

# NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

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Friday, February 10, 2012

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The Honourable Jackie Jacobson, Speaker

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

#### Members of the Legislative Assembly

#### Speaker Hon. Jackie Jacobson

(Nunakput)

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(Nahendeh)

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(Thebacha) Government House Leader Minister of Finance Minister of Environment and Natural Resources Minister responsible for the NWT Power Corporation

Mr. Alfred Moses

(Inuvik Boot Lake)

Mr. Michael Nadli

(Deh Cho)

Hon. David Ramsay

(Kam Lake) Minister of Industry, Tourism and Investment Minister of Transportation

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Box 1320 Yellowknife. Northwest Territories Tel: (867) 669-2200 Fax: (867) 920-4735 Toll-Free: 1-800-661-0784 http://www.assembly.gov.nt.ca

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#### YELLOWKNIFE, NORTHWEST TERRITORIES

#### Friday, February 10, 2012

#### **Members Present**

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

The House met at 10:02 a.m.

#### **Prayer**

---Prayer

**SPEAKER (Hon. Jackie Jacobson):** Good morning, colleagues. Orders of the day. Item 2, Ministers' statements. Minister McLeod.

#### Ministers' Statements

#### MINISTER'S STATEMENT 9-17(2): GNWT CONTRIBUTION TO BETTY HOUSE

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. For the past number of years the Yellowknife Homelessness Coalition has been working on Betty House, which is an initiative to build and operate a transitional house for women and children that are homeless or at risk of becoming homeless. Betty House will help these women and children to stabilize, to move forward and to make positive life choices.

Today I am pleased to inform Members of the Assembly that the NWT Housing Corporation, on behalf of the GNWT, has signed a memorandum of understanding with the City of Yellowknife and the YWCA as representatives of the Yellowknife Homelessness Coalition, to provide a contribution of approximately \$2.3 million towards the construction of Betty House.

The Yellowknife Homelessness Coalition includes representatives from a variety of non-government organizations, all levels of government, and other community organizations. This group has done considerable planning and fundraising for this project and I want to acknowledge and thank members of the coalition for their continued hard work on this and on other work they do related to homelessness.

I understand that Mayor Gordon Van Tighem from the City of Yellowknife, Ms. Lyda Fuller from the YWCA who are expected to operate this facility on behalf of the Homelessness Coalition, and Ms. Dayle Hernblad, the Homelessness coordinator for the City of Yellowknife, have joined us today in the Assembly and I want to recognize their contribution to this project.

During the engagement of the Shelter Policy review, we heard on many occasions the importance of advancing initiatives related to homelessness and transition housing. I am told that the GNWT contribution of about \$2.3 million will have a significant impact on ensuring the completion of Betty House and we believe this initiative is a vital part of our overall priority of strengthening our approach to homelessness.

Homelessness is a problem in many NWT communities and through working with our partners in other levels of government and community organizations, we can continue to address this issue. Thank you, Mr. Speaker.

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

#### MINISTER'S STATEMENT 10-17(2): 20TH ANNIVERSARY OF THE GWICH'IN LAND CLAIMS AGREEMENT

**HON. BOB MCLEOD:** Mr. Speaker, on April 22, 1992, the Gwich'in Tribal Council, Government of the Northwest Territories and the Government of Canada signed the Gwich'in Comprehensive Land Claim Agreement. This coming April will mark the 20<sup>th</sup> anniversary of that historic day.

On behalf of the Government of the Northwest Territories, I would like to congratulate the Gwich'in people on reaching this significant milestone. Since 1992, the Gwich'in have worked hard to play an important role in the economy and benefit fully from the opportunities available to them.

The Gwich'in Comprehensive Land Claim Agreement was one more step to self-sufficiency and gave the Gwich'in greater ability to control their future. It gave the Gwich'in, within the Gwich'in settlement area, defined rights to land, water and wildlife and the ability to take part in decisions about how these resources are managed. It also supported the Gwich'in way of life, one based on traditional relationships with the land.

Mr. Speaker, this government's goal of a strong and independent North built on partnerships is dependent on the successful conclusion of land, resources and self-government agreements.

I look forward to working closely with the Gwich'in Tribal Council to strengthen our relationships as

governments. I'm confident that as we continue down this path, we will realize our vision as strong individuals, families and communities sharing the benefits and responsibilities of a unified, environmentally sustainable and prosperous Northwest Territories.

Mr. Speaker, the Gwich'in Comprehensive Land Claim Agreement represents a commitment by all parties to a brighter future, one based on the recognition of Aboriginal rights and the social and cultural identity of the Gwich'in people, within the Canadian constitutional framework. I look forward to our ongoing work with the Gwich'in people to fulfill the vision that entered a new phase 20 years ago. Thank you, Mr. Speaker.

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

#### MINISTER'S STATEMENT 11-17(2): RETURN OF PROSPECTORS GRUBSTAKE PROGRAM

HON. DAVID RAMSAY: Thank you very much, Mr. Speaker. Mining forms a major piece of the economic foundation of the Northwest Territories. Before mining can take place, we rely on the work of prospectors and exploration companies to identify potential mineral development opportunities. Today I am pleased to announce dedicated annual funding of \$50,000 for the Prospectors Grubstake Program. This funding will be made available under Industry, Tourism and Investments Support to Entrepreneurs and Economic Development Policy.

The Prospectors Grubstake Program previously existed but has not been actively funded since 2008. We are pleased to announce its return after a five-year absence and look forward to the potential benefits it will bring to this territory.

This money will provide financial assistance to qualified Northwest Territories prospectors to search for new mineral deposits or to reassess previously known deposits. This grassroots exploration is part of our economic foundation and is a key element in the discovery of new potential mineral deposits.

Exploration creates jobs, generates income for Northwest Territories businesses and encourages infrastructure development.

The historical gold finds that led to the Giant and Con mines were the result of the work of prospectors. We cannot forget two geologists named Mr. Chuck Fipke and Mr. Stewart Blusson, the now famous prospectors who found diamonds at Lac de Gras, leading to the largest staking rush in Canadian history.

Their discovery has had a tremendous impact on our territory. It has led to three operating diamond mines: Rio Tinto's Diavik Mine, BHP Billiton's Ekati Mine and De Beers' Snap Lake Mine. Together, these three mines have employed hundreds of our residents and spent billions of dollars at northern businesses.

We cannot underestimate the potential for prospecting. Ultimately the efforts of one prospector could bring benefits that would be felt throughout the territory. While the existing mines bring immense benefit to Northwest Territories residents and communities, it is only with continued exploration that we will see this activity sustained and these benefits continue.

Mr. Speaker, building a diversified economy that provides all communities and regions with opportunities and choices is one of the goals of this Assembly. The Government of the Northwest Territories is dedicated to strengthening the Northwest Territories economy by providing support for entrepreneurs. With the allocation of this funding, we have reinforced the foundation for a sustainable mining industry. Through the Prospectors Grubstake Program we hope to see additional prospectors take part in the mineral exploration activities occurring around the territory.

By encouraging and facilitating investment in our territory, this government will build a robust and sustainable mining industry, diversify our economy, and maximize benefits for Northwest Territories residents. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. Ramsay. Item 3, Members' statements. The honourable Member for Range Lake, Mr. Dolynny.

#### Members' Statements

### MEMBER'S STATEMENT ON YELLOWKNIFE COMMUNITY FOUNDATION

**MR. DOLYNNY:** Thank you, Mr. Speaker. [Statement delivered in French and then in English.]

I would like to dedicate my Member's statement today showcasing a not-for-profit group that has celebrated some very significant milestones. From its humble beginnings in the fall of 1991 as a steering committee, now 20 years later Yellowknife Community Foundation has become the pinnacle of excellence and a true gem for the community of Yellowknife and territory.

The Yellowknife Community Foundation, also referred to as the YCF, provides individual organizations with the means to support projects in our community and ensure that the generosity of others will last forever. Their mission is simple: to enhance the quality of life for the citizens of Yellowknife and surrounding area by identifying and addressing community needs. Armed with an inventory of over 20 scholarships and funds that cover the arts, health, trades, training, sport, environment, emergency services, aviation, post-

secondary studies, heritage and community development, the YCF is truly a 360-degree foundation.

In celebrating their 20th anniversary, the YCF recently announced that their permanent funds exceeded the \$3 million mark and with an equally impressive record of over \$500,000 of grants and scholarships given to many Yellowknife students and organizations over the years, this is truly a remarkable milestone.

Because Valentine's Day is just around the corner, the Yellowknife Community Foundation is celebrating this weekend their Third Annual Valentine's Black Tie Gala at the Explorer Hotel. This sell-out event boasts an evening of elegance, love, laughter and hope. The YCF uses this event not only as a fundraiser to support the foundation's many civic causes but also uses it as a friend-raiser to magnify its great contribution to our society and community.

[English translation not provided.]

My fellow colleagues, please join me congratulating the incredible contributor to our northern society, the Yellowknife Community Foundation.

**MR. SPEAKER:** Thank you, Mr. Dolynny. The honourable Member for Nahendeh, Mr. Menicoche.

#### MEMBER'S STATEMENT ON JEAN MARIE RIVER AND MACA'S NEW DEAL

MR. MENICOCHE: Thank you very much, Mr. Speaker. Today I'd like to speak about Jean Marie River and MACA's New Deal. Community capacity has been a major challenge since the Government of the Northwest Territories implemented the New Deal. For almost five years now, while some regional centres thrive, small communities struggle to take on the added responsibilities of managing infrastructure and self-governance. Jean Marie River's population of 64 is one of these communities. The GNWT wants to transfer responsibility for local infrastructure beginning April 1<sup>st</sup>, however, the hamlet wants to defer that.

To date, no one has been trained to maintain heating, plumbing, or electrical work in the hamlet's few public buildings. They simply cannot afford to fly someone in from Hay River every time something needs to be fixed or checked. Currently the government does have the ability with in-house staff to do that; however, when they transfer it over, the full burden of the responsibility is on the communities.

MACA is committed to helping communities implement the New Deal. The department has responded to many growing pains in certain communities over the past five years but it seems Jean Marie River has not benefited from these resources. MACA must continue to provide training to residents who are willing to learn the skills

required for basic maintenance of public infrastructure. There is an opportunity to engage young people or seasonal workers. MACA can even train a small group of people to work together.

People leave our small communities because they feel like there are more opportunities and quality of life elsewhere. That's true when things constantly break down and no one is available to repair them. Local infrastructure is closed and often vandalized, making problems worse than before. That was never the goal of the New Deal.

Independence and responsibility for municipal planning can enrich life in the communities. MACA should and must work closely with Jean Marie River to help meet its unique needs and come up with maintenance solutions that work.

I will be asking the Minister of MACA questions at the appropriate time.

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

#### MEMBER'S STATEMENT ON ABORIGINAL LANGUAGES TRANSLATION SECRETARIAT

MR. YAKELEYA: Thank you, Mr. Speaker. The other night I was watching the news and I was watching Mr. Harper's visit to China. When he was talking to the head of state in China, I noticed that behind him and the Chinese head of state they had translators and they were conversing, but the translators were helping them understand the two different worlds and what they were talking about. I thought that the Northwest Territories needs to have a good look at how we support our Aboriginal languages in our communities. The government needs to look at sort of an Aboriginal translation agency or secretariat.

When we have Ministers come into our communities where the Aboriginal language is the first language, that's where you get the best of the best to speak about their issue and their world view. Sometimes we have difficulty, and when I say we, in my region we have to run and look for the appropriate translator because health is a different issue, justice is a different terminology, and the same with ENR. We have different terminology that we use, and the community people do their best when they provide these services and sometimes they're unable to because for some reason, they are not available, or on medical leave, or in the bush or, really, they're trying to do their best to translate that terminology for the proper meaning. The government asks us, as MLAs, who need to have translators at their public meetings, to get their message across and sometimes we do our best to provide that. However, sometimes our people say well, they're not saying it right, get this translator.

I think it's the government's onus and responsibility if they could look at setting up an Aboriginal languages secretariat so then they could put their money where their words are and say yes, we will provide the translators for you. It is our responsibility that every agency and department has that service so people can speak and understand what's been told to them and they can communicate that to that person in that department.

I ask the government if they would look at this agency and I will ask the Minister responsible at the appropriate time.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Member for Inuvik Boot Lake, Mr. Moses.

#### MEMBER'S STATEMENT ON NWT SKI WEEK

**MR. MOSES:** Thank you, Mr. Speaker. All week we've been hearing news reports on CBC in the mornings, of the Ski Week and all the work that's been going into promoting people getting active and enjoying the outdoors and living a healthy lifestyle.

As you know, skiing has a strong history in the Northwest Territories, specifically with the Territorial Experimental Ski Training program. At this time I'd just like to acknowledge two of those participants that took part in the program: Ms. Sharon Firth and Ms. Shirley Firth-Larsson, who also just received the Diamond Jubilee Medal this week, earlier this week. They are both great ambassadors of not only the NWT but both live healthy, active lifestyles and are a role model to our Aboriginal youth and people in the Northwest Territories to get out, be active, follow your dreams and to participate in such programs as Ski NWT.

I'd also like to take this time to recognize that Ski NWT and skiing has a strong presence in the community of Fort McPherson, where they have a lot of strong snow-shoers and skiers that participate and will be going to the Arctic Winter Games. I would just like to recognize the group that are working there, the volunteers, the coaches and the families that support small communities.

Just with the Arctic Winter Games team coming up this year, we noticed that all of the Ski NWT team outside of Yellowknife are a strong contingent and only from one community, and that is Fort McPherson. We have to recognize the strong work that is going on there as well.

At this time I'd also like to recognize the NWT Rec and Parks Association on their efforts to initiate the Mackenzie River Walking Challenge, which is also getting people out and being active. As well, as Members of this Assembly and staff to get out, put a few minutes in, a few kilometres, you know, on their shoes to live a healthy, active lifestyle so that

we can make the best decisions in this House for the people of the Northwest Territories.

With that said, Sunday is NWT Ski Day across the Northwest Territories and I invite all Members to come out to the YK Ski Club and participate in being active, living healthy and supporting all of these great programs that Sport North and NWTRPA have initiated in the NWT. Mahsi, Mr. Speaker.

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

#### MEMBER'S STATEMENT ON RECREATIONAL LAND LEASE POLICY FRAMEWORK

MS. BISARO: Thank you, Mr. Speaker. For the last 20 years or more, Yellowknife residents have been unable to lease land for a cabin or a campsite of their own. Some people have taken matters into their own hands and are now firmly established in the area as squatters. Our Department of Municipal and Community Affairs started to take action to deal with squatters a few years ago. In 2009 MACA placed a moratorium on recreational land leases and began work to develop a recreational Land Lease Policy framework. A consultant was contacted to study the areas around Yellowknife and Inuvik in particular and to recommend changes in the Land Lease Policy.

A month ago the result of that work was made public and comments were invited. The discussion paper suggests adding 35 new cabin lots and 17 casual or day-use lots in the Yellowknife city area. I truly appreciate the work done for this report and MACA has actively consulted with the public on this document since its release, but as I mentioned the other day, the consultation has come at the end of the process instead of at the beginning.

The Yellowknife public meetings pointed out a number of flaws in MACA's work to date on this policy. I would like to mention what I heard from constituents. One, the study area was only a portion of the Commissioner's land around this city. The First Nations whose traditional lands encompass this area have not been consulted. The consultant's recommendations are based on a desk study. There was no on-the-ground evaluation of the study area. The current leaseholders and lake users were not consulted for their advice on the expansion. The new lots are poorly placed, some on swampy land, some on a shoreline where water depth is two feet or less, many in close proximity to each other and/or existing lots.

The recommended lot placement completely ignores valid legal mineral claims in the area. Lastly, there was no research done to evaluate current actual use. We have no idea how many people use the Vee Lake landing boat launch on a

beautiful summer day. We have no idea how many snowmobilers use the area on a lovely winter day like today, yet we will be packing all of these new leases and day-use lots into one small area, the only easily accessible recreation area for Yellowknifers. The current lease owners are understandably concerned, and those looking to lease are still frustrated.

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

#### ---Unanimous consent granted

MS. BISARO: MACA's discussion paper refers to the carrying capacity of an area. That is the amount of use a lake or a landmass can sustain. It is one of the concepts used for the study recommendations. But how can MACA accept the consultant's recommendations without any idea of current use without any baseline data to measure the impact the addition of the new lots will have on the area?

A second most alarming issue is the inability of MACA to monitor and control land use in the study area and enforcement of the leases that they will let. The department has neither the manpower nor the equipment to do a job that they will be saddled with. Without that capability, we will quickly return to the squatter situation we now have.

The work to date has been good work. I am not advocating that it be thrown out. What I am proposing is that further work is needed, especially on-the-ground consultation with current users. Without further consultation, this government will overpopulate one small lake and strain it and its environment to the point of no return. Thank you, Mr. Speaker.

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

#### MEMBER'S STATEMENT ON BUSINESS INCENTIVE AND NORTHERN MANUFACTURING POLICIES

MR. BOUCHARD: Thank you, Mr. Speaker. Today I would like to continue discussion on businesses and policies, BIP and the northern manufacturing policy. As I asked the Minister yesterday about whether these policies have been reviewed, and they had been completed last year to a year and a half. There must be some issues with the implementation of this policy then.

In my short term as MLA for Hay River North, I have had several constituents have concerns with these two policies and the fact that they have been implemented. They are often asking why they have to be their own watchdogs for this program and make sure the GNWT is spending money in the North by northern companies.

I believe that the Business Incentive Policy must be implemented throughout the departments and if it's not an issue of the policy itself, it must be an issue with the training. How can we be expected to implement larger projects like the Mackenzie Valley Pipeline, Mackenzie Valley Highway and Tuk to Inuvik highway in the future when we're having difficulties implementing the basic policies or expenditures we have now?

My questions today will be to the Minister of ITI on how we can improve the implementation of the Business Incentive Policy and the northern manufacturing policy. We need to maximize the dollars that the GNWT spends with northern businesses. Thank you.

**MR. SPEAKER:** Thank you, Mr. Bouchard. The Member for Hay River South, Mrs. Groenewegen.

#### MEMBER'S STATEMENT ON SUPPORT FOR TERRITORIAL LOGGING INDUSTRY

MRS. GROENEWEGEN: Thank you, Mr. Speaker. Today I want to stand up in this House again, sadly, to say that I have to repeat my statement again about the plight of an industry in Hay River that has been open and operating there since 1969, but this government, through their action and inaction, is going to allow it to fold. That is Patterson Sawmill. We are sitting in the Northwest Territories in a virtual forest; we are in the boreal forest. I don't know how many ENR employees we have who look after forest management and yet we cannot eke out one single sustainable industry and support that logging industry to continue here in the Northwest Territories.

Mr. Speaker, let's be clear. It's over unpaid stumpage fees. It's over a debt owed by Pattersons to this government of less than \$120,000. Now, surely we can muster the political will to somehow recognize that this has been a company that has existed in Hay River that employs people. We as a government can expend millions of dollars on pilot projects and in testing things and let's experiment and let's see if this will get off the ground, and here we are, we have a company that employs six people, it's a family business and they have been prohibited and stopped from going to work this winter to harvest logs in an assessed area because they owe this government less than \$120,000. I think it's shameful. There is no one else who has carried on a business harvesting our renewable resource of timber in this territory except for them.

How many debts have we written off as a government to businesses that were kind of sketchy to start with? Here is the catch-22 that the Patterson Sawmill is in: If they can't get their permit to go work, they can't pay their debt; but if they can't pay their debt, they can't go to work. That's where they are stuck right now, in limbo, and I am

very unhappy, disappointed with this government that we cannot find a way to let this company get back to work. They're not asking to forgive the money. They're asking them to let them go to work so that they can pay back the stumpage fees. If a forest fire burns the whole place down, we go out and replant the trees, but somebody goes out and tries to create a little economy and a little industry by cutting down the trees and they can't immediately pay the stumpage fees because of some difficult economic times and we're going to shut 'em down and we're going to crucify them. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The Member for Deh Cho, Mr. Nadli.

### MEMBER'S STATEMENT ON TOURISM DEVELOPMENT STRATEGY

MR. NADLI: Thank you, Mr. Speaker. I had the opportunity to travel on the Alaska Highway many years ago and I was really impressed by the opportunity to just pull alongside the highway, stretch and take in the sights. But I was just stunned by the amazing beauty of the Alaska Highway and the many services that the government provides for tourists, for people to pull over and rest, maybe park their RV and take some pictures. That road was clearly impressive in terms of developing and to ensure that there is a plan for tourists. My statement relates to that very initiative.

In the Northwest Territories my constituency prides itself in being the gateway to the Northwest Territories. The economy in the Northwest Territories and Canada is in a downturn and tourism travel to the North is also slowing down.

In Enterprise, the Hay River Reserve, Kakisa and Fort Providence, we pride ourselves that we have gifts of natural wonders. Whether it be viewing the falls in driving into Enterprise, skidooing on the great lakes or canoeing on the lake, there is great potential for a successful Tourism Development Strategy.

We have artists, performers and amazing areas in the Deh Cho and arts and crafts such as moose hair tufting. Awhile back there was an initiative to ensure that the North was represented in terms of...(inaudible)...traditional arts and crafts artisans developed moose hair tufting slippers and it was noted that people from the North had amazing gifts. For that matter, we could also listen to the famous Johnny Landry, who is also a performer, and many artists that live in our communities and struggle to make a living and also ensure that we develop a vibrant tourism development economy for the Northwest Territories.

I just wanted to ensure that this government is aware that we have our natural strengths, we have our natural abilities, we have amazing gifts that are just given to us in our back doors and we need to develop and ensure that we have good plans in place. I'll be raising some questions on this matter later on.

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

#### MEMBER'S STATEMENT ON YELLOWKNIFE DOWNTOWN DAY SHELTER

MR. HAWKINS: Thank you, Mr. Speaker. I'd like to continue a discussion today on the downtown day shelter. Back in my December 13th Member's statement and questions, I asked the government about its intention to extend the much needed services that are provided by the downtown day shelter to people who are homeless. In the Minister's reply he talked about the department's intention to continue that partnership with the City of Yellowknife, but he also continues to go on in the context of once the review is done, they will continue that funding.

It's no surprise to anyone in this House, and certainly the community, that I'm a definite supporter of the downtown day shelter and I agree with the principles of why it exists. The department's objectives of that contribution agreement were built around the fact that we should provide a warm place for clients to access washrooms, telephones, et cetera. It also provides support and referral information to other agencies and to operate between 7:00 in the morning and 7:00 at night seven days a week.

From the sounds of that, some if not most of those particular objectives are being met, but the sad case of the reality here is not all of them are being met. At the same time I'm hearing several complaints over the last couple of years regarding many serious issues, such as on-site drinking, substance abuse, abuse to staff, and quite frankly, I've heard other things I dare not say in this House.

With that being the case, I'd like to talk today about how we're going to address some of these particular problems. I emphasize I am a supporter of the downtown day shelter, but it cannot exist in the same type of partnership that it's existing in

It would be technically correct if the Minister of Health and Social Services says to me, oh, Mr. Hawkins, that's a John Howard Society problem, they must deal with this; and he may be technically correct. However, as long as the GNWT's money is going in as a partner, as a full partner, as a major partner in this objective, we do have a say as to what is happening down there. We should have a say before we renew this particular contract.

I will say without any hesitation that the environment there needs to be safe, respectable,

positive and it must provide referrals to other agencies out there. We must create an environment that is safe, respectful and positive, I say again.

I will be asking questions to the Minister of Health and Social Services, because we must meet these mutually agreeable objectives. Because we care for these people, we wouldn't waver on any of these.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Member for Weledeh, Mr. Bromley.

#### MEMBER'S STATEMENT ON RECREATIONAL LAND LEASE POLICY FRAMEWORK

MR. BROMLEY: Thank you, Mr. Speaker. Public consultation towards the recreational leasing policy framework has no sooner been launched than they've gone off the rails. Overwhelming feedback from First Nations, leaseholders and the public has demonstrated such basic flaws in MACA's process and planning that we're back at square one. How much more wise it would have been to start with consultations, especially given the dearth of MACA's knowledge and capacity.

Incredibly, the rights of First Nations have not been taken into account. MACA failed to provide the consultation documents directly to the Yellowknives Dene when the process was launched and the Minister should have consulted with the YKDFN before the public discussions began. The result: The YKDFN has called for no new leases until completion of the Akaitcho process.

MACA recommendations are based on inadequate and verified research. The 35 new leases proposed includes a 300 percent increase on one lake alone and is based on an office exercise without site visits to verify suitability. Worst of all, no effort was made to tap into the intimate knowledge of local leaseholders. Recommendations failed to acknowledge that an explosion of Walsh Lake leases will swamp the already inadequate facilities at the Vee Lake landing. There is no recommendation or cash to provide landing infrastructure to accommodate a doubled or tripled parking and docking demand.

Most fundamental is the illusion of land management supposed by the recommendations. MACA has a responsibility for managing lands but no familiarity with the land. MACA has responsibility for regulating land use but admits to having essentially no capacity for enforcing the regulations.

What does this mean for the future? This consultation is intended to result in a policy for the whole NWT. The fundamental clause of this effort gives little confidence in a result that will meet our land management needs throughout the NWT. Possibly most chilling is a commentary this makes on our prospects for devolution of land management. The federal government is doing

nothing to control squatting on federal Crown land, devotes no resources and tolerates a squatting free-for-all. This is the resourcing and good stewardship we propose to take down in a devolution deal?

We need to take the time to do this right and start over. I'll be asking the Minister questions on how he proposes to turn this work around.

**MR. SPEAKER:** Thank you, Mr. Bromley. Item 4, returns to oral questions. The honourable Minister responsible for the NWT Housing Corporation, Mr. Robert Mcl end.

#### **Returns to Oral Questions**

RETURN TO ORAL QUESTION 13-17(2): POLICY REGARDING CARBON MONOXIDE DETECTORS

**HON. ROBERT MCLEOD:** Mr. Speaker, I have a return to oral question asked by Mr. Dolynny on February 8, 2012, regarding policy on carbon monoxide detectors.

The Member enquired as to government policy on the installation of carbon monoxide detectors and their usage in public housing in the NWT.

I can advise the Assembly that the 2008 National Building Code requires that all buildings heated by a fuel-fired appliance have a carbon monoxide detector hardwired into the electrical system. This is not a requirement for houses built prior to 2008.

All public housing units built subsequent to 1995 have carbon monoxide detectors hardwired into the electrical system. In older units we have taken steps to install detectors, including using battery operated carbon monoxide detectors when hardwiring was not possible. The carbon monoxide detectors are checked at least once a year as part of the local housing organization's regular preventative maintenance schedule.

I appreciate the Member raising this very important issue and I strongly encourage all homeowners in the NWT to install a carbon monoxide detector in their homes in accordance with the manufacturer's instructions. Thank you, Mr. Speaker.

**MR. SPEAKER:** Thank you, Mr. McLeod. Item 5, recognition of visitors in the gallery. The honourable Member for Inuvik Twin Lakes, Mr. Robert McLeod.

#### **Recognition of Visitors in the Gallery**

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. I'm pleased to recognize our partners in Betty House that we have in the gallery with us today: Ms. Lyda Fuller from the YWCA, Ms. Dayle Hernblad from the Homelessness Coalition with the City of Yellowknife, and I think we also have sitting

up there Ms. Kate Wilson, who has done a lot of work with YWCA.

Last but not least I'd like to recognize a gentleman that I've had an opportunity to work with for a number of years in my capacity as Minister of MACA: the mayor of Yellowknife, the outgoing mayor of Yellowknife, Mr. Gord Van Tighem. It's been a pleasure working with you, sir.

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

MR. YAKELEYA: Thank you, Mr. Speaker. I'd like to recognize my beautiful wife and my gorgeous son up there. I want to say thank you to my wife. In my language I want to say... [English translation not provided.] In my language it means honey, I love you.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Member for Weledeh, Mr. Bromley.

MR. BROMLEY: Thank you, Mr. Speaker. I'd like to recognize and express appreciation for all the work of the Homelessness Coalition and especially mention Mr. Mayor Gordon Van Tighem, a resident of Weledeh.

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

MR. HAWKINS: Thank you, Mr. Speaker. I, too, wish to make special recognition of a couple of people here today. Of course I would like to recognize Chase Yakeleya, who is a good friend of my kids. I as well would like to recognize someone special in the gallery: Kate Wilson. We've been good friends for many, many years; way back when we used to be neighbours in Willow Wood. Hello, Kate.

**MR. SPEAKER:** Thank you, Mr. Hawkins. The honourable Member for Mackenzie Delta, Mr. Blake.

**MR. BLAKE:** I'd also like to recognize two Pages that are here with us today: Laura McLeod and Jessi Pascal from the community of Aklavik.

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

MS. BISARO: Thank you, Mr. Speaker. I, too, would first off like to recognize a hardworking Page from the riding of Frame Lake, Brenda Joyce-Hotte, who has been working with us all week. I believe she will be back next week to work hard for us again.

I would also like to recognize the members of the Homelessness Coalition who are with us, particularly Mayor Van Tighem, my mayor and also the president of the NWT Association of Communities; Lyda Fuller and Kate Wilson with the YWCA; Dayle Hernblad, who is the city's homelessness coordinator; and last but not least,

Amanda Mallon, who is a Homelessness Coalition co-chair but also my very hardworking constituency assistant. Welcome all.

**MR. SPEAKER:** Thank you, Ms. Bisaro. The honourable Member for Nahendeh, Mr. Menicoche.

MR. MENICOCHE: Thank you very much, Mr. Speaker. I'd like to recognize one of the Pages who is going to school here in Yellowknife but comes from Trout Lake: Ms. Sheyenne Jumbo, daughter of Ruby Jumbo. Also of note, she is an author of a Slavey book. Welcome.

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

HON. DAVID RAMSAY: Thank you, Mr. Speaker. I, too, want to recognize the members of the Yellowknife Homelessness Coalition that are with us today. In particular I wanted to recognize Mayor Gordon Van Tighem, who has put in 12 years of great service to the city of Yellowknife and I know the Association of Communities is going to miss Mayor Van Tighem when he's gone. I want to wish him all the best.

MR. SPEAKER: Thank you, Mr. Ramsay. I, too, would like to welcome Chase and Cheryl into the House today. Welcome. It's always good to see you.

I'd like to thank our Pages for all the hard work you've done this week. Thank you very much.

I'd like to also welcome His Worship Mayor Gord Van Tighem. It's always good to see you here in the House, Gordon. It was always good to be working with you in the past too. Thank you for all the hard work you've done.

I'd like to welcome all visitors in the public gallery here today and thank you for taking an interest in our proceedings here today.

Item 6, acknowledgements. Item 7, oral questions. The honourable Member for Sahtu, Mr. Yakeleya.

#### **Oral Questions**

#### QUESTION 40-17(2): ABORIGINAL LANGUAGES SECRETARIAT

MR. YAKELEYA: Thank you, Mr. Speaker. The Government of the Northwest Territories Aboriginal Languages Plan was tabled in the House just about a year ago. The plan states the vision of a time soon to come. The Aboriginal languages are used extensively on a daily basis to communicate in NWT homes and the communities as well as within the organizations and agencies providing services to the public. I want to ask the Minister of Education, Culture and Employment if he would look at advancing this further by establishing an Aboriginal languages agency or secretariat in the government to continue on with this plan.

**MR. SPEAKER:** Thank you, Mr. Yakeleya. The honourable Minister responsible for Education, Culture and Employment, Mr. Lafferty.

HON. JACKSON LAFFERTY: Mahsi, Mr. Speaker. Since we delivered that report in October 2010 on the NWT Aboriginal Languages Strategy, that is part of the plan. A recommendation came out of that document, enhancing even further, identifying an action on the establishment of a secretariat with the responsibility of oversight of the GNWT Aboriginal languages services. That is part of the recommendation that came into effect within the report. We are working towards those options that we are going to be discussing. We are discussing that at the current stage with our department and during the 2012-2013 business planning process there will be more discussion.

MR. YAKELEYA: I'm very pleased to hear the Minister of Education, Culture and Employment talk about working towards this plan and also that it will be coming up in the business plans. I want to ask the Minister if in the interim, as we work towards this plan, there are mechanisms in place that will involve the regional translators as communities have different dialects and languages so that he's already started to put together some plans in place where the regional input will be taken also into the office of the secretariat.

HON. JACKSON LAFFERTY: I think that's the very reason why we gathered over 200-plus Aboriginal language experts in 2010, in March and April. Based on what we've heard from them, the report came as a package and it does highlight the importance of revitalizing and preserving our language. We are going to be reaching out to the regions. We need to hear their input into the project that we're going to be working on. Definitely, by all means, we're going to be reaching out to the MLAs and also to the regions as well. Mahsi.

MR. YAKELEYA: Would this Aboriginal secretariat be one of the permanent secretariats within the government, or would it be just within the 17th Assembly's business, or are we looking at 20, 30 years, maybe longer, to establish a strong, permanent secretariat office within the government?

HON. JACKSON LAFFERTY: When we first did a consultation and had a forum on the Aboriginal Languages Strategy, this is short term, and also we need to think long term how it's going to have a potential positive impact into the regions, into the communities, into the whole Northwest Territories. In 2012-2013 it is a step forward for us and through the business planning process we need to identify funds to carry forward the wish of the people. We will continue the process. Mahsi.

**MR. SPEAKER:** Thank you, Mr. Lafferty. Your final, short supplementary, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Speaker. The territorial government receives funds for the French from the federal government as one of the recognized languages in Canada. Has the Minister communicated that to the appropriate Minister in Ottawa to advise them that there are other Aboriginal languages that need funding such as the one that we're getting for this French and that this government will seek stronger dollars to implement our language programs? Can the Minister advise me?

HON. JACKSON LAFFERTY: I'd like to thank the Member for asking that particular question because it is an important question. Since we've tabled the document in the House in 2010, I've had two or three different visits and meetings with the Minister responsible and also correspondence, and he is fully aware of our Languages Strategy. I've also met with the national grand chief, Mr. Atleo, and delivered the same messaging. It's a shared responsibility. The Northwest Territories, federal, the communities, we need to all work together. This is a big document that will see some positive impacts into the Northwest Territories nationally and internationally, so we will continue to press that with the federal government. Mahsi.

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

#### QUESTION 41-17(2): PATTERSON SAWMILL

MRS. GROENEWEGEN: Thank you, Mr. Speaker. At the expense of starting to sound like a broken record, let me again ask the Minister, I don't know, ITI, ENR, I don't know who wants to answer this question. First of all, let's confirm that Patterson's ability to go out and cut timber this winter is being denied on the basis of a debt owed to this government of less than \$120,000. Thank you.

**MR. SPEAKER:** Thank you, Mrs. Groenewegen. The Minister of Finance, Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Speaker. There are a number of timber licences. There is an existing operational licence for cutting firewood, I believe. Thank you.

MRS. GROENEWEGEN: That was not an answer to my question. I'm talking about Patterson's involvement in the industry of cutting wood for commercial purposes other than firewood. I know that they have cut firewood this year, but they cannot operate their business on the revenue generated by firewood. The outstanding debt relates to the harvest of commercial grade saw timber in previous years and they were unable to pay the stumpage fees due to a number of economic difficult hardships, and this is not uncommon to many types of business. I would like

to again ask the Minister if the Patterson sawmill is being precluded from cutting timber this winter for commercial purposes of a saw grade level because of a debt outstanding to this government of less than \$120,000. Thank you.

HON. MICHAEL MILTENBERGER: I have considerable concern about talking about the details of a file and specific figures and all the issues related to that in this forum. I'm very happy to talk to the Member about this. The Member and I have had numerous discussions about this. I recognize the concern about Mr. Patterson, but I am not in the position, I don't believe, as Minister, to discuss details of individual files. Thank you.

MRS. GROENEWEGEN: Well, I do have Mr. Patterson's permission to discuss this in public on the floor, because we have exhausted every other possible avenue. Mr. Patterson has come here. He's met with the Minister of ITI. I have sent numerous correspondence, letters, texts and emails to Mr. Miltenberger about this and I have not got satisfaction. This is where we are today out of desperation, because we cannot get a satisfactory solution to this problem.

Last week Mr. Patterson called me and offered to cobble together a \$15,000 payment on this outstanding debt if he could just get out there, get this approved and continue to hold this debt on the books until such time as he has a chance to make the money to pay it back. I'm not asking for forgiveness of this debt, just asking for it to be put into abatement until such time as he can get to work and keep his business going.

I understand the Minister's difficulty in that he doesn't want to discuss the details of this, but I have been given permission to ask this. I would like to ask the Minister, in view of the value of waste wood that sits in Patterson's yard, and this proposed pellet mill, and the value, the economic value that could be in that waste wood that sits in Patterson's yard right now as a result of this new pellet mill coming on stream, has the department looked at some of the prospects, some of the good prospects that could see the economic viability of this business be improved as a result of this? Thank you.

HON. MICHAEL MILTENBERGER: There is activity; there is a proponent for a wood pellet plant that has done a lot of work. The issue of the supply of waste timber in the yard that the Member for Hay River South has raised has been raised with the proponent. At some point it may have that value, should the project go ahead, but at this point that is probably two to three years away. At this point the proponent had indicated that he was not in a position to buy that product in anticipation of his mill possibly going ahead. We are aware of it. We've looked at it. We've tried to consider it. We've talked

very directly to the proponent and that has been factored into the considerations. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. Your final, short supplementary, Mrs. Groenewegen.

MRS. GROENEWEGEN: Thank you, Mr. Speaker. It will be short. I'd like to ask the Minister of ENR is there not a policy, a program, a loan, a fund, anything within this government that could bridge the gap so that Pattersons can go to work, harvest timber, partake in the pellet mill future, which is on the horizon. This is not like a business that has no prospect for the future. It's the only one we have in the Northwest Territories. Is there not, in this government-wide system, anything that could help the Pattersons? Thank you.

HON. MICHAEL MILTENBERGER: In our dealings with Mr. Patterson we have come to the clear recognition, as the Member has commented about this, we need to respond as a government. We have polled the departments around the table. We have been acting on that collective advice and recommendations based on all of the aspects, not just ENR's or not just ITI's or not just Finance's.

What I will commit to the Member is I will ask and we will do one more, another review and I will bring the parties around the table, keeping in mind the passionate plea from the Member to be as proactive and supportive as possible. I will commit and I will personally be involved in that review. Thank you.

**MR. SPEAKER:** Thank you, Mr. Miltenberger. The honourable Member for Deh Cho, Mr. Nadli.

#### QUESTION 42-17(2): TOURISM DEVELOPMENT STRATEGY

MR. NADLI: Thank you, Mr. Speaker. In the Northwest Territories we boast about our natural resources, whether it be oil and gas or diamonds. We really have a lot of potential. One thing that I think in many instances that we take for granted is the sustainable potential for tourism. My question today is to the Minister of ITI. What is the GNWT or ITI doing to further tourism development in the Northwest Territories?

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

HON. DAVID RAMSAY: Thank you, Mr. Speaker. I am sure of the Member's enthusiasm about the opportunities as I listened closely to his statement. I think it is by working with our folks across the Territories that we are going to develop a sustainable tourism industry here in the Northwest Territories. We are currently looking at a Tourism 2015 plan. A big component of that Tourism 2015 plan includes a component of Aboriginal tourism, which would certainly include cultural tourism as

well. I know in the Member's riding we are looking forward to the completion of the Deh Cho Bridge and using that as a springboard to further tourism in that area. Thank you.

MR. NADLI: I would like to thank the Minister for his response. Too often we are faced with many challenges presently here in the Northwest Territories and, for that matter, all over Canada. Small businesses sometimes are faced with challenges such as finding funding. One common response that people get in terms of trying to start their small businesses and implementing them is market disruption. What kind of commitment could the Minister make to small businesses that exist or plan on stating a tourism initiative in the Northwest Territories? Mahsi.

HON. DAVID RAMSAY: Before I was elected to the House in 2003, I worked for some time as a tourism development officer in the North Slave region. That is the role and the function of tourism development officers. I would suggest that businesses that are interested in getting into tourism and developing tourism product in the Deh Cho and the South Slave and my colleague's riding would get in touch with the department officials in the region and work through how it is that we can help them get into business to provide further tourism products here in the Northwest Territories and specifically in the Member's riding. Thank you.

MR. NADLI: Mr. Speaker, my final question is to the Minister. The Minister did mention that the department is looking at developing a plan for year 2015. I understand there are initiatives to ensure that people are involved from a broad perspective. How does he ensure that the community perspective, and also at the same time the Aboriginal perspective and also at the same time small businesses are involved with this initiative? Mahsi.

**HON. DAVID RAMSAY:** Mr. Speaker, there certainly is an Aboriginal component to Tourism 2015. There is an advisory panel, as well, on Aboriginal tourism that is part of Tourism 2015.

The future is very bright. I think we have a number of things that are putting the Northwest Territories on the map. Currently, I would like to suggest that the Northwest Territories is the reality show capital of Canada. We have Ice Road Truckers recently came back to the Northwest Territories to film the new season. We have NWT Ice Pilots, a very successful show, and also Licensed to Drill, a new television series is filmed in the Northwest Territories at sites I believe just outside Tulita and in the delta, and also Arctic Air. We have a number of commercials. I hope Members have seen that television show and saw the commercials.

We are doing our best to market the Northwest Territories. I think, in that effort the big winner is the beautiful landscape that we have here in the Northwest Territories and showcasing that to residents across this country and globally, as well, because that show is successful on-line as well. Thank you.

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

#### QUESTION 43-17(2): RECREATIONAL LAND LEASE POLICY

MS. BISARO: Thank you, Mr. Speaker. My questions today are addressed to the Minister of Municipal and Community Affairs. I want to follow up on some of the points that I raised in my Member's statement. I attended one of the two public meetings that were held here in Yellowknife. In listening to the back and forth and in listening to the responses from Municipal and Community Affairs staff, there was an indication that there was a possibility for more consultation. I would like to know from the Minister what process is intended to be followed now. What steps will MACA take? What is MACA going to do going forward? How are they going to ensure that they get the right information so that we get the right policy put in place? Thank you.

**MR. SPEAKER:** Thank you, Ms. Bisaro. The Minister of Municipal and Community Affairs, Mr. McLeod.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. The steps going forward, we have released a discussion paper, as the Member had noted in her Member's statement. We had to get something on the table for the public to latch on to. The next steps are to consult with all affected stakeholders and use all the information we gather to do the final framework. Again, this is just a discussion paper; it is not the final product. We will be working on getting the final product out by June 30<sup>th</sup> of this year. Thank you.

**MS. BISARO:** Mr. Speaker, thanks to the Minister. I hope by final product he means a report and not implementation, but I will come back to that.

One of the things that was glaring and obvious in the meeting that I was at, is that there has to date been no formal consultation with First Nations, the Yellowknives Dene whose traditional lands this area sits within. There has been no direct consultation with the users of the area, whether they be current leaseholders or day-use users. I would like to know from the Minister whether or not that specific consultation will be done. Thank you.

HON. ROBERT MCLEOD: The discussion paper that we put out, we will consult with all affected stakeholders before we release the final drafting in June. The final draft is actually not the implementation, as the Member had noted. It would be a draft taken into consideration, all the

comments that we have heard during the consultation process. Thank you.

**MS. BISARO:** Again, thanks to the Minister. I would like to know from the Minister, because this is another area that, in my mind, where lack of information was glaringly obvious. There was no assessment of current use of particularly the Vee Lake and Walsh Lake areas and a couple of small lakes around it like Jackson and Banting, I believe. I would like to know from the Minister if we are talking about a June 30<sup>th</sup> final document, how will the department get that current use evaluation, that data, how will they get that prior to June 30<sup>th</sup>. I think it is vitally important that they have that data in order to have a good framework and policy going forward. Will the department do that work that is required? Thank you.

HON. ROBERT MCLEOD: I believe the department has done some work in identifying the density of the cabins out in these particular lakes as they have done around the airport like in Inuvik, just to ensure that there is room for growth and able to get more cabins on there. Some of that work is done. Again, I will assure the Member that we need to make sure we get a good product out there and this is one that we are going to take our time, make sure we get the right product out there before any kind of implementation because it is very important to residents not only of the lakes surrounding Yellowknife but the residents of Airport Lake in Inuvik too. Thank you.

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

**MS. BISARO:** Thank you, Mr. Speaker. I totally agree with the Minister that we want to get it right and I think there are a number and certain parts of information that are lacking. The density study unfortunately was done from a desk, it wasn't done from on the land, and that, in my mind, is lacking.

I'd like to ask the Minister, there's another area that hasn't yet been handled, from what I've seen, and that would be the ownership issue of letting leases on land that's been claimed by prospectors where there are mineral claims, and also how is he going to handle the ownership issue of Yellowknives Dene First Nations land. Thank you.

HON. ROBERT MCLEOD: Thank you. Obviously, these are very important questions and ones that we need to address. Part of the consultation between now and when we get the final draft framework done, we need to make sure that we have all these questions answered, the ownership issues taken care of so as we go to implement the framework there's not a lot of confusion. So we hope to clear up a lot of confusion before we actually get into implementation. Thank you.

**MR. SPEAKER:** Thank you, Mr. McLeod. The Member for Weledeh, Mr. Bromley.

#### QUESTION 44-17(2): RECREATIONAL LAND LEASE POLICY

MR. BROMLEY: Thank you, Mr. Speaker. I'd like to follow up on my colleague's questions to the Minister of MACA on the whole business as per my statement earlier. I'd like to start by saying that I do appreciate the department going after a renewal of this policy. It was desperately needed and I think there are a lot of lessons obviously being learned along the way and that's what I want to do is improve this process. I'd like to start by asking the Minister if he could explain how it is possible that the Yellowknives Dene First Nation and the central holders and users of these lands had not even received the consultation documents until they heard about them from somebody else and asked for them, much less being included in consultations before the public process began. How could this happen in this day and age? Mahsi.

MR. SPEAKER: Thank you, Mr. Bromley. The Minister of Municipal and Community Affairs, Mr. McLeod.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. This whole process was one, as the Member said, that was much needed. It was one that was actually endorsed by Members of the 16<sup>th</sup> Assembly to start to carry out the work as they felt there were a lot of squatters out there and the issue needed to be dealt with.

As far consulting, we do our best to try to consult with all affected stakeholders in this. As I responded to Ms. Bisaro, we are trying to get a product out there that they can actually see and make their assessments and comments based on the discussion paper. So it's not a perfect scenario, but it's one that the department has worked very hard at trying to address the issue of cabins and squatters that was brought forward and endorsed by Members of the 16<sup>th</sup> Assembly. Thank you.

MR. BROMLEY: Thank you for the response there, but that's very lame, Mr. Minister. This is a First Nation we're talking about here and the fundamental first thing we know in consultation on anything that we do involving the land is to talk immediately and thoroughly with the First Nation. So I hope the Minister will ask his staff, inform his staff on that protocol. It certainly should be routine by now.

Regarding the recommendations, MACA has admitted that the consultant plotting new lease sites did not even leave his office and walk the ground. Area leaseholders, a gold mine of knowledge and experience, were not consulted for their input, preparing informed options. The area is underlain by mineral potential and mineral leases active for 40 years, yet MACA was unaware. We've since found out that recreational leases are packed into shallow, and weedy and inappropriate bays. Any weekend trip to the Vee Lake landing would have

revealed that parking and docking are already bursting with users.

So could the Minister comment on why recommendations were brought forward without any on-the-spot visits to proposed lakes and facilities before consultation with the people who already live on the lakes, or site examination of the facilities now in place? Mahsi.

**HON. ROBERT MCLEOD:** Mr. Speaker, I'll try and stay away from lame answers and give the Member the answers that he wants to hear.

As far as I know, we didn't GPS track the worker that was supposedly glued to his desk and not on site. So I'm not aware of that. I will follow up and find out how many site visits we actually have done. According to the Member we've done none but again, without a GPS strapped to our employee, we're not sure if he's gone out or not. So I will follow up on that for the Member. Thank you.

MR. BROMLEY: Thank you. I appreciate the Minister's response. The next question I have is enforcement. Again I am astounded that a department with the responsibility of regulating land use has essentially no familiarity with the land and admits it, and they're responsible for regulation and they admit they have no capacity and yet they propose no remedy. Or at least I have not heard one so far. At the same time, MACA is proposing to double a number of leases here and the past leases are in complete disarray in terms of any adherence to regulations. We lack the enforcement. So why is the Minister proposing new leases when we can't enforce the regulations we have and will he go forward to address our capacity for enforcement? Mahsi.

HON. ROBERT MCLEOD: It is our intent to grant new leases once the whole framework is done and we're able to. We are a government for all the people in the Northwest Territories and we do have folks that are sending us communications saying that they think this is long overdue. They think this is a good idea. So we have to listen to them too.

As far as the enforcement goes, the Member is correct; we have been lacking in our ability to enforce in the least little bit. As part of the business plan process, we're hoping to bring forward recommendations and get feedback from committee. Obviously this is one, because if we are putting a regulation in place, we need to have the capacity to enforce them. So I can assure the Member that we will work on getting that capacity so we're able to enforce. Thank you.

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

**MR. BROMLEY:** Thank you, Mr. Speaker. I appreciate the Minister's response. I recognize that this, and maybe much of this, has been inherited by this Minister, but now is the time and opportunity to

address these and I appreciate the Minister's commitment.

My last question is on the greater issue of our land legacy. We're in devolution negotiations; we're proposing to take down the existing federal land management program with no additional resources I know of. As we know, federal enforcement is no enforcement. So we're inheriting this huge deficit and I called on the Minister during the last Assembly to write the federal Minister, start a correspondence, ask him for priority action to begin enforcing the law. So will the Minister provide us with the correspondence he's had to date on this with DIAND or whoever, and his perspectives on the implications of this to our devolution negotiations process? Mahsi.

HON. ROBERT MCLEOD: Thank you. The Member is absolutely correct that when devolution does happen, it is something that we will inherit and we have to make sure that we're best positioned to deal with all of the federal squatters on Crown lands. So we need to position ourselves to deal with that.

I will again commit to the Members that I will update them on any correspondence I have with DIAND as to our concerns with what we may be inheriting. Again, rest assured to Members that we will do our best to ensure that when we do take this over from the federal government, we will be in a position to be able to do the job and do it well. Thank you.

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

## QUESTION 45-17(2): BUSINESS INCENTIVE AND NORTHERN MANUFACTURING POLICIES

MR. BOUCHARD: Thank you, Mr. Speaker. As I indicated in my statement, I am quite concerned with the implementation of the Business Incentive Policy and the northern manufacturing policy. My question today is for the Minister of ITI and it concerns that BIP and northern manufacturing policy.

How are the departments trained in the implementation of the Business Incentive Policy and northern manufacturing policy?

**MR. SPEAKER:** Thank you, Mr. Bouchard. The Minister of Industry, Tourism and Investment, Mr. Ramsay.

HON. DAVID RAMSAY: Thank you, Mr. Speaker. That's a very specific question and I would suppose that training of staff at the departmental level would take place through the deputy ministers' committees, I would suppose, and that information would filter down to the departments. There undoubtedly are training sessions that are conducted by the BIP folks at ITI with the various departments. That's how I would see the training of

departmental staff taking place. I can get a further detailed response for the Member, if he wishes. Thank you.

MR. BOUCHARD: I'm looking forward to that information. My next question is concerning, as my colleague for Hay River South had indicated yesterday, we've had some businesses that have been trying to talk to some of the different departments about the services they provide. This may be something the Minister may need to get information on, as well, but how are the different departments informed of the new products and services that companies in the Northwest Territories are added to the Business Incentive Policy listing, I guess?

HON. DAVID RAMSAY: If a company does avail themselves of new equipment that would enhance the services that they could provide, I think that would be part of the salesmanship of the company to get out to both government and private sector to ensure that people know what type of equipment they have and what services they can provide. The Government of the Northwest Territories certainly wants to be a partner with northern businesses and ensure that opportunities are maximized to the greatest extent possible when we do look at procurement here in the Northwest Territories.

MR. BOUCHARD: Another area of concern that some of the businesses in my riding of Hay River expressed is the bundling of packages. The departments may have a larger project that includes everything. When they're building a road, they may include the signage. They may have an engineering contract that includes the drilling. My question to the Minister is: How does the Business Incentive Policy extend to subcontractors that are working for the companies that have the actual contract with the GNWT?

HON. DAVID RAMSAY: This is a very important point to make here. I think some of the recent changes that we have seen with BIP is how those design-build RFPs are evaluated. I share the Member's concern, that oftentimes the local subcontractors don't get the work and the work goes someplace else. I think we've done a great deal of work, working with the Construction Association here in the Northwest Territories and other stakeholders, to ensure that we come up with an evaluation criteria that is going to allow the maximum extent possible of local and northern content so that those dollars stay in the North and continue to work to benefit our economy here in the Northwest Territories, not somebody else's economy. I appreciate the Member's concerns that we are putting our best efforts to looking at that. I know Public Works and Services has done a good job on that as well. Going forward, the evaluation criteria are something that we are going to address in a serious way.

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

MR. BOUCHARD: Thank you, Mr. Speaker. I appreciate the Minister's comments. My next question is along those lines. How do we encourage the different departments to break down those contracts? Like I had indicated in my Member's statement, I am concerned that at this level we're having difficulties getting maximization from northern businesses. When we get into larger projects, how are we going to deal with that? How can we encourage the GNWT and departments to break down these contracts to maximize the northern businesses?

HON. DAVID RAMSAY: I think, in answer to the previous question, a step in the right direction is the evaluation and the criteria to get the government to evaluate RFPs and a waiting system that is going to give more weight to proposals that maximize northern content. That would include subcontractors, engineering services, whatever the case may be. I think, going forward, that is an area that we certainly have to pay attention to as a government. We again need to maximize those benefits to local businesses and northern businesses here in the NWT, not south of our border and in other places. That's something that I'm intent on pursuing. I know this government is very interested in maximizing the dollars that stay in the North.

**MR. SPEAKER:** Thank you, Mr. Ramsay. The honourable Member for Nahendeh, Mr. Menicoche.

#### QUESTION 46-17(2): JEAN MARIE RIVER AND MACA'S NEW DEAL

MR. MENICOCHE: Thank you very much, Mr. Speaker. I'd like to ask the Minister of Municipal and Community Affairs some questions, some old questions on the New Deal. Under the New Deal they're turning the facilities over to the community of, specifically, Jean Marie River. The issue was that they had committed to train people to have local resources to help maintain and upkeep the facilities. To date they're not in a capacity situation. I'd like firstly to ask the Minister what the current status of the New Deal is, as it deals with Jean Marie River.

**MR. SPEAKER:** Thank you, Mr. Menicoche. The honourable Minister responsible for Municipal and Community Affairs, Mr. Robert McLeod.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. I'll try to give some new answers to old questions. The New Deal is one that's been embraced very well by the community governments. Obviously, there are challenges as far as capacity goes in some of the responsibility that they've inherited. But the communities have come along really well, working with our partners at

Local Government Administrators program. There's a training program that Jean Marie River is actually one of the recipients of some funding for, to help train one of the local band members to eventually be in a position to take over the operation of Jean Marie River.

As far as the infrastructure goes, we do work with the communities quite closely to make sure that they're positioned to be able to handle the infrastructure and maintenance that comes with it. I know in Jean Marie River's case they have been working with Public Works and Services to do some of the maintenance until they're better positioned to handle the maintenance themselves.

**MR. MENICOCHE:** I guess the facilities and assets do get transferred to the community come March 31<sup>st</sup>. Is that assistance still there up until March 31<sup>st</sup> or does it end March 31<sup>st</sup>? That's the issue that the community of Jean Marie River is talking about: that they're not ready yet, and it's very, very costly to bring in outside services to the community.

**HON. ROBERT MCLEOD:** Obviously, we'll do our best to make sure that we don't leave Jean Marie River on their own as far as the maintenance goes. We'll work with the community to try to come up with – they usually work with our departments very closely – a maintenance plan, capital plan, and so forth.

Again, we need to make sure that our communities benefit from the transfer, if it means training opportunities for their local residents. There are some cases with some of the communities that have inherited the New Deal where they've kind of bundled together and hired maintenance people to make a tour of their communities and take care of the maintenance. We'll work very closely with the community of Jean Marie River to ensure that they're not left out on their own without any assistance from MACA.

**MR. MENICOCHE:** So is it the Minister's intent, with regard to Jean Marie River, to continue with the deal as it is, which means transferring the facilities over to the community come March 31<sup>st</sup>? They are anticipating an impact to their budget.

HON. ROBERT MCLEOD: That was the intent of the New Deal right from the beginning, to transfer all assets over to the community and have them responsible for the maintenance of the infrastructure. Again, we work with them and make sure that we're not setting any of these communities up and putting them in a position where they fail. That's not our intent. We'll work very closely with the community but the intent is still there to transfer all assets over to the community.

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

MR. MENICOCHE: Thank you very much, Mr. Speaker. I guess one of the questions that they did

ask me is: Can the transfer be delayed until the question of sustainability and ability to maintain the assets are in place?

HON. ROBERT MCLEOD: Obviously, I'm not going to make that commitment here on the floor, but I can assure the Member that I'll have discussions with the officials, see where Jean Marie River is at, see what challenges they're facing and if there's any possibility of delaying. I'll work with the Member and the officials to ensure that Jean Marie is in a good position to succeed once everything's signed over to them.

**MR. SPEAKER:** Thank you, Mr. McLeod. The honourable Member for Inuvik Boot Lake, Mr. Moses.

#### QUESTION 47-17(2): HOMELESSNESS ISSUES IN REGIONAL CENTRES

MR. MOSES: Thank you, Mr. Speaker. My question today is for the Minister of Housing with regard to his Minister's statement that he gave earlier today. Before I begin I just want to commend all the hard work that the department of housing has been doing with the Yellowknife Homelessness Coalition and the creation of the Betty House. However, you have to understand homelessness is more than a Yellowknife issue: we see it in all our communities. We see it more in the regional centres. I want to ask the Minister what work has been done in the regional centres such as Inuvik, Hay River, Fort Smith and Fort Simpson to deal with the homelessness issues that are arising in those communities as well.

**MR. SPEAKER:** Thank you, Mr. Moses. The honourable Minister responsible for the NWT Housing Corporation, Mr. Robert McLeod.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. In the communities themselves, they have very active groups that try and look after the homelessness issue in their communities. We would work with these communities. The one in Yellowknife here, most of all we helped with the infrastructure. Then the groups are usually responsible for the operation of facilities. If there are groups out there that have ideas and plans and want to sit down with the Housing Corporation, we're always more than willing to listen to any plans that are out there. As far as funding the O and M on a lot of the shelters, we're not in a position to do that. We usually help with the infrastructure.

MR. MOSES: Thanks to the Minister for his comments. I'd like to ask the Minister, has the department of housing taken the initiative to speak with these interested groups in the regions and given them advice and some support and motivation to move to this next step of building the infrastructure in these communities so our people

who are in dire straits and on the streets have a place to go.

HON. ROBERT MCLEOD: We don't go out and solicit these groups and see if they need our assistance. In many cases the groups will come and initiate the conversation with the Housing Corporation. Then again we would be willing to listen. This would be one that's driven by the particular groups in the community. If they drive it, then it has a chance for success, rather than having Housing drive it where the chance of success is a little lesser. Groups like this that drive these initiatives in the community, that's when it starts to work.

MR. MOSES: In terms of the contribution that was given to the Yellowknife Homelessness Coalition of \$2.3 million that he had stated earlier, it is quite a bit of money and I know it will go to a good use. As the contribution as such, would the department be looking at developing some kind of contribution to get these groups started up into developing a plan that can eventually lead to these kinds of infrastructures such as the Betty House? If there is already a contribution program in place, can the Minister describe what that contribution is?

HON. ROBERT MCLEOD: I'm unaware of any contribution program that's already in place. It's something that obviously if the groups come forward, we would be looking at it on a case-by-case basis. It's not like we would be budgeting money every year to make contributions towards infrastructure. We would have to wait for the groups to approach us and then we would see if it fits within our budget before we decide on making any kind of contribution.

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

**MR. MOSES:** Thank you, Mr. Speaker. Can the Minister please provide me with information on any of these groups? Have any of these groups approached his department to seek this kind of funding?

HON. ROBERT MCLEOD: As far as I know, we've had no groups come forward or approach the NWT Housing Corporation; however, I could be wrong. I would have to confirm that and relay that on to the Member. Thank you.

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

#### QUESTION 48-17(2): YELLOWKNIFE DOWNTOWN DAY SHELTER

MR. HAWKINS: Thank you, Mr. Speaker. In my Member's statement today I reminded the House, and I will continue to remind the House, that I am a very strong supporter of the downtown day shelter. I can tell you many businesses as well as

downtown residents support the principles of why the downtown day shelter exists. This is why I continue this issue with the Minister of Health and Social Services, to raise the awareness, but also ensure that it's a safe, respectful and positive environment.

The lofty goals set out by the department, of course, were very simple. As I read earlier today: a warm, safe place, provide support and referral, and certainly keep it open from seven to seven, seven days a week. I'm not convinced that they're meeting all of these goals and I've had people approach me on particular problems, as I've already cited today.

Is the Minister of Health and Social Services willing to take these issues seriously and attach them to the contribution agreement? What I'm suggesting is will he make sure that any future contribution agreements with the John Howard Society ensure that the environment is safe, where they do not drink there, where they do not abuse staff and, certainly, where the referral process is finally being used. Thank you.

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

HON. TOM BEAULIEU: Thank you, Mr. Speaker. The Department of Health and Social Services has completed an evaluation of the day shelter pilot project. The evaluation has come back to us recently. We have given the evaluation to the John Howard Society for a response. Once we receive the response from the society, in addition to the evaluation, we will be looking at the day shelter for its effectiveness. Thank you.

MR. HAWKINS: I had previously requested a copy of this evaluation; however, I was only given a bit of a summary as to the objectives. I still have that outstanding request, and that's very important to the principles of supporting this day shelter initiative, because we have to know what we're supporting. I mean, it's great we support the principles, but will the Minister provide me and perhaps even the Standing Committee of Social Programs a copy of this report done on the day shelter so that we can get down to the root problems and try to solve some of them? Thank you.

**HON. TOM BEAULIEU:** I will commit to providing that evaluation to the Member for Yellowknife Centre and also to the Social Programs committee. Thank you.

MR. HAWKINS: In my statement earlier today I referred to the fact of many of the problems that have been happening over there. Will the Minister of Finance, through his channels, through the Yellowknife Health and Social Services Authority, work to ensure and certainly enshrine the issues that I've highlighted, that we want a system that is

safe, respectful, positive and definitely commits to doing referrals? Because right now the John Howard sees they're meeting their objectives by just having the door open. Unfortunately, I think that there are a lot more steps required: safety, staff free of abuse, and certainly an environment that does not drink. We need a positive environment. My question is simply: Will he ensure that those principles are enshrined in any future contribution agreement?

HON. TOM BEAULIEU: Yes, we will work with the John Howard Society, if they were to continue to operate the day shelter, and we can put some of those requests into the new proposal or the new contract with the John Howard Society to ensure that those things do not continue in the day shelter. Thank you.

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

MR. HAWKINS: Thank you, Mr. Speaker. I would be remiss to not point this out, but it's my understanding the contract has not been drawn up yet. It's my understanding the contract has not been fully developed yet, because, of course, the three-year ongoing initial pilot project has not expired yet. I just want to make sure it's on the record here one way or the other. Has the contract been fully renewed at this particular time? My understanding is that it has not, but let's get that clarity for the House. Thank you.

HON. TOM BEAULIEU: At this time the department intends to continue its funding beyond the three years, that in the business planning process the department has put the \$125,000 back into the 2012-13 budget. I understand that the City of Yellowknife will be continuing their funding and that we're waiting for confirmation from either BHP Billiton on their contribution, or if they are moving their contribution to another initiative, then we will be looking for a third partner to continue. Thank you.

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

#### QUESTION 49-17(2): RECREATIONAL LAND LEASE POLICY

**MS. BISARO:** Thank you, Mr. Speaker. I'd like to continue with some questions, that I didn't get time for, to the Minister of Municipal and Community Affairs relative to the recreational land lease policy.

The Minister, in answering my questions and my colleague's questions, I understood him to say that he admitted that there are certain problems with the consultation that's been done to date and with the report that's been out there, that there are certain issues in regard to land ownerships and so on. I also heard the Minister say that he felt that those could be resolved by the final draft date of June 30<sup>th</sup>

of this year. I'd like to ask the Minister, does he really think that land issues such as YK Dene First Nations claims to land and mineral claims ownerships of land, does he really think that those can be resolved by June 30<sup>th</sup>? Thank you.

**MR. SPEAKER:** Thank you, Ms. Bisaro. The honourable Minister of Municipal and Community Affairs, Mr. Robert McLeod.

HON. ROBERT MCLEOD: Thank you, Mr. Speaker. Anything can be resolved, and as I said, we have a discussion paper out. Interested stakeholders will have an opportunity to look at the discussion paper, give us their input, and then we would, by the middle of June, put out a final product, if it's a good one, and if not, then we'll continue to do the work until we have one that's perfect. Thank you.

MS. BISARO: Thanks to the Minister. I'm really pleased to hear that we're going to look for a perfect product. I think that's great. One of the concerns that I've expressed is the land issue, but there's also the issue of actually doing some assessment of current use of the lake. That really can't be done certainly for summer use until sometime at least after July, I would think. Will the Minister commit to delaying this report until after there has been an evaluation of current use of the lake and, well, actually, I should say the study area, which includes the Walsh, Banting and Jackson lakes? Thank you.

HON. ROBERT MCLEOD: I'm not going to make a commitment to delay anything right now. However, I have assured the Member and Members of this House that we will have a very good product once we release it, and if that product includes the density study... I do recall seeing some maps with all the density of the lakes in question and the lake in Inuvik, and I can assure the Members that I will, as Minister of Municipal and Community Affairs, ensure that our department has a very good product before we release it and it's one that is fairly acceptable to everyone. Thank you.

**MS. BISARO:** I don't know, Mr. Speaker, the Minister's gone from a perfect report to one that's fairly acceptable. I don't know. We're going down, not up.

One of the concerns that current leaseholders have expressed is that it's not the density necessarily that currently exists on the lake but it is the use of the lake, and the addition of, for instance, 35 lots on Walsh doesn't really contemplate the current use, casual use and day use of people, particularly during the summer but also during the winter. The Minister is talking about density, but we also need to evaluate the use on a daily basis and, in my mind, that requires somebody sitting at the Vee Lake boat launch and noticing, marking down, taking a tally of all the people that are using the lake.

My colleague mentioned, and I mentioned in my statement, but my colleague mentioned the capacity of the department to enforce the leases that they're going to be let. The Minister suggested that there might be some increase or some use of manpower to do that. I'd like to know from the Minister whether he thinks this can be done from within the current existing budget or are we going to see a request for an increase to the MACA budget to do the enforcement capacity that is required. Thank you.

**HON. ROBERT MCLEOD:** Mr. Speaker, I said the report will be perfect. Whether it is acceptable to everybody is a different story.

I have committed and we have to have a look at this, obviously, and look at our budget issues and see if we are able to do it from within. If not, obviously, with our fiscal restraints, it will be something we will have to bring before this House to get approval. We will explore all options to see how we can best bring forward someone to enforce the new regulations. We will continue to work on that and I can commit to that. Thank you.

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

MS. BISARO: Thank you, Mr. Speaker. One of the things that were brought up loud and clear at the public meeting that I attended was the overuse of the infrastructure at the Vee Lake landing. There is a pier there. There is a boat launch there. They are both extremely overused and they are both funded on a volunteer basis by the users of the lake. So I am glad to hear the Minister mention that maybe the department is willing to look at infrastructure. My question to him is whether or not the government is going to take some responsibility for the infrastructure at the Vee Lake landing, garbage, boat launch dock and there is a huge issue with parking. Will the Minister consider to provide some funding for that? Thank you.

HON. ROBERT MCLEOD: I can assure the Member that I will work with my colleague over in ITI as far as the parks side of it goes and see if there is anything that we can do as a government to address some of the issues that were raised by the Member.

Again, as far as the discussion paper, I said on a number of occasions now that it is our intent to get feedback from all affected stakeholders and public on the discussion paper that is presented now and possibly have a product out by June 30<sup>th</sup>. Again, we want to make sure that it is a product that is a very good product and one that is acceptable by most. It will be a perfect report. Whether it is acceptable by most people is another issue.

I can assure the Members of this House that this is an issue that we take quite seriously. It is one that is having territorial-wide effects as far as squatters go. We are doing what we can to ensure that we help address this issue and deal with it not only in the Yellowknife area, we have it up in the Beaufort-Delta and we also may have it in a number of other places. But we can make sure we are in a position to deal with this issue. Thank you.

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

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

---Unanimous consent granted

MR. SPEAKER: Mr. Hawkins.

### Recognition of Visitors in the Gallery (Reversion)

MR. HAWKINS: Thank you, Mr. Speaker. It gives me great pleasure to recognize a couple of visitors here in the gallery today. Mr. Sean Ivens and his wife Rhonda Ivens are visiting us in the gallery. Mr. Ivens, as many of you know, is the president of Advanced Medical Solutions. That is a northern company here. It provides medical and certainly medevac services for people in the NWT and, as well, in the Kitikmeot region. Finally, I have known Sean for 35 years and because of the miracles and wonders of science, we are still both 25 years old. Hello, Mr. Ivens.

MR. SPEAKER: Thank you, Mr. Hawkins. Item 8, written questions. Item 9, returns to written questions. Item 10, replies to opening address. Item 11, petitions. Item 12, reports of standing and special committees. Item 13, reports of committees on the review of bills. Item 14, tabling of documents. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Item 18, first reading of bills. Item 19, second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters: Tabled Document 1-17(2), Interim Appropriation Tabled Document 2012-2013; 2-17(2), Supplementary Estimates (Infrastructure Expenditures), No. 3, 2011-2012; Tabled Document 3-17(2), Supplementary Estimates (Operations Expenditures), No. 3, 2011-2012; and Bill 1-17(2), An Act to Amend the Borrowing Authorization Act, with Mrs. Groenewegen in the chair.

### Consideration in Committee of the Whole of Bills and Other Matters

**CHAIRPERSON (Mrs. Groenewegen):** I call Committee of the Whole to order. Members, what is the wish of the committee? Mr. Menicoche.

**MR. MENICOCHE:** Thank you, Madam Chair. The committee wishes to consider Tabled Document 1-17(2), Tabled Document 3-17(2) and Bill 1-17(2).

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

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Does the committee agree we take a short break?

SOME HON. MEMBERS: Agreed.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you.

---SHORT RECESS

**CHAIRPERSON (Ms. Bisaro):** Alright, Members, I call Committee of the Whole back to order. Mr. Yakeleya.

**MR. YAKELEYA:** Thank you, Madam Chair. I refer to questions on some of the items contained in Tabled Document 1-17(2), Interim Appropriation 2012-2013, and seek unanimous consent of committee to return to general comments on Tabled Document 1-17(2).

CHAIRPERSON (Ms. Bisaro): Thank you, Mr. Yakeleya. The Member is seeking unanimous consent to return to opening comments on Tabled Document 1-17(2). Are there any nays? I hear no nays. We will return to opening comments on Tabled Document 1-17(2). Mr. Bromley.

**MR. BROMLEY:** Thank you, Madam Chair. I have a number of comments. I guess I'd like to put them forward in terms of questions. Do we want to start with witnesses?

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Bromley. Yes, we do. Minister of Finance, do you have witnesses that you would like to bring into the Chamber?

**HON. MICHAEL MILTENBERGER:** I do, Madam Chair.

CHAIRPERSON (Ms. Bisaro): Sergeant-at-Arms, would you escort the witnesses into the Chamber?

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

**HON. MICHAEL MILTENBERGER:** Thank you, Madam Chair. I have with me from the Department of Finance Mr. Mike Aumond and Mr. Sandy Kalgutkar.

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Miltenberger. To general comments. Mr. Bromley.

MR. BROMLEY: Thank you, Madam Chair. My comments have to do with some of the programs that in the previous Assembly got underway. We're now proposing a budget for the first quarter of the next fiscal year. I want to know or get some reassurance that these programs will be enabled with this budget to be continued or completed as

the case may be. The first one is... Maybe I'll just mention all of the ones that have to do with Health and Social Services.

The child and family services community committees, there was a goal of five for communities. I assume we're going to complete that for this fiscal year. Will that program, as part of our A-base, be continued and can we expect to establish one or two new child and family services community committees in the new year first quarter?

Similarly, the early childhood development review that's taking place, I assume that's going to be completed in this fiscal year, but it would obviously require implementation early in the next. That's been identified as one of our priorities of the government. I want to know that that's going to be underway with this budget.

There's a midwifery review that's underway that we're waiting to see. I want to know that that's going to be continued and developed with this budget.

Finally, there's a mental health reorganization happening and I want to know that that's going to be able to be put in place as per the implementation of the 2012-2013 budget.

Maybe could I start with those?

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Bromley. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Madam Chair. The work on the childhood family services committees is continuing. The work on the midwifery review will be concluded. I believe the third item, which I didn't get a chance to make a note of, is also going to continue to be dealt with.

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Miltenberger. It was the mental health review, I believe. Did you wish to comment on that? I believe the last one was a mental health review. Mr. Miltenberger.

**HON. MICHAEL MILTENBERGER:** Thank you, Madam Chair. That work is continuing as well, I believe.

MR. BROMLEY: I guess I'd like to know a little more specifically than that. There was actually four. I will mention them again. There's the child and family services community committees; we've committed to getting five of those up and running this fiscal year. I'm assuming that's going to happen and that we will continue that work. Obviously, we want one in every community. What is the goal for the first quarter that we're confirming a budget for here with the child and family services committee?

The second one is the early childhood development review that's being done and I believe should be completed – maybe I could get this confirmed – this fiscal year. Actually, why don't we hang onto that

one? That may be done by ECE, I believe, rather than Health. Let's hang onto that one. I'll remove that question and stick with the midwifery and the mental health reorganization. It wasn't exactly a review but a mental health reorganization. I want to be sure that those are not only going to be completed but enabled to continue with their development, presumably with the funds being spent on those reviews in the current fiscal year. I want to know that's happening in the new fiscal year and what the status of those are.

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Bromley. Mr. Miltenberger has deferred to the Minister of Health and Social Services. Mr. Beaulieu.

HON. TOM BEAULIEU: Thank you, Madam Chair. On the child and family services review, one of the main recommendations was the child and family services committees in the communities across the territory. We have advised the Beaufort-Delta along with all of the health and social services authorities, starting with the Beaufort-Delta right down to the Fort Smith Health and Social Services Authority, that we are going to start the training component, that they will work on a training component with the communities to start developing those committees in the communities. We've had, in addition to that, some discussions at the community level. I'm doing the tour with the department to all of the communities, and about maybe last month, closer to the end of the month we finished a Sahtu tour and reviewed that at the community levels. It looks like it would be feasible for us to do at least three child and family services committees in the Sahtu.

Right now we're compiling the numbers to see where we think these types of committees would lend a great amount of support to the department when it comes to dealing with child protection. We basically reviewed the children who are receiving services from the department. I have the numbers of the latest tour because I was briefed on it. In the Sahtu we have a couple of communities, one where no children are receiving services from the department and one where one child is receiving services. In the other three communities there's quite a few. So we were going to look at trying to target the communities that had the greatest numbers of children taking services from the health and social services authorities and we intend to do the same thing right across the board wherever we think that it would be wise to put these committees together, not just to put the committees in where we thought that they should go. I think the initial intent was to put one in every community but we find some communities may not need it.

In the midwifery we are doing a review of the midwife and we're calling it, I guess, an NWT midwifery review. That review is of the two midwives that are currently in Fort Smith and the

one midwife position that's in Yellowknife. We think that's going to save the government money. In Fort Smith, as an example, with the two midwives there were 24 births in Fort Smith under the supervision of the midwives and 26 more births that occurred outside of Fort Smith but were taken right to the stage and for medical reasons or the choice of the mother were sent to doctor's care for the actual birth. We see that program also will be saving money if the midwives were able to deliver babies at the community level.

I don't have the information here on the mental health review. I can get that information, I'm sure, fairly quickly and I can brief the Member on that.

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Beaulieu. Mr. Bromley.

**MR. BROMLEY:** Thank you, Madam Chair. Just a quick follow-up and then I'll give somebody else a turn and return to my questions about ECE programs in a similar vein.

I appreciate this information. A very positive word from the Sahtu. That's excellent news. Now what I'd like to do is know that this program is going to continue and an additional target has been developed for the first quarter of 2012-2013 to establish new child and family services committees.

Similarly with the Midwifery Program that we now know that it does save us money. Not a surprise to many, I'm sure, but good to have it confirmed. It sounds like good work there. That review was with respect to NWT-wide midwifery services and what our approach will be. What work is being proposed for the first quarter to begin to, first of all, obviously re-establish the Yellowknife program in desperate need there and to expand it for the NWT? Thank you.

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Bromley. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Madam Chair, the purpose of the interim appropriation was to give the government enough money to run so that we can go through the business planning process in the intervening months following this session to get us to the May/June budget session to have time for the committees to review all the business plans of all the departments. The debate and discussion about what should be in the business plans, what should be in the budget going forward, that's a discussion we have to have. We've taken, as I indicated in my opening comments, basically a third of the budget and we're putting it to use. There's work underway.

The other discussion about what's going to fall out of programs after that point is a discussion that we have to have tied to the business planning process and we're not in the position to have that discussion here because we haven't concluded this piece; we haven't really kicked off fully with targets and

directions to departments to get ready for the business planning process. Thank you.

**CHAIRPERSON (Ms. Bisaro):** Thank you, Mr. Miltenberger. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Madam Chair. My comments are mostly on Health and Social Services and I have a comment to Education, Culture and Employment. Madam Chair, maybe I'll go a couple of concerns and comments and, like Mr. Bromley, if I do run out of time I'll come back to conclude. I do thank the Members for providing this unanimous consent to go back to general comments on this bill here.

I want to ask a question with health on the policy for people in my communities to go to see traditional healers and what type of support is given to some of my people who want to see the Aboriginal traditional healers within the health. That's the first one.

The second one, in the interim appropriation bill, the Sahtu people are concerned that sometimes when people have blood tests that the blood doesn't get out in time. For example, some flights are cancelled due to bad weather and then some people need to be retested again, and sometimes the results will come back to them. One of the things they looked at through this process here would be if it's possible to have a regional blood lab in the Sahtu, perhaps with the design of a new wellness centre in the Sahtu being built, supposed to be built in Norman Wells.

The Minister went to Fort Good Hope and heard the concerns of the people in Fort Good Hope, specifically around cancer. I ask if the department would consider implementing an early cancer screening project in all of the Sahtu.

The Minister also visited Colville Lake. In Colville Lake they we're looking at having some support there for an X-ray machine. They looked at if the department would consider a portable X-ray machine for that health centre.

My other concern has been about the availability for interpreters for the Sahtu people who have to travel to Inuvik. Sometimes it's very difficult to get Sahtu speakers to help patients. They may bring a medical escort who speaks their language, but sometimes they don't always understand the medical terminology. We've been told that it's very difficult, sometimes the doctor speaks really fast, they don't have the proper training or they don't know how to say it. I think this is one of the big issues and challenges across the North with the shortage of interpreters trained in a specialized area such as medical or legal terms. We asked if the Minister would look at this situation, maybe with the support of the Minister of Education, Culture and Employment.

Madam Chair, the people in the Sahtu who travel with people on medical travel, sometimes our people are gone for six weeks, three weeks, two weeks and there's really no compensation for these people leaving their communities. They may be leaving a part-time job, they may be leaving work and there's no compensation for them to stay for longer periods or long periods at the hospital. I had an experience of a person who stayed with the patient for six weeks. Thank God the community band council provided some money for that person. Now they're asking if there's any type of medical compensation for escorts who are away for longer periods; for example, after a week or two weeks.

My two more questions on health have to deal with the Nurse Practitioner Program. The Minister has initiated some of the strategy on how to recruit doctors in our communities. We are seeing locum doctors in the Sahtu and in other communities around the North and it's been very financially challenging for the department, for the territorial government, but more so for the people in our health centres. I understand there are going to be some graduates from the Nurse Practitioner Program. Where do we put them? You know, put them here in Yellowknife, put them in our regions. We need to take advantage of their expertise and their hard work, and we need to see the nurse practitioners more into our regions and our health centres. They need to go to a place where they have trained all those years. We need to see more health practitioners into our communities and our health centres.

My last point in health is that in a lot of our communities there are relatives who are looking after our elders, helping them with things like getting around, chores, assisting them with taking their medications. That's very good because that's part of our culture, that's part of our beliefs, to look after our elders. However, we heard that some of the elders are not being taken care of because of policy within government that says if you have somebody that lives with you or who is working, you'd be penalized and you would be cut off from some form of subsidy. That puts a lot of fear into the elders. We also heard that some of the relatives that look after their own people, for example, a woman looking after her uncle, or looking after their grandfather, or a man looking after his mother or auntie, you come into some issues of taboos where a lot of people are not very comfortable helping them with their personal cleanliness and hygiene. They don't like that and so they are asking how can the Minister help them in situations where you can have somebody in the community come in and work with or help work with the elders in those areas.

Further to my comments to the Health department I have one small one on Education, Culture and Employment. I understand that there is a health

curriculum for K to 9 in schools but there is nothing for the high school students. I don't know if this is true or not, but I am going to ask the Minister if he could confirm this, and if not, would we have the Minister commit to having his department work with Health and Social Services to develop a health curriculum for Grades 10 to 12. Madam Chair, these are my comments here. I will leave it at that. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Mr. Yakeleya. Those were your general comments. Mr. Minister.

HON. MICHAEL MILTENBERGER: Thank you, Madam Chair. The Member has raised a number of pertinent issues, pertinent for the review of the budget. The main budget is the development of the business plans. No Minister is ready or available to respond to requests or increase the programs or addition of positions, new capital items. The intent here today was to give us the bare amount of money we need as a government to operate for three months so that we can in fact have that fulsome discussion about the budget through the committee process, and not be in a position here where individual Members are asking for commitments on all sorts of program development before we have had an opportunity to in fact pull together a business plan and have that fulsome discussion through the committee process so that we come into the House with the main estimates in May/June.

In regards to the question of clarification to the Minister of Education, for example, there is a request to add on a service that doesn't already exist. Madam Chair, we are not in a position to give the Members answers other than we will look at it through the budgeting process and the business plan development in the coming weeks where we will all be fully engaged. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. Next on the list of general comments I have Mr. Bromley.

MR. BROMLEY: Thank you, Madam Chair. I think this is an extremely important topic here. The Minister says we are not able to discuss what will happen with these critical, important programs that this House has approved as priorities and put in place in this first quarter of the next fiscal year, and yet we are approving 33 percent or, actually, more of the budget, or well over a quarter of the budget, about a third for those three months.

In this budget that we are approving, it is simply a mirror of last year's, and during last year's budget those dollars were intended to serve the priorities and programs we had identified without knowing that work continues on and the next steps are taken with this \$400-plus million worth we are proposing here based on last year's budget. We are giving the government authorization, permission to spend the

dollars as they want. That is not right. Basically we have identified these priorities and we want to know that they are continuing to be served until such time as we establish new priorities. On that basis, I think it is quite correct to be asking and expecting commitment of ongoing work on these critically important programs, especially reviews and so on that are proposing new directions. I want to know that the government is committed to continuing these priorities until we have established new ones.

The dollars are there. They were spent in the past on these priorities and we are duplicating those dollars now, and to say that we can't discuss how they are spent or anything like that and receive assurance they are continuing to be focused on those priorities and programs, that does not give me confidence at all. I want to know that that is the case. Before I go on with specifics, I welcome a response from the Minister on that. Thank you.

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

HON. MICHAEL MILTENBERGER: Madam Chair, clearly the government was part of the discussion in Cabinet, the agreement for appropriation, the understanding being is we continue to fund the government to do the work it is doing until it gets us to the point for this new Assembly to build and put their fingerprints on the business planning process for this coming year. Our commitment is that we are continuing that program. It is a status quo budget. The work that is underway is still underway. This is not a blank cheque for Ministers or the Cabinet to make any changes. Our job is to keep the ship of state pointed the way it is pointed until we have the business planning process so we can collectively determine what adjustments, if any, will be made. Work that is underway will continue to be underway, and we can provide updates, absolutely, on all of the things that are currently underway. But when it is accompanied by requests for increases, new positions, program additions, capital, those are all things that either have been dealt with through the capital plan already or the program discussion and implications of all these other requests have yet to be had.

I will reassure the Member that we are very aware and committed to our obligation in this process. Anything that is ongoing, we can speak to, yes, with absolute openness, but any new requests, we are not in a position to give any response to other than it will be discussed through the business planning process. Thank you.

MR. BROMLEY: Madam Chair, I think the Minister had some good comments there. I guess what I would like to know is the child and family services committees, as an example, we provided funding for those to be established. Since we are duplicating our budget, those dollars will be

duplicated in the next fiscal year during the first quarter until such time as we establish new priorities for the last three quarters of the fiscal year. I think it is quite legitimate for us to know, or committee to know, what the goal is for the number of new committees to be established with those dollars. If not, what is the unannounced intention for those dollars? I just used that as an example.

I am looking at the student financial assistance review. We are spending dollars on that and those dollars are continuing. The early childhood development, one of the biggest priorities of this government, in my mind, is continuing. We have spent money on the midwifery review and we found out it is a worthwhile program. Those dollars are continuing at least through the first quarter of the next fiscal year. Mental health reorganization and so on, so that is the basis of my questions. What are the plans or goals for those programs during the first quarter? If the Minister is not prepared to discuss that, can we expect that that will be forthcoming during this session in committee? Otherwise it is a rubber-stamping, go forward, spin it how you want kind of approval, in my mind.

HON. MICHAEL MILTENBERGER: Madam Chair, the child and family services committees, there was a commitment made that is being honoured. The work is being done identifying up to five. That was the ongoing commitment going from the last Assembly. Student financial assistance, there is work being done. There is an existing policy in place that will be applied as it now exists until such a time as it is decided by this Legislature that there is going to be a change, to use two examples.

This appropriation is the money to allow the government to carry on programs and business that now exist. It is not a rubber-stamp or a blank cheque for the government to just unilaterally wipe the slate clean and make all sorts of arbitrary changes. That is not the intent.

When we had this discussion we agreed to this process. It was because the new Legislature wanted that opportunity to have a full discussion on business plans, and we are fully committed to doing that. So the Member is interpreting the fact that we don't have all the business plans detailed and ready to go and that we're honest, that his whole approach is that we're not willing or forthcoming. That fact is we haven't had any committee input, we are developing the business plans and we fully intend to have that discussion. In the meantime we all agree that government has to keep working, because it's going to take us three months to do that. We will continue to run government as it now exists. There are no additions, deletions, changes and we have no other ulterior motive other than that. Thank you.

MR. BROMLEY: I prefer to take the Minister's word at face value there. I mean, I don't say that

this is a mechanism to gain control over the money, but in fact in practical reality that's what it is if we don't have some evidence that the work is continuing on these programs. I'm not talking about normal services; I realize that that's the vast majority of our budget and those will be continuing as the Minister said, but we established a number of reviews and really some new looks and new directions in the last government, and I'm looking for assurance that those will continue to be developed with the dollars that are available as per our duplication of the budget.

For example, major programs like early childhood development, midwifery, mental health reorganization and so on, student financial assistance, community committees. I don't think it's asking too much to get assurance that those goals will be continued with this \$400-plus million, an amazing amount of money that we're being asked to approve here. Thank you.

HON. MICHAEL MILTENBERGER: I think the Member and I are reaching the point of agreement. Let me commit again that the work that's been agreed to that's underway will continue until it is changed by the discussion or a decision in this Legislature through the business planning process. The work on the family and children's services committees was committed to and is underway for five committees. The student financial assistance work is underway and will be brought back into this Legislature through the proper processes, as will all the other work, the mental health work. All that work is still underway, waiting and pending the committee's review and the feedback of the Legislature. We can agree and bring in the main estimates that reflect the outcome of all that other work through the business planning process. Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you. General comments. I have Ms. Bisaro.

MS. BISARO: Thank you, Madam Chair. I've got a few comments here. I'd like to first revert to the discussion that happened the other day with regard to Human Resources and the two unfunded positions which are now included in this interim appropriation. I have no qualm that the particular positions that are being added here are needed. I don't have any concerns that the individuals that are going to be performing these duties are going to be competent, but I am a little concerned about the process.

I think I've understood, in looking at Hansard and listening to the discussions, that these positions were unfunded and that we're now bringing them into the base so that we can account for them and that they will be recognized as positions that we actually have within the department. But this issue has been going on since 2008, so I am advised. That's almost four years ago. I just heard the

Minister of Finance state that this budget is to carry on programs and business as it now exists, and I'm hearing a contradiction between what the Minister is telling us on the one hand and what the Minister is telling us on the other, that we now need to add these positions in because we've had them before, well now we have to put them into the base. So if we're going to carry on as we've done before and not include sort of things that we haven't done before, I have to wonder why it is that we are adding these two positions at this point.

The other concern that I have is why can we not wait to show those two positions in the main budget which we're going to be seeing in May/June. Why is it so urgent that we have such a huge increase in this particular section of the HR budget for this three-month period? So I have some concerns in that regard.

With regard to the ENR section there's a huge expenditure of ENR in this particular budget and I know most of it is related to contracts which have to be paid 100 percent at the beginning of the year. I think most of it, and the Minister can correct me, but I think most of it is for forest management and forest fire suppression and so on. But I have again difficulty understanding why we are funding so many contracts 100 percent. If it's an aircraft contract, which I know we do have, why do they have to be paid 100 percent up front? Why are we not paying as we go, so to speak?

I'll just start with those two departments, Madam Chair, and I think I have another couple questions. Thank you.

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

HON. MICHAEL MILTENBERGER: Thank you, Madam Chair. The two positions that are in question in Human Resources have existed. This is an internal reallocation of funding to account how they're paid for, and the positions have been redescribed, so the bottom line of the Department of Human Resources has not been changed. They're not asking for money; they're just reflecting that particular change. We could have waited and done it in the business plans and just put it in there as an organizational change, part of the internal workings and business of the department, but it was brought forward this way so it was clear and visible.

The ENR piece, the fixed-wing and rotary wing contracts are for a short time period. By the time we get into the main estimates the fire season will be probably in full swing. These are all short-term, important contracts and it's front-end loaded because that's when fire season is.

I'll ask the Minister of Human Resources if he wants to add anything further to the positions question.

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

HON. GLEN ABERNETHY: Thanks, Madam Chair. I don't really have too much to add. These positions were created in 2008. They both haven't been re-described; one of them is exactly the same as it was in 2008, the other is switched from an associate to an assistant deputy minister. It doesn't change the bottom line of the department. We're still funding it from within the department, but we thought it was important to not have the positions invisible. We thought it was important for people to see the, so we brought them forward that way.

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

MS. BISARO: Thanks, Madam Chair, and thanks to both Ministers for the explanation. That's pretty much what I had understood. I guess the Minister of Finance has suggested that they wanted to make these positions more visible; well, they've become extremely visible at this point. Putting them in in sort of a manner that suggests you're trying to slide something under the table has highlighted it for a lot of Members. I'm not suggesting that anything underhanded was done, by the way.

With regard to the ENR contracts and the fire suppression, the Minister stated that most of these contracts are front-end loaded because fire season starts at the beginning of our fiscal year, but I didn't really hear an explanation as to why, for instance with aircraft contracts, we need to pay those contracts 100 percent at the beginning of our fiscal year. Is that the case? Do we give the contractor for these aircraft 100 percent of the value of the contract at the beginning of the year? Thank you.

**CHAIRPERSON (Mrs. Groenewegen):** Thank you, Ms. Bisaro. Minister Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Madam Chair. We commit the full value of the contract - it's a short-term contract - then it's paid out on an as required basis. If you need a whole whack of aircraft support - for example, they had huge grass fires in Alberta in February of last year you have to put your resources to work. You never know what the demand is going to be. If we weren't doing this interim appropriation it wouldn't be a question; it would be in the budget, we would be doing the work. The fact that we're doing a threemonth interim appropriation brings into question only for that reason why this isn't part of the main estimates. Well, it normally would be and we would commit the money and have it available to meet the demand.

MS. BISARO: Thanks to the Minister. I think I'm getting a clear picture. Thanks for the explanation. I did have a concern in the Department of Executive, there's a huge increase from the 2011-2012 budget year to the allocated three-month portion in the 2012-2013 budget year for the directorate under the Executive. I wondered if I could get an explanation as to why this amount for this particular three

months of this fiscal year coming up is so much greater than it has been.

HON. MICHAEL MILTENBERGER: That's the additional money that was approved for devolution and to fund the process and negotiations and all the ongoing work that is picking up speed as we move forward here.

**MS. BISARO:** So, to the Minister, was this money that he states was approved for devolution? I do recall that, but is this increase due to the fact that this money was approved as a supplementary appropriation? It wasn't in the mains for 2011-2012. Is that why we're seeing such a difference from one year to the next?

HON. MICHAEL MILTENBERGER: The Member is correct.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Ms. Bisaro, go ahead.

MS. BISARO: Thank you, Mr. Chairman. I have another question with regard to Health and Social Services. I share the same concerns that have been raised already with regard to Health and Social Services. Again under Health and Social Services there are some contracts which are paid out 100 percent at the beginning of the year that are fully funded in this interim appropriation and then there are other ones that are paid out a quarter at a time. I'd like to ask the Minister if he could elaborate on which contracts under Health and Social Services are ones that need to be funded 100 percent up front.

HON. MICHAEL MILTENBERGER: It speaks to the issue of getting money to fund contracts for child care facilities for purchased services. Some we can do on a quarterly basis or do it for three months and renew as we go. Others, where there are full-time programs running and some certainty needed in terms of funding would be we'd be looking for the full amount. Once again, as well, to have funding available for those specialized purchased services that are demand-driven.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Ms. Bisaro, your time has expired. I'll allow if you any other last questions.

MS. BISARO: Thank you, Mr. Chairman. I'm struggling to understand the explanation. Purchased services I can understand, but my understanding is that many of the contracts reference programs and services are delivered to our people. Many of the contracts are with non-government organizations. I fail to understand how some organizations will get 100 percent funding at the beginning of the year and other ones will not. If I could get a bit more explanation from the Minister, that would be helpful for me to understand what's going on here.

**CHAIRMAN (Mr. Dolynny):** Thank you, Ms. Bisaro. Mr. Aumond.

MR. AUMOND: Thank you, Mr. Chairman. I'm not sure specifically what contracts the Member is referring to. There are by way of contributions to the health and social services authorities, who may fund some service contracts or NGO contracts, 100 percent up front for the year through their one-third share or 35 or 33 percent of the up-front money they were proposing to get in this budget. I'm not aware of any other contracts that the department itself is proposing to fund 100 percent through this interim appropriation.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Aumond. Moving on in questioning, we have Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. The comments from the Minister of Finance to the interim appropriation bill here, I wanted to clarify that. I wanted to ask, hoping he was asking some of the specifics to the Minister of Health. For example, the Nurse Practitioner Program. We know it's running. There are going to be graduates this year. This is only an interim appropriation for the operations to continue. I want to ask what plans you have for the nurse practitioners. There are going to be graduates. Is it still a program? Do we wait until business plans? I know some of these things are going to take awhile. I concur with the comments to my colleagues on the senior director positions in HR. After four years we catch it. Why can't it go through the normal process of the business plans? This is an interim. So it's a give and take here. That's what I was hoping to get some responses

I understand the Minister is saying that we will make some changes, but some of these things I think are already in the operational plan, some of the details, like the issue with the Executive, devolution. How much money have we received so far from the federal government? Questions like that. The activity with ITI on the explanations for the low level of funding on energy. Some of these programs are sunsetting. Things are happening through this interim appropriation bill. It's \$404 million that we're approving here.

I think the government needs to be accountable. The transparency needs to be here rather than just saying it's operations as before. If I could get some answers like why is forest firefighting funding so huge and why everything's up at front. Those are predictions of the fires that will happen next year. We approve money, sometimes it's less, sometimes it's more than what they need.

I guess for myself we want to go through this process and we should be able to answer some of our questions here, other than to put us off and say, well, we'll do the business plans. I'm not asking for any hard, specific commitments. I know we have a

business planning process. We're going to have to make changes through the whole Assembly. We're approving \$404 million for three months of operation. We need to have these questions here answered or on notice. I believe the Ministers are taking some of them on notice. There are some things that are going to be changing here. Like I said, the energy initiatives, some of them are sunsetting so that's going to mean some changes to the way we do our operations.

For me I'd like to have some of these concerns that I just brought up here the last four and a half minutes, five minutes, and see if I'm going to get some answers from the appropriate Ministers.

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

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. I'll speak to the ENR and then I'll turn over the nurse practitioner question to Mr. Beaulieu.

My response to the Member for Sahtu will be very similar to the one I just gave to the Member for Frame Lake regarding the front end. We bring the fire crews on; we bring all the aircraft on. It's a very time-specific, seasonally oriented situation. It's definitely, if not demand driven, it's driven by the weather and very many factors. Dryness, rain, lightning, those type of things. It's an emergency essential service in many cases. We need to be fully operational April 1<sup>st</sup>. That's sort of the intent. Which is hence the funding request for that particular portion of the ENR budget.

I'll ask Mr. Beaulieu, Mr. Chairman, with your concurrence, to speak to the nurse practitioner issue.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Mr. Beaulieu.

HON. TOM BEAULIEU: Thank you, Mr. Chairman. The situation with the nurse practitioners that are being trained has been very difficult. The nurse practitioners have worked well in Hay River, as an example, where there's a nurse practitioner there that they do a little more than the registered nurses. They're able to do diagnosis and prescriptions. They're valuable. We have a nurse practitioner in Fort Resolution and in Hay River. We have seven nurse practitioner positions in Yellowknife but a lot of what's been happening is the nurse practitioners that are advancing from registered nurse to nurse practitioner through the program are ending up in Yellowknife.

We recognize the value of the nurse practitioner, especially in places where we are having difficulties getting doctors in the regions. We think there's a valuable use for nurse practitioners at the regional level. Right now we have the doctors' positions placed in the regional levels, and as I've mentioned in the House several times, it's been almost

impossible to fill doctors' positions in the communities so we're using a large amount of locums. The nurse practitioner position has been able to take some of that work that's normally done by doctors, and the work that the nurse practitioner can do – they can't do all the work of a doctor – but the work that they can do has been very valuable.

As a department we are proceeding with this whole strategy on physicians. Inside this strategy on physicians that I spoke to in the House where we're trying to bring doctors as close to the people as possible, the first priority of course means that ideally, if we're talking about Sahtu, we would have two full-time doctors working and living in Norman Wells. As it stands we have four locums, two very long-term locums that are doing the work in there, and we cannot seem to be able to fill the actual positions in there.

How we view the nurse practitioner position is that they're very valuable to take a lot of that work, and so we see as we're developing a strategy for physicians to be located within the NWT we want to use nurse practitioners and try to attract nurse practitioners into the regional centres that can travel into the communities from the regional centres if at all possible. But at this time the majority of our nurse practitioners are located here in Yellowknife.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Beaulieu. We're going to go back to Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I apologize to Mr. Yakeleya. He asked a question about energy and all the sunsets. In fact, as the Member pointed out, the end of March is the end of all that \$60 million we've devoted to alternative energy over the last four years. One of the things we are as a government working on to be ready for business plans and for the main budget is to see, given our very tight financial circumstances, what we can do to look at the various initiatives that were underway. It's the same with strategic initiatives. There are a number of initiatives that are sunsetting. We are looking at how do we manage to put money into these critical areas, given, as I indicated, some of the cost pressures we're under. Some of the work that was done on strategic initiatives and in energy I believe everybody would concur needs to continue. Our challenge now is to be able to come forward through the business planning process with trying to identify funds, if available, and try to address some of those issues. That work is underway. It's not concluded but we are gearing up to be able to have that discussion because those are two critical areas of concern and interest. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Your final question, Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chair. I want to thank the Ministers for a good response to my

questions. My final question would be for the devolution, what funds have you received from Canada to date on this issue here, and a comment to the Minister on the forest suppression needs for funding up front. Mr. Chair...(inaudible)...and I will have to apologize for my ignorance on this. The Minister talked about the aircraft services. Are we entering into new contractual arrangements with them or do we need to have that discussion yet? These funds are advanced. I understand why they need to be there in time for the forest fire season. My understanding is clear on that. I guess these are the types of things that we need to have some further discussions yet. I'm not going to stay too long on that issue here.

I do appreciate the Minister's response on the nurse practitioners. They are a valuable piece of human resources that we need to have in the Sahtu communities, or the Beaufort-Delta, or Deh Cho, or Tlicho, or wherever we need to have that type of service of these nurse practitioners there. I'll leave it at that there, and hopefully the Minister can help with these couple of other concerns I had.

I understand that some of the operations within NGOs or the government, they have entered into multi-year funding and contracts. That's why some of them have to be honoured. We heard for many years that multi-year funding is the way to go with the NGOs, so that's something that needs to be honoured also. I do think that should happen. The Minister does know about my concerns on these issues here, so thank you for allowing some flexibility on his part to explain it to me.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Yakeleya. Final comments, Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. Just quickly, in regard to the ENR fire budgets, as has been pointed out by Ms. Bisaro a number of times, we know from history that the fire budget will be almost fully expended by July regardless of what happens, and we'll be coming back for supplementary appropriation. That's a different discussion. But we do have some long-term contracts, fixed-wing and rotary, with Buffalo Airways, with Discovery, with some of the other aviation outfits. Hence the request.

With regard to the devolution question and the federal contribution, I'll ask Mr. Kalgutkar if he can provide the Member with some information. Thank you.

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

MR. KALGUTKAR: Thank you, Mr. Chair. The federal government has committed to provide us with \$26.5 million; \$4 million of that is for the period between the AIP and the final agreement, and another \$22.5 million from the final agreement to effective date. In terms of the first tranche of

money, we have received in cash around \$1.4 million and we do anticipate receiving the rest before the end of the fiscal year. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Kalgutkar. Does the committee agree we have completed general comments?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you very much. Mr. Menicoche.

COMMITTEE MOTION 4-17(2):
RESUME CONSIDERATION OF ITEM NO. 11,
DEPARTMENT OF TRANSPORTATION,
INTERIM APPROPRIATION 2012-13,
CARRIED

MR. MENICOCHE: Thank you very much, Mr. Chair. I move that this committee resume consideration of item 11, Department of Transportation, contained in Tabled Document 1-17(2), Interim Appropriation 2012-2013, Summary of Interim Appropriations found on page 3. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Menicoche. A motion is on the floor. It is being distributed now. The motion is in order.

AN HON. MEMBER: Question.

**CHAIRMAN (Mr. Dolynny):** Question has been called.

---Carried

We are going to go back to item 11, Transportation, operational expenditures, interim appropriation, appropriation authority required, \$29.848 million. Mr. Menicoche.

**MR. MENICOCHE:** Thank you very much, Mr. Chair. I just wanted to thank my colleagues for their support as well as the Minister of Transportation for addressing my concerns with regard to improvements to the Liard Highway No. 7.

I am satisfied with the written commitment that the operation and maintenance concerns will be addressed and some of the carry-over capital funding to be expended with that. I've got no further questions or comments on this line item. Mahsi cho.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Menicoche. Any comments from Minister Miltenberger?

**HON. MICHAEL MILTENBERGER:** No, Mr. Chair. Sorry. Minister Ramsay I think would like to have some closing comments on this item. Thank you.

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

**HON. DAVID RAMSAY:** Thank you, Mr. Chairman, and thank you, colleagues. I just wanted to say that we appreciate MLA Menicoche's determination in defense of Highway No. 7 and trying to address the

concerns that are there for his constituents and for the riding of Nahendeh. We will do whatever we can as we move forward to identify funding to get the much needed reconstruction done on Highway No. 7. Again, I appreciate his efforts. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Ramsay. Item 11, Transportation, interim appropriation, 2012-2013, operational expenditures, appropriation authority required, \$29.848 million.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Since this concludes the proceedings, thank you committee. We'd like to thank the witnesses here today, and if I can get the Sergeant-at-Arms to please escort our witnesses out. Does this conclude our consideration of Tabled Document 1-17(2), Interim Appropriations 2012-2013?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you very much again to the Minister and to the witnesses. Mr. Menicoche, what is the wish of the committee?

COMMITTEE MOTION 5-17(2): CONCURRENCE OF TD 1-17(2), INTERIM APPROPRIATION 2012-2013, CARRIED

MR. MENICOCHE: Thank you, Mr. Chairman. I move that consideration of Tabled Document 1-17(2), Interim Appropriation 2012-2013, be now concluded and that Tabled Document 1-17(2) be reported and recommended as ready for further consideration in formal session through the form of an appropriation bill. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Menicoche. The motion is on the floor. It is being distributed now. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

**CHAIRMAN (Mr. Dolynny):** Question has been called.

---Carried

As agreed, we will turn to Bill 1-17(2). Does the committee agree to turn to Bill 1?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Committee, we have agreed to consider Bill 1, An Act to Amend the Borrowing Authorization Act. I will allow the Minister responsible for Bill 1, the Honourable Michael Miltenberger, to introduce the bill.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. I am here to present Bill 1, An Act to Amend the Borrowing Authorization Act. The purpose of this act is to increase the short-term authority to borrow provided in Section 1(2) of the act from \$175 million to \$275 million.

The amendment is being proposed in order to provide the short-term borrowing authority needed to make a \$65 million corporate income repayment on March 31, 2012. On April 1, 2012, the GNWT will once again be within the current limit when the GNWT receives the first Territorial Formula Financing payment for 2012-13.

The proposed amendment also recognizes the growth in government operations since 1995 when the limit was last increased. The current limit represented about 24 percent of revenues at division. Over the last 13 years, government operations and revenues have increased while the limit has remained the same and now represents only 13 percent of revenues. The proposed limit will make it easier to manage cash, especially if new infrastructure programs are announced by the federal government in the next three or four years.

Although this proposal increases the short-term borrowing limit, the GNWT will, under its current Fiscal Strategy, start to recoup cash resources over the next few years and actual short-term borrowing requirements will therefore start to decrease. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. I would like to ask the Minister responsible for the bill if he would like to bring witnesses into the House. Does the committee agree?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Thank you, committee. I will ask the Sergeant-at-Arms to escort witnesses into the Chamber.

Would the Minister please introduce his witnesses?

**HON. MICHAEL MILTENBERGER:** Thank you, Mr. Chairman. From Finance I have with me Mr. Michael Aumond and Mr. Sandy Kalgutkar.

**CHAIRMAN (Mr. Dolynny):** Thank you, Minister Miltenberger. I will now open the floor to general comments on Bill 1. Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. I want to ask the Minister several questions. However, first I would like to make my comments to the bill right now.

This bill here, as the Minister indicated, hasn't been increased for awhile. The Minister has said that this bill here, looking at an increase of \$100 million from \$175 to \$275 million, it is increased to a short-term borrowing authority and that this money is needed to pay a \$65 million bill that we need to honour to the federal government. The repayment is within a couple of months from now, March 31, 2012. I really don't know what the financial impact will be on the federal government transfers. This money will be taken off the transfers. I am wondering, we have a \$65 million bill and we are borrowing \$100 million to bring it up to \$275 million.

I am not too sure how this arrangement or the details or the numbers come out to state why we need to have this huge increase. We have always recognized growth in the government. Every budget that comes before us, we always account for forced growth, growth in the operations, growth in human resources. Somehow we seem to make it okay. Maybe I need a little more explanation on that.

Our revenues have been fluctuating up and down. The Minister states that we have only 13 percent of revenues. Our needs are great. It makes it, as the Minister states, easier for government to manage cash for new infrastructure programs. That will be announced by the federal government in the next three or four years.

Mr. Chairman, I want to raise these concerns with the government and how do we start recouping these cash resources in the next couple of years. Is that assumption on the fact that we have a couple of months to come to a devolution final agreement and then implement the final agreement? We are on a timetable with the devolution. We are going to receive a huge amount of cash if this government or Cabinet here says we are going to sign the final agreement. We already know there are a number of positions going to be coming to the territorial government. We don't know where those positions will be located yet. We haven't had those serious discussions. I wonder where the Minister is getting this magic pot that we are going to have some of this cash recouped. We haven't been told yet or I haven't been told yet. I may have missed some meetings.

So these are some of my comments here, Mr. Chair. The assumption is we're going to spend. I know any time you borrow money, sometimes it's good debt, sometimes it's bad debt. There is such a phrase as bad debt. Sometimes there is good debt. But we're borrowing on some type of promises that may not come to fruition. Is it on some assumption that we're going to get money? I know the federal government has promised some infrastructure money on transportation for the Mackenzie Valley Highway. It's stated in their budget. I read their budget. There was some transfer money being looked at. I'm not too sure how much in total to the Government of the Northwest Territories, health and some other programs. I don't have it at my fingertips right now.

So this borrowing idea, this act, means that we have...and the government probably responded to our needs. We said we can't do this, we have to borrow it. We have to pay a bill here, \$65 million. We have to pay that or we'll be penalized by the federal government. Besides, we're growing. We've been growing since 1995. Why all of a sudden now do we need to bring in this act? We could have brought it in four years ago or eight years ago. Is it programs and pressure that we need to consider?

These are the types of things that make me think about some of the infrastructure in our communities. I hope we get some infrastructure in our communities if we are borrowing this short-term cash. That's what it is. I'm not too sure what the government is banking this on. I'm just making the assumption, Mr. Chair, that when I read this, start to recoup cash resources over the next few years, I want to know what. How do you start recouping?

Right now the biggest thing on our ticket right now is devolution. We know how much money is coming to the North. Maybe there are some bigger things at play here that I'm not aware of or people of the Northwest Territories aren't aware of. I'm going on the assumption that the government has a lot to respond to and this is what they're trying to figure out. They're saying hey, we've got to increase our borrowing limit. We've got to do this. Is there a hiring freeze on our people within the government? Why do they sometimes come to our communities and say we've got no money?

So tell me and tell my people. If you can't put an RCMP detachment in Colville Lake, tell me. But you've got lots of money here you want us to borrow. What the heck is going on? If that is there, then certainly you can put a detachment in Colville Lake.

I'm confused. Thank you.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. This borrowing limit is, in effect, an operational line of credit. It's up \$75 million. We have a very specific need in this particular instance. As the Member has noted, it hasn't been touched since 1995. The government has grown significantly as has our budget. The short-term borrowing cycles in and out, literally tens of millions of dollars a week moving in and out of government coffers and bank accounts as we manage the complex business of government.

I want to as well speak briefly that there are no hiring freezes. If folks are saying there's no money, then it probably means whatever the circumstance, they've expended their budget allotments for that year and they have to manage their money to get to the end of the fiscal year. We've made every effort and have been successful at protecting programs and services and we're going to continue to do that.

There is not going to be a huge windfall with devolution. We are going to get money for positions moving north to our A base. We have three hundred and some positions. We are going to get some resource royalties; about \$60 million roughly a year and growing, tied to our gross expenditure base. That money will be split between ourselves and the Aboriginal governments.

As the Member well knows, we are constantly beset on all sides by forced growth pressures or pressures for additional programs. So that \$60 million in our share will go partway to help bear some of the cost pressures and deal with some of the cost pressures. But this particular request is for an operational line of credit. I will ask Mr. Kalgutkar if he will lay it out for us a bit the way the money moves and why we need this type of capacity to manage the complex government operations. Thank you.

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

**MR. KALGUTKAR:** Thank you, Mr. Chair. As the Minister referred to this, the purpose of this amendment is twofold. The primary purpose is to address immediate need to make the \$65 million on March 31<sup>st</sup>, and on April 1<sup>st</sup> the GNWT will be back under even the current limit when we get our first payment from the Government of Canada on our territorial financing grant.

The second element of this increase is just to recognize the growth in our operations since 1995. They've essentially doubled since then. The volume of cash that flows in and out of our Consolidated Revenue Fund is quite significant and it's become harder and harder to project what our year-end cash flow needs are going to be. So all this amendment is doing is providing the authority to manage that cash more efficiently. We're certainly not planning to utilize that full amount.

As the Minister also referenced, our current fiscal strategy does start to recoup our cash balances by the third or fourth year of that strategy. We won't be anywhere near this limit. Thank you.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Kalgutkar. Ms. Bisaro.

MS. BISARO: Thank you, Mr. Chair. I just have a couple of questions with regard to clarifying some of the intent of this particular motion or bill. I understand that it is for short-term debt, short-term borrowing, but I would like to know from the Minister, I have some concerns and I'm sure from the previous questions that the Minister has heard from Members that there will probably be some lack of understanding on the part of our residents with regard to this particular bill.

We talk a great deal about our borrowing limit and our debt, the government's debt, and the fact that we're close to our borrowing limit and the impact it has on us as we go about our business and spend our money and so on. I would like to know from the Minister and basically to provide some education and information to those of our residents who are listening or who are reading Hansard, will this change to the Borrowing Authorization Act have any impact on our long-term debt.

The other question I have in sort of a larger picture is relative to our fiscal strategy. The Minister has talked often about our fiscal strategy. Will the fact that we are increasing our Borrowing Authorization Act have any impact on our fiscal strategy? Is it going to require that we make some change to our current fiscal strategy? Will it make it easier, will it make it harder for us as we go forward?

**CHAIRMAN (Mr. Dolynny):** Thank you, Ms. Bisaro. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. No, this will not affect our long-term borrowing or debt. Our current fiscal strategy will remain in place. All this gives us basically is a tool that allows us to manage the \$1.4 billion that flows in and out of government in its very many different ways through the Consolidated Revenue Fund, as Mr. Kalgutkar pointed out. Recognizing how long it's been since the last increase with the growth in government and the amount of money that now flows through there and some of the pressures that we've been managing as of late just with the economic downturn and a lot of the other projects and unanticipated events that we've been managing. I hope that clarifies it for the Member.

MS. BISARO: I think so. Thanks to the Minister. The other concern that's been expressed is that we are making a very large repayment of our corporate income taxes. I think it's \$65 million that is coming due. It is, though, a corporate income tax overpayment on the part on the federal government from quite a number of years ago. I think I've lost the actual year in my brain. I'd like to know from the Minister why we are making this balloon payment at this point. Is the fact that we're having to make this income tax payment the reason that we have to change our borrowing act or is there another reason why we're making the change?

People looking at this from the outside, it's a simple amendment, I think, is the way it's been described, but we're increasing borrowing from \$175 million to \$275 million. One hundred million dollars is a lot of money. Why is this balloon corporate income tax repayment happening now? Has it been to our benefit to have had this money for this long or is it an oversight on somebody's part? All of those questions, if I could get them clarified that would be great.

**HON. MICHAEL MILTENBERGER:** It was not an oversight, but I will let Mr. Aumond lay out the plan as we've dealt with this particular issue.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Mr. Aumond.

**MR. AUMOND:** Thank you, Mr. Chairman. As part of our fiscal arrangements with the federal government, any overpayment gets repaid with respect to a formula. The overpayment in 2007 was approximately \$82.5 million. We have repaid that in

smaller payments over the previous three years and the requirement is to pay the balance off at the end of this fiscal year, which is how we got to the \$65 million that we have to repay. It's not so much that it was an oversight, it was that given other things going on with our budgets and our money coming in and out that we did repay some \$22.5 million and we're just repaying the balance of that \$82.5 million that was required.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Aumond. Ms. Bisaro.

**MS. BISARO:** Thank you, Mr. Chairman. Thanks to Mr. Aumond for that explanation. I guess, I asked whether or not this has been to our benefit or whether it's to our detriment. Maybe I can get a comment on that. I forget what my other question was so I guess it wasn't all that important.

**CHAIRMAN (Mr. Dolynny):** Thank you, Ms. Bisaro. Mr. Miltenberger.

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. How the estimates are done on taxes and why these things happen is a separate discussion, but in effect what we had here over the last number of years is an interest-free loan on which we're now repaying the balance of the principle.

MS. BISARO: Mr. Chairman, that's all I have.

**CHAIRMAN (Mr. Dolynny):** Thank you, Ms. Bisaro. We'll be going back to Mr. Yakeleya.

MR. YAKELEYA: Thank you, Mr. Chairman. With this Borrowing Authorization Act we are going to the federal government and we are going to increase our borrowing limit to \$100 million. What I know is that from personal banking when you go to the bank and you have enough good credit, you have some concrete, what you call it, assets that the banker says you have good credit. It's taken you awhile to live comfortably and that you have enough assets that you could borrow more money off us, why don't you borrow \$10,000. You have a good job. You have a good income. I want to ask the Minister what is the arrangement with the federal government if we're going to borrow shortterm cash on interest payments or fees? What is our risk here?

I know the bank has risk when you don't pay back. I know sometimes when I lend out money I certainly don't get it back. That's the risk. We're doing this on behalf of the government. I want to ask the Minister what the risks are.

He's telling us this is what we need to do. Same as if I borrow money for the operational costs for my house. There's growth. There are other things that come into play, but I have to know what I can afford. The government has \$65 million; we just found \$65 million to pay it back. I guess that's what I'm thinking about.

I need some of these things to be answered on this bill here, because we're borrowing on behalf of the people of the Northwest Territories. Cabinet is administrating the money on behalf of the people. We are the government of the people, so maybe you could help me out here and I'll have something to think about over the weekend.

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

HON. MICHAEL MILTENBERGER: Thank you, Mr. Chairman. This bill that's before the House is before the House because this Borrowing Limit Authorization Act is a piece of territorial legislation that is controlled by this Legislature. It's to deal with, as I've indicated before, short-term borrowing. It's a type of line of credit. This has nothing to do with the federal government. We are having our discussions on our borrowing limit with the federal government which will be concluded, our long-term borrowing limit with the federal government that will be hopefully concluded here by the end of March.

The Member also had a question about what type of credit do we have. We have an Aa2 credit rating, second highest that's available, up there with many other well run jurisdictions, businesses and corporations. We have audits done. How do we police this? How do we make sure we manage ourselves? That's our job collectively. That's my job as Finance Minister. That's the Cabinet's job, the Premier's job to provide the daily operations. We have our budgets passed every year. We have a significant number of checks and balances built into how we spend money and how we manage our interest costs and all the other pressures. Which is why even as we sit here today, one of the reasons we're getting a good hearing on the borrowing limit with the federal government is because they know that we are very well run fiscally. We have almost no long-term debt. We have some short-term debt. We're managing ourselves effectively. We're doing all the things we should be doing. We have the lowest GDP-to-debt ratio. We have some of the lowest debt servicing costs in the country, second only I believe to Alberta maybe, and maybe the Yukon. Some jurisdictions are paying eight and 10 percent of their budget just to service debt costs. We are not in that situation at all. This just allows us to manage our money more effectively to be more responsive to the concerns and needs of MLAs to better manage programs and services that we deliver across the land.

So this is just a tool to allow us to borrow up to \$275 million on a short-term basis should it be required, always under the scrutiny of myself as Finance Minister and this House, the various committees. We have to go to Cabinet to get Cabinet approval for a lot of the decisions that are made through the Financial Management Board. We have built in all the checks and balances. This

allows us just to be more, I believe, effective, efficient and responsive.

**CHAIRMAN (Mr. Dolynny):** Thank you, Mr. Miltenberger. Is committee agreed that there are no further comments?

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Can we proceed to a clause-by-clause review of the bill?

**SOME HON. MEMBERS:** Agreed.

**CHAIRMAN (Mr. Dolynny):** We will defer bill and title. Turn to page 1, clause 1.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Bill 1, An Act to Amend the Borrowing Authorization Act.

**SOME HON. MEMBERS:** Agreed. **CHAIRMAN (Mr. Dolynny):** Clause 1.

--- Clauses 1 and 2 inclusive approved

To the bill as a whole.

SOME HON. MEMBERS: Agreed.

**CHAIRMAN (Mr. Dolynny):** Does committee agree that Bill 1, An Act to Amend the Borrowing Authorization Act, is now ready for third reading?

---Bill 1 as a whole approved for third reading

I'd like to thank the Minister today. I'd like to thank the witnesses. If I can get the Sergeant-at-Arms to escort them out of the Chamber, please. Thank you very much. I will now rise and report progress.

**MR. SPEAKER:** Report of Committee of the Whole, Mr. Dolynny.

#### Report of Committee of the Whole

MR. DOLYNNY: Thank you, Mr. Speaker. Your committee has been considering Tabled Document 1-17(2), Interim Appropriation 2012-2013; and Bill 1, An Act to Amend the Borrowing Authorization Act, and would like to report progress with two motions being adopted and that Bill 1 is ready for third reading and consideration of Tabled Document 1-17(2) is concluded, that the House concur with those estimates and that an appropriation bill to be based thereon be introduced without delay. Mr. Speaker, I move that the report of Committee of the Whole be concurred with.

**MR. SPEAKER:** Thank you, Mr. Dolynny. The motion is in order. To the motion. Is there a seconder to the motion? Mr. Menicoche.

#### ---Carried

Item 22, third reading of bills. Madam Clerk, orders of the day.

#### Orders of the Day

**PRINCIPAL CLERK OF COMMITTEES (Ms. Knowlan):** Orders of the day for Monday, February 13, 2012, at 1:30 p.m.:

- 1. Prayer
- 2. Ministers' Statements
- 3. Members' Statements
- 4. Returns to Oral Questions
- 5. Recognition of Visitors in the Gallery
- 6. Acknowledgements
- 7. Oral Questions
- 8. Written Questions
- 9. Returns to Written Questions
- 10. Replies to Opening Address
- 11. Petitions
- 12. Reports of Standing and Special Committees
- 13. Reports of Committees on the Review of Bills
- 14. Tabling of Documents
- 15. Notices of Motion
- 16. Notices of Motion for First Reading of Bills
- 17. Motions
- 18. First Reading of Bills
- 19. Second Reading of Bills
- 20. Consideration in Committee of the Whole of Bills and Other Matters
  - Tabled Document 2-17(2), Supplementary Estimates (Infrastructure Expenditures), No. 3, 2011-2012
  - Tabled Document 3-17(2), Supplementary Estimates (Operations Expenditures), No. 3, 2011-2012
- 21. Report of Committee of the Whole
- 22. Third Reading of Bills
  - Bill 1, An Act to Amend the Borrowing Authorization Act
- 23. Orders of the Day

**MR. SPEAKER:** Thank you, Madam Clerk. Accordingly, this House stands adjourned until Monday, February 13, 2012, at 1:30 p.m.

The House adjourned at 2:05 p.m.