



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

**2<sup>nd</sup> Session**

**Day 25**

**18<sup>th</sup> Assembly**

## **HANSARD**

**Friday, June 24, 2016**

Pages 861 – 898

**The Honourable Jackson Lafferty, Speaker**

# Legislative Assembly of the Northwest Territories

## Members of the Legislative Assembly

### Speaker

**Hon. Jackson Lafferty**

(Monfwi)

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*Minister responsible for Persons with  
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**Mr. Kieron Testart**

(Kam Lake)

**Mr. Shane Thompson**

(Nahendeh)

**Mr. Cory Vanthuynne**

(Yellowknife North)

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Box 1320

Yellowknife, Northwest Territories

Tel: (867) 767-9010 Fax: (867) 920-4735 Toll-Free: 1-800-661-0784

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Friday, June 24, 2016****Members Present**

Hon. Glen Abernethy, Mr. Beaulieu, Mr. Blake, Hon. Caroline Cochrane, Ms. Green, Hon. Jackson Lafferty, Hon. Bob McLeod, Hon. Robert McLeod, Mr. McNeely, Hon. Alfred Moses, Mr. Nadli, Mr. Nakimayak, Mr. O'Reilly, Hon. Wally Schumann, Hon. Louis Sebert, Mr. Simpson, Mr. Testart, Mr. Thompson, Mr. Vanthuyne

The House met at 10:00 a.m.

Item 7, oral questions. Item 8, written questions. Member for Mackenzie Delta.

**Prayer**

---Prayer

**SPEAKER (Hon. Jackson Lafferty):** Masi. Good morning, colleagues. Item 3, Ministers' statements. Item 4, Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Member for Hay River South.

**Recognition of Visitors in the Gallery**

**HON. WALLY SCHUMANN:** Thank you, Mr. Speaker. I'd like to recognize the Princess Alexandra School grade six students here today. I'm going to read off half the list and then my fellow colleague across the floor will do the other half. Brenda Beck, Evan Harris, Abbigail King, Hailey Pike, Rochelle Smith, Mason Walters, Hope Buckley, Hannah Longstaff, Daniel Minoza, Jon Tatti, Kyle McDermott, Judson Pokiak, Reil Low, Lizzie Rymer, Tahner Hamilton, Jenna Demarcke, Ian Aylward, Stephanie Patterson is the chaperone, Mark Harris, Penny Pokiak, and Roy Walters. Welcome to the House.

**MR. SPEAKER:** Masi. Recognition of visitors in the gallery. Member for Hay River North.

**MR. SIMPSON:** Thank you, Mr. Speaker. I want to welcome all the grade six students here and their chaperones. I know it's been a lot of work keeping an eye on all these kids. I'd like to welcome Lorin Durocher, Kyle Fennig-Bourque, Taylor Giovannetti, Shaelyn Mabbitt, Madison Mandeville, Ethan Pinowar, Xander Snow, Javen Walker, Halli Rai Wong-Delorey, Emily Schaub, Emily Boucher-Salter, Gaius Crook, Fiona Hope-Fabian, Dylan Larocque, Xander Larsen, Seth Martel-Beaulieu, Ashante Minoza, Kavel Wedzin, and chaperones Miranda Orr, Warren Durocher, and Joe Gagnier. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Recognition of visitors in the gallery. If we missed anyone in the gallery welcome to the Chamber. It's always great to have the public in the gallery. Masi. Item 6, acknowledgements.

**Written Questions**

WRITTEN QUESTION 7-18(2):  
HEATING ISSUES RELATED TO THE JOE  
GREENLAND CENTRE

**MR. BLAKE:** Thank you, Mr. Speaker. Mr. Speaker, I have four questions for the Minister of Housing. I'd like to ask the Minister what type of heating system is in place at the Joe Greenland Centre in Aklavik. Also, what was the additional cost of electricity due to the use of space heaters by elders in the Joe Greenland Centre from September 1, 2015 to June 1, 2016? Also, what is the expected cost to the GNWT to install additional radiators in the recently built Joe Greenland Centre? Finally, please provide any analysis done on the feasibility of using a wood pellet heating system in the Joe Greenland Centre, including results. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Written questions. Item 9, returns to written questions. Item 10, replies to Commissioner's 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. Minister of Health and Social Services.

**Tabling of Documents**

TABLED DOCUMENT 84-18(2):  
GOVERNMENT OF THE NORTHWEST  
TERRITORIES RESPONSE TO MOTION 13-18(2)  
NORTHWEST TERRITORIES DISABILITY  
ACTION PLAN

**HON. GLEN ABERNETHY:** Thank you, Mr. Speaker. I wish to table the following document entitled "Government of the Northwest Territories Response to Motion 13-18(2): Northwest Territories Disability Action Plan." Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Tabling of documents. Minister of Justice.

TABLED DOCUMENT 85-18(2):  
ANNUAL REPORT ON THE ACTIVITIES OF THE  
RENTAL OFFICE, APRIL 1, 2015 TO MARCH 31,  
2016

**HON. LOUIS SEBERT:** Mr. Speaker, I wish to table the following document entitled "Annual Report on the Activities of the Rental Office April 1, 2015 to March 31, 2016." Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Tabling of documents. Minister of Finance.

TABLED DOCUMENT 86-18(2):  
SUPPLEMENTARY ESTIMATES  
(INFRASTRUCTURE EXPENDITURES), NO. 1,  
2016-2017

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled "Supplementary Estimates (Infrastructure Expenditures), No. 1, 2016-2017." Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Tabling of documents. Item 15, notices of motion. Item 16, notices of motion for first reading of bills. Item 17, motions. Member for Yellowknife Centre.

### Motions

MOTION 21-18(2):  
ALTERING OF SITTING FOR MONDAY, JUNE 27,  
2016,  
CARRIED

**MS. GREEN:** Masi, Mr. Speaker.

I MOVE, seconded by the honourable Member for Great Slave, that, notwithstanding Rule 4(1) of the Rules of the Legislative Assembly of Northwest Territories, on Monday, June 27, 2016, this Assembly shall meet from 9:00 a.m. to 12:00 p.m. to transact its business;

AND FURTHER, notwithstanding Rule 6(1) of the Rules of the Legislative Assembly of the Northwest Territories, on Monday, June 27, 2016, at 12:00 p.m. the Assembly shall be interrupted by the Speaker, or if the Assembly is in Committee of the Whole by the chair, who shall rise and report progress. The Speaker shall adjourn the Assembly and all remaining business shall stand over until the next sitting day.

**MR. SPEAKER:** Masi. The motion is in order. To the motion.

**SOME HON. MEMBERS:** Question.

**MR. SPEAKER:** Question has been called. All those in favour? All those opposed? The motion is carried. Masi.

---Carried

Motions. Item 18, first reading of bills. Minister of Health.

### First Reading of Bills

BILL 5:  
AN ACT TO AMEND THE VITAL STATISTICS ACT

**HON. GLEN ABERNETHY:** Thank you, Mr. Speaker. I move, seconded by the honourable Member for Range Lake, that Bill 5, An Act to Amend the Vital Statistics Act, be read for the first time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Bill 5 has had first reading.

---Carried

First reading of bills. Minister of Justice.

BILL 6:  
MISCELLANEOUS STATUTE LAW AMENDMENT  
ACT, 2016

**HON. LOUIS SEBERT:** Mr. Speaker, I move, seconded by the honourable Member for Hay River South that Bill 6, Miscellaneous Statute Law Amendment Act, 2016, be read for the first time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Bill 6 has had first reading.

---Carried

Masi. First reading of bills. Minister of Transportation.

BILL 7:  
AN ACT TO AMEND THE REVOLVING FUNDS  
ACT

**HON. WALLY SCHUMANN:** Mr. Speaker, I move, seconded by the honourable Member of Yellowknife South, that Bill 7, An Act to Amend the Revolving Funds Act, be read for the first time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Bill 7 has had first reading.

---Carried

Masi. First reading of bills. Minister of Justice.

BILL 8:  
AN ACT TO AMEND THE CHILDREN'S LAW ACT

**HON. LOUIS SEBERT:** Mr. Speaker, I move, seconded by the honourable Member for Yellowknife South, that Bill 8, An Act to Amend the Children's Law Act, be read for the first time. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Bill 8 has had first reading.

---Carried

Masi. 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 50-18(2) with Member for Hay River North in the chair.

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

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. What is the wish of committee? Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, committee wishes to consider Tabled Document 50-18(2), Main Estimates, 2016-2017, and we'd like to continue consideration of Municipal and Community Affairs to Legislative Assembly and Finance.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** We will begin with our consideration of the Department of Municipal and Community Affairs. We had opening remarks yesterday, so would the Minister like to bring witnesses into the Chamber? Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, I would, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Sergeant-at-Arms, please escort the witnesses into the Chamber. Minister, would you please introduce your witnesses.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, I have with me today to my left Mr. Tom Williams, the deputy minister of Municipal and Community Affairs. To my immediate right I have Ms. Eleanor Young who is the assistant deputy minister of Municipal and Community Affairs. To my far right I have Mr. Gary Schauerte who is our director of corporate services. Thank you, Mr. Speaker.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Municipal and Community Affairs begins on page 319, that's the department total. As usual, we'll defer this page until we consider the detail. We'll begin with the detail on page 320, revenue summary. I'll give committee a moment. Are there any questions? Questions on page 320? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. There's a number of fees that the department collects through

licences and so on, are those reviewed on an annual basis and do we compare ourselves to other jurisdictions as well? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. We do review these fees annually. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. The Minister answered the question about the annual review part but how do we compare against other jurisdictions in terms of our fees and licence payments and so on? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we review them annually. I might ask Mr. Schauerte to expand on how the review takes place. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Schauerte.

**MR. SCHAUERTE:** Thank you, Mr. Chair. Our fees are settled in regulation. The fees are based on the cost of doing business. We reference the YERG principle in terms of setting our fees, which reflects what the cost is for our department to conduct this business, to issue the appropriate business licence or document in that regard. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Schauerte. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I appreciate the response from the department. The cost recovery is a consideration. Do we look at what other jurisdictions charge for these services as well? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the Member is correct. We do look at what other jurisdictions charge. Mr. Schauerte pointed out that there is a bit of a cost recovery. If Members are interested, I am sure we can provide a document that compares our fees to other jurisdictions. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Yes, I would be interested in seeing that sort of document. There is obviously no sort of urgency, now we have a

number of other things. If the department could provide that, even in conjunction with the next business plan, that would be helpful. Thanks, Mr. Chair. That is all I have.

**CHAIRPERSON (Mr. Simpson):** Thanks, Mr. O'Reilly. Would the Minister like to add anything?

**HON. ROBERT MCLEOD:** No. Fine, Mr. Chair. We have committed to providing the document, and we will do that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Nakimayak.

**MR. NAKIMAYAK:** Thank you, Mr. Chair. Mr. Chair, my question is for the line on School of Community Government. For 2014-15, it shows at \$3.29 million. For 2016-17, it shows \$2.9 million. Can the Minister identify the cuts from last year to this year? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nakimayak. We are deferring the page 319 with that line item until the end. Right now we are on 320. Comments or questions as to page 320, the revenue summary? Seeing no more, we can continue on to page 321, the active position summary. Comments or questions? Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. Can the Minister tell us if all are any vacancies presently with the hundred positions? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. We had eight vacancies as of March 31<sup>st</sup>. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. I thank the Minister for his answer. When will these positions be filled? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, I am not sure as to the status of the positions at the moment, whether they are out for competition or not. I will gather that information, and I will share it with the Member personally. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Mr. Chair, no further questions. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Any other comments or questions on page 321, the active position summary? Seeing none, we will begin with community governance. It begins on page 323. We will defer that page until we discuss the detail on page 324, community governance, active positions. Questions on page 324? Seeing none, back to page 323, community governance, operations expenditure summary. Questions from committee? Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Mr. Chair, I think this might be the right page to ask the question, what progress is being made on the revolving funds for communities to assist residents with energy efficient measures. My understanding is there would be a legislative change required. What is the status of that? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, I will ask Ms. Young to respond to that. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. We are just initiating our research across jurisdictions on how this may or may not be done in other jurisdictions. It will likely require an amendment to our municipal legislation to effect such a change.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young. I will just remind all Members and witnesses to make sure the red light is on before you begin speaking, and just let us know when you are done so that the audio techs can switch the microphones over. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Could the Minister please indicate the timing for producing this report and the next steps? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. There is no definite date yet. It is kind of a long-term project. I will keep Members up to date as to the work that we do. If we do have any definite timelines, I will definitely share them with the Members. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. I appreciate that response. Is this an issue that is likely to be addressed in the life of this Assembly? Thank you.



**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we will have the research done during the life of this Assembly, and then we will make a determination of whether it is viable and if it is something that will work here in our jurisdiction but the research itself will be done. We will share that with Members and get some feedback from the Members as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Just as a point of clarification, I felt that the deputy minister had said that the research was just finishing. If that is the case, then it seems like finishing the research in the life of the Assembly is just about a done deal. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. The research may be finishing, but there is still a bit of work that needs to be done. As I said before, once we get that work completed, we will share it with Members, and then we will determine next steps from there with the input from the Members. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. My next questions have to do with community governance. I understand that there were some financial operational reviews conducted in the last fiscal year. I am wondering what the findings are of those reviews and whether there are any other reviews planned for this year. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the Member is correct. The audits were done. We have a couple of communities that are facing some challenges. I am not sure if it is appropriate to speak to those particular communities in a public forum such as this. If we enter into a briefing with committee, I would be glad to share some of the information, some of the details. Through the accountability framework, we are going to have the capacity now to pick up a lot of these issues soon. That will prevent a lot of our communities, as in the past, from getting into any financial difficulties. We will be able to identify sooner and then work with the communities and get them into a good financial position. If we provide a briefing to the Members or if the Member would like

a conversation with myself, I can share some of the particulars. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. I welcome both the proactive approach that the Minister is taking to helping communities before they get further into disarray. Certainly, I will talk to my colleagues on government operations to see if they would like a private briefing. My second question is: are there audits contemplated for this year as well? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. The audits are done every year. Then we review the audits. We have conversations with the communities if we need to but the audits are done every year. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you for that clarification. Those are all of my questions.

**CHAIRPERSON (Mr. Simpson):** Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I would like to follow up on my colleague's questions about changes to the Cities, Towns and Villages Act to enable the tax-based municipalities to use local improvement charges for energy retrofit purposes. I heard from the department that they are doing research. I understood this was a fairly simple amendment that is being requested. The NWTAC is on record as requesting this change. What is the scope of the research that is being undertaken? Why can't we get this done a lot quicker than four years? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we would like to try to get this in as quickly as possible. As I said before, we are doing our research. If that shows us that we are able to get this piece of legislation through or the amount of work that might be required to get this piece of legislation through, that is something that we will obviously consider. Let us finish the research, and then we will make a determination from there. I don't think we are that far from finishing. Let us do that. Then we will make a determination at that time if it is just a quick fix to make an amendment. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I am just trying to understand the scope of this research. Is the department looking at a total review of the CTV Act or just this specific very small change that is being requested to allow the tax-based municipalities to have the authority to use local improvement charges for this very specific purpose? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. I will refer that to Deputy Minister Williams. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Williams.

**MR. WILLIAMS:** Thank you, Mr. Chair. Certainly, there is some urgency from the Member to move it forward with opening the CTV Act to allow this legislation to be put in place, or amendments to the legislation. By opening the CTV Act, there are a lot of other amendments that are required as well, so it doesn't make sense just to open it for one piece. We have a number of items being raised by NWTAC over the years that we have to consider as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Williams. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I was a bit worried about that. I will just consider what I am going to do about that. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Further comments or questions on page 323? Mr. Vanthuyne.

**MR. VANTHUYNE:** Thank you, Mr. Chairman. The department can correct me if I am wrong in asking this question in this division, but I think this is okay. The description says this division is also responsible for the assessment of all land and improvements in the Northwest Territories. My question is relative to the mandate document item 3.1.2 where we state, "We will support community-based planning to help make land available for the construction of affordable housing." In my former political life as a councillor for the city of Yellowknife, I know that the city had made an application to the department for a greater land application, in fact, for this purpose, to make more land available so that the city can do better long-term planning, in most part to support affordable housing. I wonder if the department can maybe provide some explanation as to why, to date, the greater land applications for the capital city do not

pass and that the city is in fact in a position where they have to continually apply for piecemealed properties or piecemeal pieces of land on an as-and-when basis, rather than accepting the greater land applications. Thank you, Mr. Chairman.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Vanthuyne. Minister.

**HON. ROBERT MCLEOD:** I will refer that to Ms. Young. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. The process you are referring to, with the city approaching the department, was when the department had the responsibility for Commissioner's land within the department. That issue was related to accessing Commissioner's land. With Lands now being its own department, the question about dealing with lands itself would need to be addressed with the Department of Lands. Our role through this division is to support community governments in developing land use plans. We would support them with helping them hire consultants, reviewing the plans, and functions such as that. Our role no longer is related specifically to the access of land.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young.

**MR. VANTHUYNE:** Thank you, Mr. Chair. It seems that the Minister of Lands got off the hook yesterday. It is the same Minister... Can't we just get... No, I'm kidding.

---Laughter

Those will be my questions. I appreciate the response. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Vanthuyne. Anything further? Seeing nothing. I'll call the page. Municipal and Community Affairs, community governance, operations expenditure summary, activity total, \$2,262,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Committee agrees. We will move on to community operations. The activity total is on page 326, but we will consider the detail beginning on page 327. Questions on page 327, community operations, grants, contributions and transfers. I want to thank the PA grade six class for joining us. I hope you have a good time watching our exciting proceedings. Do we have any comments or questions on page 327? Seeing none. Moving on to... Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I notice that there is a contribution that took place in 2014-15, Management of drinking water in the NWT for \$50,000, but there's no further funding provided for that purpose. Was that money that we received from another order of government, or are we continuing to support the function in some other way? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. It's a reduction, but we do support the community in other ways. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I'm sure the Minister can probably guess my next questions, but so what are the ways that we actually support communities in protecting drinking water, if we're not allocating \$50,000 for it anymore? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, this was money that was to help the communities as they applied for water licenses, and they do have some money through the money we provide to them. We provide them with some technical assistance and some administrative assistance, and I can assure the Member that the quality of the drinking water across the Northwest Territories, with the work that the communities have done building their own water treatment plants, is very good, and they've done a really good job with that. It was for water licenses, and they use the money that they have now, and we support them with our regional and headquarters staff. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I don't want to prolong this, so communities can use the funding that they get from MACA, which has incrementally increased, and that's a good thing, and I know even in this budget, but they can use those funds to support their participation in water licensing and whatever? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Yes, Mr. Chair, the Member is correct. They do use the money that we provide to them to apply for their water licensing. As I said before, we do

support them technically and administratively when we can. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thank you, Mr. Chair. I appreciate the responses, and that's all I've got on this, thanks.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Mr. Thompson.

**MR. THOMPSON:** In regards to this program, is this an expense through their water/sewer subsidy, or is it something else? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. They can use water/sewer or they can use their O and M funding. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. That's all my questions on this page, thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Anything further, page 327? Seeing none. We'll move to page 328, community operations, active positions. Questions on this page, 328? Seeing none. We will go back to page 326, the activity total. Questions on page 326, community operations, operations expenditure summary? Seeing none, I'll call the page. Municipal and Community Affairs, community operations, operations expenditure summary, activity total, \$2,043,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** We'll move on to directorate. The activity total is on page 330, but we'll begin with discussion of the detail on 331. Comments or questions on 331? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I know it's not a big decrease, but it looks like there's \$10,000 less for contributions here. It looks like this money is going to NWTAC, LGANT, and Arctic Energy Alliance. The \$10,000 reduction, is that any of those specific organizations? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. That money was a reduction to the contribution to NWTAC. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. What's the total funding that NWTAC receives from MACA? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. It was \$280,000, but it is now \$270,000. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Any complaints or issues from NWTAC with the reduced funding level? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, actually there was none. The NWTAC, LGANT, and some of the organizations that we make contributions to recognize that there may be some reductions coming, and they were willing to do their part, looking at the bigger picture, understanding that, you know, we were trying to do what we can to free up more money that we can allocate to the community governments as per the formula funding reviews. They were cooperative and, I mean, nobody likes reductions, obviously, but there wasn't a wholesale complaint to this reduction. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. No other questions.

**CHAIRPERSON (Mr. Blake):** Ms. Green.

**MS. GREEN:** No questions at this time.

**CHAIRPERSON (Mr. Blake):** Any further questions on page 331? Seeing none. Information item on page 332. Seeing none. We shall go back to activity total on page 330. Municipal and Community Affairs, directorate, operations expenditure summary, activity total, \$3,815,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Agreed. Moving on to page 334, Municipal and Community Affairs, public safety, operations expenditure summary. This page will be deferred. We'll go into detail on page 335. Questions? Mr. Simpson, go ahead.

**MR. SIMPSON:** Thank you, Mr. Chair. As the Minister knows, I brought this up in the House the other day. The ground ambulance and highway rescue. I see it's being cut from \$400,000 to

\$185,000. Was this \$400,000 fully subscribed last year? I'll start with that.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Simpson. Mr. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. The answer is no, it wasn't fully subscribed to. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Minister. Mr. Simpson.

**MR. SIMPSON:** Thank you, Mr. Chair. There was \$400,000 available, and I know that the town of Hay River is lacking funding in this area. Why wasn't all the money allocated, if it was budgeted? Because there are governments in need. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Simpson. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, this is an application-based program and they can apply for up to \$40,000. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions, Mr. Simpson?

**MR. SIMPSON:** Yes, thank you. Does the Minister know how much was doled out of the \$400,000? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Simpson. Minister McLeod?

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we're just trying to pull out that information, but I can assure the Member it wasn't fully subscribed to. We will get the exact number, the exact amount, and we'll share it with the Member. If I talk long enough, they might be able to pull it up in the briefing notes. I'll just let you know that the NHL draft is tonight and we're hoping that Toronto makes a good pick and can plan their Stanley Cup parade for next year. Thank you, Mr. Chair.

---Laughter

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. McLeod, for that update. Any further questions? Mr. Simpson.

**MR. SIMPSON:** Yes, thank you. Is this fund, can it be subscribed to and applied for and the community get \$40,000 as they save up to purchase a new vehicle? Because I know one of the big expenses is the capital cost. Can they apply over four or five years, get that \$40,000, bank it, and put it towards the purchase of a new vehicle? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Simpson. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the Member is correct. I mean, they can apply for it every year. They can bank it, and they can also supplement it with their O and M funding or their capital funding as well, to offset the cost. The Member is absolutely correct, they can bank it. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions? Mr. Simpson.

**MR. SIMPSON:** Nothing further right now. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Simpson. Committee, any further questions on page 335? Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. I just was kind of curious about this program initiative, too. Assuming that we live on the highway, plus at the same time of course there are needed resources at the local level. If not the success of this program being application-based and making it available for community governments to access at least some supplementary funds to at least keep their operations going in terms of providing ground ambulances, especially for communities along the highway. If the application base is not working, not succeeding, is the department considering perhaps a program initiative? This is a vital and critical need in terms of ensuring that, you know, we have a mode of transportation for people that would travel on the highway or else in the local community. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Nadli. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, and that's part of the work we did when we did the review. One of the challenges that we face in the communities is that they may want the equipment that they need, but there's some training capacity. They need some training. There was also a liability issue. We've actually had a community sell an ambulance that they had bought, when they realized there was a huge liability without the proper training. We've tried to make training available through the School of Community Government. I think in conjunction with DOT, we've made some training available to help build up the capacity so people can be first responders. The review was done, and communities came to realize that there was a liability in trying to provide ground ambulance or highway rescue services without the proper training, so we continue to address that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. This has been an ongoing initiative for some time. I understood that there was some inter-department cooperation involving another department that's culminated in this program initiative and its application base. Surely we've identified the challenges, namely the capacity issue and the need for training, at the same time, liability issues. What is the department doing to at least mitigate those challenges, to ensure that the ground ambulances are made available, at least the resources, at the local level? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Nadli. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the department, as I said before, has done some community-based first responder training. We want to improve the capacity of our staff and volunteers; and then also a web-based tool kit to help communities recruit and train volunteer first responders. Then we have the, we had the, work that was just done, and they identified some challenges that we're facing. I mean, I can assure the Member and all Members, actually, that we recognize that this is a service that's required by some communities, but then we also respect the communities' desire to have more training so that they can be first responders without the liability. There are opportunities for communities through some of the funding that they receive from the department, along with applying for the pot of funding here, the \$185,000 pot of funding, to help them with some of their capital costs that they may require to provide this service. The big one is to build the capacity so they can be first responders. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. It is concerning that there's a reduction from \$400,000 to \$185,000. What is the long-term vision that the department has in terms of providing the services to local governments? At the same time, what are some immediate priorities to make those funds are publicly known and ensure that communities can access them? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Nadli. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the communities are aware of the money that's available through this particular grant and contribution. They are aware of the funding. The long-term goal is to see as many communities that

may be on the highway system, or any community for that matter, have the capacity, the training and the equipment they need to provide this service. We will work with them. If we come to a point where we have to come back to the Assembly to enhance the pot because we have more people that are trained up and more communities that are wanting to access this money, then it's something that we will consider at the appropriate time. Right now the communities recognize that they have some challenges, and we're helping them to try and address those challenges. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. No further questions.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nadli. Next, Mr. Thompson. Sorry, Mr. McNeely.

**MR. MCNEELY:** No, I didn't have my hand up there, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Well, perhaps it's Mr. Testart then. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. I just had questions for the consumer affairs division. Are we on page 334 or still on... No? Okay. I'll wait. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. Just in regards to following up with Mr. Nadli's questions, I guess there was a struggle I'm trying to understand. There's who owns or who is responsible for what. So ground transportation and highway rescue is MACA's responsibility, DPW's responsibility, or Department of Transportation's responsibility, or Health and Social Services' responsibility? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, we did have a joint committee including all the departments that the Member referenced, and I think it was determined that it wasn't legislated in any one of the departments, so that was part of the work that we did on the report and now we are hoping to try and address these issues. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair, and I thank the Minister for his answer. I guess I might

have missed something, but what report is the Minister talking about and referencing? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, this was a report that was done in 2006. It was the review of ground ambulance and highway rescue services in the NWT, and this report is actually available on MACA's website. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. Is the department looking at potentially... It's 10 years old. Are we looking at this report and maybe updating it to make it more current? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we had the one report done, and it identified a lot of issues that are still relevant today. I don't really see the need to go out and do another report when we know it's basically going to say the same thing that this one is saying. The numbers may have changed a bit, but, I mean, we'll have a review of the report, and we can have a review of it with committee and, if we feel there's a need, to go do another one. I think at the end of the day, we've had one report done. Why do another one when it's going to tell us the same thing? Let's just try and implement some of the recommendations that came out of this report. That would save us a lot of time. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair, and I thank the Minister for his answer. I have no problem not doing a report, but I guess my struggle is that, if we have these concerns and issues out there and we still haven't implemented them, then have things been implemented, part of this report? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, our struggle is trying to ensure that our communities have the capacity to deal with some of the liabilities that might come with implementing some of these. I would have to go back and review the recommendations to see how many of them have actually been implemented, but this is not something that we could do in one shot. I

think we'd have to phase some of the implementation in. I will follow up with the department. I will follow up on the report to see how many of the initiatives, actually, recommendations may have actually been implemented, and then we can have a discussion with committee as to whether we want to look at possibly implementing more of the recommendations and/or go and do another report. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair, and I thank the Minister for his response. If it is a liability issue of proper training, are we able to work with the municipalities, especially the ones that are on the roads, and maybe find a couple projects, pilot projects, and work with them to get them trained properly so that they can address the two big issues of liability issues and proper training, because, instead of reducing the money right now? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, as I responded before, we have worked with the DOT to provide some first responder. If it's more technical training, if they have, the community has, individuals that they identify that may want to take some training to be able to be first responders, then, you know, the community can make that decision or the individual can make that decision to go get further training.

Through our partnership with the DOT, we try to provide some first responder training, again so we can have the folks qualified to respond to any incidents that might happen without fearing the liability. Then we will continue to work on getting as many people in the community trained as possible, and then we can determine next steps after that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Anything further? Mr. Thompson.

**MR. THOMPSON:** Yes, thank you, Mr. Chair. I thank the Minister for that answer, and I fully agree that we need to get people trained. I'm just a little confused about how communities can take the \$40,000, apply for it, and then bank it to purchase equipment later on. Because we're talking about building capacity in this area, so I'm just trying to understand how that is possible. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the communities are aware that they can apply for this money and they can bank it. I mean, our staff give annual updates at the NWTAC AGM, and they work closely with the communities. Communities are well aware of some of the options that are available to them. Again, we'll go back to working to build the capacity and the expertise and having our communities respond to emergencies.

The answer to the Member's question is the communities are aware of the options that are available to them. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. No further questions on this page.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I've been listening to the discussion here. To me, so we've got a 2006 report. I'm not sure if all of the recommendations followed up. There's an amount of funding here that is made available to build capacity for these services. There's a cap of \$40,000 a year for applications. Maybe the problem is with the cap. I don't know how often the cap has been reconsidered, but there seems to be a problem here with the program, itself. Reducing the amount of money that's available does not seem to be addressing the need that's out there. I guess what I'm looking for is a commitment that the Minister is going to come to the committee, look at this issue, and try to find a solution. I don't think cutting money is the solution that people are looking for. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, I mean, there is a reduction in this because, as I said before, it's a program that's not fully subscribed to. We'll have to try and address that and build capacity, so those. Then, in future, if there is a need to enhance the \$185,000, then we'll consider it at the time. I mean, we're basing this reduction on the uptake of this program and the communities' recognition that, once they get certified or they're able to be first responders, then there's going to be more demand on this. The priority right now is to ensure that our communities are trained and are able to respond to any emergencies without fearing the liability that might come with it. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair, I appreciate that. I guess I'll just reiterate. I think the problem is with the design of the program. If there's a \$40,000 cap and it's not fully subscribed, there's a need there, the problem is with the design of the program. I'm just asking if the Minister will come to committee and try to work out a way to improve the services and redesign the program.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. I take the Member's point. I mean, there's a discussion that we should sit down with committee and get some input from committee as to what some of their recommendations are. If there's a design of the program issue then we'll have to address that. This is an issue that's been on people's radars for a while so I think it would be prudent of us to sit down with committee, get some feedback and go away and maybe come back with a redesigned program working with committee. But I will commit to that process. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. O'Reilly. Nothing further from Mr. O'Reilly. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. Just a couple of questions on ground transportation or ambulance. As you know, Fort McPherson did receive some funds a year or two ago. You know, that's a long stretch of highway there, it's about 140 kilometres, I guess, that the community has towards the NWT-Yukon border and towards Tsiigehtchic to sort of respond to, you know, when we have had some accidents there. Same as Tsiigehtchic, I know they have the first responders there, but there's always more training needed, especially for Tsiigehtchic because we have no nurse and no RCMP there. People in the community are the first on the scene pretty much all the time, and a lot more training needs to be done. Also expenses, it seems the community takes the brunt of the expenses all the time. I'd just like to know by region, how is this money divided and it would be nice to see some more funding to that area. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Minister.

**HON. ROBERT MCLEOD:** Yes. Thank you, Mr. Chair. Mr. Chair, Tsiigehtchic was actually one of the communities where we did provide some first responder training. The thing with people in the Northwest Territories is somebody is going to respond all the time and they're not going to worry about where the money is coming from, they will just respond. Our challenge is to ensure that our communities are adequately trained and have the

proper equipment to respond. The biggest challenge is dollars. As we continue to go through this process then we can identify some of our bigger challenges and then as the financial situation improves we can work to address some of the challenges. During the formula funding review this issue was discussed, and it wasn't included as a core program, but, I mean, we're starting to recognize now that it's an issue that we need to address because we're hearing it not only from the southern part of the territory but from the northern part as well. I mean, I have committed to working with committee to look at how we can maybe redesign the program or... Well, we would like to enhance the funding but I'm sure that will happen once we're in a position to do that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. Yes, it would be nice to increase these funds. I see it actually went down from \$400,000 to \$185,000. You know it's a shame because, like I said, we need more funding because, you know, a lot of the highways we have many accidents and we need to help support the communities to be first on the scene and take care of our residents. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** Yes. Thank you, Mr. Chair. Mr. Chair, the funding was a reduction because the program wasn't fully subscribed to. We also recognize that this is an issue that we have to address. We will do our work and then if we can enhance this program we will come back to this Chamber to seek more funds once we're in a position to do so. We would like to assist the communities and I think the best way to assist the communities is to ensure that we have people in the communities that are able to be first responders, especially if they get on the scene right away. This is a program that we have been hearing about a lot and it's one that we recognize that we need to do more with. We're getting more people travelling on the roads and there was even some talk of winter roads, travelling on winter roads as such. MACA will ensure we do our part. I look forward to working with committee and getting feedback from committee as to how we can enhance and improve the program; enhance, improve and encourage people to take the training. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. McLeod. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. Just my final question. I know you said funding is not fully



subscribed here, you know, if the community of Tsiigehtchic, for example, would put in a proposal for ambulance-type vehicles, because many times, you know, when we have a serious accident, when a person is in a stretcher many times we have to put them in the back of a truck, so it's really important to have the proper equipment. Would that meet the criteria? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the community can apply to get an ambulance out of their CPI funding that we provide to them, as well as trying to access some of this funding. Again, the challenge is, as I mentioned before, we had a community who bought an ambulance and realized that they didn't have the training and there was a liability issue so they actually sold the ambulance to one of the larger communities. We're trying to address the challenge to ensure our communities are trained. I think once they realize that they're adequately trained then they may go the next step and look at getting an ambulance or something that they can use to respond. I've heard the stories of people being put in the back of a truck just to get them down to the nursing station basically. Our challenge is to ensure our communities are able to respond and then they can take the next step, and we'll work with them. We'll work with them to help them identify what money they can use where and also get them recognized. I think the communities do recognize there is a bit of a liability issue, but we'll continue to work with the communities. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. You know, as we are funding this program here, why can't we, as a government, help the communities with the liability issues? You know it is a very important resource for the communities and I think we need to make sure that they have all that they need to fulfill this. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Anything further from the Minister?

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the liability issue is: if somebody felt they were mishandled they could actually sue the community because they didn't have the proper training, and so our challenge is to make sure the communities have the proper training. For us to say that we would take on the liability, I think we're just opening ourselves up for potential lawsuits or anything along those lines. Our challenge and our goal should be to make sure the communities are adequately trained that they can respond, and then

they can go the next step and get an ambulance if they choose to do so. But for us to actually co-sign as... For liability, I think that's going down a path that we don't want to take. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. That was my number one concern right from the start, once we started this fund here, because I've seen it, you know, growing up in Tsiigehtchic where we have no nurse and our people are the first responders, and we're putting them at risk for these liabilities here. Like I said, we need a lot more training and I look forward to that in the future. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** I agree with the Member. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister McLeod. Do I have any further comments or questions on page 335? Seeing none. Page 336, active positions, public safety, active positions. Questions? Page 336. Seeing none, we will return to the activity total on page 334. Public safety, operations expenditure summary. Mr. McNeely.

**MR. MCNEELY:** Thank you, Mr. Chair. My question is related to probably joint with the two pots of money here, or the two budgets here: emergency management and office of the fire marshal. I'd like to ask the Minister if there's any allowance within that budget or that department there to assist the smaller communities to make sure that their fire marshal or fire department is up to standard and it meets the audit provided by this department through this budget. Is there funding available for that support? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. McNeely. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, our regional fire marshal or assistant fire marshals, as they're called, will work with communities to identify some of the challenges they face. If there's some training capacity or capacity issues they'll help them design a program or help them get trained so they can deal with that. If there's an equipment issue or if it's a capital issue, then they will work with them to identify exactly what they need, what they could use, and then the community has it within the money that's provided by MACA to purchase the proper equipment. My understanding is our fire marshal, or the office of the fire marshal and the assistant fire marshals have been working with the communities. I think we've even had some of the larger communities donate some of their equipment to some of the

smaller communities which really helps, and ensured that they were trained in the operation of the equipment, so there's opportunities there. Again, the big thing is to have our assistant fire marshal work with the community and help them identify some of the challenges they face. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. McNeely.

**MR. MCNEELY:** Yes. Thank you, Mr. Chair. My last statement is more of a comment I would say. In many of the cases in the smaller communities it's good to know that the finances are there and the support is there and I would encourage the department to randomly, I would say, go into some of the communities and do an audit on their fire truck, for example. In some cases we hear stories they can't even get the fire truck going, or they go to the site and find out the water pump doesn't work so they've got to call the private sector or the hamlet's water truck, for example. Maybe that kind of audit support randomly might be suited here in some cases. Some. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. McNeely. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** Yes. Thank you, Mr. Chair. You know we have great faith in our communities' ability to identify some of the challenges they're facing. I mean, I take the Member's point, though. Our assistant fire marshals will go work in the community if the community asks them to come in and help them with some of the challenges they face, it may have already been done, but we may have to have a yearly kind of inspection tour. I just don't want to think that we can just march into a community and tell them what's good for them because we've turned a lot of that responsibility back to the communities. We will work them and if they want our fire marshal or assistant fire marshals to go in there and assist them with identifying issues and how to deal with some of their equipment then we'd be more than happy to make them available. We may have to look at possibly an annual inspection where our assistant fire marshals go to all the small communities and help them identify any challenges they might be facing. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Anything further? Mr. McNeely.

**MR. MCNEELY:** Mr. Chair, thank you.

**CHAIRPERSON (Mr. Simpson):** Nothing further from Mr. McNeely. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. I know the 2014-15 consumer affairs had a budget of \$155,000, at 2015-16 it was up to \$240,000, and

it's now down to \$150,000. Can the Minister explain the reasons for the increase in the last budget and why it's been cut down? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, there was a contract, it was a \$90,000 contract services and we heard concerns about the public wasn't well aware of the consumer affairs division so we worked with a contractor to help us get that on the website to help get the message out there and make people aware that there is a consumer affairs division. A lot of feedback we got was people weren't aware that there was one, so we've tried to make it more available to the public. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. Is the department of the opinion that the public is now well enough informed that it no longer requires that communication function and funding? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Yes. Thank you. Their job was done. They helped set the website up so it's there now. I mean, they're available to get into our consumer affairs website. Electronic, yes. Their job was done so we don't need them anymore. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Just for clarification, Mr. Chair, the purpose of the spending was to establish a new website and it wasn't tied to a communications plan or communications products, marketing collaterals that were developed for the consumer affairs division. Yes, we'll just leave it there. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the Member is correct. Some of the feedback we got was the communications part of it. The Member is correct; it was to improve our access to the website and to enhance our consumer affairs. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. Did the department conduct a survey of Northerners to ascertain if this spending did result in increased

awareness of the consumer affairs division and the services it offers to Northerners? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** No, we didn't. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. Perhaps the department should. I will move on to program management. I notice there's a decrease there as well, around... Well, I'm bad at math, so I'll just leave it at that. What does that decrease represent in terms of program management and the services it offers to provide public safety to Northerners? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Do you want to go through me to go to him?

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. I'll direct this to Mr. Williams.

**MR. WILLIAMS:** Thank you, Mr. Chair. This program management for contract services, it was an internal reallocation where that consumer affairs, that whole public safety division had no permanent admin support. It's a small unit. What we did was reassign some of the contract dollars so we could hire a permanent admin coordinator for the division.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Williams. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. Where would that be represented in this budget, or in this main estimates document? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Mr. Schauerte.

**MR. SCHAUERTE:** Thank you, Mr. Chair. The reduction in grants and contributions should not be... This is where, under program management, where the reductions to grants and contributions of the \$215,000 appears. The detail on page 335 shows up in the program management line item.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Schauerte. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. I'm not sure that helps clarify this. The detail on 335 is a decrease, under contributions. The detail on 334 under program management is also a decrease, so I'm wondering, what I heard was that the decrease

was to provide a permanent staff position, and perhaps the department can correct me, for an administrative coordinator for the division. I can't seem to find where that expenditure is represented in the mains. That's what I'm looking for. Under contract services, they've remained stable since the last budget, 2015-16. There's no increase in contract services. There's no decrease in contract services. There are decreases in consumer affairs and program management and in contributions. Where is this new administrative coordinator position represented in the mains? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, it was actually a decrease of \$125,000, and we'll have to get back to the Member. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. I was hoping that we would have clarity at this time, but I appreciate that the department needs time to straighten this out. I will eagerly anticipate receiving that information. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Anything further, page 334? Seeing nothing. I will call the page. Municipal and Community Affairs, public safety, operations expenditure summary, activity total, \$1,526,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Moving on to regional operations. We'll defer page 338, the activity total, until we discuss the detail beginning on page 339. Pages 339 and 340 are connected, so we can discuss those at the same time. Questions on pages 339 and 340, regional operations, grants, contributions and transfers? Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, I want to ask the Minister about a function for the communities. I want to know if this is the area or this is where Municipal and Community Affairs is able to help the communities with the whole process of capital planning, including any borrowing abilities that the communities may have. Thank you, Mr. Chairman.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Minister.

**HON. ROBERT MCLEOD:** Yes. Thank you, Mr. Chair. Mr. Chair, the Member is correct. This is the area where we would be able to assist the

communities with their capital plans as well as headquarters, and giving them advice on borrowing as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Beaulieu.

**MR. BEAULIEU:** No, thank you. That's it, Mr. Chairman, thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Anything further, pages 339 through 340? Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. In assessing the community infrastructure funding, community water and sewer, there was found to be a gap of I think around \$40 million with those three categories combined. This page has detail on some of those funding lines. How much has the department increased community funding to meet that gap in this budget? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we've contributed just over \$2.1 million towards that. I think it was a \$38-million funding gap that was identified through the work of the formula funding review, which actually was supposed to start at the beginning of the 18<sup>th</sup> Assembly, but it was decided in the 17<sup>th</sup> Assembly that we'd initiate that work, so it would help us to identify some of the shortfalls that we've been hearing about from the communities and find ways we can address it. This year we've contributed \$2.1 million towards that, and as our fiscal situation improves, we would be able to help the communities address more of the funding gap that's been identified. Communities are aware of that, and NWTAC is actually supportive of the work that we're trying to do, because they recognize that our goal at the end of the day is to help address the gap that's identified through the formula funding review. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair, and thank you to the Minister for his answer. With the \$2.1 million, using the Minister's numbers, that leaves a \$36-million gap. Is it possible to readjust some of those funding levels to expedite this process sooner than later? My fear is that this government will never have as much money as it wants to meet all of its funding priorities, services, programs, and capital needs. This will be a gap that remains unfilled for many, many years. Is it possible to readjust community funding levels based on the formula financing review to come closer to meeting this gap, this \$36-million gap? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, of the \$38 million that was identified as a shortfall, \$23 million of that was actually capital and \$15 million was O and M. With the money we've put in, the O and M has actually come down to about \$13.9 million. The money we received from the federal government certainly helps us address some of the capital issues, and then our CPI funding that we provide to the communities has been at \$28,002,000 for a long time. I can't remember how long it's been. Since 2007. We've been fortunate that we've been able to access a lot of federal money. Then with the new federal government, we're looking forward to accessing more of that money to help address some of the shortfall. If there are opportunities for us to make some adjustments where we can start trying to identify, or work with the communities to address their shortfall. It's something we'll have a look at. We have to make sure we're very careful in where we're getting the money from. Ideally, at the end of the day we'd like to see some savings through the process that we're going through so that we can, in a couple of years, start to address them. Next year, we'll help the communities. We may increase it again due to forced growth. At the end of the day our goal is to have the funding shortfall addressed and, once we're in a better financial position, I think this government is going to be able to do that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. I appreciate that I don't think anyone in this House has an interest in picking winners and losers when it comes to community infrastructure funding, and it is a cautious process. My concern with relying on federal funding is that fluctuates from government to government, from year to year, and it's not a guarantee, whereas we can have more control over how the funding flows through this government. This is a real priority for our communities and it has real economic impacts, if infrastructure dollars are being spent in local economies. I strongly encourage the Minister and the department to be very proactive on this issue and get more of these resources flowing. Granted that we don't want to pick winners and losers, but I hope the next business plan will see an increase over two per cent, and we can see of an impact on the infrastructure side of things. I'll just leave that with the Minister, but I think we're all in the interest of moving forward on this and getting stronger, healthier, safer communities. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Testart. Comments from the Minister?

**HON. ROBERT MCLEOD:** Yes. Thank you, Mr. Chair. Mr. Chair, we don't rely solely on the contributions from the federal government. We use that to enhance programs that we already offer to our communities. As Minister of MACA and being able to get to all 33 communities in the Northwest Territories, I've seen the benefits of the money that we invest in the communities and some of the decisions that they're making as to how best to use their money, on the capital side. It has reaped some benefits and rewards for the community. It's not a perfect system, pretty close to it, but we're continuing to try to enhance and improve this program. Any opportunity we have to access any federal dollars to help our communities offset some of the... Because if we can get money from the federal government, then they don't have to rely so much on their CPI, or they can use part of their CPI to match the federal investment. We will continue to work with the communities, and we want to make sure that our communities are safe and viable. I know from experience that they are. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Anything further, Mr. Testart? Nothing further from Mr. Testart. I'm going to call a brief break. We will resume shortly. Thank you.

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**CHAIRPERSON (Mr. Simpson):** We ended off with Mr. Nadli discussing page 339. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. I'd like to commend the department, first of all, for being at least there for communities in terms of ensuring that the funding is made available for programs and services that they might be delivered. In most cases, what exists out there is that you have a band council and then you have a settlement council or a hamlet council. You have, more likely, two institutions running the communities. I'm just trying to understand the nature of some of the funding that flows from, say, MACA, to local governments. Is it in the forms of application-based funding programs or these are transfers? Mahsi. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nadli. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. Most of the funding that MACA delivers is done through transfer agreements to community governments, for example, our 1M funding, our capital funding. There are a few programs such as the ground ambulance one that we've just previously discussed that have been application based. In addition, some of our federal programs, it's part of the program design by Canada that they are application based, subject to the approval of Canada. The majority of MACA

funding is done through transfer agreements? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. Yes, it's good in terms of working with communities and trying to build that strong relationship, at least at the local level. I think it's been made referenced that the School of Community Government and the local municipalities associations have a hand in terms of working with MACA down the road, of ensuring that communities are in a position to meet reporting requirements in terms of further their training and capacities so that there's sound financial management plan in terms of ensuring that, at the local level, these funds are administered properly, at the same time that reporting deadlines are met on a timely basis. Is there plans for, perhaps, an initiative to make sure that more training and capacity is made available for communities? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nadli. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. Yes, there are a number of manners in which we tackle this. The first I'll reference is the accountability framework, where we work with communities to determine where they have challenges in some of their core areas. Financial reporting is one of the indicators that we do look at, and, if the community has identified challenges in that area, it becomes an area of engagement for us with the community to determine what might be appropriate to assist them to improve. It can be formal training, such as you've mentioned, through the School of Community Government. It can be hands-on training, with our staff going into the community and assisting with the preparation of a quarterly report. We are just starting to develop some video conference training materials to do specific training around specific types of reports to advance training, again referencing the federal programs where it's a new type of reporting that will be required for some of the new programs. We will do some specific training to those programs in particular. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. Just recently, this government has entered into a memorandum of understanding with various regional groups. It's part of the devolution process. On that similar basis, does the department identify a need perhaps to forge a closer working relationship with Aboriginal or regional organizations that have the capacity in terms of a tribal alliance, to maybe forge a strong

working relationship to ensure that, you know, there is a system in place so that this reporting requirement, not only to the territorial government but, also, at the same time, is to the federal government? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nadli. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, with the funding we provide to the band governments, we have requirements, as Ms. Young said, for reporting. I'm not sure if the Member wants us to include the regional government into that equation because we deal strictly remotely with the community governments to address some of the challenges they might face. I'm not sure if the Member is wanting us to include the regional governments into that, as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. I'd like to thank the Minister for his reply. To try and add more context to the point that I'm making is that, you know, perhaps there's an identified need to try to bring MACA together in its regional operations with, say, the tribal council in terms of ensuring that communities are not only at the receiving end of large amounts of funding but ensuring that, you know, there's a fluid reporting system in place, and that the local communities do have the capacity in terms of the financial management and meeting their financial reporting obligations on a timely basis so that deadlines are met and that we avoid, you know, the circumstance of third-party remediation or such a predicament that communities might find themselves in; so whether that's been considered or not? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nadli. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, I'll refer to Ms. Young. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. Yes, there's actually a couple examples of where we've specifically done this in the last year. We have worked with the Inuvialuit Regional Corporation to deliver finance training, both to the community corporations as well as to the community governments in the communities in that region. We've also entered into an agreement with Indian and Northern Affairs to develop some broader training materials that are appropriate to all First Nations governments, not just the nine that MACA

works with. We're just developing those to deliver in partnership with INAC to community governments. Then the third specific case I can think of is, in cases where a designated authority or one of the First Nations that we typically work with for MACA programs is encountering difficulties, we've had situations where we've engaged with INAC and the Dehcho First Nations, in this example, to work specifically with a community to support them with financial reporting and increasing financial capacity. We are absolutely looking for those opportunities to build capacity across all local levels of government.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young. Mr. Nadli.

**MR. NADLI:** Thank you, Mr. Chair. No further questions.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Nadli. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. I'd just like to build on the questions Mr. Nadli talked about. You've probably heard my Members' statements to some of the issues we've had. Has the department been able to work with INAC on fixing up potential training opportunities for the communities and address this? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, we are developing training manuals for bands in partnership with INAC. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. I thank the Minister for his answer. Can the Minister tell us when these resources are going to be available and the training can be out there to help these band communities? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, we, I think, just finalized the draft, and we're anticipating within a month or two that we will be able to have developed materials. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. I thank the Minister for that answer. It's good news. I can, hopefully, and it will work well for the designated communities. Who will be paying for the courses? Is it going to be similar to the School of Community

Government, or will there be funding available from the department to access these courses? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, INAC provides a contribution of about \$240,000. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. Could the Minister clarify, is that money for the development of the courses, or is this money to allow the communities to access the training? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, the money is for program development and training. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Okay. Thank you, Mr. Chair. In regards to the training, is the cost or the money part of to get the communities in, or is that just to pay for the instructors and delivery? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, I would have to follow up to those particular details. I don't know if we have that information handy yet or it's even been developed yet. Once we find out exactly who's paying for what or if we're bringing them in or if we're going in there, we will inform Members. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. I thank the Minister for that answer. I'm looking forward to seeing this opportunity to help these communities, hopefully so we don't have to do co-management in the future. I thank you. That's no more further questions.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** No. No, thank you, Mr. Chair, just that we'll keep committee updated as to the work we're doing as we go forward. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. Just under the community government funding with the formula funding, a couple, well, one of the communities anyway, in my riding, Tsiigehtchic, is under the impression that there's a cut to the actual core funding there. I want to verify that. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, there will be no reductions to community funding. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. I just want to make sure communities are aware of that because I just got a couple e-mails saying that, you know, they are making some, taking some measures to fit with their reductions, so thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, I can assure the Member that there will be no reductions. I think we have regional staff going into the Member's community next week to work with the community. I just want to assure Members that our Premier has stated, I think before the NWTAC, that there was going to be no reductions to community funding. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, and I hope that included capital, as well. I know there are plans on reducing that, as well. I'll bring that up later on in the pages here. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Further comments, questions on page 339 through 340? Mr. Vanthuyne.

**MR. VANTHUYNE:** Thank you, Mr. Chairman. Further to community government funding, I'm wondering if the department... Well, first of all, I want to commend the department in their efforts, along with NWTAC and the communities and community governments and a number of individuals that were involved in a group that took the time to assess the communities' infrastructure gaps and needs for further formula funding. I appreciate that. I also appreciate the government's two-per-cent increase with regard to this pot of funding. I'm just wondering if the department can

maybe speak a little bit around the communities' ability to use these funds for the purposes of borrowing to help reduce their infrastructure gaps. There is, you know, interest rates are at an all-time low but, yet, these infrastructure gaps are at an all-time high. Maybe this is a time in which communities can and should be encouraged to some degree to use borrowing as a mechanism to help reduce their infrastructure gap. Can the department explain about how these funds might be able to be leveraged? Can they be used for down payments and/or payments, in fact? Does the government have the ability to provide guarantees on these types of thing? And is this a time in which we could potentially use these funds for borrowing to help reduce that gap? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Vanthuyne. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we have borrowing regulations that establish the limit that they can borrow. They can use the dollars that we provide to them to leverage... We actually have a couple of communities that have borrowed money to help with their infrastructure. Using the money that we give them in CPI funding to pay off the loan, they were able to put a project on the ground probably a little quicker than they would have if they had to wait and save up their money to put this particular project on the ground. We have had a few communities take us up on that. MACA works with them to give them advice and help them through the process. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Vanthuyne.

**MR. VANTHUYNE:** That is it on that matter. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Vanthuyne. No one further on my list for page 339. Comments or questions on page 341, regional operations, active positions? Seeing no comments or questions, we will return to page 338 with the operations expenditure summary. Questions on page 338, operations expenditure summary for regional operations? Seeing no questions, I will call the page. Municipal and Community Affairs, regional operations, operations expenditure summary, activity total, \$84,842,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Committee agrees. We will now move on to School of Community Government. The activity total is page 343. We will first discuss information items starting on page 344. Grants, contributions and transfers

under School of Community Government. Questions on page 344? Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. Just briefly, I know it is paid programs under the School of Community Government. Does the community have to request it, or does the department just come in, especially when we have new councils. Many new councilors don't really know the role of the council. Is it requested, or do you just come in and provide that? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. We do try to promote the training that we have to committee councils. Our preference is that they request our folks to come in and do the training. As well, I believe, during the NWTAC AGM there is a training component to it for elected officials. There are opportunities for them there too. At the end of the day, our preference would be that they would request some training for elected officials and then we will provide it. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. I believe that was this spring, I know at the last community meeting at McPherson, I know the community had requested having these, especially the role of the councilor and mayor provided over the summer or even the fall because there are plans for election in December. Give the community an opportunity, or whoever is interested in running, to see what is all involved in the roles and responsibilities. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, in one particular case, the Member's riding, we are planning on going there this fall to help them prepare for an election that they are going to be having. We believe, in this particular case, it is probably wise of us to go in there after the new council is elected to provide some training. I think we even heard the comment about providing training to any potential candidates that might be wanting to run in an election. That might be an option too. We haven't gone through what we went through with this particular community. We want to ensure that all of mayor and council understand the roles that they are going to be getting into, go in to a role with the proper training or an understanding of what is expected of them. We are planning on working with this particular community quite close as they head into their elections this fall. Thank you, Mr. Chair.



**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. More of a comment maybe, but this is a great program that the department is doing because I took it in, I believe, 2007. It really opens your eyes to the roles and responsibility. A lot of people don't realize that the council is the number one authority. I thought it was the mayor when I ran, but, you know, they make the key decisions. It is really important that people know that. I hope it continues. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** I agree with the Member. During the NWTAC AGM, when they do have the training that is made available, we give out a number of certificates in the last few years of people that have actually taken the training, so they understand their role. I agree with the Member. People that are running for elected office, such as mayor and council, should understand the role or what is required of them. We will do our part through the School of Community Government to make sure they get the proper assistance and the proper training. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister McLeod. Mr. McNeely.

**MR. MCNEELY:** Thank you, Mr. Chair. I am glad to see the wording, "improve community capacity." It is really common in these smaller communities that they lack financial bookkeeping skills. Within this budget, is there allowance for somebody from the regional office with financial management skills and preferably auditing skills to go in and support the communities and their bookkeeping systems? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. McNeely. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we agree that our folks in the communities need to understand their roles as well and the responsibilities they have to ensure that they have the proper capacity to deal with the lot of money that they are having to deal with because they do have a lot of responsibility with us giving them all their CPI money and with their O and M. Our role, we see, is to assist these community governments. Through the accountability framework, we believe that, as I said earlier on in the session, that gives us the opportunity to identify any red flags and pick out any issues before they become big issues and they affect the communities' ability to govern themselves. No, we totally agree with the Member that with the proper training and that building up the capacity of communities can

only benefit the communities and the department as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. McNeely. Nothing further from Mr. McNeely. I see no further comments or questions on page 344. We will continue with page 345, active positions. Any questions on the information item, active positions? I see none. We are done with the detail. We will return to page 343, the operations expenditure summary. Comments or questions? Seeing none, I will call the page, Municipal and Community Affairs, School of Community Government, operations expenditure summary, activity total, \$2,970,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Committee agrees. We will now move on to sport, recreation and youth, beginning on page 347. We will discuss the detail on page 348 and 349. Questions on page 348, 349, sport, recreation and youth? No one? Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. I just noticed on page 348, there is a \$25,000 reduction in youth contributions. Could the Minister explain what this cut is about? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, this is just a reduction to the youth contribution, but if you look at the other youth contributions throughout the last few pages that we have gone through, there is still a very significant amount that was dedicated to the youth through the different programs. As far as this particular line item, I am not sure exactly what this entailed or who could access it. I will look for that information and I will share it with the Member. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. As everybody is well aware, this is one of my passions, so I am kind of disappointed to see this cut in this area here. I understand that the regional budget has \$225,000, but there is the \$25,000. I think it is well used, so it is kind of disappointing to see this being removed from the section. Thank you, Mr. Chair. It is more of a comment.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Thompson. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, I think we all share that same passion for the youth. I think we have made that quite clear in the investments we have made into youth. In the

last two or three Assemblies, the youth contributions have gone up fairly significantly. We all share that passion. We will continue to ensure that our youth are adequately funded. As I said I will get the exact detail on the \$25,000 and share it with the Member. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Mr. Chair, I have a couple of questions for the Minister about the NGO Stabilization Fund. There was some discussion about tying the stabilization fund to some kind of volunteerism initiative. Can the Minister confirm that that hasn't happened and it won't happen? I see that it is not in the description for the fund. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, there is no change to this fund. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. It is the same criteria as when this program was housed in the Executive. Is that correct? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Apologies to the Member. I should have added that there was no change to the criteria as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Can the Minister give us an idea of how many applications were received for the funding this year and how oversubscribed the fund is? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we are just trying to gather that information. Thank you, Mr. Chair. As it says here, we have an annual budget of \$350,000. This is unchanged obviously. We had 21 applications received for support. As to what we actually paid out, nine applications were approved for a total of \$312,523. These are the ones that met the criteria, Mr. Chair. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you to the Minister for that response. If all the qualified applications were totalled, how much money would that request be, just for interest's sake? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. We're just giving the amounts that were approved. As for the actual applications and the requests, we would have to go back and look at the applications, total the requests, and then we can share with the Member or all Members, if they require it. I will make that commitment to share that number with the Member. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Thanks to the Minister for that commitment. No further questions.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Any other questions, pages 348-349? Seeing none. We'll move to page 350, active positions, sport, recreation and youth. Questions, page 350? Seeing none. We'll return to page 347, the activity total. Questions, page 347, operations expenditure summary? Seeing none. I will call the page. Municipal and Community Affairs, sport, recreation and youth, operations expenditure summary, activity total, \$6,792,000.

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Committee agrees. We have a couple of information items. Page 351 and 352 are combined. Do we have questions on the information item, work performed on behalf of others on pages 351-352? Mr. Vanthuyne.

**MR. VANTHUYNE:** Thank you, Mr. Chairman. I wonder if the department can add further explanation under the item of the New Building Canada Plan for Small Community Fund. It's a fairly significant amount. It's a brand new amount, and it indicates that small community funds are "for projects in smaller communities that address local priorities while contributing to national or regional objectives." I just want to see if the department can give us a clear picture on what that exactly means? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Vanthuyne. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. I'll refer that to Ms. Young.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. The way this program was initially designed, there was a division in the budget, Small Communities Fund, and then a national/regional component where they were looking for things that were more territorial or national in nature. However, as of Budget 2016, those criteria have changed and we are just in the process of bringing an amending agreement forward. That criteria has now been eliminated and all of our communities are applying under what's called the Small Communities Fund, which is any municipal infrastructure would be eligible. Canada decided to streamline their proposal process and those criteria have change.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young. Mr. Vanthuyne.

**MR. VANTHUYNE:** Thank you, Mr. Chairman, and I appreciate that clarification. I think that's good news on behalf of the communities. It certainly sounds like this significant pot of money can go towards helping the communities further reduce their infrastructure gap. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Vanthuyne. Would the Minister like to comment on that?

**HON. ROBERT MCLEOD:** No, thank you, Mr. Chair. We appreciate the Member's comments. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. There is, of course, this Gas Tax Fund on this page. It was my understanding that there was going to be a draft strategy that will or has been created that will outline how this fund will be spent. Could the Minister please give us an update on the status of the strategy and when it will be made available to the public? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, there is no strategy that I know of. This is gas tax funding that we've been receiving since 2005, and we've been getting basically the same amount every year. We've divided that amongst the communities on a per capita, as part of the funding review, and there is a certain criteria around the gas tax funding that this money can be used for. Starting I think last year there was an increase to the gas tax funding, an increase of two per cent. My understanding is it's going to be a two-per-cent increase every year, or every two years there will be an increase to this fund. They do have some criteria. I mean, I'd be more than happy to provide a briefing note to the Member and

Members so they can understand how the gas tax works, how the gas tax funding works, and I mean I'd be happy to share as well the amounts that are allocated to each community. I'll provide that information to them. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. I appreciate the Minister's offer to create a briefing note on this point, and I would like to take him up on that. The question I have here relates to a gas tax agreement. Is there any other line item in this budget which refers to a gas tax? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Minister.

**HON. ROBERT MCLEOD:** No, there is not, Mr. Chair. This is just money that we get from the federal government and this is the only place it would show up in. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Green.

**MS. GREEN:** Thank you to the Minister for that clarification. I don't have any further questions.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, on the gas tax, it was bumped up by \$6 million in the last fiscal year. I was wondering if the Minister is anticipating any sort of bump in the gas tax this fiscal year.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Minister.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. For those details, I will ask Ms. Young to respond to that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Ms. Young.

**MS. YOUNG:** Thank you, Mr. Chair. There has been an increase of \$750,000 this year over last. What you're seeing in those revised estimates is carryover money that was not flowed to communities from the previous year, because there are obligations for communities to do certain things in order to get their payments twice a year, and if they don't meet those obligations, we have to hold the money until they do. Reporting is one. For example, if they were behind on their reports, we hold the money until they submit the reports and then we flow it to them. The revised estimates simply capture the additional money that was flowed as a result of that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Young. Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, I would like to ask the Minister if the gas tax can be used for capital.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, that's correct. It can be used to help supplement the other capital programs. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, I'd like to ask the Minister, the New Building Canada Plan, Small Community Fund, if all communities in the NWT are eligible for that \$13-million fund?

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, all communities are eligible for that fund. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, the same fund... I'd like to ask the Minister if that can be treated as capital?

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, the Member is correct. This is all capital. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, because we're now kind of spilling into potential capital here, I'm wondering if this capital has had any effect on the capital, this capital project initiatives that go to the communities, which is usually around \$28 million. I'm wondering if the Minister, I know it's not on here, if the Minister could confirm that that amount of capital has not changed as a result of any of this money? Thank you, Mr. Chairman.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Minister.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, the CPI funding the Member is

referring to is not touched. It hasn't changed. It will not change, unless we can increase it somehow in the future, but it's been at \$28,002,000 for a while. A lot of communities will use this money as cost share dollars for some of the Building Canada Plan projects. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister. Nothing further from Mr. Beaulieu. Mr. McNeely.

**MR. MCNEELY:** Thank you, Mr. Chair. Going back to the New Building Canada Plan, here, I'd like the compliment the department on accessing those federal dollars. I first witnessed this this past winter, where one of the communities in my area has access for three different projects. Now you're starting to see a new utility or upgrade, a new cement floor in the arena, so they can make use of the building during the summer months rather than wait for frozen ice. We're going to see a loss of dust as a result of a new chipseal upgrade on our road system, so it captures the intent of the program, and I know this is a first and I compliment the department. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. McNeely. Would the Minister like to respond?

**HON. ROBERT MCLEOD:** Well, we appreciate the Member's comments and we're excited about the fact that our communities have taken full advantage of all the money that's become available to them to do a lot of fantastic projects in the community, and they are able to identify their priorities and they have the resources now to put towards some of the priorities they identified, so a shout-out to the communities. They've done a fantastic job. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Minister McLeod. Was there anything further, Mr. McNeely? Nothing further from Mr. McNeely. Do I have any more questions on pages 351? Seeing none. We can turn to the department summary on page 319. Any final questions for the Department of Municipal and Community Affairs? Seeing none. I'm ready to call. Municipal and Community Affairs, department total, \$104,200,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Does the committee agree we've completed consideration of the Department of Municipal and Community Affairs?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** I want to thank the Minister and his witnesses. Sergeant-at-Arms, please escort the witnesses from the Chamber.

---SHORT RECESS

**CHAIRPERSON (Mr. Simpson):** We've agreed to consider the Legislative Assembly. I'll now turn to the Speaker for opening comments. Mr. Speaker.

**MR. SPEAKER:** Masi, Mr. Chair. I am pleased to present the 2016-17 main estimates for the Legislative Assembly. The Assembly is seeking an operations expenditures appropriation of \$19,336,000 for 2016-17. This represents a decrease of \$1,839,000, or 9.7 per cent from the 2015-16 main estimates of \$21,175,000, and a 2.8 per cent decrease from actual expenditures in the 2014-15 fiscal year. A significant portion of the decrease from the 2015-16 operations budget is due to the sunset of \$1,467,000 in funding that was approved for the 2015 territorial election, and for the transition from the 17<sup>th</sup> Assembly to this 18<sup>th</sup> Assembly. My office also undertook a comprehensive review of the Legislative Assembly's operational needs for 2016-2017, and developed a number of reduction options in order to align with the reduction target put forth by the Executive Council.

Mr. Chair, we are proposing reductions totaling \$773,000 for the 2016-17 operations budget. These proposed reductions are substantially a result of changes we intend to implement to some of our service delivery models, along with adjustments to our staff resources during the inter-election period to improve our operational efficiencies. One example of operational efficiency that we are particularly pleased with is in the area of heating for the Legislative Assembly building. In 2010, a wood pellet boiler system was installed. Over the past five years, this has resulted, on average, in a 10-per-cent reduction in the combined costs for heating fuel and wood pellets. In 2015-16, our heating costs were reduced to \$53,000. This is a 30-per-cent decrease in the average annual heating costs before the wood pellet boiler system was commissioned. From an environmental perspective we have reduced our use of heating fuel, on average, by approximately 64,000 litres per year, resulting in greenhouse gas savings of approximately 189,000 tonnes in 2015-16. I can assure Members that these estimates support the Legislative Assembly's goals of achieving operational efficiency and limiting expenditure growth in order to sustain the long-term fiscal objectives of our government.

Mr. Chair, in closing, I want to thank all Members, my colleagues on the Board of Management, and the Assembly staff for their contributions and efforts in working towards these main estimates, and to the continued efficient operations and delivery of quality services for the Legislative Assembly. Masi cho, Mr. Chair. This concludes my opening

remarks. I am pleased to respond to any questions that Members may have.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Would you like to bring witnesses into the Chamber?

**MR. SPEAKER:** Yes, I do, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you. Sergeant-at-Arms, please escort the witnesses into the Chamber. Mr. Speaker would you please introduce your witnesses?

**MR. SPEAKER:** Masi, Mr. Chair. Mr. Chair, to my right is the Clerk of the Legislative Assembly, Mr. Tim Mercer and to my left, director of corporate services, Mr. Darrin Ouellette.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. We will begin on page 5, the Legislative Assembly total. As always, we'll defer that until we consider the detail. Beginning on page 6, revenue summary. Questions on page 6, revenue summary? I see no questions, we'll move to page seven, active position summary. Questions on active position summary, page 7. I'm seeing none, we'll move to expenditures on behalf of Members. Page 9, expenditures on behalf of Members, operations expenditure summary questions? Seeing none, I'll call the page. Legislative Assembly expenditures on behalf of Members, operations expenditure summary, activity total \$8,379,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Committee agrees. We'll move to Office of the Chief of the Electoral Officer on page 11. There's an associated information item on page 12 we can discuss first. Do we have questions on page 12, active positions? I see no questions, we'll return to the activity total. Questions on page 11? Seeing none, I'll call. Legislative... Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, I just wanted to ask the Minister why there is such a huge drop in the two line items "Elections NT" and "compensation and benefits" on this page. Thank you, Mr. Chairman.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. Mr. Speaker.

**MR. SPEAKER:** Yes, Mr. Chair. Mr. Chair obviously the first line item is a decrease in the Elections NT budget of just over \$1 million. During 2015 we had an election so we needed more resource people at that time and now that we've gone over election there is a decrease in that due to that fact. There's also a decrease in compensation benefits. I believe there is a sunset

of roughly \$467,000 election expenses for temporary election staff as well. Those are some of the resource staff that we needed and there is no need for them right now until the next election. Those are just some of the changes that reflect that reduction. Masi.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. No further questions from Mr. Beaulieu. Do we have any further questions on this page, page 11? Seeing none, I'll call the page. Legislative Assembly, Office of the Chief Electoral Officer, operations expenditure summary, activity total, \$531,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** We will continue to office of the clerk. The activity total is on page 14. We'll begin by discussing the details on page 15, active positions. Any questions, page 15, active positions? Seeing none, we'll move back to page 14, operations expenditure summary. Questions from committee, page 14? Seeing none, I'll call the page. Legislative Assembly, office of the clerk, operations expenditure summary, activity total \$8,213,000. Agreed?

**SOME HON. MEMBERS:** Agreed

**CHAIRPERSON (Mr. Simpson):** Continue on page 17, office of the Speaker. I will defer that until we discuss the active positions on page 18. Do I have questions on page 18? Seeing none, we'll return to page 17. Questions on page 17? Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. I note a significant travel budget for this office and I wonder if the Speaker could describe how this money is spent. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Mr. Speaker.

**MR. SPEAKER:** Masi, Mr. Chair. Mr. Chair, part of the budget is for the mace tour that we usually have on an annual basis. There were two mace tours in the past; now we're going with one mace tour on an annual basis, on a trial basis. Other budgetary items obviously is for the Pages as well that we have within our budget to offset their travels and their accommodations and so forth. Masi.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Ms. Green.

**MS. GREEN:** Thank you. Those are all of my questions.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. I see no further questions on this page. Legislative Assembly, office of the speaker,

operations expenditure summary, activity total, \$340,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Moving on to statutory offices beginning on page 20. We can discuss the detail on page 21. To begin, grants, contributions and transfers. Questions on page 21? I see none, we'll move to page 22, active positions. Mr. Blake.

**MR. BLAKE:** Oh sorry, I thought you were on 20. It's okay.

**CHAIRPERSON (Mr. Simpson):** Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. Mr. Chair, I haven't seen an expenditure line for the Commissioner of the Northwest Territories. Is he not paid by the Legislative Assembly? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Mr. Speaker.

**MR. SPEAKER:** Masi. Part of the reason why you don't see it on here is, my understanding is that position or the office is part of the Executive. Masi. Sorry, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Mr. Speaker.

**MR. SPEAKER:** I just got a confirmation from the Premier; it's part of the federal government. Masi.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Ms. Green.

**MS. GREEN:** Thank you, Mr. Chair. My question is: does the federal government pay for all the associated costs, office, travel, staff, et cetera? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Mr. Speaker.

**MR. SPEAKER:** Masi, Mr. Chair. Mr. Chair, obviously the Executive Office works closely with the federal government, whether it be appointing the Commissioner. At the same time, I believe the Executive, I'm not sure, but it covers the travels and the meetings. Probably a cost-share arrangement, but we can gather that information for the Member. Masi.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Ms. Green.

**MS. GREEN:** Thank you. Thanks to the Speaker for his answers.

**CHAIRPERSON (Mr. Simpson):** Thank you, Ms. Green. Anything further to page 22? Seeing none

we shall return to page 20. Questions on page 20? Mr. Blake.

**MR. BLAKE:** Thank you, Mr. Chair. Just one question. I see a big increase to the Information and Privacy Commissioner, just over \$100,000, so maybe just a little explanation on that. Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Blake. Mr. Speaker.

**MR. SPEAKER:** Masi, Mr. Chair. Mr. Chair, the increase is due to the fact that we have new arrangements with the Nunavut government. We haven't had that before, so that's the reason why you don't see the other line items. It's just this year that we've entered into an arrangement so that the Conflict of Interest Commissioner, or sorry, Information and Privacy Commissioner can deal with the Nunavut jurisdiction as well, along with our jurisdiction. Masi.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Nothing further from Mr. Blake. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. There's also a couple of other changes here. There's a reduction in the Language Commissioner's expense line and a slight increase in the Human Rights Adjudication Panel. Can someone help me understand those, please? Thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Mr. Speaker.

**MR. SPEAKER:** Masi, Mr. Chair. Mr. Chair, we've had several changes within the Languages Commissioner. Just recently the Languages Commissioner was recruited, and she's also a lawyer, so there's been some costs associated with previous dealings with the hiring and contracting a lawyer. At this point in time this individual doesn't need those services, because she also provides legal advice. It's \$18,000, basically, in savings in that area. Then there's the increase in the Human Rights Adjudication Panel of \$35,000; that's part of forced growth of \$38,000 for a part-time admin assistant offset by \$3,000 reduction in travel. It's just part of the forced growth that we have to deal with. Masi, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair, and I want to thank the Speaker for providing that information. I'm just curious, these independent statutory officers, do they prepare their own budgets and those are submitted then to the Board of Management for review, is that how the process works? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. Mr. Speaker.

**MR. SPEAKER:** Masi, Mr. Chair. Yes, the Member is absolutely right. They submit their budgetary proposals to the Board of Management and the Board of Management meet on that and makes the decision based on that. Each and every commissioner does their own reporting as well. Masi.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Speaker. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. No other questions, thank you.

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. O'Reilly. I have no further questions. I will call this page. Legislative Assembly, statutory offices, operations expenditure summary, activity total, \$1,873,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Please return to page 5, Legislative Assembly total. Any final questions? Seeing none. Legislative Assembly, Legislative Assembly total \$19,336,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Does committee agree we've concluded consideration of Legislative Assembly?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Simpson):** Thank you, committee. I want to thank Mr. Speaker and his witnesses for appearing before us. Sergeant-at-Arms, you may escort the witnesses from the Chamber. The committee will continue our consideration of the main estimates. We have agreed to consider the Department of Finance. Does the Minister of Finance have any opening remarks?

**HON. ROBERT MCLEOD:** Yes, I do, Mr. Chair. Mr. Chair, I am pleased to present the 2016-2017 main estimates for the Department of Finance. Overall, the department estimates total \$213.9 million. This total includes:

- operating contributions of \$81.7 million to the NWT Housing Corporation.
- \$7.5 million to the NWT Hydro Corporation to offset additional diesel costs related to the low water on the Snare Hydro System.
- Overall the department's estimates propose an increase of \$2.6 million or 1.2 per cent above the 2015-2016 Main Estimates.

These estimates continue to support the objectives of limiting expenditure growth in order to sustain the long-term sustainability of the fiscal framework. Highlights of the proposed estimates include:

- an increase of \$1.2 million to upgrade the government financial accounting and HR system, SAM and PeopleSoft;
- an increase in contribution funding of \$9.7 million, comprised of \$7.5 million to NT Hydro and \$2.2 million to the NWT Housing Corporation;
- forced growth of \$500,000 related to maintaining the government's software licences.

These increases are offset by reductions totalling \$8.8 million, \$5.8 million in sunsets, and \$3 million through staff reductions and efficiencies gained through divisional amalgamations.

The proposed Department of Finance estimates continue to support the priorities of the 18<sup>th</sup> Legislative Assembly and continue to advance initiatives that will support the sustainability of our territory for future generations. Specific activities in support of these priorities include:

- maintaining a fiscal regime that facilitates economic growth while supporting social and environmental goals;
- providing the necessary financial information based on sound fiscal analysis to support government policy development and decision making;
- overseeing the management and protection of the government information resources;
- ensuring that the programs and services delivered by Finance are responsive to client needs by continuing to implement more efficient and effective operational practices;
- ensuring that amalgamated financial and employee-shared services provide client-centric, value-added, efficient, timely, and accurate services with strong internal controls to external and internal stakeholders;
- ensuring that these services reflect leading practices in shared-service delivery such as electronic approvals rather than inefficient and costly paper-based approaches;
- maintaining a financially transparent and accountable government so there is public confidence in the prudence and integrity of the government operations.

I would also like to highlight that page 15 of the 2016-2017 main estimates outlines the borrowing plan for the government. This plan proposes to establish a total borrowing limit of \$610,340,000, which is comprised of the following:

- short-term debt less than 365 days, \$377 million;
- long-term debt over 365 days, \$231,024 million. I almost made that "billions."

---Laughter

- capital leases, \$2,316 million.

The limits proposed in the borrowing plan will be included in the Appropriation Act (Operations Expenditures), 2016-2017. That concludes my opening remarks, Mr. Chair. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Does the Minister of Finance wish to bring witnesses into the House?

**HON. ROBERT MCLEOD:** I would, Mr. Chair. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you. Sergeant-at-Arms, please escort the witnesses into the Chamber. Would the Minister please introduce the witnesses.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, to my right I have Mr. Sandy Kalgutkar, who is the deputy secretary to the Financial Management Board. To my left I have David Heffernan, who is our chief information officer. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you. As part of your consideration of the Department of Finance, committee will consider the government's borrowing plan, but it will defer that for the moment. Committee will also defer the departmental summary and review the estimates by activity summary beginning on page 137 with the Department of Finance departmental total \$213,904,000. Committee will defer this page and continue with 138, revenue summary, information item. Any questions? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Under the taxation list here, there's a bunch of revenue coming in and there's a couple of trends I'm just wondering about here. Personal income tax has been higher back in 2014-15, but the projection here is that it will continue to increase, even though we're in tough economic times, so the personal income tax is increasing, but, payroll taxes, the projection is that there's going to be a decrease. I'm just wondering if someone from the department can



explain these two contrasting trends? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. I will refer that to Mr. Kalgutkar. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The variance... Is the Member wanting a general increase of explanation of all the taxes or just the payroll tax for now? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Any further questions? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I think we should be increasing our revenues, period. But I'm trying to understand why in the personal income tax there's a projection for an increase, but at payroll tax we're actually projecting a decrease. I'm just trying to understand why there's those two different trends happening in the projections? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The increase in the personal income tax is currently based on the tax projections that are currently estimated by the federal government. The first estimates that they are receiving right now are showing a slight increase in the personal tax. The increase is partially offset by a change to the Northern Residents Deduction. In terms of the payroll tax, the payroll tax is forecast to go down slightly due to a lower forecast in employment income. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Any further questions? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Sorry, I just didn't hear the last few words about why the payroll tax projections show a decrease in revenues. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. We see a general trend downward of employment income. That's why the payroll tax, there's a decrease. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. There's also a decrease, a substantive one, here, \$5 million in property taxes and school levies that's projected. Can the department explain that decrease in revenues? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The main reason for that decrease is because of Snap Lake ongoing care and maintenance, so it no longer pays the property tax. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thank you, Mr. Chair. Even though the property is not in production, they still have all their assets there, the valuation of the assets have changed because they're not in production? I understood that property taxes were assessed based on your assets on the ground, not whether the facility is operating or not. Could I just ask whether that assumption is correct? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The value of the property tax is based on the assessed value of the parcel, so, because the mine is now on care and maintenance, the property tax is accordingly lower than what it was when it is in operation. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. It's interesting. I just don't understand why all the same assets are there, some of them may not be used, why they're not valued at the same rate. But I'll accept the information as presented. It just seems rather strange to me. The other question I have is about corporate income tax. We have wildly fluctuating amounts here. Last year the predicted revenue was \$40 million, but only \$25 million came in. This year the projection is for \$60 million. Can the department tell me why these numbers keep going up and down and what we're doing to try to stabilize revenues from corporate income tax? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The Member is right. The corporate income tax is a very hard number to predict. One of the main reasons is we have a few large corporations paying a bulk of our tax and those corporations have options

available to them to either carry losses back or move their tax or just pay, some other avenues that they could take. Now, one of the things that we're doing to try to reduce the amount of variation is, starting in 2014, we went to a five-year average of our corporate tax, and, hopefully, once we fully implement that, we'll see less variation in the corporate tax revenue projections. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. That sounds like a good way of increasing the predictability. I was also hoping, though, that the department might be looking at other forms of taxation, like a capital asset or capital investment tax and so on to try to have a more stable source of revenue, but I think that's a debate for another day. I have one other question about taxation. I was at a meeting recently with the Yellowknife Health and Social Services Authority, and people there raised the issue of a tax on sugary drinks and noted that, in Mexico, when such a tax was brought in, it reduced consumption by 15 per cent. Is this something that the Department of Finance is looking into or prepared to look into? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, it's not something that we are looking at, at the moment. However, having said that, we are going into business plans in September. We have three weeks, I believe, with business plans. There'll be opportunity there for us to have that discussion with Members on a way forward. We look forward to having that discussion because we have seen some of the numbers that the Member references. We'll have that discussion with Regular Members when we go through our business plans in September, and we'll plan a course of action from there. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I look forward to having that discussion, as it is not so much raising the revenues. I think we want to look at trying to promote a healthier lifestyle and providing some incentives for folks to do that. I look forward to that discussion the next business plans. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** The Member made more of a comment. But we as well look forward to having that discussion. I can see where he is coming from. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions on page 138? Mr. Vanthuyne.

**MR. VANTHUYNE:** Thank you, Mr. Chairman. I wonder if the department or the Minister could give us a little bit more detail and explanation on the line item of the investment interest. It appears over the last couple of years that it has been decreasing. Maybe an explanation on what it is and what we are invested in and why this seems to be decreasing over the last couple of years? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Vanthuyne. Minister McLeod. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. There are two elements to that revenue stream. Number one is when the GNWT gets its first tranche of cash from the federal government in terms of its grant revenue. It is in a cash surplus position for a couple of months, so we are earning some interest off that cash. We start to advance through the year, we enter into a cash deficit position, so that is why you see a declining investment revenue amount. Another element of that is some of our public agencies also have surplus cash that we hold in a pool. We also earn interest off that cash as well. That is what is driving that. The reason it is decreasing is we just have, obviously, less money in the bank for a shorter period of time, so we are earning less interest revenue off it. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Any further questions, committee, on page 138, information item? I see none. We move to page 139, active position summary, information item. Any questions? Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Brings us back to page 137. Finance, bureau of statistics, operations expenditure summary, activity total, \$1,002,000. We will also defer this and move on to page 142. Active positions, information item. Any questions? I see none. Back to page 141. Bureau of Statistics, operations expenditure summary, total activity, \$1,002,000. Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Agreed. Brings us then to page 144. Deputy minister's office, operations expenditure summary, activity total \$92,440,000. We will defer this and move on to page 145. Deputy minister's office, grants, contributions, and transfers. Any questions? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. In the Minister's opening remarks, he mentions that there is an increase in funding of \$2.2 million for the NWT

Housing Corporation. I am just trying to see, when I see the line here, NWT Housing Corporation, and I compare what the mains said in 2015-16 to 2016-17, that doesn't really show a \$2.2 million increase. In fact, it shows almost \$3.5 million dollar decrease. Can the Minister or someone explain what is happening here? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. I think the Member made a good point. I think our opening remarks probably were not as clear as they could have been. There is some increase to the Housing Corporation into some of the initiatives that they are doing, especially with the RCMP. Part of the Housing Corp is also undertaking some reductions at the same time. There is actually a net decrease to that contribution. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. The \$2.2 million that is referenced in the Minister's opening remarks... I am still trying to figure out how there is an actual increase. Where is the other money that is going into that Housing Corp actually coming from if it is not a contribution from our government? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. What I think I was trying to explain is the opening remarks were likely not as clear as they could have been. We are providing some increase to the Housing Corp. For example, we are providing them funding of about \$3.5 million to fund construction of 46 housing units for the RCMP, but that is offset. They are also getting some forced growth of \$389 million. The Housing Corp is also implementing expenditure reductions at the same time, and it is resulting in a net decrease to that contribution. Thank you. I do apologize for that confusion.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I am still trying to puzzle over this. I guess, certainly from this MLA, there is a concern when we are actually reducing our contributions towards housing. We already had a debate here and a motion was passed about setting firm targets to ensure that we can get our housing out of core need or at least meet the national average over the life of this Assembly. When we are actually reducing our funding to the Housing Corporation, that is not the direction I want to be going in. This is not the direction I understood we were going in. This comes as a bit of a surprise

to me. That is more of a statement than anything else. I don't expect a response, but it is not what I had expected to see in the budget. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, what I can commit to the Member is we will reconcile these numbers here with the Housing Corporation mains because I think it will show up in the Housing Corporation mains. Their mains are still getting an increase of funding partly from the federal government. What I will commit to do is I will reconcile this, and then I will share it with the Member. Hopefully, we will have a better understanding of how the numbers came to be. Mr. Chair, thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I appreciate the Minister's commitment to do that. I look forward to getting the information. I have one other question about the contribution for Arctic Energy Alliance. In 2015-16, it looks like there was a one-time contribution of \$1.8 million done through supplementary appropriations. Can someone from the department explain what happened there? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. During the last government, the Power Corp was experiencing severe low-water issues. At that time, the government of the day did approve \$29.7 million in funding over two years to the Power Corp. The 2015-16 portion of that was allocated between the Power Corp... The Power Corp got about \$20 million, NTPC got \$400,000 for specific initiatives, then \$1.8 million was allocated to the Arctic Energy Alliance. The Arctic Energy Alliance have subsequently come back to the government and said they were unable to spend that \$1.8 million, so they will be spending \$840,000 in 2015-16 and a further \$960,000 in 2016-17. When Members saw Public Works' budget from yesterday, they would have seen a contribution to the Arctic Energy Alliance that carries over this amount into the 2016-17 fiscal year. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Appreciate that explanation. If we made an effort to set aside some money in 2015-16 because of the \$20 million subsidy for diesel operations, was there any consideration in make a similar allocation in 2016-

17, the current year? Because we are still spending \$7.5 million on a diesel subsidy. Why are we not setting aside some more money this year to try to get us out of this perpetual problem we seem to be in? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The Member is correct. There is \$7.5 million set aside in 2016-17 to continue to address the low-water issue at the facility. We are still getting data from the Power Corp to assess whether the water levels are coming back. I think the indications are that they are coming back. When we have a better understanding of what their diesel usage is for the first part of this fiscal year, we could likely make an assessment of whether we could allocate some of that funding to more Arctic Energy Alliance programs. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Just so I understand this. If all this money then is not spent subsidizing diesel, then it could be reallocated towards an investment in renewables in the current year? Would that be done through a sup? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. McLeod.

**HON. ROBERT MCLEOD:** Mr. Chair, we would have to be back to FMB and seek that authorization. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I appreciate that. I look forward to having more of a discussion about this in the context of this Energy Plan that the government is going to develop. We can't continue to throw money at diesel without increasing our investment in renewables and taking a longer term view to getting us out of this problem in the first place. That is more of a comment. Thanks, Mr. Chair. That is all I have.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Take that as a comment. Next we have Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. Mr. Chairman, I move that committee continues sitting beyond the hour of daily adjournment to conclude the item under consideration. Thank you, Mr. Chairman.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Beaulieu. Motion is on the floor and has been distributed. Motion is in order and is non-debatable. Question has been called. All those in favour. All those opposed. Motion is carried.

---Carried

We will now continue on page 145. Deputy minister's office, grants, contributions and transfers. Are there any questions? Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** That brings us to page 146. Deputy minister's office, active positions, information item. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Okay. That brings us back to page 144, deputy minister's office, operations expenditure summary, activity total, \$92,440,000. Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. That brings us to page 148, fiscal policy, operations expenditure summary, activity total \$42,278,000. We'll defer this page and go on to page 149, grants, contributions and transfers. Any questions? Are we agreed? Oh, Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. A couple of things here I wanted to pursue. Presumably this is the section where taxes are dealt with in some measure. I'm just wondering, the federal government made a commitment to increase the northern resident tax deduction. They didn't index it. I've raised that here in the House, and I know the Minister was just at a Finance Ministers' meeting in Vancouver, I think, on the weekend. It just came to my mind that I should ask him, was there any movement towards indexing of the northern resident tax deduction at that meeting, and has he had an opportunity to work with his colleagues from Nunavut and Yukon? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, there was no discussion on the indexing of the Northern Residents Deduction, but it is an issue that I should raise with my northern counterparts to see how we can address it. But it wasn't raised at this particular meeting. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Yes. I'm thinking that, if there could be a letter sent by the three Finance Ministers from the three territories, that might help get some attention of the federal Finance Minister. If our Finance Minister could also see fit to include something in the letter about the need for Canada Revenue Agency to tell Northern residents what the value of a flight out of here is, rather than us having to guess and then get audited continually, that would be really helpful. This is a really bothersome thing for folks here, and I'm hoping that the Minister can undertake to do some work on that because it's a real source of consternation, if not problems. I'm wondering if he can undertake to take that on when he's dealing with this issue of indexing of the northern resident tax deduction as well? How do we value... CRA should just tell us what the value of those flights are. We shouldn't be just left guessing. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, I take the Member's point and I will commit to working with my counterparts from the northern regions to see how we can address this. We get together with our financial colleagues again I believe in December, and we'll have an opportunity through business plans, I think, to have further discussion. But I do commit to the Member that I'll keep this on the radar, and this is one that I will raise. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions on page 149? Ms. Green. Sorry, I didn't see your hand.

**MS. GREEN:** Thank you, Mr. Chair. Just a question of clarification. We've heard some discussion about the new NWT Child Benefit, but looking at this page, it doesn't look like it's new, or else it isn't added in here. I'm not sure which it is. This is the one that's going to be coordinated with the Canada Child Benefit. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Ms. Green. Minister, or Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. The Member is correct. This is the one that's going to be coordinated with the initiative that the Department of Education, Culture and Employment is currently undertaking. I believe, if I recall, the NWT Child Benefit is proposing to go up to \$2.5 million in total annually, so I think you'll see that down the road, but it wasn't implemented in time for this budget. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Ms. Green.

**MS. GREEN:** Thank you for that answer. Those are all my questions.

**CHAIRPERSON (Mr. Blake):** Thank you, Ms. Green. Any further questions, committee? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair, and I apologize. I should have asked, the Northwest Territories Heritage Fund is on this page, and it's in our mandate that there's going to be a review of that legislation undertaken. I'm just wondering if the Minister can tell us when that is going to begin. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, we're currently working on an options paper and we will provide that to the Regular Members. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions? Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Just so I understand, is that going to happen in 2016-17, this year, or can the Minister give us a date when we might get that paper? Thanks.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. Mr. Chair, it's difficult for me to give a definite date right now, but we're just early days in this and we're trying to develop an option paper as to the Member's concern. As soon as we make some progress on it... I'll keep Members updated as to the progress, but we do understand that it is the mandate of the 18<sup>th</sup> Assembly, so we've committed to doing that and I will keep Members updated regularly on the progress of that. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions, committee, to page 149? I see none. Going on to page 150, fiscal policy, active positions, information item. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** That brings us back to page 148, fiscal policy, operations expenditure summary, activity total, \$42,278,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. That brings us to page 152, liquor revolving fund, operations expenditure summary, \$63,000. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. That brings us to page 154, management board secretariat, operations expenditure summary, activity total, \$9,726,000. We'll defer this and move to page 155, management board secretariat, active positions, information item. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Agreed. That brings us back to 154, management board secretariat, operations expenditure summary, activity total, \$9,726,000. Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. Okay, that brings us to page 157, office of the chief information officer, operations expenditure summary, activity total, \$2,413,000. We'll defer this and move on to page 158, grants, contributions and transfers. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Okay. Next we have page 159, office of the chief information officer, active positions, information item. Mr. Testart.

**MR. TESTART:** Thank you, Mr. Chair. I would like to know if any of these positions are dedicated to network security and ensuring our data is secure from the outside. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Testart. Mr. Heffernan.

**MR. HEFFERNAN:** Thank you, Mr. Chair. Yes, we have three active positions, two of which are currently filled. One of our roles is around overseeing information security and cyber security for the entire government, not just for networks. Networks are a portion of it, which is dealt with through the Technology Service Centre, but our office sort of oversees from a strategy policy and a best practice perspective, defining those best practices and then having the Technology Service Centre implement those for network security and having departments implement those for application and information security.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Heffernan. Any further questions, Mr. Testart?

**MR. TESTART:** Thank you, Mr. Chair. I heard that there is one vacancy planned. Is it expected that vacancy will be filled in, let's say, this fiscal year? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Testart. Mr. Heffernan.

**MR. HEFFERNAN:** Thank you, Mr. Chair. Yes, the current position is vacant, but we're about to enter into a staffing action and we expect it will be filled this fiscal. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Heffernan. Any further questions, Mr. Testart?

**MR. HEFFERNAN:** Nothing further, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you. Committee, any further questions to page 159? Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. That brings us to page 157, office of the chief information officer, operations expenditure summary, activity total, \$2,413,000. Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. That brings us to page 161, office of the comptroller general, operations expenditure summary, activity total, \$65,982,000. We'll defer this and move on to page 162, grants, contributions and transfers. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. That brings us to page 163, active positions, information item. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Okay, thank you. That brings us back to page 161, office of the comptroller general, operations expenditure summary, activity total, \$65,982,000. Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. This page here has medical travel, and we talked about some of the challenges we faced through medical travel with Health and Social Services. Can the Minister commit to looking at how we can ensure that, when people are on duty travel and appointments are there, they don't have to come back, so that we can try to save some money and that? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Thompson. Minister McLeod.

**HON. ROBERT MCLEOD:** Yes, thank you, Mr. Chair. I'll commit to the Member that we will look at that, because I take his point that, if they're in a location and they have to fly home and come back, then there's an extra expense to the government. I will commit to looking into that and see if there are

any opportunities for us to make some changes to that. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions, Mr. Thompson?

**MR. THOMPSON:** Thank you, Mr. Chair. I thank the Minister for that. I'm quite happy. It's a potential for saving money, so at the end of the day, it would be greatly appreciated. Thank you. No further questions for me on this page.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Thompson. I'll take that as a comment. Next we have Mr. McNeely.

**MR. MCNEELY:** Thank you, Mr. Chair. Looking at the financial shared services and then the third sub-entry here, other program costs, can the Minister just elaborate a little bit what that expense is in a little bit more detail? I notice \$1-million reduction in there as well. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. McNeely. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. That other program cost under financial and employee shared services is due to the fact that we are undertaking some amalgamations in that area. We are hoping to get some cost savings. There will be some reductions, hopefully, implemented in that section. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. McNeely.

**MR. MCNEELY:** Thank you, Mr. Chair. Then my other question is further up on the Deh Cho Bridge. If I remember the numbers of yesterday, it seemed like the total revenue is a little bit lower than the interest here. Are we making any money? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. McNeely. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. With the Member's permission, can you repeat the question? I didn't quite get it. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. McNeely.

**MR. MCNEELY:** Thank you, Mr. Chair. I noticed on yesterday's DOT summary or statements or information here or the review, the tolls were a little bit less than this interest allowance here of 8.1 for the last couple of year. I am just wondering if we are making any money if our toll revenues are less than what the interest is. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you Mr. McNeely. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. When the government took over the debt associated with the Deh Cho Bridge from the Deh Cho Bridge Corporation, the toll revenues were in some ways delinked from the bridge payment because it was no longer treated like a P3 project. The toll revenues that are collected by the Department of Transportation go into our general revenues as any other revenues now. The payment on the Deh Cho Bridge debt, because they are real return bonds, they do inflate, are increased by inflation. That is why you see a bit of a top up from 2014-15 actuals. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Next we have Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. I am just looking at the environmental liabilities line here. Back in 2014-15, it was \$25 million and change. The remaining numbers are \$2 million. Can someone explain to me what is happening there? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. If Members recall, in 2014-15, because of the change in accounting rules, the government had to change the way it was accounting for its environmental liabilities. In 2014-15, the government had to take a one-time charge of about \$24 million related to that accounting change that was mandated by the public sector accounting board. That is why you see that big difference. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. That is helpful in explaining why there is this large amount in 2014-15. Then for 2015-16, 2016-17, Finance is contributing \$2 million towards this Environmental Liability Fund. Is that what is happening, Mr. Chair? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. Yes. The Member is correct. Starting with the 2015-16 main estimates, I believe, the Department of Finance got a base adjustment of \$2 million to continue to monitor and undertake some assessments on both current sites and potential other sites. That \$2 million was approved by the Assembly to help us do that. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. That is helpful. I notice in the notes over on page 160 that it talks about an Environmental Liability Fund. Further down, there is a Liquor Revolving Fund. There is a report on that. It is \$26 million. Should there be a page for this Environmental Liability Fund so that we could understand what our liabilities are? How we are paying them off, so to speak, by paying money to remediate sites? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. When the government did seek authority for that one-time adjustment to book those liabilities back in 2014-2015, I believe we did make a commitment, at that time, going forward to develop a continuity schedule, if you will, to provide and include that schedule in our public accounts, to give the Members and the general public a summary of how that fund is working. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. It appears in the public accounts, but is it possible that in the future mains, that there could be a section in here on this Environmental Liabilities Fund, just as there is for the Liquor Revolving Fund? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. Mr. Chair, we can look at doing that in the future business plans and future mains. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. McLeod. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. That might help cut this discussion short next time around. I had one other question about the \$25 million hit that we took in 2014-15 for sites. Is there a list of what those liabilities are? Is Giant Mine amongst that list? Can the Minister and his staff provide a listing of the liability that we assumed in that year? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. I just got a part of that question. Is the Member just asking for more detail on what that \$25 million was? Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Yes. I am wondering if there is a list of the sites, the liabilities, and whether Giant Mine is on that list. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. Yes, there is a list. I will commit to providing that to committee fairly soon. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Any further questions? Mr. O'Reilly.

**MR. O'REILLY:** Thanks. I look forward to getting the list. That is all I have. Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Committee, any further questions to page 161? Operations expenditure summary, office of the comptroller general, activity total, \$65,982,000. Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. Brings us to page 164. Finance, Liquor Revolving Fund, information item. Any questions? Mr. O'Reilly.

**MR. O'REILLY:** Look, I am not trying to prolong this.

---Laughter

I see the top that says there is an authorized fund limit of \$6.5 million, yet how does that figure into all these numbers here because most of them seem to be over that amount. Can someone help me understand this? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar.

**MR. KALGUTKAR:** Thank you, Mr. Chair. I think the Member is right. The authorized limit likely needs to be refreshed a bit. It was established some time ago when it really is supposed to represent the net assets of the fund. The Member is right. It could probably use a bit of refreshing. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Kalgutkar. Mr. O'Reilly.

**MR. O'REILLY:** Thanks, Mr. Chair. Maybe I will just ask the next question a little bit more delicately. Are we breaking the law here in having a bigger amount in the fund than we are supposed to under legislation? Thanks, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. O'Reilly. Mr. Kalgutkar. To Mr. McLeod.



**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. My understanding is we are not breaking the law. I have also been told that if we went under the limit, then that might be an issue. As long as we are over, we are not breaking the law. Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions, committee, to page 164? Mr. Thompson.

**MR. THOMPSON:** Thank you, Mr. Chair. One quick question to the Minister. Is this the legislative change that we are required to do to make it more relevant to where we are today? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Thompson. We will go to Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. The Member is correct. That would have to be an amendment to the legislation to change the amount. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Mr. Thompson, any further questions?

**MR. THOMPSON:** Thank you, Mr. Chair. Just one follow-up on this. Will we be looking at it this year or next year with the legislative change? Thank you, Mr. Chair.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Thompson. Minister McLeod.

**HON. ROBERT MCLEOD:** Thank you, Mr. Chair. We will have a review of our legislative agenda for the next year and see where we can fit this into that if we have other pieces of legislation that we are working on now. Then if it is a quick fix, it is a matter of an amendment, then we will look at that too. I can't give a definite timeline. I would be just trying to buy more time if I tried to give you a definite timeline. We will have a look and see what is required and how long it would take. We will share that with the Members. Thank you.

**CHAIRPERSON (Mr. Blake):** Thank you, Minister McLeod. Any further questions, committee, to page 164? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Brings us to page 165. Liquor Revolving Fund, active positions, information item. Any questions?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Okay, committee. Brings us to Finance, work performed on behalf of others, information item. Any questions? Agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. Brings us to page 137. Finance, department total, \$213,904,000. Are we agreed?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Agreed. Thank you, committee. We will now return to the second blue tab in the tabled document titled, "Borrowing Plan for the Government Reporting Entity and Established Borrowing Limits for the Government of the Northwest Territories." Established limits per 2016-2017 Appropriation Act, \$610,340,000. Agreed? Any questions, comments?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you, committee. Does the committee agree that you have completed your consideration of the Department of Finance including the proposed borrowing plan of the Government of the Northwest Territories?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Thank you. Thank you, Minister. Thank you to your witnesses for appearing before us. Sergeant-at-Arms, please escort the witnesses from the Chamber.

**CHAIRPERSON (Mr. Blake):** Thank you, committee. Does the committee agree that we have concluded consideration of Tabled Document 50-18(2)?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Mr. Blake):** Mr. Beaulieu.

COMMITTEE MOTION 31-18(2):  
CONCURRENCE OF TABLED DOCUMENT 50-  
18(2): MAIN ESTIMATES, 2016-2017

**MR. BEAULIEU:** Marci cho, Mr. Chairman. Mr. Chairman, I move that consideration of Tabled Document 50-18(2), Main Estimates, 2016-2017 now be concluded and that Tabled Document 50-18(2) be reported and recommended as ready for further consideration in formal session through the form of an appropriation bill. Thank you, Mr. Chairman.

**CHAIRPERSON (Mr. Blake):** Thank you. The motion is being distributed. The motion is in order and is non-debatable.

**SOME HON. MEMBERS:** Question.

**CHAIRPERSON (Mr. Blake):** Question has been called.

---Carried

We will now continue on. What is the wish of committee? Mr. Beaulieu.

**MR. BEAULIEU:** Thank you, Mr. Chairman. I move that we report progress.

**CHAIRPERSON (Mr. Blake):** Thank you, Mr. Beaulieu. Motion is in order to report the progress, a motion is in order and is non-debatable.

---Carried

I will now rise and report the progress. Thank you, Ministers, and thank you to your witnesses. Sorry. I will now report the progress.

**MR. SPEAKER:** May I have the report, Member for Mackenzie Delta.

### Report of Committee of the Whole

**MR. BLAKE:** Mr. Speaker, your committee has been considering Tabled Document 50-18(2), Main Estimates, 2016-2017 and would like to report progress with one motion adopted and that consideration of Tabled Document 50-18(2) is concluded and that the House concur in 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:** Masi. Do I have a seconder? Seconded by the Member for Inuvik Twin Lakes.

---Carried

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

### Orders of the Day

**CLERK OF THE HOUSE (Mr. Mercer):** Orders of the day for Monday, June 27, 2016, at 9:00 a.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 Commissioner's 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
  - Bill 5, An Act to Amend the Vital Statistics Act
  - Bill 6, Miscellaneous Statute Law Amendment Act, 2016
  - Bill 7, An Act to Amend the Revolving Funds Act
  - Bill 8, An Act to Amend the Children's Law Act
20. Consideration in Committee of the Whole of Bills and Other Matters
  - Tabled Document 86-18(2), Supplementary Estimates (Infrastructure Expenditures), No. 1, 2016-2017
21. Report of Committee of the Whole
22. Third Reading of Bills
23. Orders of the Day

**MR. SPEAKER:** This House stands adjourned until Monday, June 27, 2016 at 9:00 a.m.

---ADJOURNMENT

The House adjourned at 2:19 p.m.