



# **NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY**

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

## **HANSARD**

**Wednesday, February 1, 2017**

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**The Honourable Jackson Lafferty, Speaker**

# Legislative Assembly of the Northwest Territories

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**YELLOWKNIFE, NORTHWEST TERRITORIES****Wednesday, February 1, 2017****Members Present**

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, Mr. Testart, Hon. Wally Schumann, Hon. Louis Sebert, Mr. Simpson, Mr. Thompson, Mr. Vanthuyne

The House met at 1:30 p.m.

**Prayer**

---Prayer

**SPEAKER (Hon. Jackson Lafferty):** Item 2, budget address.

**Budget Address**

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. Welcome to all of those in the gallery today.

Mr. Speaker, there is a tradition of Finance Ministers in Canada wearing new shoes when delivering the budget address as a direction described in the annual budget. Today, I am wearing my mukluks. I do this as a reminder to myself of where we come from and the importance of the work we do for residents in all communities, large and small, throughout the Northwest Territories.

A budget address not only describes important activities that the government is investing in the upcoming fiscal year, but also how we will manage the public resources that we are responsible for. My mukluks remind me of my past, but also how the decisions we make on investments and managing the government's resources impact not only today's generation, but also future generations.

At the beginning of the 18<sup>th</sup> Assembly, Members of this House worked together to produce a mandate that would contribute to creating strong individuals, families and communities that would share in the benefits and responsibilities of an economically prosperous and environmentally sustainable Northwest Territories.

This government's first budget, last June, set the course for achieving this by making difficult choices to begin to put our fiscal house in order. The 2017-18 budget continues this effort to guarantee that we can provide the core programs and services that the Northwest Territories residents need, and deliver on the priorities identified in this Assembly's mandate.

As we enter the second year of our mandate, we are clear on our priorities. These priorities can be summarized as follows.

We want to foster lifelong learning, skill development, training and employability. We need to start our children off on the right foot. We need to see that they get every opportunity to lead fulfilling and productive lives. We need to ensure that Northerners have the skills and training to fill jobs that will be available over the coming decades.

We want to lower the cost of living for NWT residents by increasing the amount of affordable housing, supporting the use of energy-efficient technology, and providing the infrastructure to reduce major cost drivers for both residents and industry.

We want to foster community wellness and safety by providing the core social programs that support our residents to live healthy lifestyles in their home communities.

We want to invest in our economy, encourage economic diversification, lead in environmental stewardship, and create business and employment opportunities for all Northerners.

As a government we want to improve accountability and transparency in how we operate and to work together with Aboriginal and community governments, the federal government, industry, and NWT residents to ensure our future prosperity.

In short, we want to invest today in a better tomorrow, but we have to do this without breaking the bank.

This is a budget about building a prosperous future on a sustainable fiscal foundation. This budget continues our strategy for making crucial investments to strengthen our communities and develop our economy within an environment of flat revenue growth.

**Economic Outlook**

Mr. Speaker, the economic outlook for the Northwest Territories continues to be mixed. While the economy did grow in 2016, we do expect it to grow faster than any other province or territory next

year because of the economic activity created by the first full year of commercial production at our newest diamond mine and higher diamond mine production in general. However, we must not lose sight of the fact that while growth will be strong next year; the underlying outlook of the economy continues to show troubling signs.

Our non-renewable resource sector has been good to us and continues to be the cornerstone of our economy. When the last gold mine shut down, we opened the first diamond mine. But just because we have three world-class diamond mines providing good paying jobs in our territory doesn't mean that all is well. Oil and gas is not coming back in the near term as shown by work bids that were returned in December. While diamond mine production is increasing in the immediate future, investment for mineral exploration fell by one half in 2016 from the previous year. This is not good news for the discovery and development of the next generation of Northwest Territories mines.

The Northwest Territories economy competes in the global market, whether it is marketing diamonds or attracting tourists. We remain vulnerable to global financial conditions, currency movements, and global economic stability.

For years, we have been saying that we must build on our resource industry and diversify our economy. We need to remember that these world-class diamond mines don't last forever and the next mine closure may come as early as seven years from now.

We cannot leave our economic future to luck.

We need to support the expansion and diversification of the economy, which will create new opportunities for businesses and jobs. In today's economy capital is almost free because interest rates are so low. Access to capital is not an obstacle but attracting that capital is. This is especially true for the capital-intensive mining industry. Strategic GNWT investments in transportation, communications, and energy infrastructure can reduce costs and make business opportunities more economically viable.

We also need to create an environment that supports innovation and risk-taking for Northwest Territories residents and businesses to build a lasting economy.

Building a strong economic future goes hand in hand with investing in our people to ensure we have a healthy, educated workforce to take advantage of the opportunities available in the Northwest Territories.

### **Fiscal Strategy**

Mr. Speaker, this Assembly inherited an unsustainable fiscal situation. Projections before our first budget showed that unless we took action, the GNWT would start running operating deficits in 2018-19. To cover deficits, we need to borrow, and this in turn adds to our net debt.

To get our fiscal house in order, we started to make the difficult decisions in last year's budget to reduce spending and re-profile our funds to meet the mandate and priorities of the 18th Assembly. Budget 2017-18 is part of a multi-year plan to return the GNWT to fiscal sustainability.

We are projecting to spend \$1.7 billion to deliver government programs and services in 2017-18 and we have approved a capital budget of \$266 million for this year. It is important to remember that both our operating expenses and capital investments need to be paid with our \$1.9 billion in revenues.

As we have committed to in our Fiscal Responsibility Policy, we have managed to keep operating expenditures below revenues for the last seven years. However, over the same seven years and further into the past, we have borrowed to invest in infrastructure and other capital investments. As a consequence, every year we have needed to borrow more and our debt continues to rise. In particular, our short-term debt is expected to grow to \$320 million by the end of 2016-17. This Assembly is left with a choice: we either start paying this back to restore fiscal sustainability or expose the GNWT to serious cuts in capital investment and operating expenditures because we would be out of other options.

Our fiscal strategy is simple. We have to reduce the amount we spend on programs and services to ensure we are able to deliver our core programs and services and pay for our on-going infrastructure needs, without adding to our short-term debt. We need to carefully manage the growth in our operating and maintenance budget to ensure it doesn't exceed the growth in our revenues. We have to reduce our reliance on short-term borrowing to finance our operations. Or, put even more simply, we shouldn't spend what we don't have.

Our fiscal strategy is working despite a flat revenue forecast over the medium term. We are reducing and re-profiling expenditures and increasing revenues where we can without compromising our delivery of essential programs and services. These are difficult decisions to make as we need to balance service delivery and infrastructure investment in all regions of the Northwest Territories with our mandate and the fiscal realities that we face.

This budget includes \$27 million in expenditure reductions, building on the efforts outlined in the 2016-17 budget. In total, we have identified approximately \$100 million in expenditure reduction and revenue initiatives when fully implemented during the life of the 18<sup>th</sup> Legislative Assembly. By staying the course with our fiscal strategy and implementing the actions we have identified, we will start to lower our debt levels in the next three years, while still allowing us to deliver on promises made in the 18<sup>th</sup> Assembly's mandate.

### **Budget Highlights**

This budget proposes an operating and maintenance budget of \$1.7 billion, a 0.4 per cent decrease from the 2016-17 revised estimates. Total revenue is projected to increase only 0.7 per cent from last year to almost \$1.9 billion in 2017-18.

While we have found savings of \$68 million from programs that were already scheduled to end in 2017 and ongoing program reductions, we have also added \$55 million in new initiatives and to strengthen existing programs.

The difficult decisions made in this budget will produce an operating surplus of \$167 million. After the capital investment is taken into account, we expect to have an overall cash surplus of \$15 million for 2017-18. While this is a very modest cash surplus, 2017-18 will mark only the second time in the last 10 fiscal years that the GNWT will generate a cash surplus, reversing the trend of continuing to increase the short-term debt. I think it is fair to say that our fiscal management efforts have allowed us to begin to turn the corner on our over-reliance on short-term borrowing.

### **Revenues**

Mr. Speaker, at the start of the 18<sup>th</sup> Legislative Assembly, we reviewed our tax regime to ensure that we are raising the revenues we need to fund important programs and services while also encouraging people to live and work in the NWT and for businesses to invest in growing our economy. As always, we need to balance our revenues with real concern about the high cost of living in our territory. The few options that could generate significant revenues would leave individuals and families with fewer dollars in their pockets and risk discouraging business investment and economic growth.

Although there are no new taxes announced in this budget, we intend to adjust some taxes and fees for inflation and to better reflect the cost of providing services. We also will raise tobacco taxes to 30.4 cents per cigarette and 27.2 cents per gram of loose tobacco, effective April 1, 2017.

With the amendments to the Revolving Fund Act we are proposing, we will be setting up a revolving fund for the Yellowknife Airport so that the revenues that the airport generates are used to fund ongoing capital and operations and maintenance expenditures. The revolving fund will give the airport the flexibility to make improvements to support air carrier operations, increase the number of services available to travellers, create new business opportunities, and transform the airport into a key asset to shape our future economy.

We have signed the Pan-Canadian Climate Change Framework and have committed to investigating the introduction of a price on carbon of \$10 per tonne of greenhouse gas emissions in 2018-19. Significant work remains before a carbon price could be introduced, including developing appropriate offsets to mitigate adding to the already high cost of living and doing business in the Northwest Territories. The purpose of carbon pricing is to provide price incentives to reduce greenhouse gas emissions. However, we know that, until there are economically-viable alternatives, carbon pricing mechanisms alone will not significantly reduce greenhouse gas emissions in the Northwest Territories, especially since the high fuel prices already create an incentive to curtail consumption of carbon-intensive fuels in the territory's communities and within the business sector.

This Assembly already has made investments in alternative energy options for territorial residents and businesses a priority. We expect to continue to make investments in alternative energy and to work closely with the federal government in our efforts to provide reliable, affordable alternatives to carbon-intensive fuels for our communities and businesses.

Mr. Speaker, next year we also intend to investigate introducing a sugary drink tax as a price incentive to discourage the consumption of sugary drinks that are linked to health issues such as obesity and diabetes. While our intention is to introduce a sugary drink tax in 2018-19, we will take the time during the upcoming fiscal year to ensure our approach is as effective as possible.

The tax and fee increases proposed for this year, while important, will not solve our fiscal problems. Instead we intend, through our commitment to our fiscal strategy, to not only introduce modest revenue initiatives but also to carefully manage expenditures so that we will have the fiscal flexibility to make investments to support and grow our economy so that our tax base expands and our revenue increases.

### **Expenditures**

Mr. Speaker, despite the seriousness of our revenue outlook and our absolute commitment to

responsible fiscal management, we will still make significant expenditures. Our \$1.7 billion operating budget is the equivalent of spending \$37,500 on every Northwest Territories resident.

Our core social programs delivered by the departments of Health and Social Services, Education, Culture and Employment, Municipal and Community Affairs and Justice and by the NWT Housing Corporation make up over \$1 billion or 63 per cent of our \$1.7 billion operating budget.

We are also providing \$92 million through this budget to protect and manage our environment and wildlife through the Department of Environment and Natural Resources and \$26 million for the Department of Lands to manage sustainable use of public lands in a fair and transparent way, respecting ecological, social, cultural, and economic values.

Protection of our natural environment is part of the legacy that this Assembly will leave to future generations, and improving the environment for the Northwest Territories' economy to grow and prosper is another important gift of the 18<sup>th</sup> Assembly to the future. We are supporting the Department of Industry, Tourism and Investment with \$56 million to manage mineral and petroleum resources responsibly and partner with others to promote and support economic prosperity, diversification, and community self-reliance.

Without investments in schools, health clinics, community infrastructure and other public works, we cannot deliver programs and services, and, without investments in transportation infrastructure, our economic potential is reduced. We have provided the new Department of Infrastructure with a budget of \$240 million to provide residents with public transportation infrastructure and to support the facilities and technology infrastructure required for the government to deliver its programs and services and to support the Northwest Territories economy.

### **Education, Training and Youth Development**

Curtailing expenditures is difficult when the initiatives we start today bear fruit in the future. Almost 40 per cent of the Northwest Territories five-year old children are not at the social, emotional and knowledge levels they should be at that age. How can we expect our children to do well in school when practically half need support to bring them to a level ready for kindergarten, let alone grade one? We have added \$1.5 million to the budget to help offset the costs of the junior kindergarten program as it is rolled out in all Northwest Territories communities for four-year old children to provide the foundation for our children to learn. I am also committing today that we will add an additional \$2.7

million to the funding for schools before the end of the 18<sup>th</sup> Legislative Assembly to ensure that the junior kindergarten program can be implemented in all communities.

We need to provide opportunities for youth outside of the regular classroom and the Arctic Winter Games is a venue that provides a host of opportunities for youth to learn and develop, whether it is through participation in the sporting events themselves or volunteering to help host the games. We are proposing to increase our support for Hay River and Fort Smith's joint bid for the Arctic Winter Games to \$1.5 million in 2017-18 with an additional \$500,000 in this budget.

Mr. Speaker, the best social program is a good paying job. The need to support employment opportunities in smaller communities is a message we often hear. This budget proposes an additional \$3 million to be added to the Small Community Employment Support program that provides opportunities for youth in small and remote communities to gain work experience and opportunities for all residents in these communities to gain the skills that lead to employment and increased self-reliance. A portion of this funding will be used in 2017-18 to develop and implement a Small Community Employment Strategy that will be used to improve the effectiveness of the Small Community Employment Support program's enhanced \$4.3 million annual budget.

This budget proposes \$220,000 in one-time funding to upgrade the security systems of our existing schools to meet the new Safe Schools legislated requirements.

### **Cost of Living**

Lowering the cost of living in the Northwest Territories will help reduce many challenges in the economy and is a vital support for Northwest Territories residents in their daily lives. This budget proposes an additional \$4.2 million in increased support for income assistance, including \$2.2 million because of the increased number of income assistance recipients and \$2 million to increase allowances to address higher prices for food and other basic necessities.

Not every family that struggles to make ends meet uses the Income Assistance Program. This budget provides an additional \$750,000 in support for the NWT Child Benefit. This funding depends on approval of the amendments to the NWT Income Tax Act proposed in the 2016-17 budget and will be used to enhance direct support for children in families to \$1.9 million in 2017-18 and \$2.2 million annually in the following years. When fully phased-in, this enhancement will add \$1 million to the current program and will provide benefits to more



than 2,000 NWT families with children whose annual income is under \$80,000. This compares to the current program that completely eliminates benefits for a one-child family at an annual income of \$41,000 and a five-child family at an annual income of \$61,000.

We will also continue to provide \$22 million in tax relief to NWT residents through the refundable Cost of Living Tax Credit to help defray the high cost of living in the North. This budget proposes adding another \$250,000 to cover the expected increased cost of this credit as employment income for low to middle income earners rises.

Government programs support many aspects of this Assembly's mandate and the proposed \$500,000 in this budget to provide a home repair program that assists seniors with income below the core need threshold to make necessary repairs to their residences is one such example. This new program will provide help for repairs to make a senior's home healthier, safer and more energy efficient and that in turn will help these seniors to live independently for as long as possible in their home community with a support system of their families and friends.

### **Community Wellness and Safety**

The 18<sup>th</sup> Legislative Assembly mandate calls for actions to foster community wellness and safety; actions that will enhance the lives of Northwest Territories residents and over the longer term reduce the need for some social programs. The 2017-18 budget proposes to deliver almost \$19 million in new funding that directly supports actions to improve the health of our communities.

We are proposing to support actions to address homelessness in Yellowknife that were outlined in last October's Yellowknife Homelessness Road Map Action Plan, with \$230,000 to extend the hours that the Yellowknife Day Shelter is open from eight to twelve hours per day and \$520,000 to help offset the costs of creating a sobering centre in Yellowknife. Plans are already underway for the program design for the sobering centre based on the goal to operate up to 14 hours a day every day with separate male and female areas, a meal each evening, and capacity for 30 to 40 people.

We take our responsibility to meet the most fundamental and primary needs of our most vulnerable residents for shelter seriously. This budget proposes adding \$103,000 in emergency shelter funding to help shelter providers address increased demand to temporarily house people in need and to address increased rent and food costs. A further \$294,000 is proposed in this budget to offset increased costs to support operations at the Charlotte Vehus, Billy Moore, and Inuvik

Community Group Homes. In keeping with the government's priority to take action on the crisis of family violence, \$120,000 is included to offset increased operating costs at family violence shelters across the Northwest Territories.

With the passage of this budget, we will provide \$616,000 in one-time funding to implement a territorial-wide 911 service. This funding will allow for a basic 911 service with a single public safety answering point that will give Northwest Territories residents improved emergency response to available medical, fire protection and police services in all communities.

We need medical travel to provide access to medical services for all Northwest Territories residents. Both the need for medical travel and the costs to provide this travel continue to increase annually. As a result, this budget proposes to add \$6.4 million to address cost pressures in the medical travel budget. Some of the shortfall relates to increased air ambulance costs that include improvements to service, safety and quality. New initiatives to modernize the Medical Travel Policy and investments in overall health program improvements should help reduce the use of medical travel and improve services to remote communities while at the same time containing costs.

We have a growing number of Northwest Territories residents with a diverse range of special needs and these residents are better placed in southern facilities where they can receive specialized treatment for severe and difficult to treat conditions that require clinical, residential, and educational programming services that are beyond the financial ability of the GNWT to provide. This budget provides an additional \$3.2 million to address the shortfall in funding this vital program and preserve the quality of life for these individuals, many of whom will remain in care for the remainder of their lives.

The cost to deliver critical health services to NWT residents continues to increase. This budget proposes an additional \$3.3 million to address the operating costs of new health centres in Hay River and Norman Wells, increased costs of medical supplies, and increased security needs at Stanton Territorial Hospital. In keeping with the government's priority of ensuring support is in place for seniors who can no longer live in their homes, we are proposing \$877,000 for operating costs associated with the expansion of long-term care at the Jimmy Erasmus Seniors Home in Behchoko and \$778,000 in funding to maintain long term care beds at the H.H. Williams Hospital until the expansion of Woodland Manor is completed.

There is \$1.6 million included in this budget to support the transition of all health and social services authorities to the government's Technology Service Centre. This transition is necessary to implement shared services systems such as the territorial electronic medical records, which will not only improve care for residents but will allow improved tracking and analysis of health data and expenditures for evidence-based decision-making.

We are proposing to inject \$1.5 million for justice activities. This includes the GNWT's share of the RCMP costs of \$429,000 to operate an Internet Child Exploitation Unit to address the cost pressures caused by increased investigations of NWT residents' involvement in internet child pornography; \$385,000 to increase the number of relief positions needed because of increased mandatory training hours for the Emergency Response Team; \$182,000 for cell and interview room recording systems upgrades to maintain safety and security for the RCMP, the public, and offenders; and \$78,000 for RCMP isolated post allowances. This funding also provides \$224,000 to add two sheriff officers to address the increasing workload demand including increased vehicle seizures and increased provision of security coverage for Justice of the Peace Court.

In co-operation with the federal government, we are continuing to fund the Framework for Enhancing Victim Services Agreement with \$749,000 in ongoing funding, starting in this budget. This funding will help the Community Justice Program support communities to develop and implement sustainable local justice programming in the areas of restorative justice, victim services, community policing, and crime prevention.

### **Economy, Environment and Climate Change**

Mr. Speaker, Canada as a whole has moved a long way on the environment since we presented the 2016-17 budget, including the development of the Pan-Canadian Framework on Climate Change. Over the next year, we will continue to work with the rest of Canada to ensure the success of this pan-Canadian initiative while recognizing the unique challenges for our territorial economy and environment.

We have extended the funding of almost \$2.1 million for trans-boundary water management agreements under the Water Stewardship Strategy and Action Plan and propose adding \$82,000 to expand the hydrometric network program. We are continuing \$253,000 in funding for permafrost research and development.

We are also proposing to use \$130,000 in this budget to fund an Unmanned Aircraft Systems

Coordinator. This small investment will help GNWT departments expand their environmental and infrastructure monitoring capabilities at a reduced cost and use this more accurate and comprehensive information to improve decision-making and knowledge sharing.

Budget 2017-18 includes \$15.3 million in various initiatives that will assist in developing the economy, including almost \$14 million for operations for the Mackenzie Valley Fibre-Optic Link project. This critical piece of infrastructure is expected to be completed this winter and is already providing interim services that are improving internet capacity for residents, businesses, and government in communities along the route and providing a critical link between the expanding satellite stations located in Inuvik and the rest of the world.

We need fresh ideas and energy to build a more diversified economy, and the 18<sup>th</sup> Legislative Assembly mandate supports this need, in part, through its goal to increase the number of immigrants working and investing in the NWT. We are proposing to support an immigration strategy that improves the application process, increases awareness of immigration programs, and combines administrative supports through a \$132,000 investment to fund an Investment and Immigration Officer position dedicated to support the Northwest Territories Nominee Program.

We also propose to spend more to maintain the quality of services we provide to our growing tourism industry, with \$132,000 in additional resources for a North Slave Tourism Development Officer. Over the past years, the North Slave region has added 15 new tour operators because of increased demand, especially from the adventure travellers who want to experience winter activity in our pristine environments.

As always, we need transportation infrastructure to connect our communities and help keep our economy on the move. While the 2017-18 investments in transportation infrastructure are part of the Capital Estimates approved last October, the operation and maintenance of our infrastructure investments is a significant part of this budget. We propose to provide an additional \$698,000 for increased costs related to the Fort Simpson Region Highway and Winter Road contracts; \$298,000 for the operation and maintenance of the Inuvik to Tuktoyaktuk Highway, which is scheduled to begin operation later this year; and the remaining amount of the \$182,000 invested over three years for construction and maintenance of the Wekweeti winter road.

The Assembly has included completion of an all-season road from Highway No. 3 to Whati in its

mandate. With the recent federal announcement to fund a portion of the Tlicho All-Season Road through their P3 Canada Fund, our government intends to move forward as quickly as possible on this initiative. The Tlicho All-Season Road will provide the benefits of year-round access to the highway corridor for Whati residents and increases the potential for resource development in the area. In the near term, this important piece of infrastructure will provide an economic boost for local employment and business opportunities.

**Governance: Improving Accountability, Transparency and Collaboration**

Effective April 1, 2017, we are amalgamating the central agency departments of Executive and Aboriginal Affairs and Intergovernmental Relations into one department called Executive and Indigenous Affairs and amalgamating the Department of Human Resources and the Department of Finance. These amalgamations are reflected in this budget and are expected to strengthen overall service delivery and save approximately \$1 million in expenditures. Much of the savings will be realized by the creation of a shared corporate services function that will support the two new departments.

The amalgamation of the departments of Transportation and Public Works and Services into the Department of Infrastructure on April 1, 2017 will save more than \$5 million in expenditures when fully implemented and lead to more effective program delivery to NWT residents and businesses and to the GNWT.

The Single Window Service Centres that provide residents in smaller communities with one-stop access to GNWT programs and services are an excellent example of actions to improve transparency for NWT residents in dealing with the GNWT. Our 20 Single Window Service Centres staffed by government service officers, who serve as community liaisons and provide outreach services, including home visits, are becoming the face of the GNWT for many of our residents. We are pleased to propose expanding the program by adding \$95,000 in this budget for a single service centre on the K'atloodeche First Nation reserve.

We continue to work to make the machinery of government as efficient and effective as possible. As part of our ongoing Financial Renewal Strategy, we are upgrading our core financial, procurement, human resource and payroll systems. This \$3.9 million investment will support the upgrade and allow for delivery of support for our administrative systems as well as standard maintenance updates for the next seven years.

We can't borrow without paying the piper and have added \$200,000 to this budget to meet the interest expense on our long-term debt.

Mr. Speaker, the results of the 2014 Municipal Funding Review show that our funding to help community governments provide municipal services is not enough to meet the needs of community governments. We made a commitment in our mandate to do better to close the gap in funding levels to meet municipal core needs. As part of the larger strategy to improve asset management and encourage communities to become as self-sufficient as their economic bases allow, we propose to add \$528,000 to begin to address community operating and maintenance budget shortfalls and a further \$601,000 in additional water and services transfers to our communities in this budget. This additional water and services funding will provide community governments with resources to maintain solid waste sites and provide garbage collection services.

The Property Taxation Revenue Grant Program is used to grant the property tax revenue generated in the General Taxation Area communities to the respective municipal governments in an effort to transfer more decision-making authority and resources to community governments. While the property tax revenues increase in these communities, the grant budget has not, and in this budget, we are adding \$90,000 to cover the shortfall.

This budget also adds almost \$5.5 million in one-time funding to continue the construction of 45 market rental units for leasing to RCMP members in Inuvik, Norman Wells, Hay River, Fort Smith and Fort Simpson. This one-time funding initiative is a northern solution for a housing problem where the NWT Housing Corporation and the Department of Justice are working in partnership with the RCMP to meet their housing needs so that they are better able to deliver policing services to NWT residents and not worry about constructing and maintaining housing units for their members. This initiative gives the NWT Housing Corporation an opportunity to generate more revenues and, through its procurement approach and use of the existing property management services of its Local Housing Organizations, will provide employment opportunities for northern communities for years.

**Looking Ahead**

Mr. Speaker, despite the serious fiscal challenges, we have continued to provide quality programs and services to the residents of the Northwest Territories. We have made investments and initiated policy changes in key areas that will benefit the Northwest Territories for years to come. This budget builds on the foundation we laid in last

year's budget and is very much part of the work in progress to achieve the goals and priorities of the 18<sup>th</sup> Legislative Assembly. We have made difficult fiscal choices in these two budgets which will put us on a sound long-term fiscal plan so that we can have the flexibility to continue to make investments today, and that will produce, in the longer-term, the benefits of a protected environment, a stronger, more diversified economy, and healthy, self-reliant people.

We know there will be more difficult choices ahead but if we focus clearly on the mandate that has been set by this Legislative Assembly, we will be able to achieve a powerful legacy that will benefit our territory for years to come. Our focus must be broad enough to encompass a longer-term perspective and be able to look ahead to ensure that we have the resources to make future investments in our people, in the land, and in the economy.

### Conclusion

Mr. Speaker, I believe this budget should provide cautious optimism that we have turned the corner towards a more sustainable financial footing as a government.

The decisions we have made to reduce our spending on programs and services and implement initiatives to increase our revenues are a solid start. This stronger footing is reflected in the small forecast cash surplus for 2017-18, reversing the pattern of the last several years where we spent more in the year than we brought in as revenue.

But we are not there yet. Just one unpleasant shock to our revenues or another disastrous forest fire season, and we will be back to adding to the debt that future residents will have to pay. We also know that our revenue outlook shows modest growth for the immediate future which means we will need to continue to manage spending growth in the coming years.

However, we must not also lose sight of what we have achieved while coping with our fiscal environment.

We are protecting our core programs and services for our residents and in many cases have managed to enhance them.

We are advancing this Assembly's mandate through investments in our priorities.

We are investing in infrastructure to provide programs and services to our residents and support our economy now and in the future.

We are doing all this without adding to the debt our grandchildren will have to pay.

With the support of this Assembly and residents we will continue this responsible fiscal path to invest in individuals, families and communities to ensure the Northwest Territories is a place our people can thrive and be healthy, where a well-managed environment contributes to our economic wellbeing and quality of life, and where a strong economy provides jobs and opportunities for our communities. Thank you, Mr. Speaker.

---Applause

**MR. SPEAKER:** Masi for the Budget Address. At this time, I would like to call for a short recess. I would like to invite the public to a short reception in the Great Hall. Please join us. Masi.

---SHORT RECESS

**MR. SPEAKER:** Member for Kam Lake.

**MR. TESTART:** Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to move to item 12 on the orders of the day, replies to the budget address. Thank you, Mr. Speaker.

---Unanimous consent granted

**MR. SPEAKER:** Member for Tu Nedhe-Wiilideh.

## Replies to Budget Address

### MR. BEAULIEU'S REPLY

**MR. BEAULIEU:** Marci cho, Mr. Speaker. Mr. Speaker, in June, in response to the government's previous budget, I had stressed that we had to change the way we do business. I said that we needed to find ways to meet the priorities of this Assembly, which we have presented to the public in a mandate for this government. I said that there are things that we need to do. We need to create more jobs, economic opportunities, lower the costs of living, especially in small communities.

For the benefit of the public and to remind Cabinet, the MLAs on this side of the House represent all the small communities in the NWT. Many of our biggest challenges are in the small communities. The Premier mentioned a combined federal-territorial initiative looking for renewable solutions for off-grid diesel communities. Those solutions exist. Colville Lake has proven that. It is a green economic opportunity that can bring hundreds of millions of dollars into the 26 off-grid communities over the next 10 years, creating economic opportunity, lowering the cost of energy and living, and protecting the environment. If we take advantage of opportunities like this that create jobs and economic opportunities, we will see fewer people in correction facilities, fewer people in our courts, fewer people in

hospitals, and fewer children taken into government care.

I'm going to digress a little because I want to make a point about how much life has changed for people in small communities in the last couple of generations. Our elders would say, "caribou came from the stars. There are as many caribou as there are stars in the sky." This was a beautiful picture that invoked the land of plenty. Our people followed the caribou, lived off the caribou. That was the way of life. We were rich in that way and worked hard.

Now, look at today. Many of our people cannot hunt caribou that go by the lake next to their community, caribou they can see from their windows. I can't even begin to describe the damage it does to the traditional lifestyles and knowledge, but I can talk about the economic impact and how it relates to our budget.

Today, people in the small communities are spending millions of dollars to buy food they used to be able to hunt. They cannot get caribou, and many people cannot get a job, either. This is the biggest problem we have in the Northwest Territories. In regional centres and small communities, only 57 per cent of our people of working age have jobs compared to 79 per cent in Yellowknife. Our smaller communities, the average percentage of people employed is in the 40 per cents. If we could raise community employment rates by 20 per cent, we would eventually eliminate most of the low-return social spending.

When the last budget was introduced in June, I urged us all to imagine what would happen if we could boost employment rates to 70 per cent in our small communities. If we could do that, we would need less income support, less social housing, and people would be in better health; we would have better attendance in our schools. I'm going to keep saying this until we actually do something about it, however long it takes, Mr. Speaker.

Let's talk a bit more about low-employment impacts in small communities. In 2010, more than one in four families or 27 per cent had income less than \$30,000 a year. Think about that and think about the price of groceries our people have to pay in most of the communities. Thirty thousand dollars a year is not much for a family to live on. People of low incomes and no job tend to have poorer health. They're at high risk for addictions, alcoholism, and criminal activity. Their children are more likely to be taken into Child and Family Services. That is a simple fact, not just here but all over the world. By creating jobs, these very same people can enjoy better health, more of the children will graduate from high school, the need for social housing will fall, and people will be less dependent on

government in general, and income support will be needed less.

Mr. Speaker, our tradition is to respect and care for our elders, and our population is aging. It is important that we encourage and help elders to stay in their own homes and in their communities. To do that, we need to do some home retrofits. It will help elders and be good for local economies. Materials will be bought from local suppliers. Tradesmen will go to work in the communities, regional centres, and Yellowknife. We also need to hire and train more home care workers in communities. Again, this will create jobs, improve the health of seniors, lower the cost of our healthcare in the future. If we do not do these things, more elders will be lost from the communities and go into long-term care at about \$139,000 per senior per year. It also disrupts the communities when the elders leave.

Mr. Speaker, I want to turn for a minute to what the government proposes to do about jobs in this budget before us today. There is more money in a Small Community Employment Support, which is a subsidy program, not a job creation program. It is good, and I thank the government for the progress here, but it will not bring real change unless we modify the program and allow job creation. We have to make that change, Mr. Speaker. We can't subsidize a job that doesn't exist in the first place. The government must spend every penny allocated into this program.

Unfortunately, any gains we make here will be wiped out by job losses in other areas. If this budget passes as is, the government proposes to cut more than a hundred jobs in the name of fiscal restraint if Aurora College is included in that number. Even if some jobs are vacant, many people will be laid off. Some will leave the territories, taking their families with them. Some will sell their homes, affecting the housing markets and other home owners' equity. Local businesses will feel the pain, too. Our government will ultimately lose population-based funding from the federal government: \$30,000 per person per year. That adds up fast. If only 25 families of four leave the NWT, our government would lose \$3 million per year in transfer payments from Canada plus any taxes the people would have paid if they had lived here. Unfortunately, we are going to lose more than 25 families in this territory.

Our government is following in the footsteps of Dominion Diamond's news in November that its headquarters is moving to Calgary; about a hundred more jobs lost, more families lost, more damage to our economy. I guess it's hard to criticize Dominion Diamond Corporation when our government is doing the same thing.

Mr. Speaker, I am not sure that, right now, cutting a hundred jobs is the right response. Not only that but the Regular Members have never agreed that it's right to cut government spending by \$150 or even \$100 million during this Assembly.

Regular Members have not agreed to wipe out in four years of this Assembly all the need for short-term spending that has grown since 2008. We can't do that in today's economic climate. Reducing our borrowing over a longer period is the best we can do and the most responsible thing to do. These cuts are hijacking our priorities as an 18<sup>th</sup> Assembly. To me, if this government is going to save that kind of money it should at least be able to create some jobs somewhere. For example, our government could do a better job supporting small business and which is the backbone of our society. Regular Members have urged the government to reduce the difficulty of starting new business and reduce tax of small businesses. We've also asked for an increase to the Support for Entrepreneurs and Economic Development program, known as SEED. This program promotes community business, enables networking and business development, assists start-ups of micro-businesses and promotes businesses in key sectors such as tourism, energy and prospecting.

Regular Members push the government to increase mineral incentive program and targeted assistance for the fishing industry. We had asked for a small expansion in the Community Access Program. This is the best program we have for creating seasonal jobs and opening traditional use areas for the communities. It provides employment, training and improves community access to grab all they need. It could also make workers eligible for employment insurance from Canada. These measures will create jobs or help save existing jobs. The cost of these modest steps to improve our economy and generate revenue is less than \$3.5 million. None of these requests are in the budget today, Mr. Speaker.

A lack of jobs and opportunities has another impact on our communities and our young people are in crisis. Deep hopelessness and addictions are leading to suicides and attempted suicides. It's not just alcohol abuse, Mr. Speaker. Today's young people are faced with a ready supply of prescription drugs and crack cocaine. It is truly shocking compared to what most of us experienced when we were young. Some are still young, but anyway.

Mr. Speaker, more prevention, more intervention are sorely needed. I have spoken often about improving our addiction services in general. The need is greater than ever right now. Addictions are a factor in most of our social problems we're facing in the NWT including poverty.

For three straight Assemblies I've tried to get better access to addiction treatment, more attention to prevention. How many lives could we have improved if we had done a better job ten years ago? How much money could we have saved on the health and justice programs?

I have to shake my head, Mr. Speaker, when I think about the families I know myself and lots of other families all over the Northwest Territories. It's a sad, sad situation. We can't let this neglect continue into the next generation of young people. We have to support their learning and the health of the people around them. Early childhood development and junior kindergarten are huge issues that we've been dealing with for the last two assemblies. Investments in our youngest children is the best we can make; real investment in the health of our people. Research shows that a seven-fold savings in social spending over the person's lifetime. If we spend \$3 million invested in early childhood development today saves \$21 million on the long run.

Regular Members have fought hard for full funding to implement junior kindergarten. We do not want teachers lost or less support to other grades. The government has compromised a bit on this, but it's not enough. It is not acceptable for junior kindergarten to come at the cost of other young students and rainy day fund saved by the education authorities. This government must fund junior kindergarten. It is as simple as that, and let's get on with it.

Mr. Speaker, lowering the cost of living is another important priority of this government's mandate. Lowering the cost of living is hard to do. New roads should help lower the cost of goods in some communities and provide some jobs. I hope so. I don't think much else has been done to lower the costs of living and measures like big increase to land leases rent just do the opposite.

In all my years as MLA, I have never seen Regular Members apply so much pressure to improve the budget as the one we are talking about here today. We now have the details in front of us showing what Cabinet proposes to do. After all our efforts, more than 100 jobs are on the chopping block. Sunsets and reductions would see \$69 million cut from departmental budgets after \$53 million already cut in this current year. With all of these cuts it seems to be no problem to buy defunct Tungsten Mine for \$2.6 million and a bankrupt transportation company for \$7.5 million.

I'm not saying these are necessarily bad things, Mr. Speaker, as we need to move freight and barge things into the communities, but what I am saying is if Cabinet can find \$10 million for these things we should be able to find a few million dollars to create

jobs, help our people, stimulate our economy in the keys areas.

Mr. Speaker, Regular Members want to see some changes to this budget, the first full year's budget of the 18<sup>th</sup> Assembly. It has been a frustrating process, but we are still willing to work with our Cabinet colleagues on the details. I believe that we are listening to our constituents and what our constituents have to say. Let's do our best for them and make good on our promises. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Replies to budget address. Item 3, Ministers' statements. Honourable Premier.

### Ministers' Statements

MINISTER'S STATEMENT 114-18(2):  
MINISTER ABSENT FROM THE HOUSE

**HON. BOB MCLEOD:** Mr. Speaker, I wish to advise Members that the Honourable Glen Abernethy will be absent from the House for the remainder of this week to attend the Federal-Provincial-Territorial Ministers of Social Services meetings in Toronto, Ontario. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Ministers' statements. Item 4, Members' statements. Member for Nunakput.

### Members' Statements

MEMBER'S STATEMENT ON  
BAN ON ARCTIC OFFSHORE OIL AND GAS  
EXPLORATION

**MR. NAKIMAYAK:** Thank you, Mr. Speaker. Mr. Speaker, the future of the Beaufort Delta economy is uncertain.

Prime Minister Trudeau and former U.S. President, Barack Obama recently announced a ban on offshore oil and gas exploration. This five-year agreement was made without consultation with the Northwest Territories or Nunavut or considering the opinions, livelihood or economy of the people living in the regions.

To echo a statement made by the CEO of IRC, Duane Smith, "the lack of meaningful communication is startling given Canada's stated commitment to improve the relationships between Inuit and the Crown."

Mr. Speaker, the people of the Beaufort Delta want responsible economic development. Oil and gas development has been an economic driver since the exploration began in the 1960s. Interest in development has already dropped. In 2015 Imperial Oil and BP PLC scrapped their plans for drilling

north of Tuktoyaktuk. The communities are struggling and residents feel like they're options for the future are very limited.

The Prime Minister has said the next five years will give residents the opportunity to diversify the economy through fisheries and scientific research. Mr. Speaker, the Department of Industry, Tourism and Investment has done good work on initiatives under the Economic Opportunities Strategy, but at this point the Beaufort Delta needs a regional strategy focus on getting people involved in these industries to create stable long-term jobs. The people of the Beaufort Delta have to be part of it.

Mr. Speaker, the Inuvialuit have rights as Canadian citizens and under their land claims as well as through our own government. Residents are looking to the Government of the Northwest Territories to uphold their interest. Mr. Speaker, we need to support economic diversification in the Beaufort Delta, but also the interests of its people before the Crown need to send a strong message to Canada that it's not about us without us. Quyanainni, Mr. Speaker.

**MR. SPEAKER:** Masi. Members' statements. Member for Yellowknife North.

MEMBER'S STATEMENT ON  
IMPORTANCE OF LAND CLAIMS  
IMPLEMENTATION

**MR. VANTHUYNE:** Thank you, Mr. Speaker. Mr. Speaker, today I'd like to talk about one of the main obstacles we face in the NWT. In my view, it is the most important aspect of our evolving responsibilities following devolution. I'm talking about the need to finalize and implement land claims. Mr. Speaker, advancing land claims is a key priority within the mandate of the 18<sup>th</sup> Assembly. Yesterday, I questioned the Premier on the progress of ongoing land claims negotiations. I was pleased to hear his assurance that significant concrete progress on these claims will continue to be made during the life of this term.

The land claim process in the NWT is many decades old. One of the first claims successfully concluded in Canada was here in our backyard in the Beaufort Delta. That was in 1984, 33 years ago, Mr. Speaker. These many years later, some other claims have been resolved, but there is still a lot of work to be done. Mr. Speaker, we can't afford this slow pace of progress. Our youth, the next generation that will be seeking self-reliance and opportunity are asking us to bring them certainty. Mr. Speaker, without certainty about land ownership and management, there will be no investment. There will be no exploration or new discoveries. No jobs, training, or benefit agreements.

Existing mines are in their declining years. It's crucial for our economic future that we get our own house in order and attract new investment. These are investments we need for the future of our own economic well-being. To be clear, it's not all about resource development, Mr. Speaker. Certainty on land management is also essential to ensure we have comprehensive measures in place to meet our conservation and preservation goals so that we, Northerners, are leading those discussions and decisions, and not the Government of Canada.

Mr. Speaker, land claims are also about fairness and partnership. We need to make sure that through resolving claims and concrete steps towards self-governance, all our Indigenous neighbours are full, responsible, autonomous participants in the future of this great territory. It's fair, and it's the right thing to do. It's necessary for our economic future, and it's about time we resolve this chapter in our history once and for all. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Members' statements. Member for Frame Lake.

#### MEMBER'S STATEMENT ON ATTENDANCE AT VANCOUVER MINING CONFERENCE

**MR. O'REILLY:** Merci Monsieur le President. Earlier today, we heard our Finance Minister deliver messages of austerity and fiscal restraint, and a further 65 positions are being cut by this Cabinet. Let's talk about this trip to Vancouver. It's on the mind of many of my constituents, our residents without housing or jobs, taxpayers, and more public servants about to lose their jobs. I was as flabbergasted as anyone when I woke last week to learn that our entire Cabinet had decided to go en masse to balmy British Columbia for a mining conference, literally the week before announcing further austerity and job cuts.

I had to wait for the media to fill in the details, and learn that in addition to the full Cabinet, no less than 24 other government officials were along for the ride for a total of 32 at an estimated cost of \$75,000. That money could have been used to save one of the jobs you are cutting in the budget. To start index income assistance payments, or many other better uses.

This all sounds pretty harsh. It should. The utter contempt for the discipline of austerity and for the prudent stewardship of public funds makes us all look bad. This is why citizens have come to believe that politicians are self-serving, interested only in their own luxury and pomp.

The Vancouver trip also reveals a lot about our government and its efforts, or lack thereof, of

economic diversification. Our over-dependence on mining is only perpetuated by having all of Cabinet participate in such an event. Can we expect all of Cabinet to attend conferences on agriculture? Renewable energy? Tourism? Other sectors of our economy that continue to grow, make us more self-sufficient and create local and sustainable jobs? Why doesn't all of Cabinet attend the anti-poverty roundtable meetings?

While mining is definitely an important part of our economy, it is clearly unsustainable and brings its own set of negative impacts. All of Cabinet going to this event is the clearest demonstration of how much influence the mining industry has on our government, our policies, laws, and spending. I will definitely have questions for the Premier. Mahsi, Mr. Speaker.

**MR. SPEAKER:** Masi. Members' statements. Member for Deh Cho.

#### MEMBER'S STATEMENT ON DEH CHO COMMUNITY OPTIMISM AND PRIORITIES

**MR. NADLI:** Mahsi, Mr. Speaker. Mr. Speaker, the Deh Cho is the gateway to the NWT with its communities of Enterprise, Kakisa, the Hay River Reserve from Fort Providence and situated along the highway.

Mr. Speaker, these communities have been very busy over the last year. A stand-up crew of 12 led by Fire Chief Blair Porter brought the Enterprise volunteer fire department back to life. The hamlet also welcomed the wood pellet start-up, Aurora Pellets Limited, clearly enterprises on arise. Further down the road, Kakisa opened its brand new long-awaited community hall with a wonderful feast. Kakisa also received national attention during the morel mushroom harvest that Northerners have always admired their strong community spirit.

On the Hay River Reserve, the K'atlodeeche First Nations signed an intergovernmental memorandum of understanding with the GNWT. The chief and Council are ready to meet the GNWT, government to government. The community also took on initiatives on various projects including cultural camps for youth, restoration work at St. Ann's Roman Catholic Church, and a program that sells products in the Ehdah Cho grocery store in South Slavey.

Last but not least, the Town of Fort Providence. Tired of watching others suffer, residents took a stand against homelessness with the Community Advancement Partnership Society, or CAPS. While Deh Gah school congratulated seven new graduates. The school's principal, Ms. Lois Phillip, won a national Indspire leadership award. But even



a beautiful and sunny Deh Cho, Mr. Speaker, all is not sweetness and light.

In 2014, the Deh Cho hosted a labour force of 422 people, yet only 280 of those were employed, while the percentage of those with a high school diploma or greater education had actually gone down since 2011.

When it comes to infrastructure projects, the Deh Cho riding also sees the lowest capital expenditures of spending despite needs identified in the community, such as the school in Enterprise, the delay at Hay River Reserve Arena, and a water treatment facility in Kakisa. I also raise again in the House, the continuing need for support for highway rescue services.

Mr. Speaker, constituents have also come to me with concerns about the implementation of JK and its impact on Aboriginal historic programming. My colleagues and I have heard many such concerns, and I will speak more on these matters in the days to come.

Mr. Speaker, I seek unanimous consent to complete my statement. Mahsi.

---Unanimous consent granted

**MR. NADLI:** Mahsi, colleagues. Facing these challenges will be hard, Mr. Speaker, but I remain optimistic. I look forward to the implementation of the Commercial Fisheries Revitalization Strategy -- key leadership in future morel harvests. I'm also pleased to see strong Deh Cho participation in traditional activities like hunting, fishing, trapping, arts and crafts, and serving country food, while at the same time rates of violent crime and property crimes are going down.

As we dig into the 2017-18 budget, we must keep in mind the mandate that we built together. I think of government's commitment to resolving outstanding land, resource and self-government agreements, and I hope that last year's new appointments to the negotiations team will help all parties to articulate critical issues and forge a path forward. We must all forge a path forward together. In hope, Mr. Speaker, Mahsi.

**MR. SPEAKER:** Masi. Members' statements. Member for Kam Lake.

#### MEMBER'S STATEMENT ON KAM LAKE ENVIRONMENTAL ASSESSMENT

**MR. TESTART:** Thank you, Mr. Speaker. Mr. Speaker, the namesake of my riding is Kam Lake. Bordering on both homes and businesses, Kam Lake is sometimes called the hidden jewel of Yellowknife. Its shores are now seeing new growth as the land is developed for new residential

neighbourhoods where families will soon live. That is why I found it especially disturbing, Mr. Speaker, when my constituents brought it to my attention that Kam Lake is one of the few bodies of water within the city limits that has not been given an environmental assessment to assess its current arsenic levels. At least, that is what is known to me at this time, and most importantly, it's what's known to my constituents. I sincerely hope that I'm mistaken and this assessment has already been accomplished.

Mr. Speaker, when Con Mine was in full operation, Kam Lake lay in its shadow. Today, it is surrounded by families, and a major site for future development of residential homes. If it has not already been given the proper environmental assessment, I'm forced to ask the government, why has a rigorous environmental assessment, or a report on its arsenic levels, not been completed? If it has, why is this information not available to my constituents and to the public at large? Let us not forget that Miramar, the company remediating the Con Mine site, maintains overflow and drainage piping into the lake.

So regardless of the current status of the lake, Mr. Speaker, it's pretty clear to me and to my constituents that further environmental assessment will be needed in the future, regardless of any previous assessment. This is a huge concern, Mr. Speaker, I think, when you look at the legacy of arsenic in our community. We need to have a very strong system to ensure we can offer a pristine environment to anyone in our community, and I want to make sure the government is doing its part, so, later today, I will have questions for the Minister of Environment and Natural Resources to see if that assessment has been done and if we're ensuring the highest quality environmental standard for residents here, in Yellowknife. Thank you.

**MR. SPEAKER:** Members' statements. Member for Tu Nedhe-Wiilideh.

#### MEMBER'S STATEMENT ON PASSING OF SHAWN EDWARD GODARD OF NDILO

**MR. BEAULIEU:** Marci cho, Mr. Speaker. Mr. Speaker, today I would like to do a tribute to the late Shawn Edward Godard of Ndilo. Mr. Godard was born December 19, 1982 and, sadly, passed away on October 23, 2016 at the age of 33.

Mr. Speaker, Shawn was born in Yellowknife and came from a large family in Ndilo, the Goulet family and also family in British Columbia who all loved being around him. Shawn always had a smile and a contagious laughter. He was well known for his generosity, kindness, and hard work. He worked on the ice road in the winter and was a firefighter with

ENR in the summer. He was a great team leader and was well respected for that.

Mr. Speaker, Shawn is survived by his mother, Emerence Goulet; father, Dennis Godard; sisters, Monica, Lisa, Athena; nieces, Tyana, Haley, Rylee, Cayley; and nephews, Taison, Brody, Keathan; and many family and friends. Shawn also had many uncles, aunties, and cousins around Ndilo and Yellowknife.

Mr. Speaker, Shawn is predeceased by his grandparents, Philip and Madeline Goulet and James and Katherine Godard, uncles Frank Goulet, Reg Godard, and cousins Savanaah and Nazon Goulet.

Mr. Speaker, I knew Shawn. I met him when he was about 15 or 16 years old. Each time I would see him, he would acknowledge me with a polite nod with his head. Mr. Speaker, my sincere condolences go out to the late Shawn Godard's parents, sisters, nieces, nephews, cousins, and all his family and friends. He will be sadly missed by all who knew him. He was a wonderful young man that passed away way too soon. Thank you, Mr. Speaker.

**MR. SPEAKER:** Our condolences go out to the family, as well. Members' statements. Member for Nahendeh.

#### MEMBER'S STATEMENT ON PASSING OF EUGENE VILLENEUVE OF FORT SIMPSON

**MR. THOMPSON:** Thank you, Mr. Speaker. Today, it saddens me again to stand in this House and speak about another loss in my riding. Unfortunately, on December 20, 2016, Eugene Villeneuve passed away. Eugene was 56 years old when he passed.

I had the opportunity to meet Eugene about a month after moving to Fort Simpson in August of 1992. He was always friendly and willing to share and discuss issues of the day. I am fortunate to say he worked with my son and was always willing to give him a helping hand and advice as he grew up through his teenage years.

Eugene was the eighth of the nine children born to Theresa and Edward Villeneuve. He had six sisters and two brothers. Eugene was predeceased by his parents, five sisters, and one brother. Eugene attended school until grade 10, when he decided that he wanted to serve his country. He enlisted in the army in 1978 and served four years. After his term with the army, he moved to Edmonton. After living in Edmonton for five years, he knew he had to come back to his home, family, and friends.

During his eulogy, it was stated he was a signature of the community. No truer words have been spoken. He was part of the fabric of the community. He touched so many people's lives, whether it was offering to shovel your roof or the driveway, cut the grass, or just a friendly "hello," "good morning," or "good afternoon." I, like so many others, will sadly miss those interactions.

To do justice to Eugene, I realize the best way would be to share these words from family and friends:

"The words 'good morning' from a man that never wanted more than he had. He was comfortable with what he had. Rarely did you hear him complain. Rest in peace, dear friend. You suffered enough and lost many family members. Now celebrate Christmas with them." That was the mayor of Fort Simpson, Darlene Sibbeston.

"Rest in peace, my friend. You will be missed, and I will miss cooking for you and you never complaining, just accepting with a big smile. The Lord is looking after you now," Nellie Jane Hardisty.

"Such a sad day for a community. Thank you, Eugene, for always saying 'hello,' always looking after our place when we were away, especially our old girl. Never once did we ask him for this. It was just the pure kindness of his heart. Rest in peace," Ramona Hardisty-Gillis.

"Known for his genuine smile and how he always went out of his way for others, he had the biggest heart. It won't be the same walking into the gas bar and hearing, 'What's up, cuz?' Rest peacefully, Eugene," Courtney Squirrel.

"I'm feeling sadness this morning thinking about my childhood friend, Eugene Villeneuve, and his passing. You may be gone from my sight, but you'll never be gone from my heart. Go rest high on the mountain, buddy," Frank Hope.

In closing, I'd like to say the Northern Gas Bar will not be the same. Every morning, you could find him there. He was part of the place. Getting your morning coffee, hot chocolate, or juice will not be the same without his "good morning," "hello," and friendly bantering. My condolences go out to his family and friends. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Our condolences go out to the family, as well. Members' statements. Member for Mackenzie Delta.

#### MEMBER'S STATEMENT ON SUPPORT FOR PROPOSED ODD SQUAD DRUG AWARENESS PRESENTATION

**MR. BLAKE:** Thank you, Mr. Speaker. Mr. Speaker, down in Vancouver, a group of currently

-serving police officers, retired police officers, and community volunteers have come together to share their anti-drug message with young people. This group calls themselves the Odd Squad, and their stated mission is to design programs that honour and motivate youth, encourage them to set positive goals, lay their own path, and to stay on track by keeping drug-free for a long and healthy life. Parents and educators throughout British Columbia, not to mention the youth themselves, can attest to the value of the Odd Squad's work. Through public presentations and video documentaries, thousands of young people have been given a fresh perspective on the realities of drug use in our communities.

Here in the NWT, our own policies and programs recognize the same thing that the Odd Squad does, that an ounce of prevention is worth a pound of cure. In fact, students in the NWT have already benefited from the Odd Squad's work. Volunteers travelled to the Sahtu region in 2014 to work with students and community members. Now, members of this organization would like to visit us again and are proposing to visit in the spring of this year.

As the fentanyl crisis begins to spread to the north, hitting our communities and residents, we are at a critical stage for prevention and anti-drug education. Work like this could add to the GNWT's current work and make all the difference for the next generation. The Odd Squad relies on donations to maintain its operation. Given the educational resources they can offer, I hope they'll be able to look to the GNWT for support for a visit to the NWT in the near future. Thank you, Mr. Speaker, and I'll have questions later today.

**MR. SPEAKER:** Masi. Members' statements. Member for Hay River North.

#### MEMBER'S STATEMENT ON JUNIOR KINDERGARTEN IMPLEMENTATION FUNDING

**MR. SIMPSON:** Thank you, Mr. Speaker. Mr. Speaker, I've heard more about junior kindergarten than any other issues in my 14 months as an MLA. There are people in Hay River who are philosophically opposed to junior kindergarten or believe it is not needed in Hay River, but I found that most residents are in support of JK. Only if it's fully funded, however.

Today, we heard from the Finance Minister that junior kindergarten will be funded by the end of this Assembly. While I'm glad to hear that the government has moved from its position of drastic underfunding, I'm still concerned about the adequacy of this commitment. I've seen various estimates for the cost of implementing JK, all greater than the amount committed today. It's also

unclear if that amount includes all the costs associated with the renovations and equipment that will be needed to accommodate four-year-olds. For schools that expect only two or three JK students, there are minimal costs associated with implementing it. However, for Hay River there are significant capital costs, operating costs and logistical challenges. In a CBC article today, the Minister is quoted as saying that although the committed to fund JK by the end of the Assembly, school boards can apply for the money and receive it in the fall; however, I'm not convinced it'll be that simple.

School boards have to keep a small amount of money in the bank, a rainy day fund, so if there are unforeseen circumstances they can still make payroll, keep the buses running and keep the schools opened. I've been told my multiple school boards that these are the funds that ECE wants school boards to dip into to top off JK funding, and I'm concerned that ECE will deny the additional funding unless the school boards do so.

Mr. Speaker, I'm trying to get a handle on this JK situation, but it's turning into a he said, she said situation. I'll have some questions for the Minister of ECE later today and hopefully we can clear some of this up. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Members' statements. Item 5, returns to oral questions. Item 6, recognition of visitors in the gallery. Member for Range Lake.

#### Recognition of Visitors in the Gallery

**HON. CAROLINE COCHRANE:** Thank you, Mr. Speaker. I'd like to start by recognizing one of my constituents from the Range Lake riding, Ms. Erin Currie is in the House. There were two other ones. I don't see them here. I'm not sure, Tracey Mueller and Tram Do, if they are here, I'd like to recognize them as well. I also want to recognize two of our Mayors, Mr. Brad Mapes from Hay River; welcome to the Legislative Assembly, and Mayor Lynn Buckley not only is the Mayor of Fort Smith, but Ms. Buckley also attended the campaign school that we just had in Hay River on Women in Politics, and I'm really proud to say that within her community she actually leads a gender balance municipal council which has equal representation of women and men on it. I am very proud to hear that and to support her in the House. Thank you.

**MR. SPEAKER:** Masi. Recognition of visitors in the gallery. Member for Thebacha.

**HON. LOUIS SEBERT:** Thank you, Mr. Speaker. I'd like to recognize two constituents, Lynn Napier-Buckley, who you've heard about, Mayor of Fort Smith since 2015, and also my constituent Marcel Leguerrier, a parent of one of our pages.

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

**MR. VANTHUYNE:** Thank you, Mr. Speaker, and I know that a number of folks have left already, but I'd like to recognize those who took the time to come earlier especially on this important day of the budget address. So Yellowknife North resident Amanda Mallon who was here today on behalf of NWT Teacher's Association. I'd also like to recognize Mayor Mark Heyck that was here on behalf of the City of Yellowknife. He had with him today their future senior administrative officer, Sheila Bassi-Kellett, also a Yellowknife North resident, and Mr. John Stephenson from YK1 and also a Yellowknife North resident. Thank you, Mr. Speaker.

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

**MR. SIMPSON:** Thank you, Mr. Speaker. I'd also like to recognize Mayor Brad Mapes. He's been a great ally as I've been an MLA. I've learned a lot from him. He's also good for counsel, so I appreciate him coming out and showing his support.

**MR. SPEAKER:** Masi. Recognition of visitors in the gallery. Member for Nahendeh.

**MR. THOMPSON:** Thank you, Mr. Speaker. Mr. Speaker, I'd like to recognize the Mayor from Hay River as well, but I won't call him the Mayor, I'll call him a friend. It was funny because today we were talking about our exploits when we were younger playing ball and he was a center fielder, so I'd like to welcome Brad Mapes to the Legislative Assembly. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Recognition of visitors in the gallery. Honourable Premier.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. I'd like to recognize a constituent of Yellowknife South, Magnolia Unka, daughter of Tommy Unka. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Recognition of visitors in the gallery. Those we're missing in the public gallery, welcome to the Assembly. It's always great to have an audience as part of our proceedings. Item 7, acknowledgements. Item 8, oral questions. Member for Nunakput.

## Oral Questions

### QUESTION 480-18(2): BAN ON OFFSHORE ARCTIC OIL AND GAS EXPLORATION

**MR. NAKIMAYAK:** Thank you, Mr. Speaker. Mr. Speaker, earlier I spoke about the Arctic drilling ban, and my questions are for the Premier. Mr. Speaker, my first question to the Premier is: when did the Northwest Territories last discuss the ban on Arctic oil and gas development with Canada? Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Honourable Premier.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. As I indicated publically, I was informed of the ban on drilling in Arctic waters by the Prime Minister two hours before he made the announcement in Vancouver. This was a couple weeks ago. At that time, I expressed my concerns and I have since written to the Prime Minister reiterating the Government of Northwest Territories' position that it is imperative that our government be involved in decisions that affect our people in the Northwest Territories. We must be able to give our residents hope for a brighter economic future.

The Prime Minister assured me that he knows this and I'll be following up with him at every opportunity to understand what investments the federal government will be making for the people of the Arctic in return. Thank you, Mr. Speaker.

**MR. NAKIMAYAK:** I appreciate the response. Mr. Speaker, my second question is: if the US administration decided to overthrow the moratorium, is there any indication that Canada would do the same?

**HON. BOB MCLEOD:** At this time, the federal government has given us no indication that they intend to reconsider their decision to ban offshore drilling in the Arctic. The federal government has committed to a five-year scientific review of this decision; however, they have not provided any information about what that review will entail. I'll be following up with Prime Minister Trudeau at every opportunity to ensure that the Government of the Northwest Territories is involved in any review and that traditional knowledge is a key feature of that review.

**MR. NAKIMAYAK:** My third question is: economic activity in the Beaufort Delta was already in serious decline. Is the government working on a regional strategy to help diversify the economy and seek opportunities such as a fishery, scientific research, mining, even tourism?

**HON. BOB MCLEOD:** This government is committed to economic diversification. Cabinet recently participated at the mineral exploration conference in Vancouver to promote opportunities for exploration and mining. During the last government there was a focus on promoting the Asian tourism market, and we continue to see positive results with an increase of 20,000 tourists from 2011 to 2016. The completion of the Inuvik to Tuktoyaktuk Highway in 2017 will be a milestone in the Northwest Territories helping to connect communities support a resilient transportation system in the face of climate change and capture economic opportunities.

The Government of the Northwest Territories recently announced our intention to work with Yukon and Northwest Territories on a planned Territorial Sustainable Development Strategy. We are in the concept stages now and we'll work collaboratively with NWT Aboriginal governments and industry partners, as well as this Assembly, to create a strategy that will help the Beaufort Delta and the Northwest Territories diversify and build new economies as well as strengthen our traditional economies.

As this was a federal decision, we expect the federal government to deliver on the new jobs and gross strategy in return for shutting down and putting in place a moratorium in the Beaufort Delta.

**MR. SPEAKER:** Masi. Oral questions. Member for Nunakput.

**MR. NAKIMAYAK:** Thank you, Mr. Speaker. I appreciate the response. After hearing all that, Mr. Speaker, my final question to the Premier is how often will the Government of the Northwest Territories engage both with the Inuvialuit Regional Corporation and Canada on this issue? Thank you, Mr. Speaker.

**HON. BOB MCLEOD:** All the Aboriginal governments in the Beaufort were unanimous in their condemnation at the lack of consultation with regard to a moratorium in the Beaufort Delta on oil and gas.

I had an opportunity to meet with the Inuvialuit Regional Council president in Vancouver. We agreed to meet on a regular basis, and we all agreed that the federal government must consult with both ourselves and the Inuvialuit Regional Corporation and the Gwich'in Tribal Council with regards to proposed development of any changes to oil and gas policies in the Beaufort.

Officials in our government and IRC are working together as well as working with federal officials through the Inuvialuit Settlement Regional Oil and Gas Coordination Committee, which provides a

venue to facilitate information-sharing and coordination. Through the devolution agreement that we signed with the federal government, we had agreed to negotiate an agreement on the management of the oil and gas in the Beaufort, and we have written to the federal government to remind them of that commitment. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Oral questions. Member for Sahtu.

QUESTION 481-18(2):  
ENVIRONMENTAL LIABILITY OF RIVERBANK  
EROSION

**MR. MCNEELY:** Thank you, Mr. Speaker. My question today is to the Minister of MACA in relation to a study done on shoreline erosion or riverbank erosion.

In October of 2006, there was a study done by EBA Engineering referred to as the Review of Riverbank Stability in Fort Good Hope. My first question is: considering this is a liability zone, is the Minister willing to look at some relief on current taxes for the tenants in that zoned liability area? Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Minister of Municipal and Community Affairs.

**HON. CAROLINE COCHRANE:** Thank you, Mr. Speaker. Shoreline erosion is an issue that we face throughout the Northwest Territories, not only in Fort Good Hope but in many communities. It is not within my jurisdiction to actually say that I can give tax reliefs. We do assessment of properties, but we don't actually provide the tax bills; but we are willing to work with the community to look at doing another hazard analysis and to update their emergency plan. We are planning on updating most community emergency plans in this fiscal year. We can help them apply for funding if they would like to do a study such as what is happening in Tuktoyaktuk at this time. Thank you, Mr. Speaker.

**MR. MCNEELY:** I thank the Minister for that response. Considering this is a liability against this government through that department and as identified in the 2006 study, is the Minister willing to send, with the document, with the study -- I have a copy here, and I'm willing to share that -- and review with the tenants or the residents in the neighbourhood, I believe there are about 12, if the Minister's willing to have a discussion with the home tenants to review the liability and the situation there that is bearing against this government and entertain with the tenants on a resolution?

**HON. CAROLINE COCHRANE:** At the beginning of the 18<sup>th</sup> Legislative Assembly, our Premier made

a commitment that he would try to get the Ministers into every community within the Northwest Territories. I am trying to fulfil my part in meeting that commitment by our Premier. I know that we haven't done a tour of the Sahtu at this point, so, yes, when we finalize the dates of the Sahtu tour, I would be more than willing to have a public meeting on the shoreline erosion and any other concerns that the communities may have.

**MR. MCNEELY:** I'll ask that question again. I'm not requesting a delegation of this Assembly or this Cabinet. I'm just asking the Minister if the regional office would also be accompanied by the ministerial office here to review with the 12 tenants that are affected in this liability zone and see if there are resolutions to their concerns and, if so, when.

**HON. CAROLINE COCHRANE:** The regional staff would be able to go in and meet with the community if that is the wish of the MLA. I was just extending that further because I also recognize that we haven't toured that community yet, so it was just another extension of an offer. If the MLA is satisfied with the regional worker or department going in, then we will make that happen. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Oral questions. Member for Sahtu.

**MR. MCNEELY:** Thank you, Mr. Speaker. This is more of a comment. I'm willing to have discussions with the Minister's office here and share the document of 2006 so we can agree on a schedule and date as to when so the tenants could be notified, to ensure that they're at home during the scheduled time. Thank you, Mr. Speaker.

**MR. SPEAKER:** I will take that as a comment. Oral questions. Member for Mackenzie Delta.

QUESTION 482-18(2):  
SUPPORT FOR PROPOSED ODD SQUAD DRUG  
AWARENESS PRESENTATION

**MR. BLAKE:** Thank you, Mr. Speaker. After my Member's statement, I have a couple of questions for the Minister responsible for Youth. I'm sure he could work with the Minister of Justice on this as well, but I'd like to ask the Minister: what kind of programs or funds within the GNWT can organizations like the Odd Squad apply to for government support, financial or otherwise? Thank you, Mr. Speaker.

**MR. SPEAKER:** Minister responsible for Youth.

**HON. ALFRED MOSES:** Thank you, Mr. Speaker. We have various programs throughout all the departments that focus on youth within the GNWT. Justice has some funding, obviously, and the ECE

and our schools have funding. MACA has sports and recreation and youth funding programs.

We can provide the Member with all the application-type funding that we give to youth programming, share it with him so that they can look at the appropriate ways to fill out an application should we want to bring the Odd Squad up to the NWT. Thank you, Mr. Speaker.

**MR. BLAKE:** As I mentioned, this great opportunity here, a few of the Members have a responsibility to work with this sort of program here, a very good opportunity. I spoke to one of the organizers who is doing the planning. You know, they're putting in a proposal at the moment. They're planning to visit Fort McPherson and also bring students in from Tsiigehtchic, I believe, and also visiting other areas in the region and down the valley, as well.

So, once this application is brought forward, can the Minister assure me that some sort of funding will be put towards this initiative?

**HON. ALFRED MOSES:** I am aware of the request that was made from community justice in Fort McPherson, and we will be bringing this attention forward to the departments responsible and seeing how we can look at reviewing that proposal and whether or not we can fund the program.

Obviously, our communities that are on the road system are ones where we find some of our biggest concerns with alcohol, with drugs, and I know that it's something that wants to be addressed. I guess we are in the process of reviewing that proposal right now, and, as soon as we come up with a solution, we'll get back to the Member.

**MR. BLAKE:** That sounded like a yes.

---Laughter

I look forward to working with the Minister, and, if we don't find a solution, I'm sure I'll bring it up again here during session. Thank you.

**MR. SPEAKER:** Oral questions. Member for Nahendeh.

QUESTION 483-18(2):  
RECRUITMENT FOR REGIONAL YOUTH AND  
VOLUNTEER POSITIONS

**MR. THOMPSON:** Thank you, Mr. Speaker. Mr. Speaker, yesterday I asked the Minister of Municipal and Community Affairs about the positions of the youth workers, and it was great to hear that she's made a commitment, as long as she stays as the Minister, that those positions won't be on the cutting block, which is really good to hear. However, again, we're looking at 15 months, 18 months, of these positions not being filled. When

will these positions actually be filled? I understand they're going to classification, but how long do we have to wait until we get these positions filled? Thank you, Mr. Speaker.

**MR. SPEAKER:** Minister of Municipal and Community Affairs.

**HON. CAROLINE COCHRANE:** Thank you, Mr. Speaker. I am also anxious to get these positions filled. We are waiting for them to come back from the Department of Human Resources for classification. I can make a commitment that as soon as we do receive them back, that we will put a full effort into doing the recruitment and getting these ads out, and trying to fill the positions. Thank you, Mr. Speaker.

**MR. THOMPSON:** I thank the Minister for her answer. Still not a deadline. Are we looking at the new fiscal year? Are we looking at this fiscal year? I know when we're looking at things, even if it takes a month to get through classification, we're going to still be looking at the new fiscal year. What time will we be looking at in the new fiscal year so these positions can be filled?

**HON. CAROLINE COCHRANE:** It is actually impossible for me to set a deadline and say, by this date that these positions will be filled. I have made a commitment that we will put a serious effort into it as soon as we get the classification back. Filling a position isn't as easy as putting it out there, and getting it in. There's a process. There are applications. There's internal hiring practices. There's an appeal process to come through. I will stand by my commitment that, as soon as we get back from the classification, we will put all of our efforts into doing what we can to ensure that these positions are filled in a timely manner.

**MR. THOMPSON:** I guess I was asking for the impossible, and I apologize to the Minister for that. On my constituency tour, I heard from the youth. They're asking, what is this government doing? With these positions not being filled, can the Minister please advise this House what is happening in the youth area for our young people?

**HON. CAROLINE COCHRANE:** Currently, the Department of Municipal and Community Affairs provides about \$3 million annually to support youth leadership programs and youth at risk programs. We are also working interdepartmentally with education, health and social services, and working intensively with our Minister responsible for Youth to keep him updated, and also to develop a comprehensive plan. We are looking at updating our Youth Leadership Strategy in partnership interdepartmentally, but also with the stakeholders that are involved within the communities. We will be putting a serious effort into updating that plan, and

having more inclusive youth strategy moving forward.

**MR. SPEAKER:** Mahsi. Oral questions. Member for Nahendeh.

**MR. THOMPSON:** Thank you, Mr. Speaker, and I thank the Minister for her answer. Unfortunately, strategies don't do anything if we don't have anything for our youth, and that is a real concern, but that will be another day for other questions for that. Mr. Speaker, with the challenges of the Municipal and Community Affairs that they are facing through the Auditor General and that, will the Minister look at, potentially, moving the Sport and Recreation division to the Youth Secretariat, and call it Sport and Recreation Youth Secretariat, so that they're not the poor sisters on the block, and that we can focus on helping our youth become better citizens, and give them the skills that they need? Thank you, Mr. Speaker.

**HON. CAROLINE COCHRANE:** Thank you, Mr. Speaker. It actually saddens me to hear the Member talk about considering our youth as the poor cousin neighbor on the block. I do not take that personal opinion. I believe that every single program that we provide is critical to the residents of the Northwest Territories, and especially providing services to youth.

The question asking if I would consider taking it out of the department, that is not one that I am prepared to answer at this point because it will take consultation with the departments, and consultation with stakeholders as well because in recognizing that community governments are one of our biggest providers of youth programming, and I really don't want to lose the great work that community governments do to support youth within our communities, all communities in the Northwest Territories. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Oral questions. Member for Kam Lake.

QUESTION 484-18(2):

KAM LAKE ENVIRONMENTAL ASSESSMENT

**MR. TESTART:** Thank you, Mr. Speaker. Mr. Speaker, I have questions for the Minister of Environment and Natural Resources. In my Member's statement, I talked about both remediation and environmental assessment for Kam Lake. Can the Minister tell me if an environmental assessment has been done for Kam Lake? Thank you.

**MR. SPEAKER:** Masi. Minister of Environment and Natural Resources.

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. ENR is not aware of any environmental assessment that was conducted on Kam Lake and Grace Lake. Thank you, Mr. Speaker.

**MR. TESTART:** Does the department have any awareness of arsenic levels in the waters of Kam Lake itself? I believe there was testing done on Grace Lake, so this would specifically be about Kam Lake, and any potential arsenic or contaminants in the water.

**HON. ROBERT MCLEOD:** I am aware that a study that was on mercury and other metals on large-bodied fish was conducted in the Yellowknife region was funded by the Cumulative Impact Monitoring Program and Polar Knowledge Canada. It was initiated in March of 2016. The lakes that they actually sampled were Kam Lake, Grace Lake, Long Lake, and Martin Lake.

**MR. TESTART:** Thank you to the Minister; that's clear. Ultimately, who is responsible for the remediation of Kam Lake? The ongoing remediation by Newmont, not Miramar of the Con Mine property, is having an impact on Kam Lake. Who is responsible for the remediation of the lake as it relates to the remediation of the Con Mine project?

**HON. ROBERT MCLEOD:** We are trying to get the feds to have a look at who would be responsible for the remediation as a lot of this happened before it was turned over to the Northwest Territories. We'll follow up with the federal government to see where they're at with it, and I will share the information with the Member.

**MR. SPEAKER:** Masi. Oral questions. Member for Kam Lake.

**MR. TESTART:** Thank you, Mr. Speaker, and thank you to the Minister. I appreciate that this may not be, in fact, our responsibility, and that we are trying to find the responsible parties. The remediation process also involved a water license, and I wondered if the department took a position when Newmont applied for that water license for the remediation process. Has the government taken a position, or been involved with the water licensing of Newmont for the Kam Lake remediation? Thank you.

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I would have to follow up and see about the water license application with Newmont. I'll commit to the Member that I will follow up, and I will share the information with the Members. Thank you.

**MR. SPEAKER:** Masi. Oral questions. Member for Frame Lake.

QUESTION 485-18(2):  
ATTENDANCE AT VANCOUVER MINING  
CONFERENCE

**MR. O'REILLY:** Merci, Monsieur le President. My questions are for the Premier, the leader of the recent Cabinet staff trip to the Mineral Roundup meeting in Vancouver. Many people have asked me how this kind of expenditure is possible when we heard that there are desperate needs out there, and 65 more positions are about to be cut in the budget. Could the Premier tell us what value there could be, and what indispensable role was played by our Health Minister, our Housing Minister, our Justice Minister, and even our Finance Minister attending such a conference? Mahsi, Mr. Speaker.

**MR. SPEAKER:** Masi. Honourable Premier.

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. I'm pleased to report that our attendance at Mineral Roundup in Vancouver was money very well spent. Our sister territory, Yukon government, was also there in full force with their whole Cabinet and their opposition parties as well promoting mining. The whole government has a stake in the success of mining. A strong mining sector also means revenues for the Government of the Northwest Territories' social programs and other services. Aboriginal government representatives that were there had some very specific questions in the areas of housing, education, and health, and how mining could help deal with those issues.

A lot of work gets done at Roundup. It is a coming together of more than just mining executives. It provides a maximized opportunity to connect with a wide variety of industry and government representatives, so, Mr. Speaker, this money is very well spent, and there will be a substantial return on investment in future years. Thank you, Mr. Speaker.

**MR. O'REILLY:** Thanks to the Premier for that response, but I'm just wondering, on process alone, surely Cabinet must have realized that there would be public backlash when word of the Vancouver trip got out.

In the interest of consensus government, will the Premier commit to produce a report at the beginning of each fiscal year, listing the events, participants, and projected costs of all anticipated Cabinet conference travel, as is done by, for example, Yellowknife City Council, just to try to avoid these kind of surprises in the future?

**HON. BOB MCLEOD:** Roundup has always been a priority for our government, and especially since devolution. Our government has been attending Roundup for probably the past 20 years, so I don't think it's a surprise that we attended this year. The



cost for our participation in the Roundup events and the trade show have consistently averaged around \$80,000 a year. This year was no exception.

This year's event saw increased travel costs related to the attendance of Cabinet and our support of Aboriginal government participation. This extra investment must be considered in the context of returns to our territory, the urgency that we are facing to renew exploration investment in the Northwest Territories, and the costs of meeting or connecting with many of these parties individually.

I might add that we give notice whenever we're travelling someplace. We have a protocol which requires us to do so. We report on all of our travels on a quarterly basis. It's all posted on the website.

**MR. O'REILLY:** I don't think I really got an answer there from the Premier. I had asked if we could get sort of a listing of anticipated Cabinet travel costs at the beginning of each year. I woke up on Monday morning and found out about all of Cabinet going.

In any event, what I'd like to do is to try to see if the Premier could -- you know, there are a lot of other conferences out there. I looked at trying to find out if there's actually anything at the national level in terms of renewable energy, and there doesn't seem to be anything that focuses on the North and our opportunities and challenges and so on, but perhaps we could take the lead on that kind of a conference and keep the money at home, attract conference trade, foster a centre of excellence for renewable energy in the Northwest Territories, renewable energy in the circumpolar world.

So, will the Premier commit to work with his Cabinet colleagues to take, say, \$50,000 from the mining conference travel budgets and put it forward to organize a circumpolar renewable energy conference in the interests of diversifying our economy, reducing the costs of living, and so on?

**HON. BOB MCLEOD:** Thank you, Mr. Speaker. I'm pleased to report that we are already doing that. Inuvik holds a renewable energy technology conference on an annual basis, and it's scheduled for the middle of June. Members are welcome to attend. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Oral questions. Member for Frame Lake.

**MR. O'REILLY:** Merci, Mr. Speaker. I'm very glad to hear that. It used to be a petroleum conference. With the end of petroleum in the Beaufort, maybe it's been refocused. That's great. I'm glad to hear that. We all know that mining is important to our economy, but how can we expect to diversify our economy when most of our attention, if not all of it, is focused on this sector?

The mining industry has extensive influence over what our government is doing and prepared to do in terms of legislation and policy, so what assurance can the Premier give to this House and the public that he will act in the public interest in terms of policy legislation moving forward and not just in the interests of the mining industry? Merci, Mr. Speaker.

**HON. BOB MCLEOD:** As I said in my sessional statement, this government is all about economic diversification. If there are other sectors that create approximately 2,500 jobs in the Northwest Territories and they have conferences, I'll make sure that all of our Cabinet attends those conferences.

Right now, the perception is that the Northwest Territories is not open for business. We need to change that and improve the Northwest Territories' investment climate, and that's why it was important for Cabinet to attend Roundup in Vancouver. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Oral questions. Member for Hay River North.

QUESTION 486-18(2):  
JUNIOR KINDERGARTEN IMPLEMENTATION  
FUNDING

**MR. SIMPSON:** Thank you, Mr. Speaker. I spoke earlier about junior kindergarten. I just have some questions for the Minister of Education, Culture and Employment. I'm sorry to spring this on him, but I had to change my topic at the last minute.

I've heard varying numbers about what it's going to cost to implement junior kindergarten. I was wondering what's behind this disparity? There was a press release by the South Slave District Education Council that quoted a significantly higher number than the \$2.7 million that Minister McLeod today said would top off funding for junior kindergarten, so I would like to hear from the Minister what is the number and what is the reason for these disparities. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Minister of Education, Culture and Employment.

**HON. ALFRED MOSES:** Thank you, Mr. Speaker. Before the meetings that we had with all the board chairs and superintendents in December, there was a request for all our education authorities to come back and find money to help implement junior kindergarten. We've made an additional investment that brought the numbers down, so it is the 2.7 that we are looking for, thank you, just for confirmation.

**MR. SIMPSON:** This highlights the problem with this whole junior kindergarten debate. I'll go back to

the boards, and they'll come back to me with a different number, and so it's just he said, she said, so it's going to take some digging here. I'm not saying the Minister isn't truthful. I'm just saying I'm getting different answers from different people.

So how will this \$2.7 million roll out? Is it going to be \$1.5 million the first year, \$1.2 million the second year? Is there a plan for that yet?

**HON. ALFRED MOSES:** As you heard in the Budget Address, we have that initial investment of \$1.5 million this year, and then we will be rolling out the 2.7 before the end of the 18<sup>th</sup> Legislative Assembly.

In terms of some funding, that other funding, working with our education authorities, we do fund our education authorities \$152 million every year. We've asked our education authorities to look within their budgets to find about 2 per cent to help offset the costs. We believe that the education authorities have the leadership, the fiscal management skills, and the financial flexibility to be able to cover the remaining costs. As I mentioned to the Member and as we sent out letters to community leadership, all our education authorities have an accumulated surplus of over \$10 million, and we're also asking them to look within there, as well.

**MR. SIMPSON:** From what I understand from the boards, this surplus is to cover unexpected costs, make sure they have a payroll for, you know, a month or whatever may be, so how are they expected to dip into these rainy-day funds to cover the cost of implementing junior kindergarten? It's a contingency fund. It's not an operating fund.

**HON. ALFRED MOSES:** Schools will be making their own decisions regarding the details of the classes, the teachers, and the programs that best meet the needs of their students. As I mentioned, we believe that our education authorities have the leadership and the financial management skills. They do it on a regular annual basis when enrolments are low, that they were able to shift things around, and we believe that our school authorities have the tools to do that.

**MR. SPEAKER:** Masi. Oral questions. Member for Hay River North.

**MR. SIMPSON:** Thank you, Mr. Speaker. I can tell the Minister has had to answer a lot of these junior kindergarten questions.

---Laughter

My final question is: what about the capital costs associated with implementing junior kindergarten? Is that coming out of this \$2.7 million, or is there additional money that ECE has that will cover the

full capital costs of implementing this? Thank you, Mr. Speaker.

**HON. ALFRED MOSES:** Yes, we do have additional money specifically for the play-based learning resources as well as infrastructure. Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Oral questions. Item 9, written questions. Item 10, returns to written questions. Item 11, replies to Commissioner's opening address. Item 12, replies to budget address. Item 13, petitions. Item 14, report of standing and special committees. Item 15, reports of committee on the review of bills. Item 16, tabling of documents. Minister of Finance.

### Tabling of Documents

TABLED DOCUMENT 261-18(2):  
NORTHWEST TERRITORIES MAIN ESTIMATES,  
2017-2018

**HON. ROBERT MCLEOD:** Thank you, Mr. Speaker. Mr. Speaker, I wish to table the following document entitled "Main Estimates, 2017-2018 Government of the Northwest Territories." Thank you, Mr. Speaker.

**MR. SPEAKER:** Masi. Tabling of documents. Item 17, notice of motion. Item 18, notices of motion for first reading of bills. Item 19, motions. Item 20, first reading of bills. Item 21, second reading of bills. Item 22, consideration in Committee of the Whole of bills and other matters. Tabled Document 261-18(2): Main Estimates with Member for Hay River North in the Chair.

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

**CHAIRPERSON (Mr. Simpson):** I now call Committee of the Whole to order. What is the wish of committee? Mr. Beaulieu.

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

**CHAIRPERSON (Mr. Simpson):** Thank you, Mr. Beaulieu. There is a motion on the floor to report progress. The motion is in order and non-debatable. All those in favour? All those opposed?

---Carried

**CHAIRPERSON (Mr. Simpson):** I will now rise and report progress.

**MR. SPEAKER:** May I have the report, Member for Hay River North?

### Report of Committee of the Whole

**MR. SIMPSON:** Mr. Speaker, your committee has been considering Tabled Document 261-18(2). I would like to report progress. Mr. Speaker, I move that the report of the Committee of the Whole be concurred with.

**MR. SPEAKER:** Masi. Do we have a seconder? Member for Tu Nedhe-Willideh. Motion is on the floor. To the motion. Question has been called. All those in favour? All those opposed?

---Carried

**MR. SPEAKER:** Item 24, 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 Thursday, February 2, 2017, at 1:30 p.m.:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Acknowledgements
7. Oral Questions
8. Written Questions
9. Returns to Written Questions
10. Replies to Commissioner's Opening Address
11. Replies to Budget Address (Day 2 of 7)
12. Petitions
13. Reports of Standing and Special Committees
14. Reports of Committees on the Review of Bills
15. Tabling of Documents
16. Notices of Motion
17. Notices of Motion for First Reading of Bills
18. Motions
19. First Reading of Bills
20. Second Reading of Bills
21. Consideration in Committee of the Whole of Bills and Other Matters

- Tabled Document 261-18(2), Northwest Territories Main Estimates, 2017-2018

22. Report of Committee of the Whole

23. Third Reading of Bills

24. Orders of the Day

**MR. SPEAKER:** Masi, Mr. Clerk. This House stands adjourned until Thursday, February 2, 2017, at 1:30 p.m.

--- ADJOURNMENT

The House adjourned at 4:25 p.m.

