinion, which will be final. I think that for us to add another layer or trying to resolve conflict, if anything, it's a plus. So I think that by having the legislation spell out having that third opinion than simply having that opinion made by the medical officers, we will now have an outside final opinion by a medical physician of the choosing between the parties. So that decision will be final, which hopefully will resolve a lot of these cases. So that's sort of just a quick little snapshot of what we're looking at with the new legislation coming forward. So hopefully that will be an improvement on what we have right now. Thank you.

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

MR. BRADEN: Well, thanks for that explanation. I guess we'll basically pick up the bill like any other piece of legislation, Madam Chair, and put it out to the public, which, of course, I hope will include plenty of workers and employers to have a good look at this and see if it's going to work.

That, Madam Chair, concludes my questions on the presentation before us today.

CHAIRPERSON (Mrs. Groenewegen): Anything further on committee motion number 38? Mr. Yakeleya.

MR. YAKELEYA: Madam Chair, just a guick comment again to the Minister in terms of this issue here. Again, I always make reference to our situation some years ago in terms of dealing with the federal government on certain claims. You know, you've got to validate certain process of claims and sometimes it takes a long time. Are these injured workers given support through this system? Because sometimes, for whatever reason, roadblocks, or barriers, or misunderstanding, or confusion comes up. It just prolongs the pain for seeking a fair and just hearing or discovery. What type of support is given to the family? I say this, Madam Chair, because for the workers it's a stressful time and for the families sometimes they're not given enough support. Sometimes the only reason some things happen is because there's a court system or because some body is being held liable to make some compensation to the situation, and usually it's to the families and to the injured workers. So I guess for the people in the smaller communities that sometimes don't have the ready access to resources in the communities. If you want a medical opinion, is it the nurse in our communities? Is that good enough, or do we have to wait for a doctor? I just hope that we have some flexibility in terms of how we look at workers in our smaller communities in terms of this situation here and support for them when they go through this process. I imagine it must be a painful process and we have to really support them, otherwise we're going to be here next year again having the same kind of discussion. Thank you, Madam Chair.

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

HON. DAVID KRUTKO: Thank you, Madam Chair. Madam Chair, again, hopefully with the changes to the legislation it will simplify be where we have these conflicts, especially between the medical opinions, one party over the other, but also, again, offering the parties to identify someone that they will allow to make or assess the evidence, but also make a final decision on how that final hearing should be. So again, through the changed legislation I know we're talking about suggestions of medical evidence, but I think, again, it's always a problem of my evidence is stronger than yours and vice versa. I think in order to avoid that, trying to get a third opinion, in most cases, you know, that's what you need. It's just someone else from outside the argument coming in and trying to settle things down and find a solution to the problem. So again, with that change we're hoping to be able to improve on that. Thank you.

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

**MS. LEE:** Thank you. Just for the record, on this motion too, I think the response from WCB is completely inadequate. Mr. Braden pointed out the fact that the

proposal under that legislation has met the approval of WCB and Appeals Tribunal and, in principle, by NWT Medical Association. There's no mention of workers. The Minister speaks to other opinions being answered to, but in our hearings we heard of cases where an injured worker have had up to -- and the worker's advisor told us this -- there are injury cases where they have had up to eight specialists who have given an opinion and that was overruled by the WCB. I don't know where the workers are supposed to go to get justice under WCB. So I just want to put it on record that I will be scrutinizing that section of that legislation and I would expect that to be an adequate proposal. Thank you.

AN HON. MEMBER: Hear! Hear!

**CHAIRMAN (Mr. Ramsay):** Thank you, Ms. Lee. Are there any further questions, on more time, on 38? That's good. Thank you, committee. Now I just want to go through this tabled document, Workers' Compensation Board Action Plan, page 1-13. Are there any questions there?

AN HON. MEMBER: No.

**CHAIRMAN (Mr. Ramsay):** Covered that ground. The last one, the communications protocol. Any further questions?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you. Does committee agree that consideration of Tabled Document 104-15(5) is concluded?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Ramsay):** Thank you, committee. Thank you, Mr. Minister, Mr. Rodgers, Mr. Doyle and Mr. Triggs, for being with us this afternoon. Much appreciated. Thank you. Thank you, committee. The chair is going to call a short break. Thank you.

---SHORT RECESS

**CHAIRMAN (Mr. Pokiak):** Good afternoon. I will call Committee of the Whole back to order. We are now going over the Department of Executive. At this time, I would like to ask the Minister responsible for the Executive, the Honourable Joseph Handley, if he has opening remarks. Mr. Handley.

**HON. JOE HANDLEY:** I am pleased to present the 2007-2008 Main Estimates for the Department of Executive.

For 2007-2008, the Department of Executive is requesting a budget of \$13.616 million, which represents a .3 percent, or \$36,000, decrease from the 2006-2007 Main Estimates.

SOME HON. MEMBERS: Whoa!

Increases

**HON. JOE HANDLEY:** The Department of Executive 2007-2008 Main Estimates identifies increases totalling \$529,000 as follows:

 forced growth salary increases and northern allowance resulting from the UNW Collective Agreement in the amount of \$339,000 - third year;

- a forced growth increase of \$76,000 to fund the improvement of financial services support; and
- a transfer of \$100,000 from DAAIR to Executive to fund the Beaufort-Delta capacity building initiative.

The amalgamation of all human resource services activities into one central agency and the subsequent creation of the new Department of Human Resources -- DHR -- requires the addition of one finance and administration clerk in the financial shared services section of the Department of Executive. This section provides financial services to the Executive, FMBS, DAAIR and DHR. The addition of a significant number of employees who once provided human resource service delivery in each department has added to the volume and complexity of transactions that are processed by the Department of Executive's financial shared services section. In addition, this section now processes all medical travel claims; claims that used to be processed in each department.

## Reductions

These increases are offset by the \$565,000 proposed funding reductions:

- sunsetting of the senior advisor, Mackenzie gas project impact fund, \$185,000;
- reduction in funding required to support the 2006 National Census, \$50,000;
- a reduction in the cost for leased office space in Norman Wells in the amount of \$30,000, which is being transferred to Public Works and Services; and
- reduction of one-time funding required to establish and staff four new regional director offices, \$300,000.

The Executive has completed the establishment of full-time regional offices in the Beaufort-Delta, Inuvik; the Sahtu, Norman Wells; the Deh Cho, Fort Simpson; South Slave, Fort Smith; and North Slave, Yellowknife. The regional directors now provide an important focal point both for local and aboriginal government and the general public to address issues of concern on overall government matters. The regional directors also assist in coordinating GNWT activities in the regions as they pertain to relationships with other governments and the public and regarding government initiatives that have an interdepartmental focus.

Regional management committees will determine initiatives supported by the Mackenzie gas pipeline impact fund and regional directors from the Department of Executive will represent GNWT's interests on those committees.

I am now prepared to answer any questions committee members may have. Thank you, Mr. Chairman. Mahsi cho.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. I would now like to call on the chair of the AOC committee, the standing committee that reviewed the Executive. Mr. Lafferty.

# **Department Of Executive**

**MR. LAFFERTY:** Mahsi, Mr. Chair. The committee met with the Premier on September 28, 2006, to review the draft business plan for the Department of Executive.

The committee noted that the Department of Executive is proposing to spend \$13.161 million in operations expense for the fiscal year 2007-2008. This represents a small decrease of \$36,000 from last year's main estimates.

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

#### Joint Boards And Agencies Review Initiative

Early in the life of the 15th Assembly, Cabinet and the Standing Committee on Accountability and Oversight had agreed to form a working group to review the NWT boards and agencies. As a result of this successful collaboration, a boards and agencies policy was adopted in June 2005. The full implementation of this policy will significantly change the mandates/operations of existing boards, as it will establish a governance framework for board operations, provide criteria for board classification and a process for creating new boards.

In 2005 the Joint Working Group on Boards and Agencies suggested that a boards and agencies unit be established to fulfill the mandate of the initiative by implementing the boards and agencies policy and the governance framework. Cost estimates to establish this function are \$300,000 for the 2007-2008 fiscal year. Mr. Chair, I will have a motion from the committee at the appropriate time. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Lafferty. At this time, I would like to ask the Minister if he would like to bring in witnesses.

HON. JOE HANDLEY: Yes, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Sergeant-at-Arms, please escort the witnesses in, please. Agreed?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Can you introduce your witnesses, please?

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. With me are Bob McLeod, deputy minister of the Executive and Carl Bird, director of corporate services for the Executive. Thank you, Mr. Chairman.

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

SOME HON. MEMBERS: Detail.

**CHAIRMAN (Mr. Pokiak):** Detail. Thank you. Page 2-14, 2-15, activity summary, Executive offices, Commissioner's office, operations expenditure summary, \$294,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-18, 2-19, Executive offices, activity summary, Ministers' offices, operations expenditure summary, \$4.071 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-21, Executive offices, activity summary, Ministers' offices, grants and contributions, grants \$173,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Contributions, \$557,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Total grants and contributions,

\$730,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-25, Executive offices, activity summary, Executive offices, operations expenditure summary, \$6.639 million. Mr. Lafferty.

Committee Motion 48-15(5) Establishment Of A Boards And Agencies Review Unit, Carried

MR. LAFFERTY: Mahsi, Mr. Chair. Mr. Chair, I move that this committee recommends that \$300,000 for the establishment of a boards and agencies unit will be included in the budget of the Department of Executive in order to fully implement the boards and agencies policy and governance framework as agreed to by the Joint Working Group. Mahsi.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** The motion is in order. The motion is being distributed.

SOME HON. MEMBERS: Question.

CHAIRMAN (Mr. Pokiak): To the motion. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I am obviously in support of the motion, but I wanted to ask a question. That is when the 15th Assembly was elected three and a half years ago, this was one of the major goals and objectives of a number of us in this room to get this work done. For whatever reason, this work was not done. It was started, entered into and some very good, some of the best work. Mr. Chairman, that I have seen as a Member of this House was done by the work of this ABC committee. For whatever reason, Mr. Chairman, it dropped off the table and no work was done in the past 18 months, maybe close to two years. I would like to ask the Premier to offer an explanation on why this work was let lapse and why are we here today on the eve of this government trying to get us to come back to the table with more money to get this work done? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): To the motion. Mr. Handley.

HON. JOE HANDLEY: Thank you, Mr. Chairman. This was good work that was done early in the life of our government. For various reasons, largely financial and workload, this initiative was bumped from one year to the next. As Mr. Ramsay points out, we are in the last few months of our government here. We were looking at continuing this but given the limited resources we have and the fact that it is late in our government's term, we felt that this is something that might be better handled by a recommendation and transition document to the next document rather than us starting something and possibly

having a new government that might take a different approach to it. So that's the reason it's not included now. Thank you, Mr. Chairman.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I appreciate the Premier's attempt at an explanation...

SOME HON. MEMBERS: Whoa!

MR. RAMSAY: It was an attempt at an explanation, Mr. Chairman. As I mentioned earlier, this was probably in the top three of all of our proprieties when we walked through the door three and a half years ago. Nowhere did I see in anybody's priority list the development of a macroeconomic policy shop in the Department of Finance. So that was not a priority. We are spending a million dollars on that, so where is our priority? This was a collective priority of Members of this House and it got lapsed, Mr. Chairman. It's not right, Mr. Chairman. Again, I wanted to offer that up for the record. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you. I would like to remind Members here that you can speak once to the motion, but when we are talking, speak to the motion, please. Thank you. To the motion. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. I would follow up on Mr. Ramsay's comments in terms of this motion. I am going to support it. I thought that boards and agencies in the Northwest Territories can certainly be streamlined and we are going to leave it to the next government. In some form or fashion, it does make some sense. This year, it makes more sense in putting this money in here. We are doing the work in this Assembly, it was a priority and I think it can get done. To leave it to the next Legislative Assembly is passing the buck to the 16<sup>th</sup>. I think it should get done. Anyhow, I am speaking strongly in support of this.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Mr. Hawkins, to the motion.

MR. HAWKINS: Thank you, Mr. Chairman. I am going to speak in favour of the motion. Like my other colleagues, we came in and this was a big priority on this side of the House. It seemed as it was a priority for the government at the time. I am not sure what derailed it, but I can remember several Members from Yellowknife saying where is our Stanton board. Oh, when we finish our board review, it will come. So we bought into that program and it almost took our whole term before the Stanton board showed up in its "now" form. The fact is we were committed, as the chairs of our Social Programs and GED committees, to work on this with the Minister-of-the-day, our elder Mr. Miltenberger...

# ---Laughter

...and they did a lot of good work. The fact is there were a lot of tough decisions to be made. I am not sure if this is the case and the government is easing off the pedal and deciding not to implement this. I don't know. If it was a question of being too tough to do, I don't know. I find it a real shame.

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

MR. HAWKINS: Thank you, Mr. Chairman. I find it a real shame that this government vamped up with such enthusiasm to follow through on this initiative and it was a really good initiative, almost like a hallmark of this Assembly. We were going to do something as many people described as economic development, more boards and more chairs. It was about streamlining this situation. It's a real shame that this has been ignored and further being passed on to the next government to find a solution to this. I think the solution lies before us and it lies in this motion and it lies in the work that was done. All we need is follow-through. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Hawkins. To the motion. Next I have Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Chairman. This is an initiative in which we invested an inordinate amount of time and money only to see it fall off the table at the 11<sup>th</sup> hour. Like so many other priorities we embark on, the good work and the expensive work that gets done becomes door stoppers in somebody's office. I am absolutely convinced, no matter how we vote on this today, it's not going to get done, but at least let's get it in a transition document for the next government. I will vote in favour of the motion, but I know it doesn't do a lick of good. Thank you.

---Laughter

**CHAIRMAN (Mr. Pokiak):** Thank you, Mrs. Groenewegen. To the motion. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. I want to speak in support of the motion. This is a case of promise made and promise broken by this government. Mr. Chairman, I don't think it was an expensive project. It was a committee made up of the Minister and the two chairs of the committee. It was a very organized work. I thought it was very good work. It was a really good experience for me because we had really good support from the staff and if somebody would just go and look on their shelves, there is a study already finished. It's quite a big binder. It's laying out very clearly phase one, phase two, phase three and phase four. You don't even have to do a lot of legwork. Somebody just has to open that binder and if anybody is using it as a doorstop or they can't find it, I have a copy in my office. I would be happy to lend that copy because I forward everything and just get on with it. I don't even think you need extra money to implement that. The next phase is to set up one PY or something and it's supposed to streamline and help the agencies and boards we have here. So I am going to speak in support of this and I am going to have more faith than Member Groenewegen. If there is political will, there is a way and the promise broken can be kept. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Ms. Lee. To the motion.

SOME HON. MEMBERS: Question.

**CHAIRMAN (Mr. Pokiak):** Question is being called. All those in favour? All those opposed? The motion is carried.

---Carried

Thank you.

---Applause

We are on page 2-25. Executive offices, activity summary, executive offices, operations expenditure summary. \$6.639 million. Mr. Ramsay.

**MR. RAMSAY:** Thank you, Mr. Chair. I would like to ask the Minister how exactly the review on the agencies, boards and commissions fell off the priority list.

**AN HON. MEMBER:** That motion has already been dealt with.

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

HON. JOE HANDLEY: Thank you, Mr. Chair. As I said earlier, the work was initially recommended I believe in the 2004 or 2005 fiscal year. Because of limited resources and the workload, it was deferred from that year to 2005-2006. Mr. Chair, looking at the work we had to do and the money, it just was one of the things that didn't make it in this year's budget. Mr. Chair, when we come to this year, the problem we had was by the time we staff it, we would be to the end of our term or very near to it. Mr. Chair, largely financial, partly workload. Thank you.

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

MR. RAMSAY: Thank you, Mr. Chair. I am just having a little bit of trouble understanding how it is that, between FMBS and HR last summer, they somehow miraculously found \$500,000 to sole source a contract to an American company to come in and do work there. You are telling me today that this falls off the government's radar because it doesn't have the resources to get the work done. Mr. Chair, something doesn't add up there. I mentioned earlier the fact that, last year, we have added the macroeconomic policy shop in the Department of Finance at a cost of \$1 million. I still don't understand why that was allowed to happen because, again, until we get a deal with Ottawa, we are on a fixed income. Nobody can convince me otherwise that we need a macroeconomic policy shop until we are in a position where we are the determiners of our own fate and our own destiny, and we are not. Make no mistake about that. We have limited ability everywhere you look. So, Mr. Chair, I just wanted to make those points. I don't buy the argument that we didn't have the resources. If we had the resources to do the Hackett report and go and find money there, that argument doesn't wash with me, Mr. Chair. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Next I have Mr. Hawkins.

MR. HAWKINS: Thank you, Mr. Chair. I am going to read this section in this Hansard. It says, "Mr. Speaker, I could tell you, though, that we should not hold out our expectations that there will be a resource revenue sharing deal in the 2007-08 budget. When I met with the Prime Minister last week, he told me that it was premature, that he wasn't going to be able to deal with that part, but he would deal with the fiscal imbalance..." blah, blah, blah, "but basically I don't see..." -- I am skipping over a few sections -- "basically, I don't see a resource sharing deal." So, Mr. Chair, in light of that, those were the words from the Premier yesterday about no resource deal on devolution, et cetera. Why do we have \$500,000 being spent on devolution negotiations if we have no expectations of a devolution or resource deal concluded in the near future? Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chair. If we had a resource revenue sharing devolution deal to be completed now, we wouldn't need money to continue negotiations. But because we don't have a deal, I am not giving up on this, as I said earlier today. We need money for negotiations. Negotiations are ongoing. There were negotiation sessions this week. I don't know exactly when the next one is scheduled, but we are persisting on this and do require funding to continue negotiations. Thank you, Mr. Chair.

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

MR. HAWKINS: Thank you, Mr. Chair. On one hand, we continue with negotiations. On the other hand, we say that there is no headway and nothing is coming. I am just kind of cautious as we see \$500,000 put down there. What can the Premier tell me today, or tell this House or this Assembly, tell everyone, what are we doing or what have we accomplished? Let's get down to nuts and bolts. What is stopping us from having one, or what have we accomplished to get one signed? If you just said yesterday that you don't expect one, what should we expect? Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chair. Within the budget of the Executive, there is money for both our own staff positions on devolution. There is also money in the grant that goes to the aboriginal organizations to enable them to participate. Mr. Chair, as I said earlier, negotiations are ongoing. Harvey Andre is the federal negotiator. Our negotiations are led by Hal Gerein who has been leading them for a number of years now. There are six issues we are dealing with.

First of all, let me go through them very quickly. On the A base funding level, there is considerable difference. The federal government is offering us \$54 million. numbers show that something more in the range of \$65 to \$80 million is what is required. So those negotiations are continuing. There is one-time transitional costs. Again, there is about \$6 or \$7 million difference on that one. There is treatment of resource revenues that is net fiscal benefits. Again, we are apart on that, but may have some agreement on some principles. There is Norman Wells That one, there is considerable ownership share. difference between ourselves and Canada on it. There is onshore, offshore issues. Again, I think we will be able to come to an agreement on that one. I am missing one more here. Human resources is the one I am missing. There are negotiations going on there. suggested a five-year transition period where federal employees who transfer to GNWT would be grandfathered. They would keep their salary levels and benefits, even though they are higher, for a five-year period. After that, they would go to GNWT salaries. The federal government has rejected that. That is being negotiated as well.

At the same time as we are negotiating with the federal government on those issues, we are also having discussions with the aboriginal leaders on resource revenue sharing. I believe generally the position we have

taken is that 25 percent will go to aboriginal organizations, governments, for their capacity building and then anything beyond of monies we receive would be shared depending on the amount of self-government they take. Mr. Chair, the position we have taken as a government is consistent with the O'Brien report. That is the federal Expert Panel on Fiscal Imbalance. That is that 50 percent of the resource revenue should come to the Northwest Territories.

Mr. Chair, the next negotiating sessions are scheduled for March 15<sup>th</sup> and 16<sup>th</sup>. Thank you, Mr. Chair.

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

MR. HAWKINS: Thank you, Mr. Chair. I draw this conclusion only because it just seems as if ... and my colleague Mr. McLeod was expressing some of the frustration today on this side of the House, which is it almost seems as if, in the last 20 years, we have been negotiating against ourselves and not going anywhere, yet you made the statement of saying that and now we have more devolution negotiation money. Are we just negotiating for the sake of negotiations? What good faith commitments that we are moving forward on this issue are we getting? If you say that the Prime Minister basically has assured us that we are not going anywhere, yes, we are going to do some funding adjustments, of course, that are potential in the budget, which comes in a couple of weeks, but that being said, what good faith statements and writing do you have that we are going to put an end to this problem? I think the last three or four, maybe even five Premiers and Government Leaders have all said the same thing. This is going to be the government. This is going to be the year. This is going to be the new legacy of our future. So I would like to hear what the Prime Minister is saying about dealing with this problem. Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chair. challenge that the Prime Minister has is that the O'Brien report that looks at fiscal imbalance across Canada including equalization, formula financing and resource revenue sharing, makes some recommendations, basically the ones we are interested in, on resource revenue sharing; that is, 50 percent come to the territories or the provinces and 50 percent stays in the federal government. Unfortunately, for the Prime Minister, five provinces are in favour of no resources being included in equalization or tied to the financing and five provinces are in favour of all of it being included. So it is a no-win situation that he faces. If he could deal with resource revenue sharing across the country, then he would also deal with it easily with the Northwest Territories. He is not saying there is no use negotiating any more, and nor am I. He is not saving throw in the towel and let's guit. What he told me is that it is not going to be included in this upcoming budget. That doesn't mean we stop negotiating. It means we continue negotiating and hopefully we can achieve some success in 2007-08 or soon toward, first of all, an agreement-in-principle and then, second, a final agreement. We don't even have an agreement-in-principle although four aboriginal governments are onside with us. We don't have an agreement-in-principle. That is the first step. I have set a target of the end of March for that. I have set that target before we knew when the budget would be. The Prime

Minister's position, as well, we haven't even got the agreement-in-principle yet, so I don't expect something in the budget in advance of making more progress on this. The federal government will continue to negotiate. They will negotiate hard. We have to negotiate hard. We have to get a good deal, not just any deal. Thank you, Mr. Chair.

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

MR. HAWKINS: Thank you, Mr. Chair. I would like to hear a little further on what support we have from all of the aboriginal organizations and at what point does the Premier say enough is enough and we have to move forward? If we are getting two-thirds or majority, or in a sense of 75 percent of the aboriginal organizations are, all but one, at what point does the Premier demonstrate that we have to move forward for the territory as a whole? If Canada sees fractures and the lack of leadership from our Premier on this issue, we have to lead and work on bringing in the fold or remainder groups if there is any outstanding. I would like to hear what he is doing to get that issue dealt with and that file closed. That has often been a problem. I see Canada seeing that as a problem. I would also like to hear the Premier really say that he would be burning the midnight oil until August 31st when we go to an election, that the heat on this file will not be taken off by his office. I don't believe in the defeatist We should be down there just like my position. colleagues say. I have said to the Premier before, let's take out Globe and Mail ads and start advertising what is happening here and letting people know. What do we have to be afraid of? Well, we have one Member in Parliament. It is not like one Member is going to change the Prime Minister's point of view whether this one Member today is in government or not in government or in the fourth party that is down the pole. The fact is, whose feelings are we afraid to hurt? Take out an ad. Start placing our position. Let's get something on the books. Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chair. Assuming our budget is passed, I don't intend to slow down at all on this. We are going to continue with our negotiations right to the last day. I hope the next government continues on and keeps the pressure up.

Mr. Chair, in the last months, we have had a number of meetings with the aboriginal leaders. Four groups are onside with us. That is the Gwich'in, the Inuvialuit, the Sahtu and the Metis Nation. The Tlicho is considering the proposal. Dehcho has been briefed, as well, and they are reconsidering. We have not yet had opportunity to brief the Akaitcho. Mr. Chair, we are not waiting for unanimous support. We have majority support, and we intend to continue to move ahead and hopefully in partnership with the aboriginal leaders.

Mr. Chair, negotiations between us and the federal government on the six issues will continue. I look forward to a meeting hopefully sometime early in April with the federal government and the aboriginal leaders from the Territories on this issue. We will proceed from there. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Next I have Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chair. I have a question on the devolution resource revenue issue and the complexity of the whole negotiations and the various unlimited amount of issues that are still outstanding and probably will remain outstanding for the next 10 years if we don't change the approach on negotiations. I just want to ask the Premier about the approach that we are taking. We want the resource revenue sharing deal and the devolution deal all wrapped up in one sweet package and delivered here in the North. If it is going to take so long and it looks pretty bleak that we are going to have a deal here in any near future, looking at it like that, why don't we change the tactics on negotiation and try and...Is it possible that we could have a diamond resource revenue deal separate from an exploration resource revenue deal, separate from an oil resource revenue deal, gas resource revenue deal and just sort of piece it along as we go? At least we are getting something as we are going instead of, okay, we have half of it settled but we still have half of it outstanding so we really are not getting anything anyway. So it really doesn't make much sense to me to try and get some back revenue out of Norman Wells oil and gas for the last 60 years if that is one of the main issues that is still outstanding. Can we just piecemeal it? At the end of 10 years, we will have a resource revenue devolution package there to present. It is something that maybe has been put together over 10 years piece by piece. Is that approach possible or been thought about? Thank you.

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

HON. JOE HANDLEY: Mr. Chair, that approach is possible. The challenge we have, though, is not so much an issue of where the resources are coming from but how do we divide them up in the Territories between the GNWT and the aboriginal governments and also just the principle from the federal government of changing our authority from a territory to more like a province. Even if we broke it up by resource sector, you would still end up with the same challenges. If we did diamonds, aboriginal leaders would still want to have a share of the revenues from those diamonds. The federal government would want to know under what authority does it give us that money. What would our responsibility under devolution be? We would take one very complex process and break it into four or five equally complex parallel ones. It might, in fact, make things even more complicated.

Having said that, Mr. Chair, I am as frustrated as anybody is with this whole thing. I wish we could make more progress more quickly. We have made a commitment to work with aboriginal leaders, but if there is an alternative, I would be happy to discuss it further with Members. If there are things we should be doing, whether it is this one that Mr. Villeneuve is suggesting or taking out Toronto ads or whatever it may be, I am ready to look at whatever. My own personal feeling is that we keep it as one package. We have made some progress in the last few months. We have pushed that as far as we can before we push it aside and start over again on another tact. I am afraid that might just delay us even further. Thank you, Mr.

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

MR. VILLENEUVE: Thank you. Mr. Chair. I know there has been a lot of work put into the whole process already. I am not really one to say that we should just push it aside and change our direction, but I am saying I think in a lot of those sections of resource revenue, the packages are already completed or they should be completed by now. Why can't we settle on those parts of the package so that we have some revenue coming in, put it aside, put the revenue aside until we can iron out the issues of how we are going to divvy it up? But at least we are getting that revenue today or tomorrow instead of, okay, well, that is settled, let's wait until we have it all settled. We might not even get it all settled for another 10, 15 years, then we're not really getting anything. My rationale is let's start chipping at the block, or at the resource revenue deal as we go along and as we start settling sections of the package, then we start taking bigger chunks out. That's the approach that I'm looking at. What about something like that? Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chairman. I'll certainly consider the Member's suggestion; however, for the next short while I'd like to stay the course of what we have. We've got the majority of the aboriginal leaders onside with us. We're making some headway with the federal negotiator on those six outstanding issues I mentioned. We are working toward an agreement-inprinciple. We are trying to negotiate with the federal government that holds all the cards and they're reluctant to give up anything and they're negotiating hard. I think we need to give the current process more time and if we're not able to achieve an AIP, for example, then this should be very much an issue that the next government takes on and we recommend in the transition document. To start switching now, I think we'd run into a time crunch. Thank you, Mr. Chairman.

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

MR. VILLENEUVE: Thank you. I can understand Mr. Handley's plight, I guess, that you don't want to switch gears while you're right in the middle of the race. I'm just saying if there are only six outstanding issues, why don't we put those issues aside and let's look at the issues that they've settled on and get an interim AIP signed, an AIP that's going to be open to these other outstanding issues. obviously, and move forward from there. Why can't we sign, get something with what we agree on today instead of waiting for these outstanding issues which are going to take time, and time is something people just wait to hear about these days with resource revenue sharing devolution. It's time that we just don't have. Is that a possibility? Instead of just changing the whole way we're going about things, just sort of say, okay, we'll chip away, we'll take this as is right now and we'll work for the rest later. We'll just keep working on the rest of it, but we'll start drawing our share here right today. What's wrong with that approach?

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

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. We'll certainly consider it, but the problem is that if we now switch and say okay let's look at diamonds, then we may get new challenges from the Akaitcho, for example, who

have not agreed even to discussing devolution with us saying no we don't want you to talk about sharing resource revenues on diamonds because that's in our traditional area, and it adds a whole new complexity to something in the few months we have left in our government. Then that's where most of our resource revenues are coming from right now.

The rest is coming from Norman Wells oil and gas. In the Norman Wells case, the federal government doesn't even want to acknowledge that we should have a share of that, so it's a whole different issue there. Mr. Chairman, I'll take it under advisement, we'll look at it, we'll talk about it, but it would...I'm just afraid it would complicate the issue and give the federal government reasons to take their focus off this and start to throw other problems as being reasons for delaying. I'm reluctant during the life of our government to throw other alternatives out there for them, but try to keep them focused on what we're doing here. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Mr. Villeneuve, thank you. We're on page 2-25. Mr. McLeod.

MR. ROBERT MCLEOD: (inaudible)...2-27.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. We're on page 2-25, activity summary, executive offices, operation expenditure summary, \$6.639 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-27, executive offices, activity summary, Executive offices, grants and contributions, grants, \$150,000. Mr. McLeod.

MR. ROBERT MCLEOD: Thank you, Mr. Chair. Mr. Chair, as many of you know, I've been beating on this resource revenue sharing drum for a while and I agree with the Premier to try and stay the course and not break things up, because other than dragging out over 40 years, 30 years, to do that now would, I think, drag it out even more and play right into Ottawa's hand because they have an excuse to delay it longer. I just wanted to make that point.

The \$500,000 that I see here, to devolution negotiation, that's money that's given to...It's a contribution to the aboriginal governments to take part in the negotiation process and that negotiation process is it being part of a combined negotiation process with Ottawa, or is it their own negotiation process with Ottawa? Thank you, Mr. Chair.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. McLeod. Mr. Handley.

HON. JOE HANDLEY: Thank you, Mr. Chairman. The negotiations are essentially trilateral negotiations in that we're all at the same table, but they would be negotiating on a common set of principles that we've agreed to with them, but also taking into consideration each of their own interests. Now they have agreed on a number of fronts to work together, so it's not as if each aboriginal regional government is off doing its independent thing at all. So to answer the question, it is at the same table and the same set of negotiations and based on the same set of principles.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Handley. Mr. McLeod.

MR. ROBERT MCLEOD: Thank you, Mr. Chair, and thank you to the Premier for that because I was quite concerned, I mean, I want us all to be on the same page, on the same team here. The money, this \$500,000 just goes to the aboriginal groups. I'm assuming it's all aboriginal groups that want to take part in the negotiation process, just not those that are with claim settlements. This \$500,000 is on top of what it's costing this government for our own negotiators. I'd be curious as to a figure what it's costing us for our own negotiators to be down there and I will leave it at that, Mr. Chair.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. McLeod. Mr. Handley.

HON. JOE HANDLEY: Thank you, Mr. Chairman. Yes, this amount of money is a grant, or a contribution that goes out to the aboriginal organizations. We only pay out the money to those regional governments or organizations that are onside with negotiating devolution. If they're not active or they don't want to take part in this, then they don't get the funding. This money is matched by DIAND, as well, by the federal government.

Mr. Chairman, in addition to that, we also spend a total of \$972,000 on negotiations ourselves for our own people and I believe that includes their salaries, benefits and costs. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you. We're on page 2-27, activity summary, Executive offices, grants and contributions, grants, \$150,000.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Contributions. Mr. Yakeleya.

MR. YAKELEYA: Two quick questions for the Premier in terms of this issue. Is there a cap set? Are you aware of any type of cap with the devolution negotiations? I know it's been going on for a long time. In terms of our similar experience with land claim negotiations, a certain time frame that the government wants to settle an agreement and they certainly put a cap. Are we in the same realm as this type of negotiation, because this is probably on a larger scale, grander, it's our life, it's our stake, it's our future. So I'm really glad to hear, Mr. Chair, that Mr. Premier has said he's not going to settle for anything. I think he's got a good attitude to have towards negotiations and to lead his people. I'm going to ask does he foresee any type of capping from the federal government on the resource revenue sharing or devolution and say sorry, Mr. Premier, you have to come to some decision with this deal here. I just wanted to ask that. I'm not too sure if it's a fair question to the Minister, but I wanted to ask that, Mr.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Mr. Premier.

HON. JOE HANDLEY: Thank you, Mr. Chairman. In terms of the amount that we are looking at for as cost sharing, what we have said is 50 percent minimum of the money that we take in as a territory and non-renewable resource development should come to the Territories. So that's the cap and the floor that we've put on that one. The other two territories agree with us on it and the

provinces, of course, have different views of what should be and could be. However, we're ready to settle for 50 percent of our resource revenues. Now that's less than what Alberta gets or Newfoundland gets on offshore and so on, but we feel we can't negotiate forever for 100 percent, knowing we're not going to get 100 percent because the federal government isn't going to go there so let's not be unrealistic.

In terms of time frames as the other kind of cap, the other way of looking at it, I have set a time frame for an AIP of March 31 st. The aboriginal governments agree with us on that. The federal government has always said that's your timetable not ours, so they haven't agreed to that timetable. When it comes to a final agreement, then I would hope that after we sign an AIP that we could hopefully set a target of getting it settled in a year. There's no use delaying further than that. Thank you, Mr. Chairman.

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

MR. YAKELEYA: Thank you, Mr. Chair. Mr. Chair, as some of the Members from this side of the House know about the issue of a heritage fund, a trust fund, in terms of this issue here, I know, devolution. I'm glad again that, with the devolution, that the federal government is offering something, they want us to pay additional for something that they should be responsible. So I'm glad that the Premier and his staff are telling him not to sign just for the sake of signing and we have a devolution deal. Sometimes, like you said before, a deal might not be a good deal for us and...(inaudible)...will be pain for us. I'm going to ask the Premier in terms of any type of discussion, and I know you're coming close to it, and the Premier has got some direction from the Members here to work with the aboriginal groups in terms of working together. We've got to work together as a territory on this deal here. It's so important. So I know that adds more resources, more, I think, patience to how we get a deal for the Northwest Territories. He stated clearly that the aboriginal groups, the other agencies and groups in the Territories need to be onboard here. So is a heritage trust or some kind of trust in the works for us in terms of...I'm going to mix it up with devolution in terms of resource revenue sharing. What's the minimum in terms of the devolution that we could begin to see that, yes, it would come to a deal about the programs that we're going to assume from the federal government coming to the Northwest Territories? I know it's not going to be all at once that we're going to be flooded with everything, so is it over a period of years that we'll get one or two employees, next year we'll get two or three employees. I think that's all I wanted to ask, but I also wanted to say to the Premier that certainly, again, I would support him in terms of what things that we can do to certainly get the aboriginal groups onside to negotiate this devolution and resource revenue sharing. I'll save the rest for in the House tomorrow. Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chairman. Basically we have all the responsibility of a province except for land and water and, of course, along with that comes the minerals and so on in the resources. The way I would see it unfolding is that we would take over responsibility for that completely on the signing of a final

agreement. That would mean roughly 200 employees who are working in the North would basically become GNWT employees at that time and that could be rolled right in without a hiccup. Then there are people in Ottawa who work on the Northern Affairs Program, that's roughly 150 people in Ottawa, and of that the federal government say their latest position is there's only 22 who work on Northwest Territories specifically, so that's what would transfer. We're looking at more in the neighbourhood of 44 or 45 employees. However, that could all be done in one swoop on the signing of a final agreement. It's not big compared to the size of our overall civil service. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Premier Handley. We're on page 2-27, activity summary, Executive offices, grants and contributions, grants, \$150,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Contributions, continuing on to 2-28, activity summary, grants and contributions, total contributions, \$500,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Total grants and contributions, \$650,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Can you now turn to page 2-32 and 2-33, activity summary, Public Utilities Board, operations expenditures summary, \$339,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Turn to page 2-36 and 2-37, activity summary, regional operations, operations expenditure summary, \$1.818 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-38 and 2-39, information item, regional operations, grants and contributions, contributions, \$100,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-43, information item, work performed on behalf of others.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Now can you turn back to page 2-11, Executive offices program summary, operations expenditures summary, \$13.161 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. Does committee agree that that concludes the Department of...Mrs. Groenewegen.

MRS. GROENEWEGEN: I have a question.

**CHAIRMAN (Mr. Pokiak):** Thank you. Mrs. Groenewegen.

**MRS. GROENEWEGEN:** Thank you, Mr. Chairman. Under Minister's travel, in the previous government the Premier used to file a schedule of all ministerial travel,

whether it was for home travel or ministerial travel, along with the date they travelled and the cost of the travel. It used to be tabled on a quarterly basis and I'd like to know if that's being done, why it isn't being done, if it's readily available. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mrs. Groenewegen. Mr. Premier.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. I think all that information is posted on the website on a quarterly basis. Sorry, we don't provide a paper copy anymore because it's on the website.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. We're on 2-11, Executive offices, program summary, operations expenditures summary, \$13.161 million. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I just had a quick question with regard to the Department of HR. In the budgeting it appears under the all-in-one package under the Department of Executive. I am just wondering, in next year's budget, is the Department of HR going to have its own tab? Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chairman. I am not sure. I would think if Members want it as a separate one, it could be included separately. Right now it's listed as part of the Executive, but everything is accounted for as it if were a separate department altogether. Mr. Chairman, we can take a look at that. I don't see why we couldn't do it as a separate department the same way we do MACA.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I would appreciate it if the Premier could look into that. We just have to make the determination is it or is it not its own stand-alone department. Thank you.

**CHAIRMAN (Mr. Pokiak):** Okay. Before we start, we will go to 2-11, Executive offices, program summary, operations expenditure summary, \$13.161 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Premier Handley. Does committee agree that the consideration of the Department of Executive is complete?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Does committee agree that the Department of Executive offices is complete?

SOME HON. MEMBERS: Agreed.

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

We are now going into Aboriginal Affairs and Intergovernmental Relations. At this time, I would like to ask the Premier if he has any opening comments.

**HON. JOE HANDLEY:** I am pleased to present the 2007-2008 Main Estimates for the Department of Aboriginal Affairs and Intergovernmental Relations.

The department is requesting \$7.450 million in operating expenses for the 2007-2008 fiscal year. This represents a 1.7 percent, or \$122,000, increase from the 2006-2007 Main Estimates. This increase can be attributed to the following factors:

- the department received forced growth funding in the amount of \$222,000 for collective bargaining increases; and
- incurred a \$100,000 reduction to reflect the transfer of responsibility and associated resources for the Beaufort-Delta capacity building initiative to the Department of Executive.

Mr. Chairman, it has been over a year since the Department of Aboriginal Affairs and Intergovernmental Relations received its new mandate of streamlining and improving how we, as a government, work with aboriginal partner governments and organizations. The department has been engaged in several initiatives and has undergone restructuring measures aimed at making the organization more effective in successfully carrying out its new mandate. I am pleased to report that our efforts to date have been accomplished within existing resources.

We have been working hard, and will continue to do so, at establishing respectful government-to-government relations between the GNWT and regional aboriginal governments. In support of this commitment, the department has established an \$830,000 intergovernmental initiatives fund to provide regional aboriginal governments with the resources they need to prepare for, and participate in, meetings with the GNWT, and, where necessary, Canada, to discuss matters of interest to the territory at large.

Mr. Chairman, the department remains committed to fulfilling its obligations regarding the finalization and implementation of aboriginal land, resource and self-government agreements. The challenge for the department is to ensure that the various negotiations result in agreements that share some degree of consistency with respect to the role that the territorial government will play in a future Northwest Territories.

Communications will play a key role during this transition period and I will ensure that the department makes every effort to keep various audiences informed about all its functions, including providing regular written updates to Members on both the progress of the various negotiation tables and the status of the implementation of settled land claims.

We share the opinion of Members that it is important to hold land, resource and self-government negotiating sessions where they matter most, which is in communities impacted by such negotiations. The department has achieved successes in this area and will continue its lobbying efforts with the other parties to hold as many negotiating sessions as possible in the North.

Mr. Chairman, I am now prepared to answer any questions committee members may have.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Now I would like to ask Mr. Lafferty for opening comments regarding Aboriginal Affairs and Intergovernmental Relations. Mr. Lafferty.

# Department Of Aboriginal Affairs And Intergovernmental Relations

**MR. LAFFERTY:** Mahsi, Mr. Chair. The committee met with the Premier on September 28, 2006, to review the draft business plan for the Department of Aboriginal Affairs and Intergovernmental Relations.

Committee members noted that the Department of Aboriginal Affairs and Intergovernmental Relations is proposing to spend \$7.450 million in operations expense for the fiscal year 2007-2008. This represents a small increase of \$122,000, or 1.66 percent, from last year's main estimates entirely due to forced growth for wages and benefits.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Lafferty. At this time, I would like to ask the Minister if he would like to bring in witnesses.

HON. JOE HANDLEY: Yes, I would, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Sergeant-at-Arms, bring in the witnesses, please.

Mr. Premier, can you introduce your witnesses, please?

HON. JOE HANDLEY: Thank you, Mr. Chairman. With me are Gabriela Sparling, the deputy minister for Aboriginal Affairs and Intergovernmental Relations; and Richard Robertson, the director of corporate planning for the department.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Premier. General comments.

SOME HON. MEMBERS: Detail.

CHAIRMAN (Mr. Pokiak): Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. The point I want to raise is the importance of this department in light of the significant negotiations going on down the Mackenzie Valley and the amount of resources needed in the Northwest Territories; royalties, benefits and decision-making authorities. At the same time, negotiations are happening with communities and regions on the self-government process. I hope to see some of that concluded. I wanted to comment on the importance of these self-government negotiations and hope they are carried out in the spirit and intent of the negotiators when they sit down to ink the final document and have it implemented in the North.

Mr. Chairman, I also want to comment on the importance of our negotiators coming into our regions and communities and understanding our way of life, and our culture and language is key to really working on a strong partnership together. I am not sure if that has been brought forward, but I believe it will now. I think that's really important to forge strong relationships and partnerships.

As the Minister indicated in his previous position with the Department of Executive, we have to really form strong partnerships with our aboriginal governments. It's long past that we have two different paths in the Northwest Territories. I think we really have to take on ownership of working together. The responsibility is so critical at this time and your department is so critical in this area. I can't stress the importance this department means to the people in our small communities.

I speak passionately because I know what it means in people's minds and hearts when they sign these agreements. They are nothing to be fooled around with. They are serious agreements. They mean a lot and the spirit and intent of these agreements go back to 1921 and the 1800s. If you sat down with the elders and asked them about the treaty agreements, they would really give you a clear picture of how these treaty negotiations were taking place. They understood the meaning of the sun rising, the grass growing and the river flowing and the treaty. They take a different view at how we look at these treaties. If you listened to how this treaty was negotiated, they don't say the sun rising, the grass growing and the river flowing for nothing. They had a strong, significant meaning to those words.

I hope that somehow we can show that we will work strongly with our aboriginal negotiators and our negotiations in the different regions here to put together a strong position by the Northwest Territories and stop using two paths to benefit the Northwest Territories. We are too small in numbers. We know each other down the Mackenzie Valley. It's very hard sometimes because of regional differences. It becomes so hard and we take positions that make it hard sometimes to communicate with one another.

I just wanted to stress that to the Premier and the staff and my colleagues. It's very important. This department means a lot for me and the people I represent and us working together. I know that we could do it. That's all I would like to say, Mr. Chair, to the Premier.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. General comments. Mr. Lafferty.

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

I would just like to highlight some key points here as a general statement to the Minister. We talk about the government-to-government issues and resolving issues. There is always ongoing discussion. We sign off land claim agreements with various parties as the GNWT perspective. We sign off with aboriginal governments, along with the federal government. It's an agreement that has to be fully respected. You know, we've always heard our elders tell us work together. There will be hard times, but we must work together as much as we can. We will get over the hurdle.

The reason I am saying that is sometimes we talk about the government. We, as the GNWT, are a government for the Northwest Territories. At the same time, our neighbours, Tlicho, has their own government as well. They are going on two years now and there will be other governments in the Northwest Territories as well. We must respect them as a government, stand-alone government. At the same time, we still have to work together.

When they signed the treaties, they have always stated as long as the sun shines, the river flows, we will not be restricted. We still hold that to our hearts. It's not our words, it's the words of our elders and ancestors who have passed on, but it's still written. Respect is a huge word in the communities. Whenever we go to communities, they respect us and we show that respect back.

We are still implementing these agreements and there are always hurdles or obstacles in the way that we must overcome. There are issues that may be minor and some may become major that we have to tackle. I would like to say here let's keep the doors open as government to government and pursue further as positive working relationships. There may have been stumbling blocks in the past with our neighbouring Tlicho Government. They are learning, as we are. We have been there before as the territorial government when we first started back in the early '70s. We have gone beyond that. I am sure the Tlicho Government will do the same thing.

Let's work with them. For sure, building a positive relationship will go a long way. And other governments as well. Mahsi.

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

SOME HON. MEMBERS: Detail.

**CHAIRMAN (Mr. Pokiak):** Can we go to 2-96 and 2-97? Activity summary, Aboriginal Affairs and Intergovernmental Relations, operations expenditure summary, \$7.450 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-100, activity summary, Aboriginal Affairs and Intergovernmental Relations, grants and contributions, grants, \$1.330 million. Mr. Villeneuve.

MR. VILLENEUVE: Thank you, Mr. Chair. Just on the intergovernmental initiatives fund of \$830,000, I'm not going to say this is not a good thing, because I think it's something that's long overdue again. First Nations governments before something like this was even set up, you know, a lot of programs, community programs in smaller communities suffered because they didn't have funding sources like this. So they diverted funds from community programs in order for them to come here and talk with the GNWT about intergovernmental issues and initiatives here in Yellowknife as a staff. Even though I don't think that \$830,000 is even close to what they should be entitled to, mind you, because we're talking quite a few aboriginal governments, at least 50 or 60 councillors -- with the Northern Leaders Conference you can see how many people we're talking about -- and yet we've got 43 staff here with a budget of \$7.5 million and we're throwing out there the aboriginal governments to come here to Yellowknife on this \$830,000 to talk about intergovernmental issues. So that's just a comment I wanted to make. I think it's something that should be growing as far as funding sources for communities, First Nations governments in the smaller centres that can't afford and don't want to take out program money in community programs. I think we should build on it. That's all I've got to say. Thank you, Mr. Chair.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Villeneuve. We're on page 2-100 and 2-101, activity summary, Aboriginal Affairs and Intergovernmental Relations, grants and contributions, grants, \$1.330 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Contributions, total grants and contributions, \$1,330 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Turn to page 2-104, 2-105, Aboriginal Affairs and Intergovernmental Relations, information item, work done on behalf of others, \$485,000. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chair. One question to the Minister in terms of the work done on behalf of others in terms of the Sahtu implementation, I want to ask are we on schedule in terms of our commitments for implementing the Sahtu Land Claim Agreement that was have signed on in this agreement and finalized by all governments with the Sahtu people, Mr. Chair? Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Mr. Premier.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. Yes, we're on schedule with the Sahtu land claim implementation. In fact, with all of them we're on schedule and as the Member may have noted we are now giving Members a copy of the implementation progress reports as well.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Premier. Thank you. We're on page 2-104, Aboriginal Affairs and Intergovernmental Relations, information item, work done on behalf of others, \$485,000.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 2-105, Aboriginal Affairs and Intergovernmental Relations, information item, lease commitments - infrastructure.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Can we now turn to page 2-93, Aboriginal Affairs and Intergovernmental Relations, program summary, operations expenditure summary, \$7.450 million. Mr. Yakeleya.

**MR. YAKELEYA:** Mr. Chair, just a clarification on the item on compensation benefits, I see the increase. Could I ask the Premier to explain the jump in this increase on the compensation and benefits?

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Mr. Premier.

**HON. JOE HANDLEY:** Thank you, Mr. Chairman. That is \$222,000 collective bargaining increases listed as forced growth. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Premier. Mr. Yakeleya.

MR. YAKELEYA: Just a little more clarification in terms of the forced growth collective bargaining agreement that

we have. So again, just a clarification. I just want to know this. Thank you.

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

**HON. JOE HANDLEY:** Mr. Chairman, that's correct; we have a collective bargaining agreement for our employees with the Union of Northern Workers and through that we have to give employees regular increases as provided for in that agreement. Thank you.

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

MR. YAKELEYA: Thank you, Mr. Chair. I guess I don't want to get too far into some types of discussion or in types of strategy in terms of tactics and negotiations. Is this type of discussion here being talked about when we talk about self-government negotiations into agreements with the regions and the communities? I don't know if I'm off the question here, Mr. Chair, so I might just withdraw that question here.

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

MR. BRADEN: Thank you, Mr. Chairman. In the area of grants and contributions listed on the summary here at \$1.33 million, Mr. Chairman, I notice that there's been a shift in the allocation from contributions, which those various pots started out in the current year. They are now shown for the coming year as grants and I'm wondering if the Premier or the Minister could offer an explanation of why the shift. What is the difference in terms of our policy or our accounting for the change from a contribution to a grant structure, Mr. Chair?

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

**HON. JOE HANDLEY:** Mr. Chairman, we made the shift of contributions to grants to see if everybody read this.

---Laughter

No, I'm just joking, Mr. Chairman. We made the shift because we feel if we're going to have respectful government-to-government relations, that we should treat aboriginal governments the same way we're treated in federal/provincial relations or anything else. The difference between a contribution and a grant is in a grant it's up to the body receiving the grant to be accountable, they have to be accountable. With a contribution they would have to provide us with a very detailed audited statement of where they spent everything. So, Mr. Chairman, this is just showing more respect for aboriginal governments and organizations. Thank you.

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

MR. BRADEN: Okay, I can connect the dots on that. I guess though there would still be some accountability, if you will, or accounting for what is our criteria, if you will, or expectation for what will be achieved for contributing \$1.3 million from the taxpayers' purse to our aboriginal partner governments, Mr. Chair?

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

HON. JOE HANDLEY: Mr. Chairman, with a grant it's terms are set by a payment directive that they have to enter into saying where the money is going to be spent and how it will be spent, but when it comes to details like how much they might have spent on salary versus travel, then they have more flexibility to do those kind of things than they would with a contribution where they might have to return the money to us if they didn't spend it exactly on what they said. So this just gives them more flexibility to do their job in the way that they feel it can best be done. Thank you, Mr. Chairman.

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

**MR. BRADEN:** Okay, and their job is...I'll ask the Premier to define that job then. Thank you.

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

HON. JOE HANDLEY: Thank you, Mr. Chairman. The exact terms of the job or the program they're delivering will be spelled out in each of the payment directives. So in this case, for example, on intergovernmental relations initiative funding, if I took the \$830,000 we provide to the seven aboriginal organizations, then in there that money is intended for them to be able to participate on a government-to-government basis in discussions with the GNWT and sometimes from the federal government on issues that are of common interest. So we could take an issue like economic development, for example. This would enable them, if they wanted to, to hire some expertise, to be able to travel to a meeting, to be able to come to the table and meet with us as much as possible on equal footings. There are several different grants, Mr. Chairman, and each one of them would spell out the terms of that task. Thank you.

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

MR. BRADEN: Thank you, Mr. Chairman. Does the federal government also contribute directly to the aboriginal organizations and, for that matter, do the aboriginal governments themselves make investments? Some of them are the recipients of considerable cash through land claim settlements. Are they also, if you will, investing in their own interests, Mr. Chair?

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

HON. JOE HANDLEY: Thank you, Mr. Chairman. Certainly the federal government does contribute to the aboriginal organizations as well. Again, for example, on the intergovernmental initiatives fund we provide \$830,000, the federal government provides roughly \$1.6 million, or about \$2 for every one we provide. The extent to which the aboriginal governments themselves will use their own beneficiary money is something that probably varies depending on their own cash situation and whether it's a project that deals specifically with beneficiaries and so on, but that would vary a lot. But my expectation is that they do spend some of their own money as well on the intergovernmental initiatives or in the area covered by grants.

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

MR. BRADEN: Thank you, Mr. Chairman. I believe in earlier discussions in the Assembly and specifically related to the situation faced by the Aboriginal Summit that contribution or funding that we were providing to the Aboriginal Summit, given their, if you will, stop in operations, was now being allocated to the individual organizations. Is that allocation covered under what we see here, or was there some different or exceptional funding pot that was going to the Aboriginal Summit?

CHAIRMAN (Mr. Pokiak): Thank you. Can I have order please, quiet? We're on page 2-93, program summary, operations expenditure summary, \$7.450 million. Thank you. Mr. Handley, I think Mr. Braden had a question there.

HON. JOE HANDLEY: Thank you, Mr. Chairman. Yes, the \$830,000 we provide, a lot of that was going to the summit before, directly from us, but our view is that they are leaders, they will make their own decisions. So we give the money to each of the groups on a regional basis. Those who participate in the summit could choose to take that money if they wanted to and pool it to create their own secretariat, rather than us doing it for them. Mr. Chairman, the same way, we wouldn't want the federal government or somebody doing that to us. So we feel we treat them on the same basis as we would expect any government to be treated. Thank you, Mr. Chairman.

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

MR. BRADEN: Thank you, Mr. Chairman. I believe I got an answer, I just want to run this back to make sure I heard it the right way that the allocation that was going to the Aboriginal Summit is the same money that we are seeing here, there is not some different pot on top of this going to those aboriginal governments?

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

**HON. JOE HANDLEY:** Mr. Chairman, yes, that's essentially the same pot of money. There's money in there for the intergovernmental forum and so on wrapped in there as well.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Handley. Thank you. We're on page 2-93, Aboriginal Affairs and Intergovernmental Relations, program summary, operations expenditure summary, \$7.450 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. Does committee agree that the consideration of the main estimates of Aboriginal Affairs and Intergovernmental Relations is concluded?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. I'd like to thank the Minister and his witnesses. Can the Sergeant please escort the witnesses out? Thank you. At this time we're going to take a short break. Thank you.

---SHORT RECESS

**CHAIRMAN (Mr. Pokiak):** I will call Committee of the Whole back to order again. We are now going to review the Department of Finance. At this time, I would like to ask

the Minister responsible, Mr. Roland, if he has any opening comments. Thank you.

**HON. FLOYD ROLAND:** Yes, Mr. Chairman. I am pleased to present the Department of Finance's Main Estimates for the fiscal year 2007-08 fiscal year.

The main estimates for the Department of Finance identify a total expenditure budget of \$11.461 million for 2007-08. This presents a 44 percent increase over the 2006-07 Main Estimates amount. The net increase is composed of:

- an additional \$3.2 million to fund interest costs associated with increased government borrowing;
- \$222,000 for projected insurance cost increases;
- \$179,000 to fund Collective Agreement increases and approved northern allowance adjustments; and
- a reduction of \$93,000 to reflect sunsetting of onetime implementation costs associated with establishing the macroeconomic policy function.

Although the GNWT is forecasting a small operating surplus for the coming fiscal year, capital acquisition costs and the repayment of the 2002 corporate income tax overpayment will result in the GNWT incurring a cash deficit in 2007-08. This will be the first time this has occurred since early 2001. An increase in the department's budget for interest costs is required to finance this debt. However, the government will remain within the guidelines of the fiscal responsibility policy and will not exceed the \$300 million debt limit in 2007-08.

During 2007-08, the Department of Finance will continue to focus on the fiscal issues affecting the GNWT, such as territorial formula financing, the GNWT's borrowing strategy, and resource revenue sharing.

Another key initiative for the department in 2007-08 is the development of a new economic roadmap, or macroeconomic policy framework, for the Northwest Territories. The framework will build on the consultations held last fall, including the excellent discussions that occurred at the roundtables in Yellowknife and Inuvik. The report on those consultations has been completed and was tabled in this Assembly earlier this session. Later this spring, it is our intention to bring people together again to discuss key issues and help us chart the course for our economic future. By the end of this summer, the goal is to develop a policy framework to help guide the GNWT in its investment decisions and economic policy choices.

That concludes my opening remarks. I would be pleased to answer any questions Members may have. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. At this time, I would like to ask Mr. Lafferty, chairperson of AOC, to make opening comments. Thank you.

# **Department Of Finance**

**MR. LAFFERTY:** Mahsi, Chair. The committee met with the Minister of Finance on September 19, 2006, to review the draft business plan for the Department of Finance.

Committee members noted that the department is proposing to spend \$11.461 million in operations

expenses in fiscal year 2007-2008. This substantial increase of \$3.508 million, or 44.11 percent, since the 2006-2007 Main Estimates is mostly -- \$3.2 million -- due to the increase of short-term interest expenses beside higher costs for insurance premiums and salaries and benefits.

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

## **Financial Relationship With Canada**

The standing committee believes that the NWT has a bright future. However, its ability to use the unfolding opportunities to the benefit of the population will also depend on the GNWT's capacity to make timely investments in infrastructure and people. Therefore, the committee continues to support the Finance Minister in his efforts to secure a fair formula financing arrangement with Canada, and to have the arbitrarily imposed borrowing limit of \$300 million increased. Mahsi cho.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Lafferty. At this time, I would like to ask the Minister if he would like to invite in witnesses.

HON. FLOYD ROLAND: Yes, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you. Can the Sergeantat-Arms, escort the witnesses in, please? Does committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. Mr. Roland. Can you introduce your witnesses, please?

**HON. FLOYD ROLAND:** Thank you, Mr. Chairman. Mr. Chairman, to my right I have with me the deputy minister of the Department of Finance, Ms. Margaret Melhorn; and, Mr. Mel Enge, the director of finance. Thank you, Mr. Roland.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. General comments. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I wanted to provide a few opening comments on the Department of Finance. Again, I know the Minister and the department have worked extensively over the past year to try to develop this macroeconomic policy framework and hiring new people to work in a policy shop within the Department of Finance.

I mentioned last year, and I don't think it's a coincidence, the Department of Finance actually looked at a loss in positions when the Bureau of Statistics was moved over to the Department of Executive. Lo and behold, a macroeconomic policy shop was set up in the department.

I am going to provide the House a little bit of an analogy if I could, Mr. Chairman. I would equate the Northwest Territories today and our government today like an adolescent child on an allowance. Let's say instead of his allowance being \$1 billion a year, it's \$10 a week. Mr. Chairman, it's like that adolescent kid going out and hiring four investment specialists from Investors Group, or you could pick and choose who you want, trying to tell that kid how to spend his \$10 a week. Oh, little Johnny, you can afford to go to the movies this week...

#### ---Laughter

Mr. Chairman, if you put it in that context, this policy shop is premature. All the work that's been done to date is hypothetical. We don't have a resource revenue deal with Ottawa. We are on a fixed income, more or less, we have an allowance. We have limited or no ability in raising revenue. Make no mistake about that. Our debt limit is set in stone at \$300 million. We have no control over that. Investments, we are limited in our investment capability on a fixed income. Again, I take issue with the fact that now...We saw in our discussions earlier today an initiative like the ABC review of boards and agencies across this land. For most Members, it was one of their number one priorities. Meanwhile, a macroeconomic policy shop with four people in it is shoved in our face. That's what it was, Mr. Chairman. We are just made to take it. I don't understand, in the absence of a deal with Ottawa, how can we afford at this time to be developing a macroeconomic policy framework? It's all hypothetical; absolutely hypothetical.

Again, I wanted to mention that for the record. I was opposed to the hiring of the positions last year. I am still opposed to the policy shop being in the Department of Finance and I stand by my thoughts on this, Mr. Chairman. I am not an economist or a specialist in the economy or things of that nature, but I do have a brain and I try to think about things in a logical fashion. Mr. Chairman, as much as I think about this, it just causes me a lot of...

## AN HON. MEMBER: Heartburn.

MR. RAMSAY: ...heartburn, yes. Again, the government has a lot of priorities. This right now shouldn't be one of them. We have been operating as a government since 1967 without one. Why? Because we are on a fixed income. We were in 1967 and we still are today. Mahsi.

# ---Applause

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. General comments. Next I have Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. I, as well, wanted to comment on the macroeconomic initiative and the perspective that I have on this particular issue and to provide that comment as well as identify some of the areas that I am assuming would be included in the final policy. In my mind, Mr. Chairman, we live in a territory that has, I don't know if it's untold billions but it's probably hundreds of billions of dollars of resources that we are setting the stage to develop. We know that in gas and oil alone, it's in the billions of dollars.

We know that we have enormous challenges as a government on the expenditure side where we are expending 60 to 65 cents of every dollar on preventable causes like personal choice issues, the drinking, the smoking, the lack of exercise and diet, yet out of our budget, consuming an enormous amount of money. We know there's a need to put a frame around all the work we are doing and we can't just look at the revenue side, we have to look at the expenditure side. Otherwise, we can never generate enough revenue, nor can any other jurisdiction in the country, to cover off the rising cost on the health care side.

We have to make that adjustment. We need to make sure we put a better frame around that. We talk about what some see as the untravelled growth in government, the need for the zero-based review that everybody is going to be looking towards in the 16<sup>th</sup> Assembly to look at where we are and are we right sized and if we are going to change the structure of government, how do we do that?

We have unprecedented demand for our resources. We know we have to do a much better job in accounting for and incorporating an environment in economic development. No macroeconomic development policy in the Northwest Territories can even think of going forward without a clear inclusion front and centre of the environment being we are a resource-based economy. The value of the land, the issues we are dealing with with climate change and water and the many transboundary issues.

If we are going to do a proper macroeconomic policy, we know we have to talk about land use planning. We have to talk about how we are going to develop our resources, how fast, where, to what extent. We have to look farther down the road than the four-year terms of government.

We have some very fundamental decisions to have that I see are intrinsic to having an effective macroeconomic policy. There is a need for us to do that. We heard talk today in the House, for example, on a human resource plan. We have to finish some of those internal workings as well. Grant Thornton, last Assembly, in their study and their report and recommendations said we should have a human resource plan in government that ties into our zero-based review. We haven't yet managed to do that, but that's a piece of looking at the zero-based review and are we right sized as a government.

In my opinion, we have to plan for the future. I know I am confident, as the Premier said he is and every Member here is. We have to be chronically optimistic that we are going to get a resource revenue sharing deal and we have to plan for the day that we are going to leave the nest, be able to stand on our own two feet and be able to decide on how we are going to develop the North. We don't want to do that from a dead stop because we weren't going to do it until we had the deal in hand. We have to look at some foresight, some planning, some long-term work that's going to put a frame around all these very complex issues.

The land use planning alone, if we look at the protracted struggle with the Dehcho indicate the kind of work we are going to have to do, though they should receive credit for breaking trail on this issue. To me, it's a fundamental piece of any kind of policy, is how we are going to look and use the land incorporating all the uses that are already there and projected uses. They are very significant when you look and overlay all the maps with the land claim areas, with the protected areas strategies. with the parks, with where the caribou winter, where all the exploration permits are. Right now, we have no real clear idea as a government how all those pieces fit together. So you can't do a macroeconomic policy unless you have that information and it's clear. Then you could have the discussion with the people of the Northwest Territories and plan for the future. Everything we do is going to be tied to the land.

Finally, the macroeconomic issue that is going to be inherent in this as well is going to be a lot of the water-

related issues; the hydro expansion, both in the Taltson and other small communities and what we are going to do with the transboundary issues, both on the development side and the environmental impact side.

So is there a need for a, if you want to call it a macroeconomic policy? I believe there is. I believe it's good, sound sense to start planning for that. We have pieces all over the place we are already working on that aren't as well coordinated as they should be, as has been pointed out time and time again in this House.

So if this is going to give us the framework to be able to link these pieces, as I think it should and I think that's the intent, then I think it's an investment worth making. That's not to say that the other things that have fallen off the table should have fallen off the table, but clearly for those of us...For myself anyway, let me rephrase that. Having been at this table now eleven and a half years planning coordinated, comprehensive planning by government has been seen as something as an oxymoron at times. It's something that we have to recognize and I think we have to do a better job. I think this is a vehicle to help us do that.

I would be in support of this, but I would be very interested in the Minister's comments to make sure that it is a macroeconomic policy that doesn't just focus on revenue. It recognizes the expenditure drivers that if we don't get them under control, they will keep us chronically in the poor house.

The other piece I would look to see built into this as we anticipate the future, is the issue of some type of fund, legacy fund, heritage fund, for the future that we have to build into this policy so that we can recognize that, as we speak, oil, gas and diamonds are being taken out of this territory that will never be replaced and that our children and grandchildren and their children, you can use as many generations as you can think of, are going to count on us now to set the proper plans in place. That includes putting money aside for those generations because the oil and gas won't always be there nor will the diamonds. But if you do this right, the land should be there, the caribou should be there and they should still have a good life. They should be able to still live off some of the good and sound investment decisions we are going to make as a government and the pieces we are going to put in place in the coming months. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Miltenberger. General comments. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. The issue of finance is important because over a period of time, we, as a government and people up here, have shown the amount of money that we have to work with. The needs are very high, the wants are high and we have only a certain amount. We have pre-conditions already set for us in terms of borrowing money and the money you get from the government in a grant and the amount of dollars that leave the Northwest Territories and the taxation that we have.

I think that over the years I have known the Minister and his department, they have shown some good results regarding our finances. I don't really understand the macroeconomic policy, so I had to get research to help me understand what it means. It does make sense because of all the multi facets of how we handle our

finances. The biggest one is the resource revenue sharing. I am really quite concerned as to whether we've done any work in terms of post resource revenue sharing regime. There are various levels that we are going to have in the Northwest Territories and there has to be one government that has to be the central body. I know other governments are...(inaudible)...and that's true in negotiations in terms of if there's one central government, it needs to work out some very delicate jurisdictions with the other governments in terms of post resource revenue sharing. So everything affects it. I, myself, Mr. Chair, would continue to support this department to continue on with their macroeconomic policy framework and see how it fits into the other governments and how we, as the Northwest Territories, are going to ensure that all the angles are covered, so to speak, in terms of how we deal with finance. So I want to say that to the Minister and I want to ask him some questions later on in terms of the one revenue we do have. I know he's going to have the same answer, in terms of the liquor revenue fund. But again I'm going to make another plea. I just hope my people can get a good explanation. Logically they really can't see it. I'm not in the finance business. He's got some good people to help him explain it, so I might just ask him through a letter. But I think that's important, to let our people know that we have revenue from the sales, and that the majority of this revenue is killing our people in terms of the liquor sales, and people just try to see why is it so difficult just to take some of that revenue, not all of it, to set aside a little bit for the treatment and prevention programs of addictions, specifically alcohol and drugs. The Minister has talked to me many times, other Ministers have talked to me about this issue, and I just need to have a good explanation for our own people back home in my

Mr. Chair, the comments I have for the Minister...That's all I have to say to the Minister.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. General comments. If there are no further general comments, does committee agree to go to detail?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. We're on page...Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. Just some direction. Should we wait until we hit the macroeconomic piece? I'd just be interested to hear the Minister's comments, having heard some of the concerns around the table.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Miltenberger. Maybe I'll let the Minister go ahead.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I can respond at this time to a number of issues Members have raised. The macroeconomic policy would fall under our fiscal policy unit or section, but I can address a number of the issues raised at this point.

I know Mr. Ramsay had raised this in the past, about his concern of this development and he calls it a coincidence, or questions the fact that it's a coincidence. Well, let me confirm I think I did, as last year we went through this process, that it wasn't a reaction because we were taking one section of the department out. The fact that the macroeconomic policy was discussed I believe as far back

as the 12th Assembly and direction was given that the government should start looking at doing that. As the Member made a comparison to us as being an adolescent child, well, the fact is we have \$1.2 billion being approved by this Legislative Assembly. We make tax decisions that would have a huge impact on how things flow in the Northwest Territories. We make spending decisions on non-renewable resource development and how we support that or don't support that, how we come up with funds for many of the other programs. Yes, we are boxed in a number of places; for example, our borrowing limit, which we're working with the federal government on increasing, as well as transfer payments. But the fact is we still have \$1.2 billion and as we make those spending decisions, this macroeconomic policy unit will be the lens in which a government will need to look through as one of the tools of how we spend that money is it the best investment and where we make that investment. So those things are part of the process we need to do. So I would say we're far from adolescent children.

Although it is frustrating at times to know that when it comes to the revenue raising initiatives, ultimately we're negotiating with the federal government on a transfer payment, but so is every jurisdictions across Canada, including the provinces, around equalization. We're in the territories in the form of territorial formula financing. We do have initiatives where we can raise our own revenues, and that's either establishing new taxes or increasing existing ones.

As well, just for confirmation, we did table, as part of the budget day process, the interim report on consultations, Charting the Next Course. So that was tabled in the Assembly. In fact, when you look at it, the two roundtable discussions going towards some of the issues Mr. Miltenberger raised around what's in there and how will this unit start coming together and what focus it will have, as I said, it will be a lens that we will look at in making spending decisions or revenue-raising decisions. When you look at the two tables, one when Yellowknife was a business-orientated process and we had a questionnaire go out to each group. That side we had protecting the environment come up as item number four from the business side. The Inuvik roundtable was community leaders and NGOs, as well. At that table, educating our people first, number one, and protecting the environment was highlighted as number two priority as the government looked forward. So as part of this process, looking at the environment is going to be one of the things we go through on that.

Of course, Mr. Yakeleya raised the issue of the macroeconomic policy and the work we have been doing. In general, trying to get more revenues to our jurisdiction. The liquor revenue portion, when we get to that piece I will again go into a little bit more detail of how that is used. But right now we highlight it, it looks like there's \$19 million sitting there. That money gets wrapped up into our revenues as a government and gets spent on a number of programs and services. So there isn't a pot of money sitting there on a yearly basis that we can tap into. That money comes back to the Government of the Northwest Territories and we use it as part of our revenue source for making spending decisions on all kinds of programs. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Chairman. Maybe I'll recognize Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. Actually, I'll wait until we get to 3-23 on fiscal policy to ask some questions. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. Can we turn to page 3-10? Finance, information item, revenue summary.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Pages 3-12 and 3-13, Finance, activity summary, directorate, operations expenditure summary, \$1.506 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Mr. Yakeleya.

MR. YAKELEYA: Agreed.

---Laughter

I said agreed there.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Hand movements. Page 3-16, 3-17, Finance, activity summary, treasury, operations expenditure summary, \$8.711 million.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Mr. Yakeleya.

MR. YAKELEYA: Thank you. Mr. Chair, just a question to the Minister in terms of taxation. Does the territorial government track the percentage of taxes they have for individuals in the Northwest Territories per region? I know the federal government does that on what the federal government dishes out. They say 33 percent of the population is taxed that the federal government generates as revenue in Canada. Do we have that kind of number in the Northwest Territories, the percentage of revenue generated by our taxes? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, we would have to go specifically by tax bracket or tax area. For example, our agreement with the federal government, because we work with them and they do the collection for us and remit back to us our share of the taxes collected, through the federal government we have a tracking of taxes, personal income taxes paid by individuals. It can be broken down into regions. In fact, that's how I believe they did their work with the Tlicho Government and the amount of taxpayers for that area. They have a selection process where their money can go directly to the Tlicho Government. It would be through the federal government process and the structures there that we would have. It's not the same for every tax area we have, but for the personal income tax side, we do have tracking of personal incomes taxes paid in the Northwest Territories. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Mr. Yakeleya.

**MR. YAKELEYA:** Mr. Chairman, I guess the point I am hoping to make is the amount of taxes we pay in Canada we pay in the Northwest Territories here, are we below the

imaginary poverty line in terms of our standard of living? Further north, do you pay more taxes to the feds and the GNWT? The cost of living has gone up each year. I am looking for a balance here. That's all I am looking for, Mr. Chair, a balance and making sure that we are not getting the short end of the stick in the smaller communities.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the issue of taxation and how it's calculated in comparison to other jurisdictions and then look at the poverty line, as the Member mentioned, those are two different areas. But for the taxation side when we do look at it and we look at the average taxation per individual in the Northwest Territories, our incomes do look higher. That's because of the cost of living in the Northwest Territories. We realize that as the Government of the Northwest Territories, but that does have an effect, for example, when the federal government establishes programs or benefits that are eligible for Canadians, they established their cut-off lines of when people are eligible or are ineligible for some of those rebates. That can have an effect in the Northwest Territories because again on the front of it, it looks like we do have higher incomes. Our argument to that is we have a higher cost of living as well.

When you look at it and do the comparisons, percentagewise, we were deemed in the past, through the previous formula arrangement, to not be paying enough taxes as citizens in the NWT. We took a hit on that under the tax effort adjustment factor. There is work going on now with a new formula that is still we are working on the details of how that portion would be calculated. We know there will be a continued comparison to other jurisdictions in Canada, but at the same time we've worked through the Department of Finance to have it recognized that there was an offset for the higher cost of living in the Northwest Territories. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Mr. Yakeleya.

MR. YAKELEYA: Last question I am going to ask the Minister in terms of the taxation analysis of the revenues projected to come into the Northwest Territories. Again, it requires some...(inaudible)...because I am going to look at the resource revenue sharing and negotiations and devolution. Are we expecting any type of new requirements in our taxation in terms of the federal government offloading some of the responsibilities through the negotiations in settling these agreements? Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. From what I understand from the question of the Member, under our territorial formula financing discussions that are ongoing how would resource revenue sharing be incorporated or if there would be an offset. In past agreements, there would be offsets for economic development. Past agreements talked about economic development incentives, so we would keep a certain percentage before there was a clawback feature on the transfer payments themselves. Again, the details of that are still ongoing. As we proceed, one of the things that has been highly discussed in the provinces and for the

territories' side, and I guess we are waiting to see what a decision would be on the equalization and that affects provinces is when they talk about their own-source revenues and that would incorporate resource revenues is how they would get calculated in the own-source basket. At what point would the clawback hit? That was up for discussion. The O'Brien report, as it's been termed, the expert panel that was established by the federal government made some recommendations and those have been highly debated and there has been no agreement across jurisdictions if it should be 100 percent included, 100 percent excluded, or discussion was a possibility of a 50 percent mark. We are waiting to see if that is part of the federal budget coming up. But as we heard the Premier state in his discussions with the Prime Minister, the possibilities of having resource revenue included in the next federal budget are more on the unlikely side. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Mr. Miltenberger.

MR. MILTENBERGER: Thank you, Mr. Chairman. Mr. Chairman, I have a tax-related question as well. It pertains to offsetting costs that we know are currently there and that are going to get greater. I am specifically referring to the costs as they related to greenhouse gas emissions, to coming emission targets to the impact we know that climate change is having on us right now as a result of those greenhouse gas emissions. For example, with the permafrost where we have already spent millions trying to fix buildings and schools, the affect on our environment.

The plans we have in our hydro plans to try to be more responsible in terms of minimizing our carbon footprint are severely hampered by lack of funds, yet we know that industry is contributing 77 percent to those emissions. We know that the pipeline is going to add further to that. We have offsets in mind, but we have no money. We have a responsibility as citizens of the country, as citizens of the world, to do our share. The one way we can do that to find the money to pay for the offsets is a carbon tax where the large final emitters can pay. They can't come to the Northwest Territories, extra resources, make billions of dollars, help pollute the climate and not be responsible for some of those costs.

We should not be expected to pick those up out of our own-source revenues, especially when we don't have a revenue resource sharing agreement. So the question comes down to the kind of tax structure we are going to have that ties into your macroeconomic policy.

Preston Manning had a very interesting article. He talked about focus on gross domestic product but what he said we should also have is a gross domestic waste calculation as well because that's part of the full economic cost of doing business up here, but it never gets included. All we talk about is the money that is going to be made, and not the mess that's left behind.

The question I have is to me, maybe not in this Assembly, but as we are setting the stage for the next Assembly we have to be able to fund the hydro in the small communities, the community energy plans, all the other things the Energy Strategy is going to talk about. The one way we can do that is with a carbon tax. If Imperial doesn't want to be bothered with being environmentally responsible, they don't even necessarily agree that there is greenhouse gas problems and all these other issues,

but we have accepted that. Then we have to plan for a way to cover that. We can do a tax system through a carbon tax system like many other jurisdictions; Norway, New Zealand, Australia. Many other jurisdictions have already done it.

The Minister's comment, as we look at this piece, it's going to be one way we can get revenue and not have to stand cap in hand asking Ottawa for a few more shekels. So that's the issue of the carbon tax. We know these costs are already there and we're already paying for them out of our pocket and we can't afford to do the offsets unless we do something like that. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Miltenberger. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, as I stated earlier, the one avenue we have within our control is under our own-source revenues and the government can establish a new tax regime. It would have to be based on a broad base impact; we can't do it so specific that we'd end up being challenged on it. We do have examples of taxes in the Northwest Territories and I guess, overall, in Canada you can consider the fuel tax is a consumption tax or a number of the consumption taxes that are meant to offset the impact of the product that is being consumed. For example, we have one of the highest rates of cigarette tax in the country for the sale of tobacco in the Northwest Territories. We also have one of the higher mark-ups on our liquor products in the Northwest Territories because we also recognize the impact of those products. The government, in 1995, the government-of-the-day did hire a firm, KPMG, to look at practices or sound environmental tools or instruments, I guess is a way of putting it, as seeing what could be done in that area. That report is there. Ultimately, as the Member stated I think, direction of that, and I think this falls right into the work of the macroeconomic policy unit because if we want to establish that, then we also have need to look at the fact that the potential of a negative cycle to that where companies would not do business in the Northwest Territories, what that impact is on existing resources or expenditure patterns we have within the government. So it all has to be looked at together, but it is a fundamental tool that is available to the government and it has been looked at in the past, in previous governments. Any government deciding that it wanted to come up with more revenues, than it had to look at that as one of the options. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Mr. Miltenberger. We're on page 3-17, Finance, activity summary, treasury, operations expenditure summary, \$8.711 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Can we now go to page 3-22 and 3-23, Finance, activity summary, fiscal policy, operations expenditure summary, \$1.244 million. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I listen with great interest to what some of my colleagues have to say. I have a great deal of respect for the Members who have been here for a number of years and have been fighting in the trenches to carve out a future here in the Northwest Territories and I take what they say seriously. I can't take issue with the fact that we need a framework or we have

to develop a framework. I want to get back to why I was fundamentally opposed to the four new positions in Finance. You can develop a framework, Mr. Chairman. You can go out and do the road show, get the comments from the public, the business community, and have a contractor draw up a policy. That's all fine and good and that might take a couple years to develop a policy, but why do you need four people in a policy shop when, again, we are on a fixed income? Absolutely. You want to talk about spending? We spend \$550 million of that \$1.1 billion on salaries. We spend another \$230 million on contracted services. We know where most of that money is going. So what's left over to deal with? Without a resource revenue deal, without increased revenue here, is there a need to have four people working in a policy shop? That's what I'm opposed to, Mr. Chairman.

One other thing that I want mention here, too, is how real-and I've mentioned this in this House before -- how real is the economy of the Northwest Territories? I'm serious about this. There are so many business ventures that are business ventures out of convenience; groups getting money, a small percentage, to go into a joint venture with another company from southern Canada or the United States or, in some cases, Europe, Mr. Chairman. They get into bed with these other companies, get a small percentage. The majority of that contracted service provided by these companies leaves the Northwest Territories, doesn't even stay here. In fact, we spend millions and millions of dollars ourselves as a government in southern Canada. How real is the economy here?

Those are basic questions and I think that's what we really have to get a grip on, is what dollars actually stay here and what do we base all of this on. I know it was a big piece of work that the department has undertaken to come up with a framework but, again, I think there was a contractor that was involved there tasked with developing a framework and maybe I could ask the Minister, on a day-to-day basis, what are these four employees in this shop going to be doing? Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. If the Member is suggesting that we add an additional person to this shop then I would look at that, if they're willing to approve that. In fact, there are three positions within the macroeconomic policy unit. The fact is we will be fully staffed by the end of this month and that work will begin in earnest. The fact is, as a government, when you take specifically out of the existing spending we do of \$1.2 billion, and say this should only be focused on any new initiatives, in that light it would be difficult to justify. I say if we can spend \$100,000 and bring in \$10 million, that's a good investment. But the fact is we have to look at how we spend the \$1.2 billion. We can't just take for a fact that it gets spent; it's part of forced growth every year. Is it the best thing we're doing with that dollar? Is it the fact that over 60 percent of our budget is on the social side of the scale? Should we do more preventative maintenance, or expenditures and looking preventative programming? Those are things that need to be looked

Ultimately, 20 years ago or 12 years ago even, this was looked at. As I mentioned, in the 12<sup>th</sup> Assembly there was some discussion about having this put in place. At that point, probably a little less because when you looked at it,

as the Premier answered the question in the House earlier today, back then there may have been \$12 million in royalties going out of the Northwest Territories; we are now \$244 million. When you looked at our corporate taxes, I recall back in 1999, the estimate back then for the next year's budget we may have had \$7 to \$9 million in corporate taxes overall for the Northwest Territories. We are now hitting the \$70 to \$80 million bracket on a regular basis. So those things have to come into play as how we do this. Just prudent planning to make sure as we look at spending dollars that this government brings in, whether it's transfer payments or own-source revenues, it's how we spend that money. Is it the best value we are getting and should we put more into the environment? Should we put more into pro development? Should we put more into the social programs we have as a government? So those are all pieces that have to fit in there. As I say, as we develop this policy and continue to move forward on this, it's going to be a matter of how we, as a government, invest those dollars to get the best results. Thank you.

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

MR. RAMSAY: Thank you, Mr. Chairman. Mr. Chairman, we're talking about the same government that spends almost half of its \$1.2 billion annual budget on salaries and benefits to our employees; the same government that does not have a comprehensive human resource plan for the future. We don't have that, but yet we're embarking on developing a framework. To me it's like putting the cart before the horse here. We have to try to get a plan for the future and if we want to get a plan for the future, you start with your biggest expenditure, Mr. Chairman, and that biggest expenditure is the 500-and-some-odd million dollars that this government spends every year off the top. It's gone. Every year. I've talked about this before. How sustainable is that growth at 3 percent a year? It's compounded annually, every year. We pay more and more every year, guaranteed. How long can we afford to be paying the compounded effect of increasing employees? That's where we should start.

Mr. Chairman, I just have to take issue with this and I don't know how else to put it, but if there is a framework... Let's put it this way, Mr. Chairman, if there is a framework, and I'll give the Minister this -- and some of my colleagues that are intent on having a framework in place for us -let's get the framework. But if we still don't have a deal on resource revenue sharing, what are these three employees going to be doing in a policy shop designed on macroeconomic policy if we've got no money to spend or we've got nothing to gauge anything on? It's all hypothetical. You can dream, and I talk to the adolescent kid. We can dream, we can hope and we can pray. That's all we can do. I mean, let's be realistic about Let's get a framework. My colleague from Thebacha talked about getting a framework. I agree. We probably need a framework and we needed it years ago, but we don't need three people sitting in a shop until we have some surety on what our revenues are and we don't, absolutely not. Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the Member asked earlier, as well, a question about is our economy real, do we have a real economy, and talked about the wages and benefits that are paid out

to employees right off the top Approximately \$500 million is the number he used, and it's probably pretty close to that. Is our economy real? Well, as real as we're sitting here today, and at the end of this process we'll be approving expenditures of over \$1.2 billion. That's real. If you want to ask people in communities if that's real, is there job at the school or the health centre or the caretaker's job, is that real? I came from a community that rivalled, I guess, the second largest community in the Northwest Territories for population and when industry shut down, it was all about government and how the government spent that money. There were contractors lined up to bid on the \$30,000, \$50,000 contracts. Nowadays, because things are so heated in a number of places, we're lucky to get a bidder on a \$200,000 contract in some cases. So is the economy real? Yes, it is real. When we talk to the people in our communities it's absolutely real because without that their economies would be absolutely tanked.

In the larger centres we have a different scenario. In our smaller communities they still heavily rely on how this government spends its money and operates in those communities. So I think we have to take that into the lens, the framework we would initiate; and if, in fact, we don't get any royalties or resource revenue sharing, the question becomes even more apparent, is what can we do in the GNWT, in the Government of the Northwest Territories here in this jurisdiction, to raise our own revenues and should we look at new taxes. That's when the macroeconomic policy unit and that lens created would play an even more important role as we make those decisions. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. We're on page 3-23, Finance, activity summary, fiscal policy, operations expenditure summary, \$1.244 million. First I'll go to see Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chair. The issue I want to talk with the Minister on are federal/provincial/territorial discussions and, I guess, more of the intergovernmental fiscal relationship in terms of the one big issue that's been noted by this House here in terms of the First Nations health benefits. We've been carrying a big load for the federal government in terms of the dispute and the numbers here and that somewhat is hurting our position in the financial terms of the needs and wants in our communities. I just have a hard time believing that the federal government considered crossing us in our discussions and not have any sense of guilt or any sense of shame, I guess, is the word I could put. This small territorial government here is carrying, and for us it's a huge load because it means a lot. it's...(inaudible)...because it's a big government and they have lots of money maybe elsewhere, but for us on our budget and the amount of requests that we get in as Members and, of course, you as Ministers get in terms of what we need in our community. I'd like to ask the Minister is there anything new that we can expect in terms how do we deal with this great big shame that the federal government has somehow put on us to carry? We do it because that's what we do in the Northwest Territories; we take care of people. Sometimes we're a little too hard on some of our own people here. We took good care of them, really good, I think so. You don't see them starving, Mr. Chair, in the communities. You certainly don't see them go without food, work. We take good care of our own people here. That's because of that's who we are in

the Northwest Territories. I know that there are a lot of people who request help for medical travel, medical assistance, and we do it. Yet, shame on the federal government for putting this burden on us. We're rich in resources. I think we've got a bigger fight on that issue and I want to ask the Minister how are we dealing with it? I mean this is going to be carried over for next year again and it's going to add up and it's going to be tough on the 16<sup>th</sup> in terms of how you deal with this in terms, I guess... Is there any way in any type of discussion that we could ask the federal government to take it off our books sort of thing? How do we get this 30, 40, 50 million back from this; \$20 million, whatever. Whatever the amount is, how do we get it back so we can give it back to our people? I want to ask that in terms of this fiscal policy and in terms of dealing with the government in Ottawa, the shameless government. Anyhow, thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. In our discussions with federal Finance we deal with the transfer payments that come directly out of their section into our government and get accounted. Within each department there are some smaller agreements that flow. The issue of the DIAND, and that's where it flows from is DIAND, dollars for aboriginal health flows out of DIAND, and that does not flow through Finance or our discussions on formula discussions. It's a deal directly and each jurisdiction would deal directly with the health side of the equation. So through Health and Social Services what we do is we spend up front the money for providing the level of service we do in communities and then we send those invoices out to the federal government for reimbursement.

Right now we are sitting on about \$65 million of unpaid invoices from the federal government to deal with health care provided to aboriginal people in our communities. DIAND has a policy in place at a 2 percent cap, and we spend beyond that 2 percent cap. In fact, it's an issue that I've raised at -- putting on a different hat -- the Health Ministers, Health and Social Services Ministers, about that cap. Other jurisdictions that have aboriginal people in their jurisdictions face the same area, the 2 percent cap. It is an issue. I've raised it with my colleague on the health side, Minister Clement, as well as copied Minister Prentice on that issue and it's something we have to continue to deal with and trying to come up to resolve. In fact, I've even looked at the past 12th Assembly that dealt with this. I believe they were up to about \$70 million at that point and were dealing with the federal government. So it's not a new issue. It's gone back and forth, but we do need to deal with this and bring some closure and then get adequacy brought back into the picture. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Mr. Yakeleya.

MR. YAKELEYA: My last comment and probably a question to the Minister is I guess it's no longer the \$64,000 question, it's a \$65 million question here. Mr. Chairman, would the Minister in terms of his analysis, his policies that they're going to look at, the different scenarios, would this type of an issue here be warrant enough to take to a court to the federal government to litigate and to look at an issue like this that forces them to pay? Otherwise we're just nice guys and we're going to keep taking on this debt load here and keep doing things that we do for our people. I mean we're small in this

whole territory and we help our people and we even set some things in place here over the last couple weeks that's helping our people more in the health issues. Again, I would ask the Minister, is there some consideration looking at this in terms of enough is enough, pay up because the people that I represent in the Sahtu really need this help and I think it's really hurting the Member from the Thebacha area too. So I think we need to see some resolution to this issue here. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, from the Finance side we've addressed this on a number of occasions along with other jurisdictions and that comes down to what we termed as adequacy of the funds that came out of the federal government to provide a level of programs and services that all Canadians expect. We've addressed that. In fact, that's why we've seen the shift that went from our old formula financing arrangement to a capped amount with a fixed escalator that brought some additional dollars and there were some side agreements on that. I believe these were some of the arguments we made with regard to adequacy with the funding that flowed into the Northwest Territories. That's something we continue to do. Ultimately, it would just clean it up if we had from one funding source instead of a lot of small areas, because ultimately though the people themselves don't see a reduced level of service, that is money that we could have on an annual basis. Now it's not \$65 million annually, it's grown to \$65 million, but it keeps on growing and if we could take that money on an annual basis, whether it be \$5 or \$10 million, that would go a long way to providing even a better level of service right now as we continue to get called on by this Assembly and other people. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Mr. Yakeleya.

**MR. YAKELEYA:** Last comment to the Minister, Mr. Chair. I want to say you hurt my people, you hurt me.

**AN HON. MEMBER:** Fight me. Fight my gang. Is that what you mean?

---Laughter

MR. YAKELEYA: That's all I want to say to the Minister.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Yakeleya. Next I have Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. I listened closely to what the Minister had replied to me and I'd like to thank him for his reply. I don't want the Minister to think that I don't believe that government is important in the smaller communities, of course I do. I believe it's vitally important, Mr. Chairman, which is all the more reason why I question government spending whenever I get a chance to and I'm critical of government spending in areas where I don't think we're going to get the value for the dollar. I think we have to be spending money in areas where we're going to get tangible results. That's what I believe in. Again, I just don't understand, you know, if we do have a framework, let's say we have a framework, what are the people in this policy shop going to do on a day-to-day basis? Plan how we spend our 180 or 190-odd million

that we have in left field? What are they going to do every day, Mr. Chairman?

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, the fact is once a framework is established, that framework will have to be applied when direction is given by either Members of this House to Cabinet to look at spending money in a certain area, or increasing revenues, or looking at increasing mark-ups on, for example, alcohol products, or should we look at a carbon tax. All of those initiatives will have to be run through and analyzed and that information brought back to the table so that decision-makers can make decisions based on the most up-to-date and appropriate information. That's some of the pieces we'll have to look at.

I think even more importantly, and the Member is correct, as we spend as much money as we do in our jurisdiction, we have to be spending it as wise as possible and we have to ask ourselves are we putting it in the right places. That's where that shop would come in when we look into how we spend that money, should we invest more money. In fact, if the new government is inclined to go through a zero-based exercise, that lens can be applied as departments come forward and say well we need this money for this purpose, what does it bring at the end of the day, what value is there in there, and that's part of the process that would be applied through this shop. Thank you.

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

MR. RAMSAY: Thank you, Mr. Chairman. Just for a little bit more clarity on this, the existing staff, predevelopment of the macroeconomic policy shop, what they're doing today does exactly what the Minister suggested to me, you know, they're dealing with fiscal policy every day. So what, in addition, would the three macroeconomic policy shop individuals, what would they be doing on a day-to-day basis that the current contingent at fiscal policy wouldn't be able to do? That's where I'm having trouble trying to connect this, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, on a day-to-day basis we have set program criteria we have established. Taxes and the work that's done is a matter of making sure when the federal government sends us the amount after they've done their collection and done their tallies to confirm with our side is to look at, again, we'll look at our own-source revenues and a lot of them are established here when you talk about tobacco taxes, liquor, liquor mark-ups, or, for example, fuel tax. All of those pieces, they're established and already in the process. So we have people there doing that and they're very specific to their area. We don't have people stepping back and looking at the big picture over government how are we spending this money and if we establish or increase taxes in a certain area what impact will that have and what is the potential downturn of that. We do when required and if the request comes up today, if that direction is given to us, within Finance we would end up hiring someone outside our shop to do some of this work to help us with it. Thank you, Mr. Chairman.

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

MR. RAMSAY: Thank you, Mr. Chairman. I thank the Minister for that, but, again, for being here for three-and-a-half years, I just don't see how we have this big pot of money to try to manage and try to understand how we spend it. That's just nonexistent to me. I don't understand how or why that would be the case without our revenue deal. I'm sure I've heard the Minister in meetings we've had with him in the past suggest that if we do look at tax increases, our tax initiative goes up, well we get some cutback from the other side from the federal government, Mr. Chairman. So it's a perversity factor I think is what the Minister called it. So we do have limited ability in raising revenues.

So again, I just want to state one last time for the record again that when we create positions and we spend money, we have to get some results out of that. Mr. Chairman, I don't think we're doing it in this instance. I haven't from the start. Like I said, I can agree with the framework. Yes, establish a framework for the future, but new employees there, no. Thank you, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I mean, as the Member stated, he's quite regularly raised the issue. Whether it was last year at this time going through this department about the establishment, but it was voted by Members of this House to establish it and I thank Members for their support. As for Mr. Ramsay and his concern with what will be provided, I will be more than happy, once we get up and running, to share the kind of work that's being done and share with Members of this House the kind of work that's coming through that shop. I believe if we are going to establish new positions, we are going to have to be able to produce through those positions. That's something I intend to have happen through the shop. Thank you.

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

MR. RAMSAY: No, that's good. Thank you, Mr. Chairman. Thank you, Mr. Minister.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Ramsay. We are on page 3-23, Finance, activity summary, fiscal policy, operations expenditure summary, \$1.244 million. Mr. Braden.

MR. BRADEN: Thank you, Mr. Chairman. For the record, I will, as my colleague Mr. Ramsay has stated his concern and his opposition to the macroeconomic unit, I will repeat my support for this unit. It is an expectation that we do need a level and a depth and a bit of sophistication brought to economic impacts and circumstances that this is my expectation that this will bring.

Mr. Chairman, I also look at situations like Mr. Miltenberger highlighted so eloquently tonight and in so many other addresses to this Assembly about the need to look at things through an environmental lens. We have

heard it for years and years that there should also be a social lens applied to whatever project or initiative or policy or program that may come our way.

It is my expectation that these are things that this unit will bring into play for us. It will not just be a macroeconomic, perhaps some of the terminology could be reviewed or revamped as this thing gets going, but I do endorse this increment to our skill set.

Mr. Chairman, it's already been mentioned. I had it on my notes here to make sure it got some airing was the accumulated \$65 million that we have deemed a valid cost for Metis and aboriginal and Inuit health care benefits that Northern Affairs deems not. That is one of the fundamental things that we should go to bat for, and we should go to bat for it loud and as hard as we can. On one side, it's a fiscal situation that we are grappling with, but it puts these other Canadians at a different tier of care and responsibility at government. I think that's wrong. I hope that we can achieve not just some bill collecting here, but some new terms under which everybody will be deemed and entitled to this same level of care.

Mr. Chairman, my final point in this area here as has been played recently. Mr. Chairman, at the Minister's invitation, our Minister of Finance and the federal Minister of Finance, I put my ore into the federal budget and said the northern residents tax deduction, it is high time after 19 years, should be reviewed and increased. We went through an exercise here a little while ago where we asked the Premier and the Minister to work with his counterpart in our sister territories and see what kind of a combined effort we could get going. I am wondering if the Minister has anything new to report on that front and whether or not we can anticipate something potentially in the next budget, Mr. Chairman.

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, we have begun to work on that one as three territories. There is a territorial working group established and working on that front. As well, I have written to all other Finance Ministers requesting their support on increasing the northern residents tax deduction. I am starting to get their responses back from them agreeing to look at that situation. In fact, I had one of my colleagues actually forward on my letter to the federal Finance Minister. I was hoping we could come together with a provincial/territorial front and joint initiative, but at the same time it doesn't hurt to have everybody's have the heads up. I don't think what we are asking for is out of line. In fact, the way we have packaged it up, we have taken from its inception, I believe 1988, and just worked on the cost of living factor and what it would be equal to today and requested that that would be the figure we are starting to work from.

So with our working group from the three territories and now starting to get input from other jurisdictions, we are hoping we can bring it forward to what my goal is and bring it to the provincial/territorial Ministers' there to the federal table as well for action. Thank you.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Roland. Mr. Braden. Thank you. We are on page 3-23, Finance, activity summary, fiscal policy, operations expenditure summary, \$1.244 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Turn to page 3-26, Finance, information item, work performed on behalf of others.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Page 3-27, Finance, information item, liquor revolving fund. Mr. Yakeleya.

MR. YAKELEYA: Mr. Chair, I am going to ask this question at a different angle. I will ask about the authority. I am asking this question like in our language...(English not provided)...they are alive but they've got no ears. They can hear what's going on, but they don't have ears. So I keep asking this question, Mr. Chair. Can the liquor revolving fund be used to offset some programs and services? The Minister keeps referring that it goes into a general revolving fund and other programs go to it. We actually had more money going to treatment programs and drug and alcohol programs, which I know is true. I have seen it and it was explained to me. What do we need to look at in terms of being insistent and persistent like some Members on issues and take some of this money from the commission, the board, to symbolically say that you have a slush fund of \$6 million or so? They do have that money for operating. There is money there at the end of the year that can be used for a territorial campaign for getting youth off of drugs.

AN HON. MEMBER: A slushy fund?

---Laughter

MR. YAKELEYA: If you do have one. As a government, how can we symbolically say \$50,000, so be it, or \$500,000 goes to a program that says this is for the youth? I know this money is coming off of sales off our people's back. It causes a lot of harm for our people. We have \$20 million sitting here. I know we put a lot of money into different programs in the Northwest Territories to help our families and our people. Yet we collect a lot of revenue for this. That's what I am looking at, at a moral issue. Right now, it doesn't make any sense. I will take any type of helpful suggestions from the Minister. I will keep working on it. I will keep bringing it up here. I will keep pushing it. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I am going to say the Member is consistent on this issue. I wouldn't be surprised if he came up with his own title. Instead of surplus, he would name it the addictions fund surplus or something of that nature. If you look at the authorized funding limit of \$6.5 million...I will get Ms. Melhorn to give some detail as to the \$6.5 million, an authorized fund limit. That doesn't mean the money is there, but it's the process that's used. For more detail, if you look at the surplus of \$21.56 million at the bottom of page 3-27, and you flip back to page 3-10 under revenue summary, it shows up there. The money is put back into the government's overall fund for expenditure. From there, the Department of Health and Social Services -- I will use that as a specific example -- draws down its allocation of funds and then puts the money towards addiction programs, towards the social workers in communities, whether it's the justice end or detoxification. All of those initiatives get funded out of that general revenue. So there

is no money sitting there anymore. It all gets put in and gets spent towards the delivery of our health care program here in the Northwest Territories. Of course, we know \$21 million doesn't come close to touching the amount we spend on it.

For the actual authorized fund limit, I will have Ms. Melhorn give that detail, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Ms. Melhorn.

MS. MELHORN: Thank you, Mr. Chairman. The authorized fund limit is an amount that's set in the establishment of the revolving fund in the relevant legislation. What it simply means is the commission is authorized by the Legislative Assembly to receive interest-free working capital advances from time to time that don't exceed \$6.5 million to finance its operations. It's simply an amount that's established in the revolving fund legislation and it doesn't represent an actual fund held by the Liquor Commission.

**CHAIRMAN (Mr. Pokiak):** Thank you, Ms. Melhorn. Mr. Yakeleya.

SOME HON, MEMBERS: No. No.

**MR. YAKELEYA:** Thank you, Mr. Chairman. I have been encouraged to speak a little more by my colleagues...

---Laughter

...so I am going to ask the Minister again on this question here. I do recognize that this government does put a lot of money into programs that are needed in the communities and that are needed here in the larger centres. We even have one Territorial Treatment Centre that is desperately in need and is operating now. These types of programs, and I know what the Minister is saying, I guess what I am asking next week or next month again, in terms of symbolically, I know what he is saying. Excuse me, in my language because it could be interpreted as a wrong term in terms of whoever is watching, reading or listening to this, symbolically, the people in our region, we know the amount of dollars that we spent at the Norman Wells liquor store and programs that could be used by these dollars in a symbolic gesture. You can call it the addiction fund, but something.

I guess that's what I am asking. If I am not going to get anywhere, I will leave it at this right now. That's what I am asking if the Finance department would look at something like that. People do appreciate the amount of money that is going to programs for our people. I have said that before. We do take care of them pretty good in the Northwest Territories. It's really good that we do. I will leave it at that, Mr. Chair. I would just like the Minister to maybe write me a different letter on how to explain this. I just wanted to voice it again. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pokiak): Thank you, Mr. Yakeleya. Mr. Roland

HON. FLOYD ROLAND: Thank you, Mr. Chairman. I guess the government has a lot of examples of something that started as symbolic has grown to become an expected amount to be spent by government. Within Finance, if we want more revenues and we are directed to get more revenues, we can do that. We can establish a

new tax, a new mark-up and we can call it what we want but that money always goes back into general revenue. Then it's the Assembly overall that makes a decision on how that money is spent. So instead of getting hooked up on this page, it's more as a government during our business plan process. If it's felt that this government should establish a set amount for prevention on the addiction side of the scale, that should be done through the business planning process in an overall government target set, not initially through a fund of this nature. Anything we raise, whether it's a tax, a mark-up from tobacco sales, we could do the same thing for tobacco taxes saying we should target that because it causes a horrendous problem when we talk about people in our facilities, lung cancer and so on.

The issue would be more appropriately as a government overall through our business planning process, if we feel it is necessary to target an amount that would go into that and not get caught up in sales of products. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Next I have Mr. Lafferty.

**MR. LAFFERTY:** Mahsi, Chair. Chair, can we go back to 3-26? I just have a quick question on the Tlicho Agreement.

**CHAIRMAN (Mr. Pokiak):** The Member has requested to go back to page 3-26. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pokiak): Mr. Lafferty.

MR. LAFFERTY: Thank you. Mr. Chair, the Tlicho Agreement Implementation Plan signed August 25, 2003. Is that supposed to be August 2005 or was it signed before the actual signing of the Tlicho Agreement? Anyway, it's a 10-year bilateral funding agreement. In 2007-08, there is no money in the budget. Is there a reason for that? What is the status? I am just curious, because all of a sudden there is no money coming forward after two years or a year and a half of implementation. Mahsi.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Lafferty. Mr. Roland.

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Mr. Chairman, under this section, we work with DAAIR. What they would do is as different agreements are through implementation phases and money comes from the federal government because it's work on behalf of others, it would be allocated to different departments based on what needs to be done. In this case, Finance is not required to do any further work in this area, so the money has not been given to us in that area. Thank you.

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Roland. Thank you, Mr. Lafferty. We are on page 3-26, information item, Finance, work performed on behalf of others.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Go to 3-27, Finance, information item, liquor revolving fund. Mr. Ramsay.

MR. RAMSAY: Thank you, Mr. Chairman. Just a quick question in terms of the income off of liquor sales and the

cost of goods sold. There is a difference there of millions of dollars. Is that a true reflection of the margins that the government sees off the sale of liquor? It's about 60 percent. That's fairly healthy. Is that true?

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. It is a true reflection of our mark-up. That's our mark-up from the government. So through the liquor revolving fund, the cost of the product is just over \$15 million. We, through the sales, get just over \$41 million and that's our mark-up. That's where you end up seeing that surplus amount that gets transferred back into general revenue.

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

**MR. RAMSAY:** Thank you, Mr. Chairman. I guess that would explain the fact that residents in the Northwest Territories pay probably 30 to 35 percent more for alcohol than they do in Alberta where it's privatized. Is that a true statement?

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

HON. FLOYD ROLAND: Thank you, Mr. Chairman. Our role is much as would have been in the past through Alberta government, they would have established their mark-up. Now they go through their privatized sales, although they still do have their agency that sets the criteria. In this case, we do that and, yes, we do have a very high mark-up. We managed to still sell \$41 million worth of product. Thank you.

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

MR. RAMSAY: That's good. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Pokiak):** Thank you. We are on page 3-27, Finance, information item, liquor revolving fund.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Can committee now turn to page 3-7? Page 3-7, Finance, department summary, operations expenditure summary, \$11.461 million.

 $\textbf{SOME HON. MEMBERS:} \ \mathsf{Agreed}.$ 

**CHAIRMAN (Mr. Pokiak):** Does committee agree that this concludes the committee's examination of the main estimates for the Department of Finance?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Pokiak):** Thank you. At this time, I would like to thank the Minister and the witnesses. Thank you.

Can the Sergeant-at-Arms please escort the witnesses out? What is the wish of committee? Mr. Lafferty.

MR. LAFFERTY: Mr. Chair, I move we report progress.

SOME HON. MEMBERS: Aww!

**CHAIRMAN (Mr. Pokiak):** Thank you, Mr. Lafferty. The motion to report progress is not debatable. The motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

I shall rise and report progress. Thank you.

**MR. SPEAKER:** Can I get the report of Committee of the Whole, please, Mr. Pokiak?

#### ITEM 17: REPORT OF COMMITTEE OF THE WHOLE

MR. POKIAK: Thank you, Mr. Speaker. Committee has been considering Tabled Document 104-15(5), Workers' Compensation Board Comprehensive Response to Committee Report 5-15(5); Bill 21, Appropriation Act, 2007-2008; Committee Report 7-15(5), and would like to report progress with one motion being adoption and that Tabled Document 104-15(5) is concluded. Mr Speaker, I move that the report of the Committee of the Whole be concurred with.

MR. SPEAKER: Thank you, Mr. Pokiak. Do we have a seconder? Honourable Member for Weledeh, Mr. Handley. Motion is on the floor. Motion is in order. All those in favour? All those opposed? The motion is carried.

---Carried

Third reading of bills. Mr. Handley.

#### **ITEM 18: THIRD READING OF BILLS**

# Bill 18: An Act To Amend The Education Act

**HON. JOE HANDLEY:** Mr. Speaker, I move, seconded by the honourable Member for Yellowknife South, that Bill 18, An Act to Amend the Education Act, be read for the third time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Handley. A motion is on the floor. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

---Carried

Bill 18 has had third reading.

---Applause

Third reading of bills. The honourable Premier, Mr. Handlev.

# Bill 19: An Act To Amend The Archives Act

**HON. JOE HANDLEY:** Mr. Speaker, I move, seconded by the honourable Member for Deh Cho, that Bill 19, An Act to Amend the Archives Act, be read for the third time. Thank you, Mr. Speaker.

SOME HON. MEMBERS: Ohh!

**MR. SPEAKER:** Thank you, Mr. Handley. A motion is on the floor. The motion is in order. To the motion.

#### SOME HON. MEMBERS: Question.

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

---Carried

Bill 19 has had third reading.

---Applause

Third reading of bills. Mr. Clerk, orders of the day.

## ITEM 19: ORDERS OF THE DAY

**CLERK OF THE HOUSE (Mr. Mercer):** Orders of the day for Thursday, March 8, 2007, at 11:00 a.m.:

- 1. Prayer
- 2. Ministers' Statements
- 3. Members' Statements
- 4. Returns to Oral Questions
- Recognition of Visitors in the Gallery
- 6. Oral Questions
- 7. Written Questions
- 8. Returns to Written Question
- 9. Petitions
- 10. Reports of Committees on the Review of Bills
- 11. Tabling of Documents
- 12. Notices of Motion
- 13. Notices of Motion for First Reading of Bills
- 14. First Reading of Bills
  - Bill 9, Write-Off of Assets Act, 2006-2007
  - Bill 22, Supplementary Appropriation Act, No. 3, 2006-2007
- 15. Second Reading of Bills
- Consideration in Committee of the Whole of Bills and Other Matters
  - 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
  - Committee Report 10-15(5), Standing Committee

- on Accountability and Oversight Report on the Review of the 2005-2006 Annual Report of the Languages Commissioner
- 17. Report of Committee of the Whole
- 18. Third Reading of Bills
- 19. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. Accordingly, this House stands adjourned until Thursday, March 8, 2007, at 11:00 a.m.

---ADJOURNMENT

The House adjourned at 20:17.