



NORTHWEST TERRITORIES
**LEGISLATIVE
ASSEMBLY**

1st Session

Day 3

19th Assembly

HANSARD

Wednesday, December 11, 2019

Pages 43 – 80

The Honourable Frederick Blake Jr, Speaker

Legislative Assembly of the Northwest Territories

Members of the Legislative Assembly

Speaker

Hon. Frederick Blake Jr.
(Mackenzie Delta)

Mr. Ronald Bonnetrouge
(Deh Cho)

Ms. Caitlin Cleveland
(Kam Lake)

Hon. Paulie Chinna
(Sahtu)
Minister of Municipal and Community Affairs
Minister responsible for NWT Housing Corporation
Minister responsible for Homelessness

Hon. Caroline Cochrane
(Range Lake)
Premier
Minister of Executive and Indigenous Affairs

Ms. Julie Green
(Yellowknife Centre)

Mr. Jackie Jacobson
(Nunakput)

Mr. Rylund Johnson
(Yellowknife North)

Mr. Jackson Lafferty
(Monfwi)

Ms. Frieda Martselos
(Thebacha)

Hon. Katrina Nokleby
(Great Slave)
Minister of Industry, Tourism and Investment
Minister of Infrastructure
Minister responsible for the Workers' Safety and Compensation Commission

Mr. Steve Norn
(Tu Nedhe-Wiilideh)

Mr. Kevin O'Reilly
(Frame Lake)

Ms. Lesa Semmler
(Inuvik Twin Lakes)

Hon. Diane Thom
(Inuvik Boot Lake)
Deputy Premier
Minister of Health and Social Services
Minister responsible for the Status of Women
Minister responsible for Persons with Disabilities

Hon. Shane Thompson
(Nahendeh)
Minister of Environment and Natural Resources
Minister of Lands
Minister responsible for NWT Power Corporation
Minister responsible for Seniors
Minister responsible for Youth

Hon. Caroline Wawzonek
(Yellowknife South)
Minister of Finance
Minister of Justice

Officers

Clerk of the Legislative Assembly

Mr. Tim Mercer

Deputy Clerk
Mr. Glen Rutland
Ms. Kim Wickens

Committee Clerks
Mr. Michael Ball
Ms. Cynthia James
Ms. Jennifer Franki-Smith

Law Clerks
Ms. Sheila MacPherson
Ms. Alyssa Holland

Box 1320
Yellowknife, Northwest Territories
Tel: (867) 767-9010 Fax: (867) 920-4735 Toll-Free: 1-800-661-0784
<http://www.assembly.gov.nt.ca>

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

TABLE OF CONTENTS

PRAYER	43
MINISTERS' STATEMENTS	43
4-19(1) – Economic Update (Wawzonek).....	43
5-19(1) – Health and Social Services System Overview (Thom).....	44
6-19(1) – Aurora College Transformation Progress (Simpson).....	45
7-19(1) – Northwest Territories Sport Hall of Fame (Chinna).....	46
MEMBERS' STATEMENTS	46
Great Slave Lake Commercial Fishery (Rocky Simpson).....	46
Home Care and Support Services (Semmler).....	47
Housing Crisis (Green).....	47
Improving Education in Small Communities (Norn).....	48
Priorities and Mandate of the 19 th Legislative Assembly (O'Reilly).....	49
Prompt Payment for Northern Businesses (Cleveland).....	49
Taltson Hydroelectric Expansion (Martselos).....	50
Education Renewal in Small Communities (Bonnetrouge).....	50
Self-Government and Land Rights Agreements (Johnson).....	51
Housing Challenges in Behchoko (Lafferty).....	51
Eulogy for James Fradsham (Thompson).....	52
RECOGNITION OF VISITORS IN THE GALLERY	52
ACKNOWLEDGEMENTS	53
ORAL QUESTIONS	53
WRITTEN QUESTIONS	64
TABLING OF DOCUMENTS	64
SECOND READING OF BILLS	65
Bill 1 – An Act to Amend the Legislative Assembly and Executive Council Act.....	65
CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS	65
REPORT OF COMMITTEE OF THE WHOLE	79
ORDERS OF THE DAY	79

YELLOWKNIFE, NORTHWEST TERRITORIES
Wednesday, December 11, 2019
Members Present

Hon. Frederick Blake, Mr. Bonnetrouge, Hon. Paulie Chinna, Ms. Cleveland, Hon. Caroline Cochrane, Ms. Green, Mr. Johnson, Mr. Lafferty, Ms. Martselos, Hon. Katrina Nokleby, Mr. Norn, Mr. O'Reilly, Ms. Semmler, Hon. R.J. Simpson, Mr. Rocky Simpson, Hon. Diane Thom, Hon. Shane Thompson, Hon. Caroline Wawzonek

The House met at 1:32 p.m.

Prayer

---Prayer

SPEAKER (Hon. Frederick Blake Jr): Colleagues, on December 1, 2019, Persis Gruben of Tuktoyaktuk passed away at the age of 101 years old. Persis was a much-loved and respected elder to all the people of the Beaufort Delta. She was born on the Peel River near Fort McPherson on October 20, 1918. Although she was born Gwich'in, she was welcomed into the Inuvialuit culture with open arms. Persis was the oldest living person in the Inuvialuit Settlement Region. When she was died, she was the last survivor of the Shingle Point residential school.

Colleagues, please join me in expressing the condolences of this House to the family and countless friends of Persis Gruben. She will be laid to rest today in Tuktoyaktuk. Please join me in a moment of silence.

---Moment of silence

Thank you, colleagues. Item 2, Ministers' statements. Minister of Finance.

Ministers' Statements
**MINISTER'S STATEMENT 4-19(1):
ECONOMIC UPDATE**

HON. CAROLINE WAWZONEK: Thank you, Mr. Speaker. I would like to take this opportunity today to update Members on our economy and to discuss some of the fiscal challenges that we will face as we work to deliver our Assembly's shared priorities.

As we move towards the first budget of this Assembly, we must be realistic in our expectations for how quickly we can make positive changes to strengthen our programs and services and deliver on our commitments to support the NWT's economy.

The Northwest Territories' economy has struggled to recover to a level comparable to where we were before the serious global financial and economic

recession now over a decade ago. Since 2014, our economy has stabilized, but remains stagnant with real GDP growth under 1 percent per year, which is

less than half the economic growth rate for the rest of Canada. Without the construction of the Gahcho Kue mine during that time, the NWT economy would indeed have shrunk.

We expect the final data to show that, in 2019, the economy was largely supported by the public sector's investment. While Norman Wells is producing oil again after the pipeline was repaired in September 2018, mineral exploration for 2019 is expected to be lower than 2018, delaying the discovery and development of the next generation of Northwest Territories mines.

Looking forward, our economic outlook is one of tepid growth, as diamond production has passed its peak, with weaker overall exploration investment in the mining sector. As it currently stands, none of the existing diamond mines have confirmed plans for production past 2034, and the Diavik diamond mine is scheduled to close in 2025. We remain optimistic about several smaller resource projects, but there are no projects in the immediate future that would completely offset the loss of activity of one of those diamond mines closing, and the timelines for these other projects may be years after the diamond mines cease to operate.

We all know that the resource sector is a key driver in our economy, and this House knows that the industry is faced with challenges. That is why Members have made increasing resource exploration and development one of our shared priorities. Low commodity prices and global trade fluctuations have introduced a degree of uncertainty for any long-term investments in the NWT resource sector. This risk, coupled with the production costs in the North, impacts the decision-making of our local businesses, especially those who depend on the mining sector for much of their business. Global market conditions will continue to present difficulties for the next few years and could have long-term economic implications.

This stagnant economic outlook means that we are starting the 19th Legislative Assembly largely in the same position as the start of the last Assembly. For the current fiscal year, we are projecting an \$80-

million revenue decline from the 2019-2020 budget. This revenue decline has increased our short-term borrowing, and slow economic growth means that our total revenue growth is expected to be a modest 3.5 percent over the next five years. As a result of this year's revenue decline, current levels of spending will bring us closer to our federally imposed borrowing limit next year, leaving a small fiscal cushion to weather any further shocks to revenues or expenditures.

Knowing where we stand, the real question becomes: what will we do about it?

The best way to improve the GNWT's bottom line, Mr. Speaker, is to support our residents and businesses to build a more robust and diverse economy that can better weather these fluctuations we have seen within our resource sector. As a government, we can provide this support by better defining what we need to provide as part of regular programs and services so that there are fiscal resources available to invest back into our territory.

Put more simply, we need to work together to make decisions that will restore sustainability to our finances. We need to remember that slower economic activity leads to slower overall revenue growth, at the same time as pressure for government programs and services increases. In good economic times, the demand for social programs slows. During a downturn, our fiscal resources are squeezed to address the growing expenditure pressures and challenges our ability to invest in our long-term future.

Mr. Speaker, Cabinet will be developing a fiscal strategy over the next couple of months, and that will help us balance our wish to invest in the territory and its people, while ensuring the programs and services that our government provides are sustainable. While we are already under pre-existing timelines to consider the main estimates for the 2020-2021 fiscal year early in the new year, Cabinet does value the insight and input of Regular Members in the GNWT's budgeting and planning process.

Our first budget will strive to be a collective effort to be accountable and efficient as we pursue our priorities and mandate. We look forward to reviewing the 2020-2021 main estimates with standing committees in the new year and to discussing them publicly during the upcoming budget session. In addition to this process, Members will also have an opportunity to help us develop and vote on supplementary appropriations in March that will provide new funding for initiatives linked to our shared priorities.

Looking longer-term into 2020, we also intend to engage with Members on the development of four-

year business plans. Unlike the previous annual business plans, these four-year plans will help define a long-term agenda for departments, and Member input will be crucial to shaping the government's direction and actions for the next four years. It is through these efforts that we will meet our fiscal reality and chart a path forward in the best interest of the people we serve .

I look forward to working with all Members of the 19th Assembly to find creative and effective solutions to these challenges that we face, and to taking the steps we need to support an economy that will support our residents. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Ministers' statements. Minister of Health and Social Services.

MINISTER'S STATEMENT 5-19(1): HEALTH AND SOCIAL SERVICES SYSTEM OVERVIEW

HON. DIANE THOM: Thank you, Mr. Speaker. Today I would like to share with the Members of this Legislative Assembly my reflections as a new Minister of Health and Social Services.

I have spent my first few weeks as Minister receiving a series of comprehensive briefings from both the Department of Health and Social Services and the health and social services authorities. I have had the opportunity to meet with the Leadership Council, senior management, and staff.

One of my first thoughts after starting these briefings was how passionate and dedicated the staff and leadership are in the health and social services system. Everyone who I spoke to was there because they truly wanted to make a difference for the residents of the Northwest Territories. There is a deep-rooted, heartfelt belief across the system that we all play an important role in improving the lives of clients and patients. I am encouraged and inspired by having seen this and believe, if we harness this passion and dedication, we can make significant progress in tackling the health and social services issues our territory faces today.

As Members newly elected to this Legislative Assembly, we have all heard from our constituents about the health and social issues that our families and communities are experiencing. Many of us know first-hand what these issues look like and can draw from our own lived experiences. As Minister, I have been briefed on many of these issues and I am learning more about the challenges and about the work currently being done to address these issues. I am seeing the strengths and opportunities that we have to make progress on these issues over the life of this Assembly together.

As we work with Members to finalize the mandate in the coming weeks, we will be confirming how the government will address the Assembly's priorities and supporting all our people, including children, elders, and those struggling with mental health and addictions. These are also priorities for the department and I am confident they will share our commitment to deliver positive outcomes for all NWT residents.

Mr. Speaker, seeing what I have of the people working within the health and social services system, and learning what I have about the work currently being done and the opportunities and strengths we have available, I do believe that our health and social services system is well positioned to make progress on our shared priorities. I look forward to providing strong leadership over the next four years, reaching across the floor to work with my fellow Members colleagues, and with our Indigenous and community partners, on the important health and social services challenges facing our territory today, to make the Northwest Territories a better place to live for all residents in the future. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Ministers' statements. Minister of Education, Culture and Employment.

MINISTER'S STATEMENT 6-19(1):
AURORA COLLEGE TRANSFORMATION
PROGRESS

HON. R.J. SIMPSON: Thank you, Mr. Speaker. The transformation of Aurora College into a polytechnic university is a priority of this Legislative Assembly, and I am pleased to say that we continue to make progress. To be successful, we must focus investments in programs and services that lead to better education and employment outcomes for our residents, including through our post-secondary education system.

Mr. Speaker, success requires the right changes, in the right order, at the right time. Following from the government response to the Aurora College foundational review, one of those changes has been the recent establishment of an Academic Advisory Council to advise Aurora College through the technical elements of the transformation process. The Academic Advisory Council is made up of eight highly-regarded academic institutions from across Canada that will provide support and guidance on the technical aspects of the transformation.

The first meeting of the Academic Advisory Council took place on November 26, 2019. This meeting received national attention in the academic community. I was pleased to be a part of that first

meeting, and I was impressed by the dedication and excitement around the table.

Mr. Speaker, to be clear, the Academic Advisory Council is a temporary measure to gain technical advice at this early stage. What is not temporary is this government's commitment to genuine engagement and ongoing communication with Northwest Territories Indigenous governments, industry stakeholders, and residents, both during the transformation and moving forward under a polytechnic university.

We have been working with Indigenous government partners, key industry stakeholders, and Aurora College staff on a variety of critical elements in the Aurora College Foundational Review, government response to the review, development of the Northwest Territories post-secondary education vision and goals, and, currently, a three-year Aurora College strategic plan. Staff involvement in the transformation will be increased with the establishment of working groups within the college in the coming year.

Mr. Speaker, I have also directed the associate deputy minister of Post-Secondary Education Renewal to take an innovative approach to Indigenous government engagement around the transformation process and with the evolution to a polytechnic university. We will soon be reaching out to Indigenous governments to establish a common understanding of what that approach will look like.

Members of this House will also play a role in the transformation process. I will be offering briefings to committee and will be providing quarterly progress reports throughout the process. My door is always open to Members of this House, and I welcome your comments and feedback.

Mr. Speaker, it is important to remember that, in the next ten years, we know that 78 percent of the labour market will require a post-secondary education, whether it is a certificate, diploma, degree, or a trade. Aligning with our labour-market needs ensures that our economy can develop and diversify. I want to ensure our education programs are aligned with the labour market and that Northerners are first in line for northern jobs.

I want to take this opportunity to thank the faculty and staff of Aurora College who are working with the Government of the Northwest Territories on the transformation. They continue to deliver quality programming, while at the same time developing and implementing a wide range of changes to create new opportunities for residents. My sincere thanks for their contributions and continued commitment to the students they serve.

Mr. Speaker, the transformation into a polytechnic university is a critical step in our economic and social development. Above all, we are working to secure a strong future for generations of Northerners. Their aspirations must be met with quality, accessible, and relevant education opportunities. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Ministers' statements. Minister of Municipal and Community Affairs.

MINISTER'S STATEMENT 7-19(1):
NORTHWEST TERRITORIES SPORT HALL OF
FAME

HON. PAULIE CHINNA: Thank you, Mr. Speaker. Today, I am very proud to recognize three deserving individuals that have recently been inducted into the Northwest Territories' Sport Hall of Fame.

The NWT Sport Hall of Fame was created to celebrate NWT athletes and sport builders who attained a high level of excellence and brought recognition and honour to the Northwest Territories.

It is through this recognition and promotion of sports that we demonstrate the great achievements of our outstanding sport contributors of the Northwest Territories. The legacy of their stories and successes will last for years to come.

The 2019 inductees are: the late Roseanne Allen, Floyd Daniels, and John Tram.

Roseanne Allen was one of the first Indigenous women to represent Canada at the Winter Olympics. She was born in Aklavik in 1954 and made history in Sapporo, Japan, when she took part in Nordic skiing at the 1972 Winter Olympics.

Mr. Speaker, not only was Roseanne known for her incredible ability on her skis, but her resilience was second to none. At the age of just 13, Roseanne became the youngest Canadian to win gold in the 5-kilometre Nordic skiing category at the Canadian Junior Championships in Port Arthur, Ontario.

Amongst an abundance of gold medals, a standout performance for Roseanne came when she successfully completed the three-person women's 5-kilometre relay team to 10th place, beating out their close rivals from the United States.

Roseanne will be forever remembered in the world of cross-country skiing and will leave a lasting legacy for young athletes across the Northwest Territories with her achievements.

Floyd Daniels was renowned in the softball world for being a fierce yet quiet competitor when on the mound. With raw pace and incredible accuracy, he

became one of the most well-known pitchers in the Northwest Territories.

Floyd played in various tournaments and settings, ranging from Moose Jaw, Saskatchewan; Victoria, British Columbia; and Lethbridge; all the way to Australia and various cities within the United States.

Mr. Speaker, Floyd passed away on August 18, 2019, shortly after being diagnosed with cancer. He was playing fast-pitch competitively and helping with minor league ball in Hay River up until the age of 60.

Floyd leaves a legacy of playing sports on and off the field. He was incredibly competitive but always respectful to his opponents. He would instill these values into his team and coaching throughout his career.

Mr. Speaker, the third inductee for 2019 is John Tram. John was a highly motivated athlete with natural raw talent in the sport of gymnastics. John celebrated over 39 medals, 12 of those being at international and national events throughout his wonderful career, and he continues to pass his knowledge on to the youth of the Northwest Territories to this current day.

Well known for his sportsmanship, John often got both the crowd and his competitors behind him at the numerous events he took part in. He is highly praised by previous coaches and Olympic medalists.

John dominated in the rings event. His score of 13.1 in the Western and Canadian championships has only been beaten by four other people in the last 20 years!

John now turns his focus into taking younger athletes to these events and does what he can to grow the sport across the Northwest Territories.

Mr. Speaker, all Northerners should be extremely proud of Roseanne's, Floyd's, and John's accomplishments. On November 9th, an event was held in their honour.

On behalf of the Government of the Northwest Territories, I would like to congratulate all three inductees on this wonderful honour. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Ministers' statements. Item 3, Members' statements. Member for Hay River South.

Members' Statements

MEMBER'S STATEMENT ON GREAT SLAVE LAKE COMMERCIAL FISHERY

MR. ROCKY SIMPSON: Thank you, Mr. Speaker. Today, I would like to talk about the commercial fishery on Great Slave Lake. If you look at the various industries that have come and gone in Hay River, you will find that the commercial fishery has outlasted most of them. This is remarkable considering the harsh elements these fishers face, whether it be the winter fishery or the summer fishery. The financial return to these fishers is minimal when you consider fish prices have never kept up with the increased operating cost related to fuel, equipment, labour, and insurance.

Mr. Speaker, the fishery is constrained by government legislation and an overbearing government bureaucracy that is still operating using colonial methods. To make a living, these fishers need the time to ready their equipment and to be out in the lake fishing. Instead, they find themselves caught up in ever-increasing government red tape while being held hostage by government programs that are used to pit one against the other.

Mr. Speaker, when we hear fishers' concerns, our government's fallback answer is always that fishers are split on what direction to move, that they do not get along, and that there is no consensus among them. Just as the people of the NWT decided they want a change in this government, it may be time to change out some of our bureaucrats in this file and replace them with a fresh set of eyes, new ideas, and a new approach that will engage and empower the fishers and not diminish their trust in us.

Mr. Speaker, if this government wants to revitalize the commercial fishing industry, we need the fishers. We cannot do it on our own. Our role as government should be to support NWT fishers through ongoing and meaningful discussions with them. We should reduce and remove obstacles that hamper their ability to do their job. We should be assisting them in identifying practices that work to increase their return.

Mr. Speaker, this government over the years has spent millions of dollars, studying, reviewing, meeting, discussing, and travelling to look at ways to revitalize this industry. We continue doing the same thing over and over while piling up multiple reports and really getting nowhere. The reality of this industry is that fish prices are still low while equipment, equipment repair, labour, and insurance costs have all risen substantially, which diminishes the return to the fisher. We need to find a way to increase return to our NWT fishers through a combination of higher prices while reducing operating costs. Failing this, we may ultimately lose the commercial fisher. Thank you, Mr. Speaker, and I'll have questions for the Minister of ITI later. Thank you.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Inuvik Twin Lakes.

MEMBER'S STATEMENT ON HOME CARE AND SUPPORT SERVICES

MS. SEMMLER: Thank you, Mr. Speaker. In my community, there are many elders and residents with disabilities, who continue to live at home. In Inuvik, we do have a homecare program with home-support workers who provide care for these individuals from Monday to Friday, 8:30 to 5:00. The problem with the service that works between these hours is people require help after these hours and on weekends.

Some clients have to look for others to care for them outside these hours, which can lead them to be at risk for elder abuse. Sometimes, they have to be admitted into hospital because there is no one to care for them.

This government has a priority: enable seniors to age in place with dignity. I believe anyone with a disability should be able to remain in their home with dignity, as well. We are in a shortage of long-term care beds in the NWT, and our future calculations show we will continue to have a shortage of beds.

What we should be focusing on is supporting the families and clients who require homecare and home-support service beyond the hours as the program currently runs, to ensure they can age in place and they are less likely to need a long-term care bed. If we focus on this not only in Inuvik but the entire Northwest Territories, our elders and our clients with disabilities could live longer in their homes and their communities with dignity instead of housing them in regional centres or, worse yet, out of the territory.

In my previous position, I was meeting with communities, and one of the elders—we were discussing long-term care. One of the comments that they made is: going to long-term care, they feel like we're sending them to storage lockers or storage units. Thank you, Mr. Speaker. I will have some questions for the Minister later today.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Yellowknife Centre.

MEMBER'S STATEMENT ON HOUSING CRISIS

MS. GREEN: Thank you, Mr. Speaker. Residents of the Northwest Territories are experiencing a housing crisis. That is not news to the 900 individuals and families on the NWT Housing Corporation's waiting list, and it is not news to the 6,308 households that have housing problems,

meaning that their house is not in good repair, not big enough for their family size, or not affordable or some combination of these three. The news is that the housing crisis got worse in the 18th Assembly, despite the Housing Corporation's best intentions for improvement.

Mr. Speaker, making public housing available and private housing affordable is a crucial issue in my constituency where two-thirds of my constituents are in public housing or in other rentals. It is also an issue for Yellowknife as a whole. There are as many people on the Yellowknife Housing Authority waiting list as there are units available, about 350. About a quarter of those who are waiting are seniors. The community survey released last month indicates problems with affordability in Yellowknife have increased to include 2,000 households. In fact, all categories of housing need in Yellowknife have gone up.

Mr. Speaker, in the 18th Assembly, I presented a motion, which all MLAs supported, for an action plan from the NWT Housing Corporation to reduce housing problems based on the 2014 survey. The plan was presented two years ago with a goal of assisting 1,000 households across the territory. I haven't seen any reporting from the Housing Corporation that indicates whether this goal was met. What I do know is that rather than going down, housing needs across the territory have doubled in the last five years.

Mr. Speaker, those in need are running out of patience with the NWT Housing Corporation and so am I. I have heard about initiatives from communities and land rights organizations that have taken matters into their own hands, including Deline and the Inuvialuit Regional Corporation. I understand their frustration. I am also losing confidence in the NWT Housing Corporation.

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

---Unanimous consent granted

MS. GREEN: Mr. Speaker, I don't believe the Corporation is up to the task of providing housing and programming to alleviate the obvious need. What we do know is that the Housing Corporation has steadfastly refused to add any new units to its inventory because doing so would increase overhead costs. This is an unacceptable position. I am asking for an investment in more units immediately. We cannot expect residents to thrive, go to school, and go to work when one of their most basic needs remains unmet. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Tu Nedhe-Willideh.

MEMBER'S STATEMENT ON IMPROVING EDUCATION IN SMALL COMMUNITIES

MR. NORN: Thank you, Mr. Speaker. Today, I would like to talk about education NWT. I just want to make a quick acknowledgement that it is good to see the kids come out, classroom. A big part of why I ran for office is our children, our next generation. It makes me very happy to see. I did a speech at one of our schools in my riding last week. My message was to stay in school and work hard, and I want to extend that message out to you, as well. One of the biggest things I said: you never know when in our classrooms. We can have our next Premier. We can have our next Prime Minister. We can have our next MLA, next Nobel Laureate, next Olympian. We are all pushing for you, and this is a big part of the job that we do here.

Going back to what I was saying, Mr. Speaker, there are a few specific areas in education, particularly in the smaller communities that I want to discuss. I have noticed that it is not an uncommon reality for schools in smaller communities to have classrooms of very poor student-to-teacher ratios. I have seen several instances where classes have one teacher, maybe one teacher's assistant, teaching upwards of three grades simultaneously in one class. This seems to be standard practice in many communities. Even so, I consider that to be problematic and in need of serious review.

Mr. Speaker, another area in education that needs improving is in regards to graduation rates. According to stats from the NWT Bureau of Statistics, the NWT for many years has consistently had a much lower graduation rate than the national average. For example, in 2016, the national high school graduation rate was 72 percent, whereas the NWT's average was 67 percent. Even lower than that was the territorial average graduation rate for Indigenous students, which was 61 percent.

Moreover, Mr. Speaker, again, in the 2016 Bureau of Statistics for data in my riding of Tu Nedhe-Willideh, the average number of people who have a high school diploma or higher was only 47 percent compared to the NWT average of 72.6 percent. For me, this disparity is quite shocking and unacceptable. The Department of Education must begin work immediately to increase the gap in education between the smaller communities and the larger urban centres.

Mr. Speaker, I am seeking unanimous consent to continue my statement.

---Unanimous consent granted

MR. NORN: Mr. Speaker, the 19th Assembly's mandate items addresses this issue specifically,

which states that one of the desired goals of this Assembly is to increase student education outcomes of the same level as the rest of Canada.

Well, Mr. Speaker, we have a long way to go in achieving educational parity on each of the fronts that I have just mentioned, but if we want the NWT to achieve true educational parity compared to Canada's national average, I believe it is imperative that our government redouble our efforts in the smaller communities because that is where the education outcomes need to improve the most. The smaller communities have been left behind for far too long. Mahsi cho, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Frame Lake.

MEMBER'S STATEMENT ON
PRIORITIES AND MANDATE OF THE 19TH
LEGISLATIVE ASSEMBLY

MR. O'REILLY: Merci, Monsieur le President. The 18th Assembly collectively developed a list of priorities that Cabinet then took and turned into a lengthy wish list. That was the first time that a formal mandate was developed. At the end of the 18th Assembly, Cabinet claimed it had completed 202 of 230 mandate commitments. The advice from the Transition Matters Special Committee was that there should be fewer priorities and fewer mandate commitments. I am not convinced that we achieved that with the priorities that were tabled in this House on October 25th. As this sitting presents the first opportunity to speak to these priorities, I wish to offer some observations and comments.

As hard as our facilitators tried, we produced a list of 22 priorities versus the 25 of the 18th Assembly. Hard choices were not made amongst big infrastructure projects or even between those projects and investments in social spending that should include housing, universal childcare, and a guaranteed basic income. While we had a rigorous process, two days was not enough. We ran out of time and energy with an extremely intensive orientation and a looming leadership selection process. With even one more day, we may have been able to produce more refined priorities.

I will find it very difficult to support some of the priorities set by this Assembly. Some may work at cross-purposes with each other, such as increasing economic diversification while trying to increase mineral exploration. I am also of the view that there is very little that we can do to increase mineral exploration beyond settling outstanding Indigenous land rights and changing our messaging and the perception of the state-of-the-art environmental management system. Commodity prices and financial markets are well outside our control.

Some of the priorities provide precise direction, such as improving student outcomes to those achieved elsewhere in Canada or increasing the number of resident healthcare professionals by 20 percent. Other priorities are extremely vague: reduce core housing needs or, for example, advance universal childcare. We have not handed Cabinet an easy task. The priorities provide very little direction for the work of some of the departments' agencies and Ministers.

I will have questions later today for the Premier on how she intends to work with Regular MLAs in developing specific direction for each Minister and department. Mahsi, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Kam Lake.

MEMBER'S STATEMENT ON
PROMPT PAYMENT FOR NORTHERN
BUSINESSES

MS. CLEVELAND: Thank you, Mr. Speaker. As an Assembly, we committed to supporting economic development in northern businesses. Many of my Kam Lake constituents report the challenges associated not only with starting a business, but also keeping it profitable. I believe that the GNWT can and must do more to support northern businesses.

According to 2019 NWT Statistics Bureau data, over 70 percent of the 3,600 NWT businesses employ four or fewer employees. Our economy and communities depend on these small northern businesses. Not only do they provide meaningful employment, they also support events, youth sport, and activities that enrich our communities.

Every dollar spent on NWT businesses generates a positive spinoff effect in our economy, and the loss of these businesses will hurt workers and their families, impoverishing our communities, and ultimately stand to reduce the territorial population, in turn reducing our federal transfer payments.

Mr. Speaker, Kam Lake business owners tell me that the cash flow is a challenge for their small businesses. Late payments cause a trickle-down effect of missed payments to other businesses and workers and an increase in interest costs that drive the cost of doing business. One way to grow our northern businesses, Mr. Speaker, and decrease the cost of living is by paying for services rendered on time.

Mr. Speaker, the GNWT Financial Administration Manual requires that BIP businesses get paid 20 days after receipt of a good or service. Government payments are often late. These concerns were documented by the Standing Committee on

Economic Development and Environment in its GNWT Procurement Practices Report tabled in August. The committee recommended that the GNWT pay invoices below \$10,000 within a week and that the GNWT pay a late payment penalty when it fails to make timely payments. To support northern businesses and reduce the cost of living, we must move forward with these recommendations.

Mr. Speaker, I am incredibly proud of northern entrepreneurs. I know firsthand the persistence and passion it takes to run a business. The GNWT needs to support economic growth and diversification by doing everything possible to promptly pay vendors. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Thebacha.

MEMBER'S STATEMENT ON TALTSON HYDROELECTRIC EXPANSION

MS. MARTSELOS: Thank you, Mr. Speaker. Today I would like to talk about the Taltson Hydro Electric Expansion Project. As an official mandate item on the priorities list of the 19th Legislative Assembly, we have a duty to see this project move forward in a timely manner and in close cooperation with Indigenous governments.

In terms of business opportunities and environmental regulation, Mr. Speaker, this hydro expansion would provide the NWT with more renewable energy, create job opportunities, lower electricity costs, and will set the pace for a vibrant economy into the future. This has to remain a priority in order to secure any significant long-term investments in the NWT. We need this infrastructure if we want to sustain and grow our territory's economic development.

Mr. Speaker, as a Fort Smith resident, my community resides in the closest proximity to the existing Taltson hydro system, and I can tell you based on concrete evidence that the majority of Fort Smith residents support this project, and I know that the majority of Members in this House support this project as well.

Moreover, Mr. Speaker, based on the considerable amount of research that has been conducted on the Taltson expansion, all plans state that this project has the potential to eliminate approximately 240,000 tons of annual greenhouse gas emissions by replacing diesel power generation. This would occur by creating that interconnected NWT power grid as opposed to the current separate North and South Slave grids.

Overall, Mr. Speaker, this project has the capacity to nearly double the NWT's current hydro capacity

output. This would serve our territory's power needs for years to come, and any surplus energy that the NWT would not utilize could be sold to other nearby provinces and territories as needed.

Mr. Speaker, as a jurisdiction that is currently undergoing notable economic decline, I believe that our territory needs a considerable boost and could really benefit from long-term infrastructure investments such as that of the Taltson hydro expansion. Thank you, Mr. Speaker, and I will have questions for the Minister.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Deh Cho.

MEMBER'S STATEMENT ON EDUCATION RENEWAL IN SMALL COMMUNITIES

MR. BONNETROUGE: Mahsi, Mr. Speaker. My Member's statement today is in regard to the state of education in our small communities. Mind you, what I have noted is that it is almost taboo to discuss education on a public level in our communities. Public meetings to discuss education and any initiatives have not been initiated by the school, the school boards, nor by the divisional education councils that represent the schools throughout the region.

No one seems to mind that the attendance rates are dropping, the graduation rates are not flourishing as they should be, and the fact that the academic level of education has gone by the wayside. Couple this with the fact that our schools have had to lay off good quality teachers. It is alarming that no one wants to make an issue of what can be deemed a crisis situation regarding the state of education in our small communities.

I would like to draw your attention to a Department of Education, Culture and Employment document entitled "Education Renewal and Innovation Framework, Directions for Change." It is a three-year education renewal action plan created in 2015 by the department. The document goes on to state, "The current approach to education is not producing the overall levels of student achievement that we need and should reasonably expect for the investments that are being made." The document further states, "This renewal is critical to developing the capable citizens the Northwest Territories needs."

The document presents nine major action plan commitments that the Government of the Northwest Territories will ensure to undertake to improve the quality of education in our communities. It is a very bold and determined document. Unfortunately, this is the first time I have seen the document, and it is now 2019, four years later. I would further be

dismayed, and rightly so, if the district education councils have not seen or had any chance to action the initiatives outlined in the Renewal Action Plan.

It is not clear if people in the communities were consulted or presented with the action plan. Had this happened, there certainly would have been measurable outcomes and the GNWT would have been on the hook to see these commitments through. Mr. Speaker, I seek unanimous consent to conclude my statement.

---Unanimous consent granted

MR. BONNETROUGE: I'll be very quick, Mr. Speaker. At the appropriate time, I will have questions for the Minister. Mahsi.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Yellowknife North.

MEMBER'S STATEMENT ON SELF-GOVERNMENT AND LAND RIGHTS AGREEMENTS

MR. JOHNSON: Thank you, Mr. Speaker. Two of the priorities of this Assembly are to settle and implement treaty, land, resources, and self-government agreements, and implement the United Nations Declaration on the Rights of Indigenous People. I believe these are the two most important priorities of this assembly, as they go to the very heart of what is the role of the GNWT and what is the future role of this House.

When all of us as new MLAs, before breaking off into Cabinet and Regular Members, sat with Indigenous leaders, we repeatedly heard that the GNWT was a barrier at negotiating tables. I have no doubt this is true. Despite the fact that previous Assemblies also prioritized settling land rights agreements, we became a barrier at the table. This shows there is a disconnect between what is said and what is done.

That is one of the most rampant issues in our politics. We always shy away from framing the issues that are divisive. As such, no MLA in this Assembly will ever say they don't want to implement land rights and self-government agreements. Yet, if everyone agrees, that means we are asking the wrong question. The first and most important question we must ask ourselves is if we as government are willing to give up control to Indigenous governments.

Any change in circumstances, I would argue, is human nature. It causes an initial defensive reaction, especially a change that results in having less control. Yet settling outstanding land rights and self-government agreements is not a matter of "if"; it is a matter of "when." It is inevitable for this territory,

and the question we must ask ourselves is: are we going to make any progress on these files or are we going to keep being a barrier at the table?

The current unsettled state of affairs and uncertainty benefits no one. It causes uncertainty in our economy and it strains our relationships with Indigenous governments. Canada's Collaborative Self-Government Fiscal Policy means there is money ready for our Indigenous governments to exercise their right to govern, yet that money is waiting for us to sign self-government agreements. It is waiting for us in his House to be bold and to take the very difficult step to give up power that rightly belongs to our Indigenous governments. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Monfwi.

MEMBER'S STATEMENT ON HOUSING CHALLENGES IN BEHCHOKO

MR. LAFFERTY: Masi, Mr. Speaker. [Translation] Yesterday I spoke in my language. We had difficulties with equipment yesterday, and there is a lot of complaint in the communities regarding this little mishap yesterday. Also, I'd like to make a comment... [End of translation] ... conversation about housing. There are a lot of issues and challenges with housing in the Northwest Territories. The policy simply is not meeting the needs of our people.

In my community of Behchoko there are more than 40 units that are boarded up. Some are ready for demolition, some are burnt, and some need major renovations. None of these units are liveable at this time, not to mention that they're an eyesore in my community. The people who live there now are homeless or couch surfing in the community.

Mr. Speaker, today I would like to focus on the burnt units. None of them had fire insurance when they burned down. I had inquired numerous times, Mr. Speaker, about solutions for these burnt units. I have been told over and over that, because tenants did not have fire insurance, they do not qualify for another unit or renovation.

A number of things concern me about this situation. First and foremost, why did we ever transfer brand-new units to clients without housing insurance? Second, these clients are vulnerable citizens, people living in poverty, elders with limited income or pension. Why didn't the NWT Housing Corporation consider an agreement for house insurance with these vulnerable clients? Furthermore, these units have since been left in a state of demise in the community, some of them for more than 10 or 15 years. This is not only an eyesore, but, I'm sure, dangerous in the community.

Mr. Speaker, these policies are faulty and, as a result, families are left homeless. They cannot afford renovations or new housing and are longer able to access public housing. I believe the goal of the NWT Housing Corporation is to provide safe, affordable, and adequate housing for residents of the Northwest Territories in situations such as this one. Mr. Speaker, I seek unanimous consent to conclude my statement. Masi.

---Unanimous consent granted

MR. LAFFERTY: As I stated, Mr. Speaker, situations such as this one could be avoided or resolved if the policies that are in place were reasonable and did not create barriers for some of our most vulnerable citizens. I have followed up on these issues on behalf of my constituents and, to this point, the Northwest Territories Housing Corporation has not been able to propose a reasonable solution, and that is not acceptable for my communities. Masi, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Member for Nahendeh.

MEMBER'S STATEMENT ON EULOGY FOR JAMES FRADSHAM

HON. SHANE THOMPSON: Thank you, Mr. Speaker. James Gerard Fradsham left behind an incredible legacy of family, humour, compassion, and friendship across the NWT. I had the pleasure of knowing him as Gerard.

Gerard was born on July 25, 1955, in St. John's, Newfoundland. It was there he grew up with 10 brothers and sisters. He would often tell stories of Signal Hill and the Battery. He always wanted to go back to visit, but life seemed to get in the way. There were times that you would find him in his family home on Google Maps, showing everybody who would look where he used to live.

In the 1970s, his family uprooted and moved to Frobisher Bay; Iqaluit, nowadays. From there, Gerard traveled across the North and obtained his ticket to become a plumber and oil burner mechanic. Through these travels, he met a lot of good friends and his soulmate, who passed away earlier this year.

Gerard was known for being kind-hearted, generous, strong, and determined. His family and friends always knew that, if they needed him, he would always be there in a heartbeat. He strived to be the best father and friend he could be for everyone. Everyone who knew Gerard has countless memories of him; some happy, some sad, some scary, and some humorous. These stories of him will be with us forever, keeping his memory alive.

He used to love to go fishing, camping, rides in the side-by-side, playing crib, dice, watching movies, and reading four things from Facebook. He had passion about the education system and making sure his children were making positive choices.

I'd like to share what his youngest son Colin's words were: "When I think of my dad, I think about all the lives he touched, the different cultures and communities he embraced with affection, passion, and determination. I think about his need to repair everything he saw, like an inner nature that drove him. His stern kindness, deadly humour, and never-quit attitude are all traits I strive for every day and I hope to pass down to pass down to my children, not just from my father, but my mother, as well."

Gerard lost the battle with lung cancer on November 15, 2019, at 9:43. He is survived by his children, grandchildren, his sisters, and a couple of brothers, nieces, and nephews, and all of his friends. He is preceded by his wife, his parents, his brothers, and a couple of close brothers-in-law. His daughter, Laurie, said in his eulogy: "I can see him crossing that bridge he always talked about and being greeted by all those friends and family members who are waiting for him, who went before him."

The Fradsham family would like to thank everybody for their loving support and prayers during their time of sorrow. They appreciate everyone who was able to attend his celebration of life in Fort Smith. As well, they would like to thank all the medical staff here in the North and in Edmonton, Alberta, who helped with their father throughout his journey.

Mr. Speaker, he was dearly loved, and we will miss him, his knowledge, and guidance. Rest in peace and know that your children and grandchildren will be fine. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Members' statements. Item 4, recognition of visitors in the gallery.

Recognition of Visitors in the Gallery

MR. SPEAKER: Members, I would like to draw your attention to the presence in the gallery of Ms. Elaine Keenan Bengts, the Information and Privacy Commissioner for the NWT. Ms. Keenan Bengts is here for the tabling of her annual report. Welcome, Ms. Keenan Bengts.

Also, Members, I would like to draw your attention to the visitors' gallery and the Chief Electoral Officer of the Northwest Territories, Ms. Nicole Latour. She is here to witness the tabling of the official results.

Ms. Latour, I think I can safely speak on behalf of all of the Members when I say that I am pleased with the results of your work. Thank you.

Recognition of visitors in the gallery. Member for Kam Lake.

MS. CLEVELAND: Thank you, Mr. Speaker. Mr. Speaker, I would like to again recognize my neighbour and journalist, Sarah Minogue.

I think they have gone back to school now, but we had students in here today from Kam Lake's Ecole St. Joseph School, who were here to see consensus government in action.

I would like to again recognize Kam Lake Pages here today, both Lana Sanders and Adrienne Lam are grade 9 students at Sir John Franklin High School. Lana is a talented drama student who was in Frozen Jr. this year, and Adrienne is well-known to teachers and classmates alike for her consistently above-90-percent average. Thank you.

MR. SPEAKER: Thank you, Member. Recognition of visitors in the gallery. Member for Hay River South.

MR. ROCKY SIMPSON: Thank you, Mr. Speaker. Today I would like to recognize my wife, Bette Lyons. She is here, and she is keeping me fed and the Minister of ECE, as well. We appreciate her showing up in Yellowknife this week. Thank you.

MR. SPEAKER: Thank you, Member. Recognition of visitors in the gallery. Member for Frame Lake.

MR. O'REILLY: Merci, Monsieur le President. I wish to acknowledge one of the Pages in the House today, Riley Hans. She is a student at Ecole Sir John Franklin High School.

I want to thank you for filling my water glass, as well as running notes around for everybody.

Mahsi, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Recognition of visitors in the gallery. Member for Range Lake.

HON. CAROLINE COCHRANE: Thank you, Mr. Speaker. I also want to recognize one of our Pages in the House today, Ms. Brenna Willis, who is a student with Range Lake North, and we are really glad to have her helping us as Page. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. Recognition of visitors in the gallery. Member for Tu Nedhe-Wiilideh.

MR. NORN: Thank you, Mr. Speaker. I would like to recognize one of the Pages as well, Jaida Charlo, from my riding. I am happy to see her today. Mahsi cho.

MR. SPEAKER: Thank you, Member. Recognition of visitors in the gallery. Item 5, returns to oral questions. Member for Thebacha.

MS. MARTSELOS: Thank you, Mr. Speaker. To attract potential industry and major proponents to invest in the NWT, the Taltson --

MR. SPEAKER: Member, sorry, we're on returns to oral questions; we're on oral questions two orders down. Returns to oral questions. Item 6, acknowledgements. Member for Yellowknife Centre.

Acknowledgements

ACKNOWLEDGEMENT 1-19(1): WALT HUMPHRIES – CHAMBER OF MINES DISTINGUISHED SERVICE AWARD

MS. GREEN: Thank you, Mr. Speaker. I am pleased to acknowledge Walt Humphries, winner of the Distinguished Service Award at last month's Chamber of Mines gala.

Following his graduation from the Haileybury School of Mines, Walt made his way to Yellowknife 50 years ago to establish himself as a prospector. That is still his business. He is also an avid promoter of prospecting, having taught 50 courses across the North. He is a fixture of the Yellowknife Historical Society with a passion for preserving our mining heritage, but perhaps he is best-known for his newspaper column, "Tales from the Dump," and for his artwork.

Congratulations, Walt, on this well-deserved award. Mahsi.

MR. SPEAKER: Thank you, Member. Acknowledgements. Item 7, oral questions. Member for Hay River South.

Oral Questions

QUESTION 11-19(1): HAY RIVER FISHING INDUSTRY

MR. ROCKY SIMPSON: Thank you, Mr. Speaker. The question that I have today is for the Minister of ITI. Recently, the tender for the construction of a fish processing receiving plant in Hay River was cancelled. When I saw this, I concluded that it was due to the bid amounts received, which were considerably over budget. Can the Minister confirm the reason for cancelling the tender at this time? Thank you.

MR. SPEAKER: Thank you. Minister of Industry, Tourism and Investment.

HON. KATRINA NOKLEBY: Thank you, Mr. Speaker. The Member is correct; the bids that were received for the construction of the new fish plant in Hay River were significantly higher than anticipated. As the Member is aware, demands on the public purse are high, and we want to make sure that we are fully considering these types of decisions. We remain committed to the revitalization initiative, and we want to move forward as quickly as possible with the fish plant. However, we have decided to take the time required to consider what other options we may have. Thank you, Mr. Speaker.

MR. ROCKY SIMPSON: Knowing the work that it takes to prepare a tender such as this, and knowing that only two tenders were received, has the Minister's department met with or considered meeting with the lower bidder to explore options that would bring the project within budget and keep the work, I guess, in Hay River?

HON. KATRINA NOKLEBY: The bids were very high compared to the budget, especially given that the budget was disclosed to the bidders at the pre-tender meeting in July. The gap was significant enough that we couldn't reasonably anticipate negotiating it down to within the budget. Cancelling the tender was the only option available to us to maintain an open, fair, and transparent process.

This does not mean that we are not exploring options to bring the project budget down. One of the areas where we think that we may have some room to make changes is in the proposed fish processing lines and equipment requirements and the impacts that they will have on the building.

MR. ROCKY SIMPSON: Will this project be retendered or sent out for RFP fairly soon?

HON. KATRINA NOKLEBY: That is one of the things that we must consider. Our first step will be to get some better understanding of why the bids were so high. Ideally, we will find a way to move the project ahead within the budget that we have, but this will take some time. While it is too early in the process to know how we will proceed, I will confirm to Members that we remain committed to building the plant.

MR. SPEAKER: Thank you, Minister. Member for Hay River South.

MR. ROCKY SIMPSON: Thank you, Mr. Speaker. This project is very important to not only the NWT fishers but the community of Hay River as well, in terms of employment and contracting opportunities. Will the Minister commit to providing me with an expected timeline to move this project ahead in a timely manner, once she has that? Thank you.

HON. KATRINA NOKLEBY: First, let me assure the Member that I recognize how important this

project is to Hay River. Our plan will mean greater returns for fishers working on the lake. It will mean new jobs in processing, packaging, selling, and transporting NWT fish for market. When it comes to the plant, however, I will be fully transparent. The answer is no, we don't have a new timeline yet, but we will get one, and I will share that with you. While we consider next steps for the plant, we are also moving ahead with other elements of the overall revitalization strategy. We will be establishing a fisheries support officer to work out of Hay River. We are working with Memorial University to develop training programs around fish handling, processing, and filleting. We have partnered with the marine training centre to deliver relevant training for fishers. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Thebacha.

QUESTION 12-19(1):
TALTSON RIVER HYDROELECTRIC EXPANSION

MS. MARTSELOS: Thank you, Mr. Speaker. Sorry for being so anxious on the economy. Mr. Speaker, to attract potential industry and major proponents to invest in the NWT, the Taltson River hydro expansion must remain a priority. My question is: does the Minister and her department consider this a priority?

MR. SPEAKER: Thank you, Member. Minister for Infrastructure.

HON. KATRINA NOKLEBY: I got off easy yesterday. The Taltson hydro expansion project is a priority of this government as it will allow us to establish long-term energy infrastructure that can provide cost effective energy to communities, residents, and industry. It is identified as one of the priorities of the 19th Legislative Assembly, as one of the strategic infrastructure investments that connect communities, expand the economy, or reduce the cost of living.

The Taltson hydro expansion project will also help achieve the 19th Legislative Assembly's priority to reduce the cost of power and increase the use of alternative and renewable energy. The Taltson hydro expansion project is a central element of the 2030 energy strategy, supporting targets to reduce greenhouse gas emissions 30 percent below 2005 levels by 2030. This project can help the NWT meet our commitments under the Pan-Canadian Framework on Clean Growth and Climate Change. The Government of the Northwest Territories is currently developing our mandate which will outline specific actions that we will undertake to advance the priorities of the 19th Legislative Assembly of which the Taltson hydro expansion project is an important one. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Member for Thebacha.

MS. MARTSELOS: Thank you.

MR. SPEAKER: Thank you, Member. Oral questions. Member for Monfwi.

QUESTION 13-19(1):
HOUSING IN BEHCHOKO

MR. LAFFERTY: Masi, Mr. Speaker. [Translation] Thank you, Mr. Speaker. I made a statement at my Member's statement. There is a lot of housing in Behchoko that are boarded up and also burnt houses. I would like to ask Housing Corporation Minister the question [Translation ends].

As I alluded to in my Member's statement, we have a lot of boarded-up and burned units in my community of Behchoko, which I believe is the responsibility of NWT Housing Corporation. They are obviously an eyesore and potentially dangerous to my community. What is the process of dealing with these houses that can no longer be lived in, especially these burnt units in the community? Masi, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Minister responsible for the Northwest Territories Housing Corporation.

MS. CHINNA: Thank you, Mr. Speaker. Thank you, Mr. Lafferty for your comments. The Housing Corporation right now, I would like to look at options in regards to home insurances for new homes that are being built, looking at the abandoned units that are in your community. I would like to go into the community and take a look at what we actually have there, what is our inventory for Behchoko. I am really looking at the safety, as well, too, and looking at the options that we might be able to provide as NWT Housing Corporation in regards to insurances. I will look at options going forward. Thank you.

MR. SPEAKER: Thank you, Minister. I was just going to remind you to please address your remarks through me. Thank you.

MR. LAFFERTY: Some of these units, especially the burnt units, have been an eyesore for the last 10 to 15 years in my community, and still is today. The families who lived there continue to struggle. A lot of them are homeless now. These are families that are desperately in need of help, and those pleas have been ignored for a very long time by this housing corporation.

The Minister did talk about going to the community. I am just wondering if there is a plan in place today to deal with these burnt units, if they could be replaced so these families can have homes again.

As it stands, they are homeless right now, couch-surfing in the community. They do not have a warm place to go to at times, so what is the current position of the Housing Corporation to deal with these burnt units so we can have the family go back to their community homes?

MS. CHINNA: In regards to the burnt units that are in Behchoko and the homeless that are there, I am not familiar with the number of units that are available in the community, and I am not familiar if there was a report that had been done in the past, but I will make it my priority to review them, and I will get back to you with numbers for you, how many vacancies we do have in Behchoko. Also, for the burnt units, once again, we will explore options for the home insurances.

MR. LAFFERTY: I am enjoying these answers that I am getting from the brand new Minister. It is an area of challenge in the community, but we have to keep in mind that this has been going on for the last 15 years. The next question obviously is a critical one for me, as well. The Minister did allude to at some degree, but I want to get a clear and concise answer on this particular question. Is the NWT Housing Corporation willing to look at these individually, on case-by-case basis, and to investigate reasonable solutions for these families so they can live with dignity once again?

MS. CHINNA: As the Housing Corporation Minister, I am new to the position, but then I am from a smaller community; I am familiar with the scenarios and situations that the Housing Corporation does have in the smaller areas. I am open to looking at these individual cases case-by-case in your community and the responsible solutions. I do not have the information right now to provide to you in regards to how are we going to be accommodating the residents in Behchoko and the people that are affected.

MR. SPEAKER: Member for Monfwi.

MR. LAFFERTY: Masi. The Minister did bring up that she represents a small community, and it has not been the case in the previous Executive, so I would like to thank the Member for that, speaking from her experience. It will make a difference in my community and especially the small communities that we represent across the Northwest Territories.

Mr. Speaker, since housing is the number one issue in my region, I would like to ask the Minister and also the senior staff: it is very crucial that they attend, as well, to visit my communities of Behchoko, Whati, Gameti and Wekweeti, along with the local housing authority representatives, to deal with my constituents' issues and concerns that I just addressed with the Minister. I believe this matter is urgent enough to warrant this meeting early in the

new year. I would like to get a commitment. I know the Minister alluded to, to some degree, but I would like to get a commitment from the Minister today. Masi.

MS. CHINNA: Yes, the Housing Corporation will be committed to visiting the Tlicho region. I am also wanting just to express, as well, Wekweeti was the first community for the Housing Corporation that had completed a housing plan, and we are actually going to be going there next week to explore those options and those accomplishments that they have completed. Thank you.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Inuvik Twin Lakes.

QUESTION 14-19(1):
HOME AND COMMUNITY CARE

MS. SEMMLER: Thank you, Mr. Speaker. My question for the Minister of Health is related to my Member's statement. Does the Minister of Health have any financial assessment comparables for the cost of preventable measures like homecare and home support with daily extended hours, compared to building more structures for elders in regional centres and staffing them? If so, can they be provided? Thank you.

MR. SPEAKER: Thank you, Member. Minister of Health and Social Services.

HON. DIANE THOM: Thank you, Mr. Speaker. It's a timely question in that we have just completed a home and community care review for the Northwest Territories. We received the full final report on September 16th, which includes 22 recommendations. These recommendations are currently being prioritized by the staff; however, I can tell you that we also included research from other jurisdictions. The information in the review supports that, by investing in home and community care, there is potential to divert some costs related to long-term care. This is a priority for the department and, drawing from the experience in other jurisdictions, we are continuing to assess what this may mean for the Northwest Territories.

I look forward to providing more details to the Member as we conclude this work. We will have the review and our responses to the recommendations available for the MLAs for the next session, and we look forward to the opportunity to provide a briefing to the interested Members. Thank you, Mr. Speaker.

MS. SEMMLER: In relation to my Member's statement, as well: will the Minister of Health commit to providing after-hour and weekend services to clients in Inuvik by having their

department look at ways to have possibly evening and day shift work throughout the week?

HON. DIANE THOM: I agree that there is a need to look at how services and the home and community care programs are being delivered, including the hours of service. When the home and community care review was conducted, one of the purposes of the review was to look at the consistency in how services are delivered across the Northwest Territories, as well as if there are any gaps in the program and services. There are recommendations from the review that do speak to exploring the feasibility of expanding hours of services. We will be working with the health and social services authorities to determine how we can move this recommendation forward, including which communities will be our priority based on current needs.

MS. SEMMLER: I am just looking to see if the Minister will commit to looking at what it would cost, also, and maybe it's part of this plan, to bring our residents back to the NWT to be cared for here at home, as well.

HON. DIANE THOM: As I noted earlier, our goal is to support elders and those with disabilities to live in their homes and their communities. It's never our goal to have someone leave their home or community; however, we all know that there are times when the care may become so complex that we need to consider other options for care for our clients. We have a number of residents who have had to relocate outside the Northwest Territories to receive care that has exceeded our ability to provide. Many of these individuals are living in what we call a "supportive living" setting.

MR. SPEAKER: Thank you, Minister. Member for Inuvik Twin Lakes.

MS. SEMMLER: Thank you, Mr. Speaker. Just to the last comment that she made, the supported living, within this new report, hopefully, they are looking at supportive living in the Northwest Territories. Thank you, Mr. Speaker.

HON. DIANE THOM: That is our ability, to have a look at that, and I will get back to the Member with any progress on the review. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Yellowknife Centre.

QUESTION 15-19(1):
HOUSING CRISIS

MS. GREEN: Thank you, Mr. Speaker. My questions are for the Minister responsible for the Northwest Territories Housing Corporation. As I

mentioned in my statement, residents of Yellowknife and in communities across the NWT are facing what I describe as a housing crisis. Housing problems have more than doubled in the last five years. Can the Minister tell us whether she considers the current situation a crisis? Thank you.

MR. SPEAKER: Thank you, Member. Minister responsible for the Northwest Territories Housing Corporation.

HON. PAULIE CHINNA: Thank you, Mr. Speaker. Thank you for your comments, Member. With the housing crisis, it's not acceptable for the Northwest Territories. Like I said before, I do come from a smaller community. I come from a smaller area. I do see the homelessness, and I see how it affects our people at the grassroots level. I will be working very closely with my department and looking at the programs that are now existing, and working towards improvement. Thank you.

MS. GREEN: Thank you to the Minister for that answer. I want her to appreciate that we have significant housing problems in Yellowknife, as well as in the small communities. My question for her is: what specific action is she going to take to address the escalating housing problems identified in the 2019 survey?

HON. PAULIE CHINNA: Going forward, I know that there are reports that have been completed in the past, already. I have not had the chance to review them, but I would like to exercise them in getting new results and new ideas. I do come to the department with fresh eyes, and I am looking forward to looking at the Northwest Territories and meeting their needs as a territory.

MS. GREEN: Thank you to the Minister for that response. I'd like the Minister to answer whether she is prepared to revisit the Housing Corporation's decision not to add any more units to its inventory to meet the waiting list of over 900 households.

HON. PAULIE CHINNA: Thank you, Member. I would like to revisit the number of units that are existing for the Northwest Territories, but also we are in a housing crisis, as well, and we do need new allocated units and new public units in the Northwest Territories. I am wanting to go ahead and review what we actually have on the ground and look at the inventory.

MR. SPEAKER: Thank you, Minister. Member for Yellowknife Centre.

MS. GREEN: Thank you, Mr. Speaker. That was a positive response from the Minister, and I appreciate that. My final question is whether the Minister will be lobbying her colleagues for a greater investment in housing in the next budget. Thank you, Mr. Speaker.

HON. PAULIE CHINNA: Yes, we will be lobbying. Thank you.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Kam Lake.

QUESTION 16-19(1):
PROMPT PAYMENT OF NORTHERN VENDORS

MS. CLEVELAND: Thank you, Mr. Speaker. I would like to ask the Minister of Finance for the rationale for the delay of three to four weeks in making payments to GNWT vendors, as set out in the Financial Administration Manual. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Mr. Speaker. The Department of Finance does attempt to pay all vendors within 30 days, which I would suggest is really an industry standard. It allows an opportunity to due diligence on the materials that are presented in support of an invoice, in addition to which the goal in fact is to pay BIP members or BIP businesses within 20 days, a standard that we are working towards. So that is the rationale, Mr. Speaker. Thank you.

MS. CLEVELAND: Has the Department of Finance given consideration to the standing committee's report on procurement, and, if not, can we expect to see some analysis or response to the committee's recommendation?

HON. CAROLINE WAWZONEK: I understand the department has reviewed that report, and I have also personally reviewed that report. With respect to the response that may or may not be coming, I believe there will be a more fulsome response in due course, Mr. Speaker, and, over the course of time, when that does happen, I will certainly engage the Member with that information once I have it.

MS. CLEVELAND: I understand that the financial administration policy on the timing of payments to vendors provides for certain exceptions that allow for immediate payment upon receipt of invoices from language translators or interpreters, justices of the peace, coroners, and sheriff's bailiff services. Would the Minister be willing to consider expanding these exemptions for small northern businesses?

HON. CAROLINE WAWZONEK: That kind of a consideration is not currently within the department's purview of projects underway right now. That said, there are a number of things that the department is doing to try to improve the speed of which small northern businesses are being paid. There are a number of things that can be done and a number of steps that can be taken to improve that

process, not the least of which would be to just encourage the vendors themselves to be using e-mail, to be directing things, fulsome information, as well, Mr. Speaker, to ensure that our departments know that those vendors invoices go directly to Finance. All of those things can help improve the system, and we will be taking those steps to improve the process.

MR. SPEAKER: Thank you, Minister. Member for Kam Lake.

MS. CLEVELAND: Thank you, Mr. Speaker. Would the Minister be willing to commit to developing a proposal or supplying me with any kind of documentation that would allow me to better communicate with Kam Lake business owners as to how they can go about getting paid in a timely fashion? Thank you.

HON. CAROLINE WAWZONEK: I think there is a simple answer, and it is "Yes." While I don't know exactly how quickly I can get that to the Member, I am prepared to make that commitment to do so as quickly as possible so that there is a better way to have all the northern businesses paid as quickly as possible. Thank you.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Deh Cho.

QUESTION 17-19(1):
EDUCATION RENEWAL IN SMALL
COMMUNITIES

MR. BONNETROUGE: Mahsi, Mr. Speaker. My question is to the Minister of Education, Culture and Employment as my Member's statement on the GNWT's education renewal document and the state of education in the small communities. Can the Minister advise if the education renewal document was presented to the education councils or divisional education boards in the Northwest Territories? Mahsi.

MR. SPEAKER: Thank you, Member. Minister of Education, Culture and Employment.

HON. R.J. SIMPSON: Thank you, Mr. Speaker. I can inform the Member, my colleague, that the education renewal and innovation framework was shared widely with all the education bodies back in 2013 when it was first released. The Member referenced a three-year action plan in his statement. I am not sure if that was. It is my assumption it was, but I can't say for sure. I can find out.

However, this leads me to something else that I have been discovering since I took this portfolio. The communication between the department and the education bodies, the boards themselves and

the regional councils, needs to be improved. I have spoken at length with the department about this, and I have reached out to all the education chairs around the territory. I haven't been able to get a hold of one, but I have spoken with all the other ones to bridge that gap and ensure that we have better communication. Thank you, Mr. Speaker.

MR. BONNETROUGE: Will the Minister commit to delivering on the education renewal plan and have the department staff go into all the small communities to discuss the state of education with grass-roots people?

HON. R.J. SIMPSON: There are two parts to the question: will the Minister commit to delivering on the ERI, and will the departmental staff go into all the small communities? The original ERI framework had a lot of big goals in there. I actually respect that document quite a bit because it says, "This is what we are going to try. We might not try them all. We are going to try them, and we will see if they work." They threw ideas out there.

It is a great document, and a lot of good things have come out of that. We have northern distance learning. There are elders in school. There are all sorts of these things that have happened. I think what we are realizing now is maybe we need to pare that down and focus on the things that we found are working.

Education is a tough department, and I know some of the Ministers have had a rough go at it over the past little while, whether it is junior kindergarten or whatever it may be. We are actually in a good place right now because the department has learned from a lot of the issues that have come out in the last few years and has done really well with gathering data and really focusing themselves. Going forward, we are going to be delivering more focused programming that hopefully will deliver results.

In terms of going to every community, I will be travelling to a lot of the communities. Like I said, I am reaching out to current and former board members and talking to as many people as I can because I want to hear from the people on the ground how education is actually being delivered in the communities.

MR. BONNETROUGE: Mahsi to the Minister for his answers. Most if not all the small communities are quite possibly facing more teacher layoffs in the near future. My community of Fort Providence has lost four teacher positions this past June. This is creating increasing workloads for the existing teachers as they are teaching more than one grade and quite possibly increasing the stress levels for the teachers. Shouldn't a situation like this raise red flags in the education system, and what is the

GNWT Department of ECE going to do about these situations in the small, outlying communities?

HON. R.J. SIMPSON: ECE provides funding to all the education bodies in the Northwest Territories based on the School Funding Framework, and that, essentially, is based on the number of students who are enrolled. Then once the regional education body receives that funding, it allocates it to individual schools. It is the principals of those schools who determine how that funding is best used. When there are declining enrollments, that means there is less money. That means there are fewer teachers.

This is something that was discussed at length in the last Assembly, and I know that there were comments made that we need to look at this and we need to determine if this is really the best way to fund schools. I understand the Member's concerns. I am alive to them. That is why I am happy to be in this position, because these are the exact kind of things that I want to deal with this term.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Frame Lake.

QUESTION 18-19(1):
MANDATE DIRECTION FOR GOVERNMENT OF
THE NORTHWEST TERRITORIES
DEPARTMENTS

MR. O'REILLY: Merci, Monsieur le President. In my statement earlier today, I noted that the priorities of the 19th Assembly do not provide clear direction for many of the departments and agencies and Ministers. I would like to know from the Premier whether she agrees with that assessment. Mahsi, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Honourable Premier.

HON. CAROLINE COCHRANE: Thank you, Mr. Speaker. I agree that the priorities that were developed by the 19th Legislative Assembly could have used another day. I did also feel that there were too many. We had tried to get them down. We didn't get to that process. "Think big" was kind of the last thing we were left with, and we thought big.

Yes, I do agree that it didn't address all the things that we wanted to. Although, I am not 100 percent sure, Mr. Speaker, if we would have spent another day, if we would have made every single Member in this House happy. It is a process that we go through. I am respectful of the process. Cabinet has dealt with 22 priorities that we are trying to work through. Thank you, Mr. Speaker.

MR. O'REILLY: I want to thank the Premier for that. I don't think she really answered my question,

though, which was really about whether the priorities that we have provide clear direction to all of her Ministers. Now, I don't want to get into the specifics of the process that we are engaged in in terms of developing a mandate, but I think it is pretty clear that those priorities don't provide sufficient direction to all of the Ministers. I am just wondering: can the Premier tell us how the initial direction will be set for each Minister to cover matters outside of the priorities?

HON. CAROLINE COCHRANE: I will try to do a better job of addressing both issues. For clear direction, I may be wrong, but my understanding is that the priorities that are developed by every Legislature are not to encompass every single task that every department will do. It is meant to define what the major issues are that we want to tackle. It does not give clear direction for every single department, nor is it meant to, in my understanding. I am only one Member of the Legislative Assembly, though, so I am open to feedback on that.

For how we deal with other departments, business still goes on. The departments do not just stop working because they don't have a mandate that is specific to them. They still have business that goes on on a daily basis, and Members do have feedback into that. They have feedback through our main estimates. They have feedback into our business plans. They have feedback into our capital plans. There is business that still continues to go forward, and Members do have a chance to have input into the business and the day-to-day operations of departments.

MR. O'REILLY: Once again, I want to thank the Premier for that. I guess I expected to hear about things like the transition reports, briefing notes that have been left from the previous Ministers, and that kind of thing. Can the Premier tell us what the mechanisms will be for setting the overall direction for each Minister or department, and what role in the process does the Premier see for the Regular MLAs?

HON. CAROLINE COCHRANE: This is kind of a recap of the question that was asked of me yesterday, so I will kind of recap the answer. Twenty-two priorities were developed by all Members of this House. We are in the process of working with Regular Members on how to identify the mandates to get us to reach the actions to be reached, the priorities that we have identified as our priorities, not every single issue. Again, like I said, I am open to feedback. If Members want to send me their input, walk in my door, I am available. I am in Yellowknife. My phone number is available. Give me a call. Talk to me about what you want to see.

My biggest priority for myself, and I have said that over and over, will be to make sure that we are

transparent, that we are working as closely as possible with all stakeholders, including all MLAs. Like I said yesterday, MLAs also have a chance to give feedback into the individual departments themselves through our main estimates, through our business planning process, and through our capital budgets. There is lots of time within the four years to give input into how the departments work.

MR. SPEAKER: Thank you, Premier. Member for Frame Lake.

MR. O'REILLY: Merci, Monsieur le President. Once again, I want to thank the Premier for that. I guess what I am most worried about is where the initial direction is going to come from for each of the Ministers and the departments. Yesterday, the Premier suggested to the Member for Yellowknife Centre that people could go and walk into her office and talk to her about priorities. That's not a very efficient or effective way of doing this. It doesn't recognize the role that standing committees should play in terms of consensus government, so I have suggested privately and publicly that the Premier be prepared to share the draft mandate letters with each of the standing committees. Is that something that the Premier is prepared to do in the spirit of open, transparent, and consensus-style government?

HON. CAROLINE COCHRANE: We are trying to be more open and transparent. I think that was a direction that we were given by the general public. It is a direction that I have given my Ministers. However, I have also heard from MLAs across the table in different areas, "Let's get to work. Let's get it done." My Ministers are also waiting. They have been waiting months to get their mandate letters. We're still in the process. Everybody is just anxious to get them, so I want to get these off. I want to get to work.

I will not commit to going through the process, because from delivering the draft mandate right now, we started that about a month ago, when I was first elected, when the priorities were first made. We are going into our second draft on the 14th. We won't be finished the process until February. I am afraid that it will take too long, so I will take some flak. I have to make hard decisions. That, I know.

What I am willing to do is, once those mandate letters are done, we will post them publicly. We will share them with all standing committees, and as I said before, Regular MLAs have many chances to have input into the business of departments, through question and answer, through business plans, main estimates, and through capital budgets. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Premier. Oral questions. Member for Tu Nedhe-Willideh.

QUESTION 19-19(1):
LOW GRADUATION RATES IN SMALL
COMMUNITIES

MR. NORN: Mahsi cho, Mr. Speaker. My questions are in line with my Member's statement earlier. I just wanted to make a quick comment. The Member for Deh Cho already addressed one of those questions, also. I want to say mahsi cho.

Anyways, my question for the Minister of Education, Culture and Employment is: what initiatives do the Minister and his department have in place to address low school attendance rates in the small communities? Mahsi cho.

MR. SPEAKER: Thank you, Member. Minister of Education, Culture and Employment.

HON. R.J. SIMPSON: Thank you, Mr. Speaker. I want to thank my colleague for his earlier statement, as well as the other colleague from the Deh Cho. I appreciate these conversations coming to light. We need to talk about them if we want to make changes.

The Member is right. Small communities have lower graduation rates. They have lower attendance rates. One of the priorities of this Assembly is to increase student education outcomes to the rest of Canada. In some regional centres and in Yellowknife, the student outcomes are nearly the same as the rest of Canada, so it really is the small communities, in a lot of ways, that we are talking about.

There are things that are being done by the school boards. It is the school boards that have the mandate to deliver education. There are things like Healthy Food for Learning so that there is food in the schools, so that children, once they get there, they can actually eat, and they can learn. Some schools have programs where homes are called when students are missing. They go out looking for the children. Some schools offer incentives or prizes for attendance. However, there is more than that that needs to be done. I think we need buy-in from communities, we need buy-in from parents, and we need to start caring more about education as a society. That is one of the things that I really want to do, is get the word out there and get people involved in their own education.

There are a number of things that we are doing through the education renewal, as well. Like I mentioned before, there are a lot of these old small programs that we are trying to tailor, but more needs to be done. The Member is absolutely right; more needs to be done. If you look at graduation

rates, they are declining across the board, and so we have to do more. I am committed to working with the Member and hearing from all of the Members, especially from small communities, about how we can do that.

MR. NORN: I would like to thank the Minister for his response. I think it is important, too, that visibility for your department is important in my riding. There are four schools in my riding. The one in Ndilo and one in Detah, those are easy places to do a tour. That would be really good. I would like to see that, but, if I could get a commitment from the Minister to see if he could visit our schools in Lutselk'e and Deninu Kue, I think it is important. It helps boost morale for the teachers and the kids, and I think it is important that they see the head of our education department.

HON. R.J. SIMPSON: I am going to try to make it to as many schools as I can. I believe we have 49. I'm going to see what I can do this Assembly. Fort Resolution is right near Hay River, so that will be an easy one. My new deputy minister, who I am lucky to have, is a former principal. One of the first things she did is told me about what a big impression it makes on students when the Minister comes to their school and engages them, and it got me excited about it. I look forward to it. I look forward to getting to some of the places where I don't normally get to go, places like Lutselk'e. I can't make any commitments about timelines, but I am going to do my best to visit as many schools as I can.

MR. SPEAKER: Thank you, Minister. Oral questions. Member for Yellowknife North.

QUESTION 20-19(1):
A NEW DAY PROGRAM

MR. JOHNSON: Thank you, Mr. Speaker. I am a strong advocate for restorative justice programming, as I believe that every time we can keep an offender from re-offending, it not only saves us money, but it prevents a victim from being traumatized once again. My questions today are for the Minister of Justice in regard to one specific program, the A New Day Program, which is for men who use domestic violence. My question to the Minister is: how many men are currently using this program?

MR. SPEAKER: Thank you, Member. Minister of Justice.

HON. CAROLINE WAWZONEK: Thank you, Mr. Speaker. Perhaps, to be more specific, I can't answer the Member's number in terms of right now at this moment. I can say that, since this program started in 2013, there have been 13 groups in total. Of those, 135 individuals were registered; 28 have

completed. The last group just completed back in November of this year, Mr. Speaker.

MR. JOHNSON: As we go into mandate creation, I will be advocating for a number of restorative justice programs to be included. However, this ultimately comes down to cost. Can the Minister provide the current costs in running a program, the A New Day program?

HON. CAROLINE WAWZONEK: Mr. Speaker, the total budget for this program is \$292,000. The current expenditures forecasted for 2019 and 2020 are \$240,000, so that is where it stands at present.

MR. JOHNSON: This program for men who use domestic violence. Is there a tracking mechanism for measuring the success of the program?

HON. CAROLINE WAWZONEK: Mr. Speaker, back in February of 2018, there was a framework developed to evaluate the program. That was more, I think, in terms of evaluating the success of the program as a whole as opposed to the individual success. I am sure the Member will appreciate, and, as he has already alluded to in his opening, the individual successes on a program like this will depend a lot on how exactly one measures not only recidivism but obviously the reducing of severity of violence and the frequency of violence, so it is a very complex thing to measure, and the success of one individual may differ from the success of another.

I don't currently have a copy, or, to my understanding, the actual evaluation hasn't taken place yet. That is a four-year program, an evaluation that is currently underway, and so it won't be due back until 2021, but we continue to monitor that framework evaluation as it unfolds. I look forward to having the total framework reported back to, as I said, in 2020-2021.

MR. JOHNSON: Yes, I am well aware of the difficulties, as is the Minister of Justice, having worked a number of years, including together, in the criminal justice sphere.

My question to the Minister is: is similar programming directed at men who use violence available in communities other than Yellowknife?

MR. SPEAKER: Minister, if you could please slow down for the interpreters. Thank you.

HON. CAROLINE WAWZONEK: Thank you, Mr. Speaker. I do actually have a note that says "slow" right on my desk, but I do apologize to the translators.

Mr. Speaker, I can see the A New Day programming is predominantly focused currently here in Yellowknife. For what it is worth to the

Member, one of the newest places where that program is being offered is at the North Slave Correctional facility, and it does therefore target individuals who come from across communities all across the Northwest Territories. That said, obviously, it is quite different from being offered within the communities themselves.

I can say also that the justice department, through Community Justice, is providing community-led and community-originated programs, both in Tsiigehtchic and in Fort Good Hope, and there continue to be opportunities to engage with community justice programs in order to help develop those programs in those communities. I look forward to having discussions in order to expand that, where possible. Thank you, Mr. Speaker.

MR. SPEAKER: Oral questions. Member for Yellowknife Centre.

QUESTION 21-19(1):

MILDRED HALL SCHOOL EMERGENCY BOILER PURCHASE

MS. GREEN: Thank you, Mr. Speaker. Mr. Speaker, my questions are for the Minister of Education, Culture and Employment. I am sure the new Minister is aware that schools in Yellowknife are aging and maintenance costs are increasing. Most recently, YK1 has been forced to make an emergency purchase of a boiler at Mildred Hall School in my constituency, at a cost of \$90,000, nine-zero thousand dollars.

Trustees say that money spent on the boiler will take money away from education. My first question is: what help can ECE give YK1 to help pay for the new boiler? Mahsi.

MR. SPEAKER: Thank you, Member. Minister.

HON. R.J. SIMPSON: Thank you, Mr. Speaker. Unlike most jurisdictions in the Northwest Territories, most communities, the school infrastructure of YK1 is owned by YK1, for the most part. As such, it is not the GNWT that provides maintenance; it is actually YK1. The GNWT does provide a maintenance budget. I believe it is \$1.4 million annually to YK1 to perform this type of maintenance.

Sometimes, when ECE has extra money in its budget, in its capital budget, it will provide that to cover some of these costs, but at this time ECE doesn't have that extra money in its capital budget and the YK1 actually has a surplus in its capital planning budget, so the money can be taken out of there as opposed to out of money that could be used for education.

MS. GREEN: Can the Minister tell us how much the surplus is at YK1?

HON. R.J. SIMPSON: The surplus at YK1, according to the 2018-2019 financial statements, the total operating surplus, is 1.7 million, and that includes \$900,000 in the capital fund reserve.

MS. GREEN: That answer surprises me because I thought that, during the 18th Assembly, the department had rolled back on the total amount of surpluses that school boards were able to keep. I am sure the Minister has given me accurate information, but it is certainly much bigger than I expected it to be.

Onto the question of the aging schools, all of the schools in Yellowknife, except for Allain St-Cyr and the re-built St. Joe's, are aging. What is the long-term plan of the Department to assist the board with maintenance and replacement of their schools?

HON. R.J. SIMPSON: Even though YK1 owns the infrastructure, the GNWT is responsible for new schools and major retrofits, so, if there is something that can't be covered with the \$900,000 capital surplus, like a brand new school, that is what the GNWT covers.

MR. SPEAKER: Thank you, Minister. Member for Yellowknife Centre.

MS. GREEN: Thank you, Mr. Speaker. I appreciate the answer from the Minister. The fact is, though, that maintenance costs are increasing at YK1 because of the age of their schools. Not only do they have the boiler problem at Mildred Hall, they are also of course repairing the roof at William McDonald. I am wondering whether the Minister is going to review the maintenance budget given to YK1 to take into account their aging infrastructure. Thank you.

HON. R.J. SIMPSON: No, I am brand new in the job, and I plan on reviewing all the budgets that ECE has, to make sure that we are doing things properly.

ECE and YK1 have also been in talks about maintenance plans. The Department has offered to assist YK1. You know, we have the Department of Infrastructure here that specializes in this kind of stuff, and so the GNWT is offering assistance to help develop a maintenance plan so that some of these maintenance costs can be dealt with in a more timely fashion perhaps, or at least there could be a plan in place to avoid some of these emergency expenditures like the boiler. Thank you, Mr. Speaker.

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

QUESTION 22-19(1):
VAPING REGULATIONS

MR. O'REILLY: Merci, Monsieur le President. The last Assembly passed Bill 41, Tobacco and Vapour Products Control Act. This bill will prohibit the sale of flavoured vaping products that have been in the news as of late. As I understand, the act has not yet been brought into force. My questions are for the Minister of Health and Social Services. Can the Minister explain what steps are being taken to bring this legislation into force to protect the youth of the Northwest Territories? Mahsi, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Minister of Health and Social Services.

HON. DIANE THOM: Thank you, Mr. Speaker. Bill 40, Smoking Control and Reduction Act, was passed August 2019, and its regulations include prohibiting smoking and vaping in public places, including those areas where children and youth ordinarily gather; prohibiting smoking and vaping in motor vehicles if someone under the age of 19 is in the vehicle; and requires retail outlets that sell these products to conspicuously post health warnings inside the stores.

Bill 41, Tobacco and Vapour Products Control Act, was also passed in August 2019 and its regulations include banning the promotion, advertising, and display of tobacco and vaping products wherever children and youth have access and increasing the legal age at which tobacco and vaping products may be purchased from age 18 to 19. Regulations are being drafted to bring these acts into force March 31, 2020. The regulations are almost done; however, time is needed to communicate the new requirements to retailers to the public. Regulations address in greater detail public places where smoking and vaping are prohibited, what products cannot be displayed, and health warning signs that must be posted. The regulation also addresses penalties, though we want to focus our efforts on educating and supporting NWT residents in making healthy and informed decisions about using these substances. Thank you, Mr. Speaker.

MR. O'REILLY: I want to thank the Minister for that comprehensive response, and I also want to acknowledge the work of the Standing committee on Social Development that had the forethought to anticipate this issue with vaping products, because there is a lot of news coverage on this now. I take it from the Minister's response, then, that the Tobacco and Vapour Products Control Act is going to take full legal effect on March 31, 2020. Can she confirm that again for me?

HON. DIANE THOM: The act will be brought into force March 21, 2019. The regulations being developed to bring the acts into force do not go so

far as completely banning flavoured vaping products in the Northwest Territories at this time. We are actively working to identify the right approach to banning flavoured vaping products. Our public health officials are talking with the Council of Chief Medical Officers of Health to support a federal ban on flavoured vaping products. Chief Medical Officers of Health across Canada are now calling on the federal government to ban flavoured vaping products outright. Before moving forward, the Northwest Territories regulations banning all sales on flavoured vaping products would want to engage with the public. We also want to carry out more research to make sure we have everything properly addressed.

MR. O'REILLY: I want to thank the Minister for that response. Sorry, I'm going to have to go a little bit off-script here, because I think I heard the Minister say that the Tobacco and Vapour Products Control Act is not going to prohibit flavoured vaping products from being sold. Section 6.1(1) says that: "No person shall sell a flavoured tobacco product at retail." In any event, does this section actually prohibit the sale of flavoured vaping products, or not? Is that what this act and this section are going to do?

HON. DIANE THOM: I ask that I just clarify and get back to the Member at this time.

MR. SPEAKER: Thank you, Minister. Member for Frame Lake, final supplementary.

MR. O'REILLY: Merci, Monsieur le President. I want to thank the Minister for that. It was certainly my understanding, having sat in on the committee meetings, that that was the intention of the committee, and I thought that's what the bill was going to do. In any event, recent media reports about the use of vaping products in southern Canada and the US describe an epidemic in use by youth, and that manufacturers and retailers have specifically designed advertising to entice youth. I've had this raised to me by teachers at schools in my riding. Can the Minister tell us whether her department has taken any steps to control or persuade NWT youth not to consume these products? Mahsi, Mr. Speaker.

HON. DIANE THOM: In addition to steps to control so that other youth do not consume these products, we are focusing on providing the public with information on vaping. In October 2019, the department created a Frequently Asked Questions for parents. The Department of Education, Culture and Employment distributed this to schools across the Northwest Territories. This work began with the request from a school principal and is an example of how working together with our partners can be valuable in addressing an issue, just like when some of the other Regular MLAs in the Assembly

worked with the last Assembly on the bills themselves. The Office of the Chief Public Officer is preparing communications and social marketing material.

In March 2019, the department and the Northwest Territories Association of Communities delivered a workshop for healthcare providers, artists, community leaders, educators, and youth. From this came the creation of The Dope Experience. This workshop series will be delivered in communities across the Northwest Territories during the 2019-2020 school year and will address vaping as well as cannabis and other substance abuse. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Minister. The time for the question period has expired. Oral questions. Item 8, written questions. Member for Yellowknife Centre.

Written Questions

WRITTEN QUESTION 1-19(1):
ACTION PLAN TO REDUCE CORE HOUSING
NEED

MS. GREEN: Thank you, Mr. Speaker. My questions are for the Minister responsible for the NWT Housing Corporation. In September 2017, the NWT Housing Corporation released a three-year action plan with the title "Towards Level Ground: Addressing Persistent Core Need in the Northwest Territories." This plan responded to a 2016 motion supported by Regular Members that called for a comprehensive and fully costed plan to reduce housing problems identified in the 2014 community survey. Please provide a report on the first two years of the action plan, including how many households the Housing Corporation assisted and:

1. A breakdown of the type of assistance by action and/or initiative, as detailed on page 11 of the action plan;
2. A breakdown of money spent on each of these actions and/or initiatives by fiscal year;
3. A projection of assistance by action or initiative, as detailed on page 11 of the action plan, along with a breakdown of money spent on each one for the current fiscal year; and
4. A projection of how federal money under the National Housing Strategy will assist in meeting these measures in the current fiscal year.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. Written questions. Item 9, returns to written questions. Item

10, replies to the Commissioner's opening address. Item 11, petitions. Item 12, reports of committees on the review of bills. Item 13, reports of standing and special committees. Item 14, tabling of documents. Honourable Premier.

Tabling of Documents

TABLED DOCUMENT 20-19(1):
NORTHWEST TERRITORIES BUSINESS
DEVELOPMENT AND INVESTMENT
CORPORATION 2018-19 ANNUAL REPORT

TABLED DOCUMENT 21-19(1):
WORKERS' SAFETY AND COMPENSATION
COMMISSION
ANNUAL REPORT 2018 – NORTHWEST
TERRITORIES AND NUNAVUT

TABLED DOCUMENT 22-19(1):
WORKERS' SAFETY AND COMPENSATION
COMMISSION NORTHWEST TERRITORIES AND
NUNAVUT 2020 CORPORATE PLAN
AND 2018-2022 STRATEGIC PLAN

TABLED DOCUMENT 23-19(1):
NORTHWEST TERRITORIES AND NUNAVUT
WORKERS' COMPENSATION APPEALS
TRIBUNAL 2018 ANNUAL REPORT

HON. CAROLINE COCHRANE: Mr. Speaker, I wish to table the following four documents. Pursuant to section 32(2) of the Financial Administration Act, a document entitled "Northwest Territories Business Development and Investment Corporation 2018-19 Annual Report"; pursuant to section 106(3) of the Workers Compensation Act, documents entitled "Workers' Safety and Compensation Commission Annual Report 2018 – Northwest Territories and Nunavut" and "Workers' Safety and Compensation Commission Northwest Territories and Nunavut 2020 Corporate Plan and 2018-2022 Strategic Plan"; and, pursuant to section 125(2) of the Workers Compensation Act, a document entitled "Northwest Territories and Nunavut Workers' Compensation Appeals Tribunal 2018 Annual Report." Mahsi cho, Mr. Speaker.

TABLED DOCUMENT 24-19(1):
TERRITORIAL GENERAL ELECTION 2019
OFFICIAL RESULTS REPORT

MR. SPEAKER: Thank you, Honourable Premier. Members, I wish to table the "Territorial General Election 2019 Official Results Report." The official results are published in accordance with section 265(1) and (2) of the Elections and Plebiscites Act.

Members, please join me in welcoming Ms. Nicole Latour, Chief Electoral Officer for the Northwest

Territories, who is present in the gallery this afternoon.

TABLED DOCUMENT 25-19(1):
OFFICE OF THE INFORMATION AND PRIVACY
COMMISSIONER OF THE NORTHWEST
TERRITORIES ANNUAL REPORT 2018-2019

Also, Members, pursuant to section 68 of the Access to Information and Protection of Privacy Act, I wish to table the 2018-2019 Annual Report of the Office of the Information and Privacy Commissioner of the Northwest Territories.

I would like to draw the attention of Members to the presence in the gallery today of Ms. Elaine Kennan-Bengts, the Information and Privacy Commissioner. Thank you for joining us this afternoon, Ms. Keenan-Bengts.

TABLED DOCUMENT 26-19(1):
NORTHWEST TERRITORIES LEGISLATIVE
ASSEMBLY PENSION ADMINISTRATION
REPORT – RETIRING ALLOWANCES ACT AND
SUPPLEMENTARY RETIRING ALLOWANCES
ACT AT MARCH 31, 2018

Members, in accordance with section 21(1) of the Retiring Allowances Act and section 11.1. of the Supplementary Retiring Allowances Act, I hereby table the Northwest Territories Legislative Assembly Pension Administration Report - Retiring Allowances Act and Supplementary Retiring Allowances Act at March 31, 2018.

Tabling of Documents. Item 15, notices of motion. Item 16, motions. Item 17, notices of motion for the first reading of bills. Item 18, first reading of bills. Item 19, second reading of bills. Member for Kam Lake.

Second Reading of Bills

BILL 1-19(1):
AN ACT TO AMEND THE LEGISLATIVE
ASSEMBLY AND EXECUTIVE COUNCIL ACT

MS. CLEVELAND: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Inuvik Boot Lake that Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, be read for the second time.

This bill amends the Legislative Assembly and Executive Council Act to extend certain benefits to Members and have the ability to regulate childcare expenses.

MR. SPEAKER: The motion is in order. To the principle of the bill.

SOME HON. MEMBERS: Question.

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

--- Carried

Bill 1 has had its second reading. The Member for Kam Lake.

MS. CLEVELAND: Thank you, Mr. Speaker. Mr. Speaker, I seek unanimous consent to waive Rule 73-2 and to have Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, moved into Committee of the Whole for consideration later today. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Member. The Member is seeking unanimous consent to waive rule 73-2, and have Bill 1 referred to Committee of the Whole. Are there any nays? There are no nays. The bill is moved into Committee of the Whole for later today, Item 20, consideration in Committee of the Whole of bills and other matters.

Second reading of bills. Item 20, consideration in Committee of the Whole of bills and other matters: Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, on the floor today with Member for Inuvik Twin Lakes in the chair.

Consideration in Committee of the Whole of Bills and Other Matters

CHAIRPERSON (Ms. Semmler): I will now call Committee of the Whole to order. What is the wish of the committee? Mr. Norn.

MR. NORN: Thank you, Madam Chair. The committee wishes to deal with, one, Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, and, two, Tabled Document 5-19(1), Supplementary Estimates (Operations Expenditures and Borrowing Authorization), No. 3, 2019-2020, in that order. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Thank you, committee. We will take a short recess and resume with the first item.

--- SHORT RECESS

CHAIRPERSON (Ms. Semmler): I will now call committee back to order. Committee, we have agreed to consider Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act. I will ask the Member responsible for the bill to introduce it. The Member for Kam Lake.

MS. CLEVELAND: Thank you, Madam Chair. The Legislative Assembly and Executive Council Act lays out the indemnities and allowances available to Members of the Legislative Assembly. Schedule C of the act sets out the actual monetary value of these indemnities and allowances.

During the 18th Legislative Assembly, the Independent Commission to Review Members' Compensation and Benefits and the Special Committee to Increase Representation of Women in the Legislative Assembly put forward recommendations. As a result of these recommendations, amendments to the act and the regulations are required through Bill 1.

These include the following:

1. Prorate certain allowances for Members of an outgoing Legislative Assembly to the day before polling day, as opposed to the day the Legislative Assembly is dissolved;
2. Allow for Members to receive the same level of benefits;
3. Eliminate the requirement for Members of the Executive Council to swear or affirm an oath of allegiance a second time;
4. Include a new section to allow for the reimbursement of childcare expenses and authorize the making of regulations that deal with the reimbursement of these expenses;
5. The chairpersons of all standing committees of the Legislative Assembly receive the same remuneration, with the exception of the chairperson of the Standing Committee on Accountability and Oversight; and
6. Reference to the new UNW Collective Agreement and add language to eliminate the need for constantly updating the language every time a new agreement is reached.

Thank you, Madam Chair. That concludes my remarks. Individual Members may have additional comments or questions as we proceed with the consideration of this bill.

CHAIRPERSON (Ms. Semmler): Thank you. Would the Member for Kam Lake like to bring witnesses into the Chamber?

MS. CLEVELAND: Yes, Madam Chair.

CHAIRPERSON (Ms. Semmler): Sergeant-at-Arms, please escort the witnesses into the Chamber.

Member Cleveland, please introduce your witnesses.

MS. CLEVELAND: Thank you, Madam Chair. To my right is Tim Mercer, Clerk of the Legislative Assembly, and to my left is Christina Brownlee, Legislative Assembly Counsel for the Department of Justice. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): I will now open the floor to general comments on Bill 1. Is the committee agreed that there are no further general comments?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Can we proceed to a clause-by-clause review of the bill?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Committee, we will defer the bill number and title until after consideration of the clauses. Please turn to page 1 of the bill. Clause 1, agreed?

---Clauses 1 through 5 approved

CHAIRPERSON (Ms. Semmler): Clause 6, agreed? Member for Hay River North.

HON. R.J. SIMPSON: Thank you, Madam Chair. We are dealing with the indemnity payable to officeholders, and I see that there is a bit of a difference here. The rules and procedures committee was identified in the current act as receiving a lesser indemnity than the other committee chairs. My understanding is that is because, traditionally, there were only about 12 or 13 meetings an Assembly for the rules committee. I understand that, in the last Assembly, that number has increased. Do we expect these numbers to increase, the workload to increase, to be similar to the other committees? Is that why this increase is happening? Thank you.

CHAIRPERSON (Ms. Semmler): Ms. Cleveland.

MS. CLEVELAND: Yes, that's correct, Madam Chair.

CHAIRPERSON (Ms. Semmler): Mr. Simpson.

HON. R.J. SIMPSON: Thank you. I look forward to seeing if that happens, but it's a little strange, I guess, that, after one Assembly, we give this increase. Usually, you know, if we're budgeting, you might have to have a few years' overages before you work that into the base, so I look forward to seeing the work that this committee does in this Assembly. Thank you.

CHAIRPERSON (Ms. Semmler): Member Cleveland. All right, so we're going back to clause 6. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Clause 7. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): We will now return to the bill number and title. Member's Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Committee, to the bill of the whole, does committee agree that Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, is now ready for third reading?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Thank you, committee. Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, is now ready for third reading. Does committee agree that this concludes our consideration of Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Thank you, Ms. Cleveland, and our thanks to your witnesses. Sergeant-at-Arms, please escort the witnesses from the Chamber. Committee, we have agreed to consider Tabled Document 5-19(1), Supplementary Estimates (Operations Expenditures and Borrowing Authorization) No. 3, 2019-2020. Does the Minister of Finance have any opening remarks?

HON. CAROLINE WAWZONEK: Yes, Madam Chair.

CHAIRPERSON (Ms. Semmler): Does the Minister -- oh, sorry. Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you again, Madam Chair. I am here to present the Supplementary Estimates (Operations Expenditures and Borrowing Authorization) No. 3, 2019-2020. The supplementary estimates document consists of two items, as follows:

1. \$4.5 million for the Department of Municipal and Community Affairs for increased grant-in-lieu of property tax payments to municipal taxation authorities under the Grants-in-Lieu of Property Taxes Policy. This increase is the result of increases to the assessment values for the City of Yellowknife. A significant portion of the increase is due to the new Stanton Territorial Hospital coming into service, which makes up \$3.5 million of the amount being requested. The Grants-in-Lieu of Property Taxes Policy recognizes that, unless property

is exempt from taxes, the government is expected to pay compensation for municipal services provided to the Government of the Northwest Territories by community governments, and that properties should be assessed by the same methods as those used for privately owned property.

2. \$135 million to increase the government's short-term borrowing limit for 2019-2020 fiscal period from \$390 million to \$525 million. The proposed increase is required to ensure the government has the borrowing authority to meet its projected cash flow requirements to the end of the 2019-2020 fiscal period that, based on current cash flow projections, are at risk of exceeding the current approved limit.

The increased short-term borrowing limit set out in this supplementary estimates document will stay in effect until March 31, 2020. As part of the development of the 2020-2021 Main Estimates, an updated borrowing plan that reflects the borrowing requirements for the government for the 2020-2021 fiscal period will be provided for review and approval by the Legislative Assembly.

The Department of Finance recognizes that departments need to prepare their budget estimates knowing that there are items that are difficult to accurately estimate, and for which supplementary funding may be required. One example of this is forest fires, where the financial impacts of a fire season are not known up front.

That said, the Department of Finance is conscious of the need for us to work to close the gap between what is budgeted for a fiscal year and the total appropriations needed during the year. One measure that is being implemented for this reason going forward is the requirement that departments will prepare four-year business plans.

We will also re-profile a position within the Department of Finance to better support review of cash flow, and to follow up and monitor all invoices, including those outstanding from other departments. The Department of Finance will continue to work with all departments to support and improve fiscal responsibility.

That concludes my opening remarks, and I would be happy to answer any questions that Member may have. Thank you.

CHAIRPERSON (Ms. Semmler): Thank you, Minister. Does the Minister of Finance wish to bring witnesses into the House?

HON. CAROLINE WAWZONEK: I do, Mr. Sandy Kalgutkar and Mr. Jamie Koe.

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

HON. CAROLINE WAWZONEK: As mentioned, this is Mr. Sandy Kalgutkar, deputy minister of Finance, and Mr. Jamie Koe, whose title has just changed, deputy secretary (Board of Management).

CHAIRPERSON (Ms. Semmler): I will now open the floor to general comments. The Member for Kam Lake. No? Sorry. Seeing no further general comments, we will review supplementary estimates by department. The committee has agreed to begin the review with the Department of Municipal and Community Affairs. I will now open the floor to general comments on the Department of Municipal and Community Affairs. Member O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. I'm just wondering if I can get an explanation as to how the Department of Municipal and Community Affairs would miss that the Stanton Hospital would come online and didn't budget for this. Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Unfortunately, I may not have a fully satisfactory answer for the Member insofar as the simple reality is that, obviously, one can assume or one knows that an asset will come into play and will need to be budgeted for the year that the asset is completed or is in service. Obviously, one could assume that you would know that the hospital that was being built would come into service during this particular year. That said, there were uncertainties as to the exact timeline of the hospital and uncertainties as to the final total of the hospital, and so, again, while I can't speak to the internal budgeting that was happening in the Department of Municipal and Community Affairs, I can say that the uncertainties there were real and, in that sense, it wouldn't be uncommon for there to be some delay that may not have been included in the original budgets, that they would be appropriately part of a supplementary bill.

It is unfortunate that they weren't budgeted for internally so that we aren't coming at this stage of the matter, but the best I can do in the situation that I am in, quite closely on the heels of the election, is to have caught this fact when we did and to do what we could to take the steps that we could here and today and obviously, in the very first sitting in the Assembly, in order to go forward in a way that is fiscally responsible and that helps this department get itself back on track for the remainder of the fiscal year.

CHAIRPERSON (Ms. Semmler): Thank you. Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. I appreciate the Minister is new to this file, but I can assure the Minister I sat in the House in the 18th Assembly, and we knew months in advance of the day that the new hospital was going to open on May 26, 2019. That was the scheduled date for months before that, and it must have been known to the Municipal and Community Affairs officials as well. How is it that our system failed to flag this and that the city was going to provide the assessment and that we would have to pay that to the City of Yellowknife? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. I acknowledge the Member's comments, and, certainly, to the extent that there needs to be a better review, we certainly share that. It doesn't eliminate the fact that, unfair, unfortunately, we are at a situation now that the Minister of Municipal and Community Affairs, MACA, does not have this money available to it within its budget, short of the current supplementary bill that is for consideration at present.

The Department of Finance is going to be working with MACA to the extent possible to help ensure that mitigation measures or that better measures are in place to monitor the cash flows that are happening, to better plan, and to better estimate the final values on assets as they are becoming available so that we don't wind up back in a similar situation and so that there is a better ability to track incoming assets and relying on perhaps more than one check and balance within the bigger system of the finance of the GNWT.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. Can someone tell me: when did we get a tax assessment that was from the City of Yellowknife for the Stanton Hospital? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Madam Chair, I am told that would have been approximately fall of 2019.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. "Fall of 2019," can we get a little more precision to that? Was it September?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: I just want to clarify, Madam Chair, when the city bill was received generally.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. Look, I am a taxpayer here in Yellowknife. We receive an interim notice, I think, pretty early in the calendar year, and then we get a final notice usually around June, if my memory serves me correctly. I am just wondering: when did MACA get the notice of taxation, and why did it take from the time of the notice until now before the supplementary appropriation came forward? Is this something that could have or should have been dealt with in the last Assembly? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Yes, Madam Chair, thank you. I am just conferring and agreeing with Mr. Kalgutkar that, from the perspective sitting here, from Finance, is that quite certainly, yes, the matter should have been a supplementary appropriation in a fall session. Obviously, there wasn't a fall session, and, unfortunately, that puts us here at this session. It is not arriving in the timeliest of fashions, at least from the perspective of the present witnesses here and myself. It is here as quickly as I believe we were able to bring it here.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. Okay. Maybe I can just get the Minister to agree that she will find out what that date was and give me and the Members of this House the chronology of events around this misstep or failure to budget properly for the tax bill from the city. Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Madam Chair, I am hesitant always to put other departments on the spot, but I would certainly expect that we likely have that information within Finance, and so, to the extent that I can provide some further chronology on when that taxation information was received, the Department of Finance will certainly endeavour to see what information we have.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. Great, okay. I look forward to getting that information, and I just assume that you folks are all working

together, so you are going to get it from your colleague. Now that we have dealt with what happened, how are we going to prevent this from happening again in the future? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair.

Sorry, Madam Chair. I apologize for the delay. Madam Chair, there are steps underway. Certainly, the reaction that the Member is having perhaps to this is not dissimilar to the reaction that has already been had to the situation that we are in, so there is some shared frustration, I am sure, by all Members. The Department of Finance certainly intends to work more closely with the assets that are coming online in the future to ensure that they are being adequately budgeted for at the front end, that they are adequately planned for, and so that dates are known, as far as they can be, and so, when there is an asset that we know is coming online, we are not in a situation of dealing with it after the fact and not at the front.

I would hope that there will be a closer working relationship between MACA, Infrastructure and the Department of Finance to ensure that, indeed, when an asset is on the list and expected as part of the capital projects, for which there is clearly a plan, that then we can make sure that that is part of the budgeting process, as well.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. I would like to know what measures or were there any opportunities within MACA or what contingencies did they look at before coming forward with a supplementary appropriation? Were they able to find the money internally? I think the budget of the Department is around \$55 million or something. Were there any opportunities to make up the money internally, and what was looked at? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Again, the only reason that the Department of Finance has received in terms of when we evaluate a submission like this coming forward, certainly, is that there wasn't a lot of flexibility at this stage of the fiscal year remaining for MACA and that, at this stage of the fiscal year, they had already used up a lot of their available room in terms of their support for community governments and grants-in-lieu, et cetera, so, while certainly in their total budget, there might have

been some flexibility. Being where we are now here in the fall, late fall, there was limited flexibility to cover what was a fairly significant amount owing to a municipal government. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): I will move on to the Member for Hay River South, Mr. Rocky Simpson.

MR. ROCKY SIMPSON: Thank you, Madam Chair. The tax bill there for Stanton is quite substantial, and I see that the property, it says here, is that you, in your statement, is it is assessed by the same methods as those used for privately owned property. Am I correct in saying that MACA is the one who does the property assessments?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Not entirely. I think it may depend on each municipality. In this particular instance, MACA and the municipalities do work together to have an assessor who comes in and does the assessments, so it is not accurate. I apologize if I said that it is not accurate to say it is done exactly the same as a private property would be made. The grants-in-lieu is part of a Government of Northwest Territories policy, and so MACA follows the policy in order to ensure that the grants-in-lieu are paid properly to the municipal governments, as is required by that policy.

CHAIRPERSON (Ms. Semmler): Member for Hay River South.

MR. ROCKY SIMPSON: Thank you, Madam Chair. If they are following, I guess, the same methods as those for privately owned properties, would it not follow, then, that in Hay River I see property values down? I am not sure what it is like in Yellowknife, but would it not follow that the government would take a look at that assessment and look at whether it should be challenged? If we are following it like privately owned properties, the government should have the same right to challenge the assessment, as well. What has that done?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. There is an appeal mechanism. To my limited knowledge, and I will just verify it, I don't know that the government has made use of that appeal mechanism. To the knowledge of the witnesses present, Madam Chair, that is not something that is generally done. This is a policy whereby the primary principal of the policy is to provide fair compensation for municipal services to the various community governments. I imagine there would be some hesitancy in general by most

departments to challenge an assessment that we are part of creating.

To my knowledge, as I have said, this particular one was not challenged or appealed, particularly with capital projects, and at the front of a capital project, the value of the asset at that moment in time is perhaps less difficult to ascertain than what an item would be worth over the course of many years. That wasn't considered to be needed in this particular instance, to the best of my knowledge.

CHAIRPERSON (Ms. Semmler): Member for Hay River South.

MR. ROCKY SIMPSON: Thank you, Madam Chair. I guess, if we are looking at a fair assessment, I am hoping that this government takes a look at the assessment and decides, outside of MACA, it would have to be outside MACA, whether it is a fair assessment or not. I am [microphone turned off] doesn't sound like that is done. We just accept, basically, what is put in front of us, and assume that it is fair unless there is something, a report or something, criteria that is met, to make sure it is fair. Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Two parts: firstly, that the assessors are certified. These are external to the GNWT, and they are certified assessors, so that comes with it their own ethical obligations, obviously, to ensure that the information they are providing is fair and accurate. In addition to that, the Department of Finance is alive to the Member's concerns. I can assure the Member that there will be a process going forward, internally, to determine whether or not or under what circumstances an appeal would be appropriate, perhaps more formally than what has been done at least in the recent past.

CHAIRPERSON (Ms. Semmler): Member for Hay River South.

MR. ROCKY SIMPSON: No further questions at this time. Thank you.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. My question is: the Stanton Territorial Hospital makes up \$3.5 million of the amount being requested here; what is the value of that asset, then?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Madam Chair, I am pleased to say that all three of us came to the same number. It is approximately \$300 million.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. With the hospital being valued at \$300 million and MACA requiring an extra \$4.5 million here to make up property tax assessments, can the Minister of Finance provide me: what percentage of total property tax assessments under the grant-in-lieu program does the hospital make up to the City of Yellowknife? I hope that question was clear. Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. I do think the question is clear. It is the percentage total that the Stanton Territorial Hospital is in the entirety of all grants-in-lieu paid by MACA to the City of Yellowknife. The Member is nodding his head, Madam Chair, so I am going to continue.

Madam Chair, I am not sure if this is procedurally allowed, but I suspect we might be able to do the math on that. We just can't do it in this moment. I take it back, Madam Chair. I am told that it is 57 percent of the total grants-in-lieu paid to the City of Yellowknife.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. We have a \$300 million new hospital. The City of Yellowknife assesses it. We agree with that assessment. We pay this \$3.5 million. What I am looking for is can I get a sense of: is this now an ongoing \$3.5 million? I don't have an understanding of a hospital's value. Is this a depreciating asset? Will we continue to have this \$3.5 million? Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Similar to taxes, it is an ongoing obligation to pay. We would be certainly subject to changes in year-over-year mill rates as would any other property assessment. Essentially, it is a tax owing and will be due year over year, subject to a new assessment.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. One final question: is this the largest asset presently owned by the GNWT?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Yes, Madam Chair.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife North.

MR. JOHNSON: No further questions.

CHAIRPERSON (Ms. Semmler): Mr. O'Reilly.

MR. O'REILLY: Thanks, Madam Chair. I'll try to be quicker this time. Can someone tell me: the \$3.5-million amount, does that include school taxes?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Yes, it does.

CHAIRPERSON (Ms. Semmler): Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair. Of the \$3.5 million, how much is made up of school taxes? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: [Microphone turned off] turned out to in fact have somebody find it. I am delaying somewhat in trying to look quickly, but I don't remember [microphone turned off] in one of the charts provided at Tab 1 that we provided to the committee yesterday. I don't know if Members have this with them or not.

Madam Chair, I would prefer to just commit to getting that to them rather than trying to see whether or not I have it correctly. It is better that I give correct and accurate information to the Member. Certainly, that information can be made available.

CHAIRPERSON (Ms. Semmler): Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair. I thought this was going to be a little easier than it is. I am looking at the information that was provided to us, and it doesn't jive with what the Minister has told us. The amount on the table that she is referring to is different than the number that she has given to us in her opening remarks. Is there some way where I can get it clarified what the actual amount is and how much was actually paid in school taxes? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. I am going to ask Mr. Koe to explain that, please.

MR. KOE: Thank you, Madam Chair. In the information that we provided to Members, under the Stanton Regional Hospital, it says the 2019 total levy is around \$4.5 million. That would be for a total year. Since the hospital came out in March, it is a partial year. When the partial year was estimated, it was around \$3.5 million for this year. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Member for Frame Lake.

MR. O'REILLY: Great. Thanks. That is what I had suspected and appreciate the response from our witnesses. This will be an ongoing cost into the future. The total supplementary appropriation, I think, is for \$4.5 million, essentially. The Minister said \$3.5 million is for the City of Yellowknife. What is the other \$1 million for [microphone turned off]?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. There is an increase in the Norman Wells mill rates. With respect to the opening of the Norman Wells Health Centre, that does include some of the additional increase, \$52,000. As well, there are some other assets within the Yellowknife region where, again owing to the change in rate, the assessment values also rose. That accounts, I believe, for the remainder of the full amount being sought on the supplementary appropriation. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair, and thanks to the Minister for that. I am trying to reconcile this against the information that was provided to us in the briefing and so on. Can the Minister commit to getting us an actual breakdown of what this MACA supplementary appropriation is actually for by property? I have now heard that it is Stanton Hospital, Norman Wells Hospital, as well as various other Yellowknife properties. That is what not what we heard before. Can I get a breakdown of the exact number associated with each property that makes up the \$4.492 million that we are supposed to be approving today? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Absolutely, Madam Chair. We can do that.

CHAIRPERSON (Ms. Semmler): If there are no further comments, does committee agree to proceed to the detail contained in the tabled document? Committee, we will begin on page 4, 2019-2020 Supplementary Estimates, No. 3, Operations Expenditures, Department of Municipal and Community Affairs, operations expenditures, regional operations, not previously authorized, \$4,492,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Total department, not previously authorized, \$4,492,000. Does committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Thank you. Please turn to page 5. We will now open the floor to general comments on the Department of Finance. Ms. Green.

MS. GREEN: Thank you, Madam Chair. I have detail questions. Is this the right time to ask those?

CHAIRPERSON (Ms. Semmler): Yes.

MS. GREEN: Thank you. Because I wear this earphone all the time, I just want to caution the Minister of Finance that she is talking before the red light goes on, so some of her answers are not being recorded. Having said that, I wonder if the Minister could give us a breakdown of the components of the cash-flow issue for which the government is seeking \$135,000 in borrowing? Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. There are a number of contributing factors that are impacting on the cash flow, as we have identified them quite recently. For one, simply put, there was a much lower starting point from what had been projected; outstanding receivables from the Northwest Territories Health and Social Services Authority for repayment of their payroll, \$117 million; the collective agreement resulted in increases to overall GNWT payroll, and that has impacted on the cash flow estimates; the delay in terms of federal funding that is received and that will be coming in as revenue but that doesn't necessarily arrive and is difficult to know exactly when it arrives, so that is being put through at cash flow, and that makes it difficult, even though that we know the money is coming, we just don't know exactly when; various other outstanding receivables for work being performed, again, often it's particularly for the federal government when there

are initiatives under way, for example, in the health department, and they may be, in fact, fully funded, but the work is being done by the GNWT, and then there are receivables that are outstanding from those other parties.

Those are some of the examples, Madam Chair, of what has impacted on this situation. I neglected that there have also been changes in terms of the revenues that are being received. Revenues are lower, for example, with respect to the corporate taxes. Corporate taxes were expected to be a receivable and have, in fact, been below zero this year. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife Centre.

MS. GREEN: Thank you, Madam Chair. Thank you to the Minister for that response. Can the Minister commit to itemizing each of these points in a dollar amount and providing that to this committee? Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: The reason I was delaying is we are making constant efforts, and certainly Mr. Kalgutkar, I know, since bringing this matter forward has been making consistent efforts to increase the pressure to get our invoices paid and have revenues come in. The numbers are changing over time, but what we can do is certainly provide a more itemized breakdown for the Members so that they have a much clearer picture. I realize that these appear to be more like estimates, but we can provide more specific numbers at a particular point in time so that there is a better sense of where things are at, at one given moment, just acknowledging that they are changing, and we are doing what we can to help them change for the better, to the extent that that is within our control.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife Centre.

MS. GREEN: Thank you, Madam Chair, and thank you to the Finance Minister. Pick a point in time. We understand that this is not fixed. Of the \$135 million that you are seeking in borrowing for cash flow purposes, how much of that will be reimbursed by the end of the fiscal year? Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Even at present, this is probably a few days old. The current forecast of the department is to be in a slight decrease in overall cash flow by the end of the fiscal. What we are able

to have repaid will depend very much on what revenues we are able to get back in.

I can assure the Member that the request to make this part of the short-term borrowing limit would stand only until the end of the fiscal year. To the extent that there would be a total increase in the short-term borrowing limit, that may well be changed significantly in time for the next fiscal strategy so that we can look at the fiscal plan over the next couple of months and try to do, frankly, a more accurate job of forecasting, to the extent that that is possible, so that we don't necessarily require as much in terms of short-term borrowing for next year. That would certainly be our hope and our intention going forward in terms of planning for the 2020-2021 fiscal year.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Yellowknife Centre.

MS. GREEN: Thank you, Madam Chair, and thank you to the Finance Minister for that information. Can the Minister confirm that the bulk of this short-term borrowing is to assist with the Health and Social Services authority's payroll, which she talked about at the beginning of her answers, and can she say whether, in fact, the authority is in a position to repay this money to the Department of Finance by the end of the fiscal year? Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. I am told that the increase in the total debt to the Health and Social Services authority should be approximately \$9 million, so, certainly, the increase in the short-term borrowing limit that the Department of Finance is seeking will still be there to support the health system and the health authority and their payroll.

The purpose of increasing the short-term borrowing limit is meant to be a short-term technique used in order to support all of the shorter-term and day-over-day cash requirements, including payrolls for all departments. Certainly, it is notable that it is the health department that has the single biggest item that is outstanding at this time.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife Centre.

MS. GREEN: Thank you, Madam Chair. Thank you to the Finance Minister for that. I am going to just ask the same kind of question in a different way. What capacity does the health authority or do the collective health authorities have to reimburse the Department of Finance for the payroll owing over a quite large number of years? It is, in my understanding, well in excess of \$100 million. What

capacity do the health authorities have to pay that money back? Thank you.

CHAIRPERSON (Ms. Semmler): Thank you. Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. The simple answer is that the health authorities have limited and challenged capacity to pay the money back. That is the reason for which the Department of Finance is working with them in order to try to ensure that their own internal fiscal frameworks are as responsible, going forward, as possible.

There are a number of initiatives underway currently, partnered between Finance and the health authority, to this purpose, one example of which is the "towards a better future" initiative. That is something that has been organized between the health department and health authority as well as the Department of Finance. It is meant to be an opportunity to examine why it is that their fiscal situation is as challenged as it is. Another is to bring them into the System for Accountability & Management. That is the general system of accounting used within the finance department and within the financial system of the GNWT, generally. It is hoped that, although there are no reductions in positions or employment, but that, by doing this, we are reducing the costs of licensing fees for the financial systems that are currently being used by all the different authorities and using just one, so eliminating those licensing fees, which are significant, as well as allowing the health department to have far better data management, data organization, and data evaluation so that they can then continue their process, again in partnership with the Department of Finance, to see where they can be more efficient overall in their processing.

That is the longer version and the longer explanation, the hope therefore being that, over a short to medium term, the Department of Health and Social Services will be better placed to not be relying on the Department of Finance to be supporting payroll. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife Centre.

MS. GREEN: Thank you. What I heard in that answer was a process to quantify the problem, but I didn't hear a solution to the problem. If the health authorities are limited and challenged, as you say, to pay this money back, then is this really short-term borrowing or is this really long-term borrowing? Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. There are two different challenges. The short-term borrowing is in the Department of Finance, and that is so that the Department of Finance can manage the total finances of the Government of the Northwest Territories and be able to look at the totality of what is being demanded and needed in order to run all of the essential government programs and services, including the health authority, including their payroll, and that is the short-term borrowing aspect of it.

The health of the health department's finances is a long-term challenge, but that is not one that is being singularly solved by the request that we are putting forward here. The Department of Finance right now is supporting the health departments, who keep their employees paid and make sure that people in the Northwest Territories have access to the healthcare system in the best way possible.

Being able to quantify the problem, while unsatisfying in the short term, but from the perspective of being able to evaluate and look for efficiencies, truly understanding where those inefficiencies are is going to be critical in order for the Department of Finance to actually go in and be able to look at where there can be ways to make those processes leaner and make those processes more efficient. For us, quantifying actually is quite critical. That is a medium- and long-term solution, but it is unrelated in a lot of ways to the short-term borrowing increase that we are seeking here, which is really to get the government to the end of this fiscal year in as financially responsible a way as possible. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. I just want to encourage the Minister to keep their answers brief and allow the Members to make most of their time. I am going to move on to Member for Kam Lake.

MS. CLEVELAND: Thank you, Madam Chair. I am thankful to the Member for Yellowknife Centre for starting off my question. We have seen continuous growth over the last few Assemblies of the short-term borrowing. I am just wondering if the Department of Finance intends to maintain the \$525-million short-term borrowing limit for the 2020-2021 fiscal year or if they would eventually like to reset that to the \$390-million limit that we had before. Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. We have only really just begun the internal process of looking at what the fiscal framework and fiscal policy will be, going forward. I can say, quite honestly, it is not an overt intention

by any stretch to maintain a higher short-term borrowing policy or short-term borrowing limit. I am also cognizant that there seems a trend only ever upwards, and so, while I can't say what the final number will be now, the entirety of that number is still under discussion and evaluation. The intent is to look at the totality of what is happening and get a better handle on it and come to a decision. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Kam Lake.

MS. CLEVELAND: Thank you, Madam Chair. I am curious if the Minister of Finance can speak to what actions the Department has taken to avoid going through this exercise again a year from now.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. No one would like to avoid that more than me right now. Things that are being put into place, Madam Chair, we would include simply, really, that is the entirety of the budgeting strategy and the fiscal policy strategy and ensuring that, when we create a budget, the budget needs to do a better job of being accurate in terms of the estimates going forward. We are in a totally new position, a new government, a new administration, as well, and we have the opportunity to really evaluate and question each department that comes forward and ensure that, when they bring an estimate forward, those estimates are accurate, as much as is possible. Similarly, that when they know there is something that has uncertainties around it, that we identify where those uncertainties are so that at least, if there do have to be supplementary appropriations, which there will, that we have some sense of what they are going to be in advance, as much as possible.

CHAIRPERSON (Ms. Semmler): Member for Kam Lake.

MS. CLEVELAND: Thank you, Madam Chair. I am also wondering if the Minister of Finance can go into detail about what, if any, reduction efforts the Department of Finance is planning to undertake, specifically in relation to positions within the GNWT and GNWT salaries. Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. There is no intention at this time to make any reductions of any sort, and it is our hope that that will not be needed in the course of this administration, if possible. We are right at the beginning of a new government, right at the beginning of a new administration, and we simply

want to do our best to be fiscally responsible in a way that is transparent. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Kam Lake.

MS. CLEVELAND: Thank you, Madam Chair. I am also wondering, given the financial situation that we have found ourselves in, if the Department of Finance intends to freeze any kind of pay for performance or bonuses associated with excluded employees during this time. Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. There have been no discussions of any kind of freeze at this time. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Kam Lake.

MS. CLEVELAND: Thank you, Madam Chair. I would like to recognize the fact that the Minister of Finance has certainly inherited the challenge we find ourselves in currently and has not created it. That being said, it is still frustrating to start our Assembly off like this, but, at the end of the day, my concerns would be for the people of my riding and of the NWT. What I would like to be able to ask is: can the Minister clarify the ramifications if the supplementary borrowing is not approved? Thank you.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. I realize this is frustrating, but I would like to suggest to the Member that this is an opportunity for us to get it right and that, by going through this process as an Assembly right now, this is an opportunity to look at the fiscal policy that we do develop going forward and ensure that we are not back in this situation. In some ways, I'd say, this can be an opportunity for all of us.

As far as the immediate situation as to what would happen should the short-term borrowing limit not be increased, it certainly does create a situation where we are not being fiscally responsible. At present, the GNWT does have a very good credit rating. We are seen, essentially, as somewhere that is good in terms of our relationships with the banks that provide us our short-term borrowing and long-term borrowing. We would rather it not be seen as an entity that is not being fiscally responsible and that we identify that short-term cash flow problem. We are taking steps to manage that in the most fiscally responsible way.

There is also the possibility, of course, that we could be putting ourselves in contravention of our own legislation, which restricts the ability for short-term borrowing. Alternatively, we are running an overdraft in our cash, and that comes with significantly higher costs on interest, which simply makes the problem even bigger, makes the problem grow. From the perspective of the individual departments, for example MACA, to the extent that they are not receiving the funding that they are needing at the present time to maintain their operations to the end of the fiscal year, that could put internal pressures on them. Those are a number of the issues. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Kam Lake. Member for Frame Lake.

MR. O'REILLY: Thank you, Madam Chair. I think I'd like to start by asking, I think I heard there were some cash-flow issues with regard to federal funding for the large infrastructure projects. I had understood in the budget for 2018, or the current O and M budget, that we had already hired, I think it was, three extra staff at the Department of Infrastructure to help with better reporting and getting money out of the feds for these projects. Am I hearing that that's not working? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. I will shortly just turn it over to Mr. Kalgutkar. My ability to speak to infrastructure is quite limited. Perhaps, in the interests of time, I will just go straight to Mr. Kalgutkar.

CHAIRPERSON (Ms. Semmler): Mr. Kalgutkar.

MR. KALGUTKAR: Thank you, Madam Chair. The Member is right. As part of the overall federal funding, there is an allocation as part of that funding to provide the Department of Infrastructure internal resources, new internal resources, to help manage all the various pots of money that are coming to the government. The challenge that we are having with this cash flow is there have been some delays in the claims that we are submitting back to the federal government, and that is what the Department of Finance is working with Infrastructure on to make sure that these claims to the dollars that we are spending are provided by the federal government on a timely basis. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair. I think I heard the Minister say that their department was going to look at ways to try to prevent this from

happening again. Can the Minister get a little bit more specific about what specific measures the Department of Finance is going to do to make sure that our predictions are better in the future, that we have a better way of collecting money owed to us? Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Two parts: firstly is that, in the process of seeking main estimates from the various departments, individual departments certainly need to be given perhaps more scrutiny, more pressure, to ensure that those estimates are accurate. It will be somewhat challenged in the next budget cycle. Departments have already been providing those estimates before this administration even took their seats, but we will do our best over the next coming months to know that that is an expectation.

Internally, the Department of Finance, when this issue arose and our own conversations were had, decided that we would be re-profiling an internal position to be focused on cash flow and receivables to ensure that we are doing every step that we can at the Department of Finance to oversee the day-to-day cash-flow activities of the Government of the Northwest Territories. Thank you.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Frame Lake.

MR. O'REILLY: Thanks, Madam Chair, and I want to thank the Minister for that response. I guess I have a few comments I want to offer. I want to echo some of the frustration of my colleagues here this evening. Not a lot of this is actually new. The request, though, certainly for a \$135-million increase in short-term borrowing is something new, and it comes at a difficult time, at the beginning of this Assembly. I have asked questions in the last Assembly about the deficit for the Northwest Territories Health and Social Services authority. If you look at their annual report, the latest one that is available, the deficit is \$117 million if you look at note 6. That is what is driving part of this. This is a result of chronic underfunding by our government, of the Health and Social Services authority, across all of the departments or all of the regions. This is an accumulated deficit over time, chronic underfunding to health and social services. That is partly to blame here, in my opinion, Madam Chair.

Infrastructure spending, we took on way too many large infrastructure projects in the last Assembly. That is what is driving our budget now, the federal money, the 75-cent dollars, and we are going to get caught in the same trap again. We are going to see these cash-flow problems only increase in this Assembly. That is a little bit of a warning, a heads-

up. It is a major concern for me with large infrastructure projects.

I had also heard the Minister say that the corporate taxes were not as predicted and that, at the end of this year, they are going to be in a negative position with regard to corporate taxes. Corporate taxes are a terrible way to try to capture revenues from non-renewable resource development, and I have been on record saying that for decades, as a resident, to previous finance Ministers. If we want to actually capture non-renewable resource development benefits and money back to this government, we need a resource tax or an increase to the royalties. Corporate taxation just doesn't do it, and it goes up and down like a yo-yo, and that is partly why we are in this problem in the first place, now.

I am surprised to hear at this point that we are actually going to be staffing a position to help us with cash flow. I would have thought that that is just a basic thing that any Department of Finance would actually already have in place so that we could avoid this kind of problem in the first place. If you don't have somebody who is watching the cash flow and making sure the money comes in on time, we are in a desperate situation here. I am glad to hear that that is going to get addressed. I don't blame this Minister; she is brand new. However, there are some serious problems here with the way that we have been running our finances for many years, and this is coming to light. This highlights a lot of these issues. These issues are going to come back in the next budget, so I am willing to let this one go, but these are systemic problems that we have to address in the next budget. We have to find more money coming in here, more prediction and reliability with that money coming into the Northwest Territories. We have to make better efforts to collect debts and get them on time. We have to stop the chronic underfunding of our healthcare system. These are things that are going to crunch us in terms of our ability to take on new initiatives, as well.

Sorry, that is a mouthful from me, but I am very frustrated with this, as I think most of the Members on this side of the House are, and many of these issues should have been addressed by the last Assembly. I tried to do some of that, but now we are here again. The very first thing we've got to do is approve a short-term borrowing limit increase by \$135 million; this is not a good place to start off. Thanks, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Member for Frame Lake. Do you want to make any comments, Minister of Finance?

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. The Member indicated that the frustration is on the one side of the Assembly. I

suspect it is on all sides of the Assembly. I certainly share the frustrations sitting here, as well. What I would like to say on behalf of the Department of Finance is that we intend to start now as we mean to go on and to be fiscally responsible but to, as I have said, use this as an opportunity to do better. That is where, we mentioned earlier in my very brief introductory comment, that, by doing some four-year plans, year-over-year plans, it is our hope that each department is in a better position to make better estimates so that the total budget matches up in a way that allows for better projections of cash flow so that we can plan, knowing that there will be supplementary appropriations, but that they are not perhaps of the nature that we're dealing with today.

That said, we are going to do our best to be fiscally responsible right now to manage the monies in a way that ensures the best possible flexibility, while still not incurring the necessary expenses such as interest. I do thank the Member for his detailed comments. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you, Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. Can the Minister of Finance tell us what the interest we will pay on this \$135-million supplemental is?

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. In the short-term instruments, it would be 1.97 percent.

CHAIRPERSON (Ms. Semmler): Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. Minister of Finance, I'm going to ask you to do some math on the fly, but, paying 1.97 percent, perhaps you could give me an estimate of what the debt management cost is on our \$525-million figure. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: In the interest of time, Madam Chair, I'll just turn it over to Mr. Koe.

CHAIRPERSON (Ms. Semmler): Mr. Koe.

MR. KOE: Thank you, Madam Chair. It's a hard estimate to do quickly. It would be dependent on how much of this increase we're actually going to use, when we're going to use it, how we borrow it. What I can say from our current projections, right now, we're using banking overdraft, which is a much higher percentage. I do believe it's around prime plus one, so that's about 4.95 percent right

now. Depending if we're using bank overdraft to our short-term rate, which is 1.97, I do believe, at the end of the day, even if we do this increase, if we use the instruments available to us at a lower cost, it would more than offset it and be about the same at the end of the year. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Yellowknife North.

MR. JOHNSON: Thank you, Madam Chair. Looking at this, our short-term borrowing limit is \$525 million. Our long-term debt appears to be \$419. We've now surpasses short-term over long-term. I really get a sense that this is a bit of a shell game in that we're moving money around, and I don't think that this is correctly characterized as short-term debt. Much of this, I am quite confident, is in fact long-term debt. Perhaps the Minister of Finance can tell me, I recognize this is getting largely into the budget, but what the expectation is for converting this short-term debt to long-term debt. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Thank you, Madam Chair. Again, I share the Member's frustration of just seeing large numbers. Wanting the government to be fiscally responsible is a message that I am hearing loud and clear, and wanting to be fiscally responsible in a way that is responsive to the needs of the government long-term. Again, I'm hearing that loud and clear.

There is no intention to directly convert. The balance between short-term debt, long-term debt, and a budget is precisely the task that we are faced with in order to create the budget for 2020-2021. This particular supplementary appropriation bill is essentially a patch on a situation created by the 2019-2020 budget and our best effort to remain as fiscally responsible at this moment, under that passed budget, until the end of this fiscal year. Thank you, Madam Chair.

CHAIRPERSON (Ms. Semmler): All right. Member for Tu Nedhe-Willideh.

MR. NORN: Mahsi, Madam Chair. I'm just listening to the Minister's comments and Mr. Koe's comments for this being a financial patch, and the lending rate of prime plus one. From what I'm hearing, of this \$135 million, we're not entirely sure how much is going to be used or if it's all going to be used for this fiscal cycle.

CHAIRPERSON (Ms. Semmler): Minister of Finance.

HON. CAROLINE WAWZONEK: Madam Chair, that's correct. The number that we settled on in

terms of coming forward to the Assembly is one that we thought was certainly as low as possible, but while retaining sufficient flexibility, looking at the projected cash flows from now to the end of just this fiscal year, again.

CHAIRPERSON (Ms. Semmler): Thank you. Member for Tu Nedhe-Willideh.

MR. NORN: No further questions, Madam Chair.

CHAIRPERSON (Ms. Semmler): Are there any further comments? No? All right. If there are no further comments, does the committee agree to proceed to the details contained in the tabled document?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): 2019-2020 Supplementary Estimates (Operations Expenditure) No. 3, Department of Finance, short-term borrowing, Office of the Comptroller General, not previously authorized, \$135 million. Does the committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Thank you, committee. Do you agree that you have concluded consideration of Tabled Document 5-19(1), Supplementary Estimates (Operations Expenditures and Borrowing Authorization) No. 3, 2019-2020?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Thank you, Minister, and thank you to the witnesses for appearing before us. Sergeant-at-Arms, please excuse the witnesses from the Chamber. Does the committee agree that this concludes consideration of Tabled Document 5-19(1)?

SOME HON. MEMBERS: Agreed.

CHAIRPERSON (Ms. Semmler): Member for Tu Nedhe-Willideh.

COMMITTEE MOTION 1-19(1):
TABLED DOCUMENT 5-19(1), SUPPLEMENTARY
ESTIMATES (OPERATIONS EXPENDITURES
AND BORROWING AUTHORIZATION) NO. 3,
2019-2020,
CARRIED

MR. NORN: Mahsi cho, Madam Chair. I move that consideration of Tabled Document 5-19(1), Supplementary Estimates (Operations Expenditures and Borrowing Authorization) No. 3, 2019-2020, be now concluded and that Tabled Document 5-19(1) be reported and recommended as ready for further consideration in formal session

through the form of an appropriation bill. Mahsi cho, Madam Chair.

CHAIRPERSON (Ms. Semmler): The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

CHAIRPERSON (Ms. Semmler): Question has been called. All those in favour? All those opposed? The motion is carried.

--Carried

Tabled Document 5-19 will be reported as ready for consideration in formal session through the form of an appropriation bill. What is the will of committee? Mr. Norn.

MR. NORN: Sorry, Madam Chair; report progress.

CHAIRPERSON (Ms. Semmler): Thank you. I will rise and report progress. Anybody opposed to rising and reporting progress? No, okay. ...

MR. SPEAKER: Thank you, colleagues. May I have the report of the Committee of the Whole? Member for Inuvik Twin Lakes.

Report of Committee of the Whole

MS. SEMMLER: Thank you, Mr. Speaker. Your committee has been considering Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act, and Tabled Document 5-19(1), Supplementary Estimates (Operations Expenditures and Borrowing Authorization) No. 3, 2019-2020, and would like to report that Bill 1 is ready for third reading, and that consideration of Tabled Document 5-19(1) is concluded, and that the House concur in those estimates, and that an appropriation bill to be based thereon be introduced without delay, and Mr. Speaker, I move that the report of the Committee of the Whole be concurred with.

MR. SPEAKER: Thank you, Member. Do we have a seconder? Member for Hay River South. The motion is in order. To the motion.

SOME HON. MEMBERS: Question.

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

--Carried.

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

Orders of the Day

COMMITTEE CLERK OF THE HOUSE (Ms. James): Orders of the day for Thursday, December 12, 2019, at 1:30 p.m.

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Recognition of Visitors in the Gallery
5. Returns to Oral Questions
6. Acknowledgements
7. Oral Questions
8. Written Questions
9. Returns to Written Questions
10. Replies to the Commissioner's Opening Address
11. Petitions
12. Reports of Committees on the Review of Bills
13. Reports of Standing and Special Committees
14. Tabling of Documents
15. Notices of Motion
16. Motions
17. Notices of Motion for First Reading of Bills
18. First Reading of Bills
19. Second Reading of Bills
20. Consideration in Committee of the Whole of Bills and Other Matters
21. Report of Committee of the Whole
22. Third Reading of Bills
 - Bill 1, An Act to Amend the Legislative Assembly and Executive Council Act
23. Assent
24. Prorogation

MR. SPEAKER: This House stands adjourned until Thursday, December 12, at 1:30 p.m.

---ADJOURNMENT

The House adjourned at 5:33 p.m.

