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Iqaluit

Speaker: The Honourable James Arreak, M.L.A.

Legislative Assembly of Nunavut

Speaker Hon. Peter Kilabuk (Pangnirtung)

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Hon. Olayuk Akesuk

(South Baffin) Minister of Environment; Minister responsible for the Workers' Compensation Board

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> James Arvaluk (Tunnuniq)

Levi Barnabas (Quttiktuq) Deputy Chair, Committee of the Whole Hon. Levinia Brown (Rankin Inlet South – Whale Cove) Deputy Premier; Minister of Community and Government Services

> Tagak Curley (Rankin Inlet North)

Joe Allen Evyagotailak (Kugluktuk) Deputy Chair, Committee of the Whole

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Steve Mapsalak (Akulliq)

Hon. Patterk Netser (Nanulik) Minister of Economic Development and Transportation; Minister responsible for the Nunavut Housing Corporation

Hon. Paul Okalik

(Iqaluit West) Premier; Minister of Justice; Minister of Executive and Intergovernmental Affairs

> Keith Peterson (Cambridge Bay)

Hon. Ed. Picco

(Iqaluit East) Government House Leader; Minister of Education; Minister of Energy; Minister responsible for Multiculturalism, Homelessness and Immigration

> David Simailak (Baker Lake)

Hon. Louis Tapardjuk (Amittuq)

Minister of Culture, Language, Elders and Youth; Minister of Human Resources; Minister of Finance; Chairman, Financial Management Board

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Iqaluit, Nunavut Wednesday, March 12, 2008

Members Present:

Honourable Leona Aglukkaq, Honourable Olayuk Akesuk, Mr. David Alagalak, Mr. James Arreak, Mr. James Arvaluk, Mr. Levi Barnabas, Honourable Levinia Brown, Mr. Tagak Curley, Mr. Joe Allen Evyagotailak, Mr. Peter Kattuk, Mr. Steve Mapsalak, Honourable Patterk Netser, Honourable Paul Okalik, Mr. Keith Peterson, Honourable Edward Picco, Mr. David Simailak, Honourable Louis Tapardjuk, Mr. Hunter Tootoo.

Item 1: Opening Prayer

Speaker (Hon. James Arreak)(interpretation): I would like to ask Joe Allen to say the opening prayer. Mr. Allen.

>>Prayer

Speaker (interpretation): Thank you, Mr. Evyagotailak. I didn't formally address you and I apologize for that. (interpretation ends) Item 2. Ministers' Statements. Minister Aglukkaq.

Item 2: Ministers' Statements

Minister's Statement 171 – 2(4): Not All Bugs Need Drugs

Hon. Leona Aglukkaq: Thank you, Mr. Speaker. I am pleased to announce the upcoming launch of the 'Not all Bugs Need Drugs' campaign featuring 'Vinnie the Virus.' Mr. Speaker, the communications campaign is aimed the responsible use of antibiotics in Nunavut, and seeks to educate the public. The overall objective of this pilot project is to lower rates of unnecessary prescriptions, with particular regard to the treatment of colds and flu. I would also like to thank Health Canada for funding this project.

Mr. Speaker, one of the main causes of antibiotics resistance is the overuse and incorrect use of antibiotics. Antibiotics are often incorrectly used to treat sicknesses such as colds, flu, and bronchitis. Mr. Speaker, antibiotics do not cure these types of illnesses because they are almost always caused by viruses.

Antibiotics attack bacteria, as part of the bacteria's normal defence against this attack they can become 'used to' or resistant to particular antibiotics.

This means antibiotics may lose their effectiveness and not work as well as they should. Bacterial resistance to antibiotics is increasing, and the department is taking a proactive approach to curb this increase.

Mr. Speaker, there are three key messages in this campaign, Not all Bugs Need Drugs, Wash Your Hands - Prevent Infection, and Antibiotics don't work on viruses. Campaign messages are to be advertised in local newspapers, and a series of hygiene posters is in production. Posters and campaign information resources will be made available at local health centres, Qikiqtani General Hospital and Iqaluit Public Health. An educational brochure has also been produced to inform the public of the proper use of antibiotics. Additionally, we are producing a limited number of t-shirts with the slogan: Be Responsible – Not all Bugs Need Drugs.

Mr. Speaker, health care providers work hard,, and it is important for Nunavummiut to know if they are not receiving a prescription for antibiotics there is a valid reason. If a prescription provided it is vital to take it as prescribed and until finished. Viruses and bacteria are different. Unnecessary prescriptions will be reduced. Mr. Speaker, Not all Bugs Need Drugs. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Minister. Ministers' Statements. Item 3. Members' Statements. Mr. Peterson.

Item 3: Members' Statements

Member's Statement 403 – 2(4): The Nunavut Mining Symposium

Mr. Peterson: Thank you, Mr. Speaker. I rise today to speak about the Nunavut Mining Symposium.

Mr. Speaker, the first annual Nunavut Mining Symposium was held in 1996. By informal agreement, it was annually rotated between the three regions of Nunavut to provide each of them with the opportunity to showcase their mining attractions. Cambridge Bay was proud to host our first Nunavut Mining Symposium in 1998.

Mr. Speaker, the Nunavut Mining Symposium has grown to become one of Nunavut's largest "must attend" events to learn about mining activities and opportunities in our territory. The Nunavut Mining Symposium organizers and volunteers deserve all the credit for the event's success. The Kitikmeot's hospitality and organization is always first class.

Mr. Speaker, rotating the Nunavut Mining Symposium among the regions highlights the vast geographic size of Nunavut. In addition, it gives each host community, businesses, and, most importantly, the residents, an important opportunity to welcome visitors.

Mr. Speaker, over the years since hosting our first Nunavut Mining Symposium, the Kitikmeot has welcomed mining visitors from around Canada and the world. They have rubbed shoulders with Inuit organizations, government officials, school children and parents alike. As a result, many of our residents are keen to begin careers in the mining sector.

Mr. Speaker, in the early 90s, Kitikmeot representatives attended many national and international mining shows to promote the Kitikmeot, and later, Nunavut as a whole. We coined the phrase "Open for Business" and spent endless hours at booths and in meetings describing why mining companies and others should invest in Nunavut.

Mr. Speaker, Kitikmeot representatives are now concerned that the informal agreement to rotate the Nunavut Mining Symposium among the three regions might be in jeopardy. They are concerned that decision makers may feel that the event has grown too large to be held in regional centres outside of Iqaluit. In a sense, it is a victim of its own huge success.

Mr. Speaker, the Kitikmeot's answer to that concern is to continue to host a Nunavut Mining Symposium that suits the size of your community.

Mr. Speaker, I request unanimous consent to conclude my statement. Thank you.

Speaker: Thank you. The member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Please proceed, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank my colleagues.

Cambridge Bay has shown that we can easily host events of up to 250 participants. They believe that the Nunavut Mining Symposium should not stray from its original mandate and risk losing touch with the people in the communities who will benefit or be most affected by nearby mining activities.

Mr. Speaker, Kitikmeot interests are now considering the concept of hosting an annual event that alternates annually between the highly successful and growing Kitikmeot Trade Show and a Kitikmeot Mining Conference which would focus on highlighting all the business and mining opportunities that the Kitikmeot has to offer and remain close to the people. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Peterson. Members' Statements. Member for Quttiktuq, Mr. Barnabas.

Member's Statement 404 – 2(4): Congratulations to Arctic Fishery Alliance

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. Good afternoon. I send my greetings to my constituency.

Mr. Speaker, I rise today to inform the House of an important event, which I'm very proud of, that took place yesterday evening in Iqaluit.

Mr. Speaker, the communities which I represent in the High Arctic are committed to identifying economic development opportunities that will help to address our high rate of unemployment.

Mr. Speaker, the sustainable harvesting of our natural resources is an area of tremendous potential, and I am committed to supporting my communities in their efforts to move forward.

(interpretation ends) Mr. Speaker, I am pleased to inform the House that the HTOs from Grise Fiord, Resolute Bay, and Arctic Bay have signed a Memorandum of Understanding with the Nattivak HTO in Qikiqtarjuaq to form the Arctic Fishery Alliance.

These HTOs have committed to work together to develop the inshore fisheries in their respective communities and to cooperatively harvest offshore fishing quota in Nunavut's adjacent waters.

Mr. Speaker, I was pleased to have been a part of the ceremony held last evening in Iqaluit.

As the Member of the Legislative Assembly for Quttiktuq, I want to express my appreciation to Nunavut Senator Willie Adams and Member of Parliament Peter Stoffer for their ongoing support of my communities.

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

Speaker: Thank you. The member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Please proceed, Mr. Barnabas.

Mr. Barnabas: Thank you, Mr. Speaker. Thank you, my colleagues.

Mr. Speaker, I also want to pay tribute to the hard work undertaken by the chairs and representatives of the HTOs in my communities: Isaac Kadluk and Simon Idlout from Resolute Bay, Tommy Kilabuk from Arctic Bay and Jaypetee Akeeagok and Lydia Noah from Grise Fiord. I also want to pay tribute to Lootie Toomasie of Qikiqtarjuaq.

Mr. Speaker, I look forward to bright days ahead for the Arctic Fishery Alliance, and I ask all members to join me in congratulating these communities for their efforts to create opportunity for our residents and achieve greater economic self-sufficiency. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Barnabas. Members' Statements. Member for Hudson Bay, Mr. Kattuk.

Member's Statement 405 – 2(4): Climate Change Effect on Wildlife

Mr. Kattuk (interpretation): Thank you, Mr. Speaker. I rise today to comment on the report regarding global warming in Canada's arctic, and especially in relation to polar bears and the perceived impacts of climate change on our polar bears.

As per my previous statements in the House in regard to this issue, I again make a statement directly from my heart in respect to climate change as you well know.

As I have stated before, we know that the arctic will become warm again. Inuit have known that this will occur for many years, in fact, for thousands of years, our ancestors have stated that climate will warm in our lands again and this is why I continue to make statements as this is near and dear to my heart.

Wildlife, particularly polar bears, can walk wherever they wish. This report states that polar bears are of special concern due to the shrinking ice in the arctic as a result of climate change. For that reason, I state unequivocally Inuit have known that the arctic will return to a warmer state that will affect our wildlife.

In regard to the concerns about polar bear population declining due to this reason, I know, Mr. Speaker, having heard from our elders that the wildlife will disappear in the future in our lands. This was foretold to us when we were growing up that most wildlife will disappear except for fish. Our fish have been foretold to be the last remaining animals to survive and that most wildlife currently in the north will disappear.

These animals of the arctic are our animals, they live in our territory of Nunavut, and we prefer that outsiders not be concerned with our animals. These are our sole sources of food and it depends on our maker as to when this will occur, and that is why, Mr. Speaker, I again state that we have heard, from our ancestors, of the changes that are to occur in our lands in respect to our wildlife, including climate change. That is what we know. Thank you, Mr. Speaker.

>>Applause

Speaker (interpretation): Thank you, Mr. Kattuk. (interpretation ends) Members' Statements. Member for Kugluktuk, Mr. Evyagotailak.

Member's Statement 406 – 2(4): Deline and Tlicho Trip to Kugluktuk

Mr. Evyagotailak (interpretation): Thank you, Mr. Speaker. (interpretation ends) First of all, I would like to congratulate my constituent for receiving a medal in the Arctic Winter Games, Mike Havioyak.

Mr. Speaker, I rise today to inform my colleagues about an upcoming event that will take place in my community of Kugluktuk.

Mr. Speaker, on March 26, 2008, approximately 100 to 150 people from the four Tlicho communities in the Northwest Territories will be going on a trip by snowmobile to Kugluktuk. Along their way, they will be joined by another 150 people from Deline.

Mr. Speaker, the main purpose of their trip is to attend healing workshops that will be held in Kugluktuk during that week and to experience our Inuit culture, as well as participating in a variety of activities.

Mr. Speaker, as my colleagues may or may not be aware, there is a long history of trading dogs and goods between Kugluktuk and the two communities in the Northwest Territories. This gathering will reinforce the friendship that has already been established between the territories.

Mr. Speaker, the community has requested some assistance from the Government of Nunavut in helping to make this trip possible, and I encourage the government to provide a favourable response.

Mr. Speaker, I am very supportive of initiatives such as this one when other territories make efforts to visit our territory and to learn about our culture. I encourage all Kugluktuumiut to show our western visitors our wonderful hospitality in the coming weeks and I wish them all a safe trip to Kugluktuk. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Evyagotailak. Members' Statements. Member for Amittuq, Mr. Tapardjuk.

Member's Statement 407 – 2(4): Nunavut Quest – Dog Race from Igloolik to Arctic Bay

Hon. Louis Tapardjuk (interpretation): Thank you, Mr. Speaker. I send my greetings to my constituency, to my wife and my family.

For an information item, I believe it was this morning or last night, the price of fuel keeps going up, so I think we should go back to dog teams. For that reason, on April 28 this year, there will be another dog team race from Igloolik to Arctic Bay, which is called the Nunavut Quest. They will be celebrating their tenth anniversary of the quest.

This year, we have heard that the people of Repulse Bay, Hall Beach, Igloolik, and Pond Inlet, and I haven't heard anybody from Clyde River, will be participating. This is a very enjoyable event and they will leave on April 28. So I want to see all the Members of the Assembly from those communities. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Tapardjuk. Members' Statements. Member for Iqaluit Centre, Mr. Tootoo.

Member's Statement 408 – 2(4): Smoke, Mirrors, Myths and Realities

Mr. Tootoo: Thank you, Mr. Speaker. I rise today to talk about smoke, mirrors, myths and realities.

Mr. Speaker, over the past few weeks, our deliberations have been dominated by discussions of both the territorial and federal budgets.

Mr. Speaker, on some days, our *Hansard* could be mistaken for an accounting or economics textbook. We discuss the number of PYs, the impact of accrual-based budgeting, the activities of the NCIAC, the importance of TFF and the impact of DPAs.

Mr. Speaker, it all sounds very precise, but as I've been saying for many years, there's a lot of smoke and mirrors in the way governments across this country approach the budgeting process, and we are no exception when it comes to myths and realities, and smokes and mirrors.

Mr. Speaker, for a number of years now, experts have had concerns with the way the federal government provides wildly inaccurate surplus projections year after year after year. Both the current federal government and its predecessor have given in to the temptation to manipulate figures for political ends.

Mr. Speaker, as we saw last week with the Northern Residents Deduction, the same number can tell different stories. An increase of 10 percent sounds impressive, Mr. Speaker, but a buck-fifty per day won't even buy you a cup of tea in this town.

Some Hon. Members: Hear, hear.

>>Applause

Mr. Tootoo: Mr. Speaker, here at home, the situation is not that much different.

We see departments bring forward spending estimates for approval which are based on the mythical assumptions that all of their PYs are filled. However, we know that the reality is that our government is still suffering from a vacancy rate of around 20 percent.

We see departments bringing forward wildly optimistic budget projections that have almost no connection to their record of actual expenditures in prior years.

Mr. Speaker, the Budget Address which was delivered earlier this month was the tenth such speech since the creation of Nunavut. I have personally lost track of the number of times that our surplus and deficit yo yo has gone up and down, as different Finance Ministers deliver different messages on different days. Mr. Speaker, I say that we need to clear out the smoke and clean up the myths. I have frequently spoken out on the merits...

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

Speaker: Thank you, Mr. Tootoo. The member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Please proceed, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker and colleagues.

I was saying I have frequently spoken out on the merits of such approaches as zero-based budgeting, where we develop our numbers based on the hard realities of actual needs and historical trends. I also acknowledged the fact that this approach would be impossible to implement all at once but would encourage our government to look at this approach on a step-by-step basis.

I will continue, Mr. Speaker, to be a forceful advocate of this approach. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you. Members' Statements. Member for Rankin Inlet North, Mr. Curley.

Member's Statement 409 – 2(4): Rankin Inlet Athletes at 2008 Arctic Winter Games

Mr. Curley (interpretation): Thank you, Mr. Speaker. When we hear of the Arctic Winter Games participants, we are also proud of our participants at the Yellowknife Arctic Winter Games. From Rankin Inlet, I would especially like to have the athletes' names on the record for Inuit Games and also all of the athletes. For Inuit Games: Susie Pearce, Ronald Jr. Kanayok, and Amelia Ipkornerk.

For Under 14 Male Soccer: Tyler Tattuinee and Brandon Airut. For Under 14 Female Soccer: Darla Pilakapsi, Molly Aggark, Adrian Angidlik, Angela Misheralak, Denise Graham, Heather Campbell, and their coach, Kaitlin Panikuluk Kusugak. For Under 16 Male Soccer: Simeoni Aklunark, Kris Okpatauyak, Ben Angoshadluk, and their coach, Eddy Sandy. For Under 18 Female Soccer: Lori Tagoona, Victoria Kakuktinniq, Kandace Kusugak, Geralyn Kaludjak, Dana Tatty, our grandchild, Tara Green, and their coach, Germaine Kaludjak.

For Badminton: Karen McLarty, who is the manager. For Male Midget Hockey: Aglukaq Tartak, Keenan Lindell, Kevin McLarty, Chad Taipana, Roger Tagoona, Mike Nukapiak, Wendel Kaludjak, James Merritt, and their coaches Neco Towtongie and Pujjuut Kusugak. The mission staff for the athletes are: Doug McLarty, Tommy Bruce, and Justin Merritt. We would like to thank them.

For Bantam Hockey: Vince Hickes, Samuel Adams, David Kakuktinniq, Louis Nattar, and Keith Sigurdson.

I would like unanimous consent to conclude my statement. I'm almost done. (interpretation ends) Thank you.

Speaker (interpretation): Thank you. The member is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Please proceed, Mr. Curley.

Mr. Curley (interpretation): Thank you. I will start at the top of the list: Samuel Adams, David Kakuktinniq, Louis Nattar, and Keith Sigurdson.

For Gymnastics: Lisa Gresky, Kara Hicks, Desiree Autut, Lisa Dunkerley, and Tera Yarema. For cultural performances: Joan Tiktak, Chamaine Okatsiak, Becky Okatsiak, Angelina Tiktak, Mary Tagalik, Austin Pissuk, Gilbert Pissuk, and Sharon Makkigak. For Female Hockey: Catherine Ayaruak, Savannah Pilakapsi, and Bridget Tattuinnee.

The Dog Mushing coaches are: John Hickes, Dawn Brigham, and Steve Hartman. For Dog Mushing: Silu Oolooyuk and Elizabeth Irkotee. The officials are: Darrell Greer, Max MacDonald, and John Taipana.

Let's thank them all for being there. Thank you.

>>Applause

Speaker: Thank you, Mr. Curley. Members' Statements. Member for Iqaluit East, Mr. Picco.

Member's Statement 410 – 2(4): New Doctors of Iqaluit

Hon. Ed. Picco: Thank you, Mr. Speaker. Good afternoon. I would like to briefly inform the House about the successes of two young constituents of mine. Mr. Speaker, our very own Dr. Luella Johnson, who received her elementary education in Kimmirut and her high school education here in Iqaluit at Inuksuk High School, is now a locum doctor at the Qikiqtani Hospital here in Iqaluit.

An Hon. Member: Hear, hear.

>>Applause

Hon. Ed. Picco: Also, Mr. Speaker, Palia Black is currently in Costa Rica and is continuing her Ph.D program, or doctorate program, there and outside of Canada. Mr.

Speaker, Palia is another young Nunavut student who is making her mark beyond Nunavut, and indeed, Canada.

Mr. Speaker, Doctor Luella Johnson and Palia Black are excellent young role models for Nunavummiut and I would like to ask the House to join with me in wishing them further success in their exciting futures. (interpretation) Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Picco. Members' Statements. Member for Nanulik, Mr. Netser.

Member's Statement 411 – 2(4): Coral Harbour and Chesterfield Inlet Athletes at 2008 AWG

Hon. Patterk Netser (interpretation): Thank you, Mr. Speaker. It's okay; I'm one of the beneficiaries.

Mr. Speaker, there are participants from Coral Harbour and Chesterfield Inlet who are in Yellowknife. From Chesterfield Inlet, we have Elizabeth Kukia, who is 14, who is in the Inuit Games, Siobhan Issaluk, and she is also with the Inuit Games, and Rebecca Sammuktok, also with the Inuit Games, Leah Tautu, also with Inuit Games, Nanau Tanujaq, who is 16, is there for Hockey.

The Coral Harbour residents: Ashley Ittuq, Glen Ell, Norman Nackolak, Vincent Ningiungat, Amilia Netser, Taylor Paniuq, Annie Nackolak, Jeffrey Natakuq, and they are there for Wrestling.

And, Britney Pudlat, Desmond Matuk, and Selma Angungitialuk are there for Soccer. David Palia for Badminton. Jackson Ell and my good buddy, Malu, who are there for Tennis in Yellowknife. Thank you, Mr. Speaker.

>>Applause

Speaker (interpretation): Thank you, Mr. Netser. Members' Statements. If there are no more, we'll move on to (interpretation ends) Item 4. Returns to Oral Questions. Minister Netser.

Item 4: Returns to Oral Questions

Return to Oral Question 497 – 2(4): Numbers of Ships Travelling in Nunavut

Hon. Patterk Netser: Thank you, Mr. Speaker. I have a couple of Returns to Oral Questions, and if you don't mind, I would like to indulge in one of the responses from one of the questions. Mr. Speaker, on March 10, Levi Barnabas asked on the number of ships travelling in Nunavut.

Mr. Speaker, on March 10, 2008, the Member for Quttiktuq asked for the number of ships that had travelled in Nunavut last year.

The information the member has asked for is collected by the federal government. The department made a request to the Canadian Coast Guard on the member's behalf and has received the following information.

The Canadian Coast Guard recorded the number of vessels in Nunavut waters between June 26 and November 15, 2007.

The Canadian Coast Guard itself made eight voyages in waters adjacent to Nunavut. There were two voyages by naval vessels from the Department of National Defence. Fifteen commercial cargo ships sailed in waters adjacent to Nunavut, and several of these made two or three voyages. There were six commercial tankers and 21 tugs and barges. Nineteen grain vessels sailed to the Port of Churchill, and there were seven cruise ships and six pleasure craft.

Finally, Mr. Speaker, 15 vessels were in adjacent Nunavut waters conducting scientific research.

In all, Mr. Speaker, over 100 vessels travelled in Nunavut last year, and there were 131 voyages, make that 132, including my little boat, Mr. Speaker.

I want to add, Mr. Speaker, that these numbers are collected through reports provided by the Coast Guard by vessels on a voluntary basis, and do not include fishing vessels. Thank you, Mr. Speaker.

>>Applause

(interpretation) This question was asked; (interpretation ends) the \$200,000 question by the member as well, Levi Barnabas. I'll just give it to you.

Return to Oral Question 434 – 2(4): \$200,000 Approved for Arctic Bay Road

Mr. Speaker, on February 28, 2008, the Member for Quttiktuq asked my colleague, the Minister of Community and Government Services, two questions regarding the funding for a project to upgrade the Nanisivik-Arctic Bay Highway in 2007-08. As that project was funded by my department's budget, I would like to provide the following answers to the member and to the House.

The first of the two questions that were asked was whether the project to upgrade the Nanisivik-Arctic Bay Highway had been tendered out, and the second question was why the funds were transferred from the project without first notifying the House.

The answer to the first question is yes; the project was tendered out on July 13, 2007, with a closing date of July 23.

Two bids were received and both were over the budget that had been allocated to the project. In addition, both bids were much higher than the estimated value of the work. Following consultation between my staff and staff from Community and Government Services, the tender was cancelled and the work was subsequently completed by staff from the Nanisivik Airport. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Item 4. Returns to Oral Questions. Item 5. Recognition of Visitors in the Gallery. Honourable Leona Aglukkaq.

Item 5: Recognition of Visitors in the Gallery

Hon. Leona Aglukkaq (interpretation): Thank you, Mr. Speaker. I would like to recognize a constituent of mine, David Igutsaq. He's from Taloyoak and he is with Search and Rescue and well known. Thank you.

>>Applause

Speaker: Thank you. Recognition of Visitors in the Gallery. Member for Cambridge Bay, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I, too, would like to recognize a constituent.

Mr. Speaker, one of my constituents is here from Cambridge Bay, Jimmy Haniliak. His nickname is Little Jimmy. He's one of the finest guys in Nunavut; he's had to opportunity guide the Premier and hasn't lost him, so that speaks volumes for his ability as a guide. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Peterson. Recognition of Visitors in the Gallery. Item 6. Oral Questions. Member for Iqaluit Centre, Mr. Tootoo.

Item 6: Oral Questions

Question 505 – 2(4): Investigation into Alleged Political Interference

Mr. Tootoo: Thank you, Mr. Speaker. I would like to direct my question to the Minister of Justice.

Mr. Speaker, last month, I believe on February 19 or 20, the minister was on the radio, I believe, and he was asked if he had looked into the fact that an individual had testified in court that he was instructed by his former supervisor to seek imprisonment of someone because an unidentified politician was pressuring them to do so. The minister, at the time, had indicated that he would investigate the allegations. I'm just wondering if he could give us an update on that. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Minister of Justice, Honourable Paul Okalik.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) The matter is still under investigation. My officials have ordered the transcripts of the testimony and are looking to the matter at this point. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you. Your first supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. If they haven't received the transcripts in the court, I've got them right here and I can give them to him if he wants. Can he indicate if he's checked with any of the officials that were identified in the Department of Justice to see if these allegations were actually true or not? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Minister of Justice, Minister Okalik.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) That is exactly what we're trying to do is to determine if these are valid or not at this point. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your second supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. Does the minister have an idea of when this investigation will be concluded? Thank you, Mr. Speaker.

Speaker: Thank you. Minister of Justice, Minister Okalik.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) I'm not sure when it will be completed, but it's being undertaken at this point. I can't say exactly when, so I'll get back to the member as soon as I get an idea how long it might be. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you. Your final supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. I appreciate that commitment. I think that whenever there are allegations of political interference, it's a serious matter. I would like to ask the minister, once they have determined whether or not there is any validity to these allegations, that he would notify the Members of this House. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Minister of Justice, Minister Okalik.

Hon. Paul Okalik: Yes. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you. Oral Questions. Member for Arviat, Mr. Alagalak.

Question 506 – 2(4): Consideration of Safety Checks on Sewage Lagoons

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. My question is directed to the Minister of Environment.

Inuit have expressed concerns time and time again, and my colleague from Baker Lake was just alluding to and giving a report, that the sewage lagoons are a concern to people in the communities. In Arviat in particular, during springtime and all summer, we have geese coming into the community that eat and drink from the sewage lagoon.

Many of the geese, including snow geese and Canada geese, migrate to our community area and it seems like they're invited time and time again to our land in the Arviat area, our environment. This is a major concern to many people and I know that CGS is responsible for this area.

There is so much wildlife in our area and I'm wondering if your department has thought about what they could do about doing safety checks on the sewage lagoons in our community so that the geese and other wildlife would not be endangered by drinking the sewage. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Alagalak. Minister of Environment, Honourable Olayuk Akesuk.

Hon. Olayuk Akesuk (interpretation): Thank you. I don't know, but we would be able to look into and review if there are any kinds of diseases in the sewage lagoons and work with the CGS Department. Thank you.

Speaker (interpretation): Thank you, Minister. Your first supplementary, Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. When Inuit have concerns, they keep pounding on our doors until they get a clear answer. This has been a concern for a long time and there has been a sewage lagoon in the community for a long time, but when the wildlife comes nearby, they drink from that sewage lagoon.

The residents are concerned; they tell their children that they don't want to eat the wildlife if they had been drinking from the sewage lagoon, therefore, some of the children don't want to eat our country food any longer.

Does the minister have (interpretation ends) any plans for monitoring the waters of these great lakes in Nunavut? You can call them great lakes because they're the most conversation pieces in our home communities such as Arviat. It's a real problem; it's breaking the minds of those elders especially, and I think it's about time now that the department takes action to monitor the waters of these great lakes, we can call it. Can the minister assure us that he would be willing to do that? (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Alagalak. Minister of Environment, Minister Akesuk.

Hon. Olayuk Akesuk (interpretation): Thank you. Yes, we will look into it and see what we can do. As I said earlier, CGS would have to be involved with us on reviewing the great lakes in that area on what kind of diseases or whatever that it may contain. I will seek information from my officials and find out what further we can do about the situation. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your second supplementary, Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. Yes, what you say is true. Even for trying to get fencing, we don't have enough funding for it. Although the fence can stop animals that walk or crawl on the land, such as foxes, arctic hares or babies of the year, any avian species can fly over the fence and land in the lagoon.

Birds are not intimidated by the fence, and we do not have enough people to keep watch, even if we had the funds to have it monitored 24 hours a day. With these issues, can the minister work with the department of CGS to discuss other options, such as noise makers or sirens that can scare the animals away?

What other options are available to us here in Nunavut? Is it practical to use noise making devices that can scare animals away up here? I would like to see more options explored and not just have it stand there since people do not just stand around when they have duties to perform.

Perhaps, you can copy that by using *Inuit Qaujimajatuqangit* to keep wildlife away from the sewage lagoons and whether these lagoons can be better managed, especially with devices to deter wildlife. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Alagalak. Minister of Environment, Minister Akesuk.

Hon. Olayuk Akesuk (interpretation): Thank you, Mr. Speaker. Yes, we will work with CGS on how we could produce something to scare the wildlife away from the sewage lagoons and also, perhaps, work with the Canadian Wildlife Service. Since they deal with avian species, we would have to work with them to deal with the issues the member has raised. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. Your final supplementary, Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. I shouldn't talk about this but the budget that was allocated for this can be reallocated. What I could say about the proposed bridge for the Sylvia Grinnell River is you would have to kneel down and beg

from your fellow minister to do the work in our community because there will be geese coming in this spring again. That's just a comment. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Alagalak. Minister of Environment, Minister Akesuk.

Hon. Olayuk Akesuk (interpretation): Thank you. Yes, we would have to look for money and also work with CGS in order to do the work and review the situation in the hamlets in the communities, the sewage lagoons in particular. We will work with them closely to find the funds. Thank you.

Speaker: Thank you, Minister. Oral Questions. Member for Rankin Inlet North, Mr. Curley.

Question 507 – 2(4): Contaminated Juice in Nunavut Stores

Mr. Curley (interpretation): Thank you, Mr. Speaker. I want to thank my colleague from Baker Lake because he recently told me that the Canada Food Inspection Agency has identified that certain juices contain certain compounds that may make them dangerous for children, compounds which are contaminated or dangerous substances. For that reason, can the minister look into this issue since these juices may have made it up to our territory, and if that's the case, if it can be dealt with as soon as possible? If the minister can look into this matter and update the House on what the situation is? (interpretation ends) Thank you.

Speaker (interpretation): Thank you, Mr. Curley. Which minister are you directing your question to?

Mr. Curley: Thank you. (interpretation) Mr. Speaker, to the Minister responsible for Consumer Affairs at CGS. (interpretation ends) Thank you.

Speaker (interpretation): Thank you, Mr. Curley. (interpretation ends) Minister of Community and Government Services, Honourable Levinia Brown.

Hon. Levinia Brown (interpretation): Thank you, Mr. Speaker. I can look into this issue, especially if there are any contaminants in the juices sold at the retail outlets, because I certainly would like to know. If there are any recalls on juices, we'll make sure that they're not present in Nunavut, even if they're food or toys.

I understand exactly what the member is referring to. There are also expiration dates on the food items that we should be watching closely as well. I will speak with my staff on this issue and deal with it urgently. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your first supplementary, Mr. Curley.

Mr. Curley (interpretation): Thank you, Mr. Speaker. I would also like to thank the minister. My question to the minister: the Canadian Food Inspection Agency doesn't put their bulletins out in Inuktitut and the information doesn't come up here most of the time.

We have many retail outlets but it's mainly the Loblaws chain that has these food products. So if Northern or the other retail outlets buy from the same company, there could be a recall on certain juice products. Would the minister commit to looking into this issue? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Curley. (interpretation ends) Minister of Community and Government Services, Honourable Levinia Brown.

Hon. Levinia Brown (interpretation): Thank you, Mr. Speaker. If this is under my portfolio, I don't even know what Consumer Affairs in Inuktitut is, but we will have to make sure that the information gets out to the public.

If this case is urgent, I will make sure that my staff is directed to deal with it right away. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. (interpretation ends) Oral Questions. Member for Baker Lake, Mr. Simailak.

Question 508 – 2(4): Baker Lake Sewage Lagoon

Mr. Simailak (interpretation): Thank you, Mr. Speaker. Earlier this week, I tabled disturbing photographs in the House which showed caribou drinking from Baker Lake's sewage lagoon. Mr. Speaker, as you and other members will appreciate, I am concerned that this poses a risk to the health of our caribou, which my constituents rely upon for nutritious country food.

I would like to ask the Minister of Community and Government Services, Mr. Speaker, if she can indicate to the House what criteria her department uses when deciding to fund fencing projects around sewage lagoons. What are the criteria used when deciding to fund fencing projects? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Simailak. Minister of Community and Government Services, (interpretation ends) Honourable Levinia Brown.

Hon. Levinia Brown (interpretation): Thank you, Mr. Speaker. We discuss a lot of issues and we try to ensure that we plan ahead for anything requiring immediate action.

When we're planning for capital projects, we ask the hamlets what their priorities are, and it costs quite a lot to do fencing projects in any community. I'm trying my best to answer your question. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your first supplementary, Mr. Simailak.

Mr. Simailak (interpretation): Thank you, Mr. Speaker. I thank the minister for her response. With regards to fencing around the sewage lagoon and the dump, the hamlet has repeatedly requested that they get the project going and the usual answer is always it is too expensive.

(interpretation ends) Mr. Speaker, the 2007-08 Capital Estimates used gas tax funding for a fencing project in one of our communities. Would the minister commit to reviewing whether there is a possibility of using federal infrastructure funding to support a fencing project around the Baker Lake sewage lagoon? (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Simailak. Minister of Community and Government Services, Honourable Levinia Brown.

Hon. Levinia Brown: Thank you, Mr. Speaker. CGS and our consultant are planning to do a presentation to the Hamlet of Baker Lake on March 25, 2008 of recommended changes and upgrades, and getting the hamlet's responses. Also, the consultant has proposed a new fence to prevent caribou from entering the sewage lagoon during the winter period. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your second supplementary, Mr. Simailak.

Mr. Simailak (interpretation): Thank you, Mr. Speaker. I am very pleased that you're going to be coming to our community on March 25. (interpretation ends) Can the minister indicate to the House how her department works with the Department of Environment to ensure that sewage lagoons do not pose a risk to the health of our communities and the surrounding land and animals? (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Simailak. Minister Brown.

Hon. Levinia Brown: Thank you, Mr. Speaker. Our officials are always on constant consultation with each other; they're always consulting each other and they work very closely. In this particular incident, the Department of Environment was involved with our department, collaborating together, to make sure that everything was safe and will continue to do so from time to time. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Oral Questions. Member for Cambridge Bay, Mr. Peterson.

Question 509 – 2(4): Community Development Agreement

Mr. Peterson: Thank you, Mr. Speaker. My question is for the Premier.

Mr. Speaker, earlier this week, the Prime Minister was in the north, he was in the same area code but a different postal code. He was in the Northwest Territories for the Arctic

Winter Games but while he was there, he made a speech to the NWT business leaders and one of his quotes that was in the news release, it says, "Our government believes in northern economic development now and in the future. The Great White North is as much a part of Canada's identity as the red Maple Leaf."

He also made an announcement in Yellowknife that the Government of the Northwest Territories and Ottawa have agreed to be partners in the Community Development Trust. That's the program I mentioned last week in the House, \$3 million to help workers in communities suffering from economic hardships in mine closures and things like that.

My question for the Premier: can the Premier tell the House when the Prime Minister will be in Nunavut to sign a \$3 million Community Development Agreement so that the residents of Cambridge Bay can begin to receive relief from the closure of the Tahera Mine? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Premier, Honourable Paul Okalik.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) I believe that as soon as the monies are approved, then we will get the \$3.8 million to address our own issues, in particular, the ongoing challenges faced by Nunavummiut with the strong Canadian dollar as well. Those are some of the decisions that we'll have to make, along with other interests. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you. Your first supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. We certainly look forward in the Kitikmeot to early signing of that agreement. There are a lot of people and some businesses that need some relief.

Mr. Speaker, it's no secret that Nunavut requires a major investment in infrastructure and we need that help from Ottawa to support economic development. The Prime Minister's comments to the northern business leaders in the Northwest Territories were very heartening; there's an indication that they recognize that we can't do it alone.

My question for the Premier: can the Premier tell the House if he has held meaningful discussions with Ottawa concerning investing in major port and road infrastructure in the Kitikmeot to support economic development in our region, and if so, what did the Prime Minister tell him? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) I know that the current Prime Minister has been quite open in our discussions and he realizes the challenges that we do face. He has been here a number of times and saw the challenges we face firsthand.

So I'm hopeful that we can make some progress on those major files, but as I said, there has been a little bit of movement. The Building Canada Fund is an improvement from past practices where the funding was strictly per capita basis; this funding was not. So it's recognition on the part of the federal government that we do have special challenges that can't be addressed strictly by national programs.

So we're moving in the right direction, but at this pace, it will be slow but we have to keep working away with our federal partners to make more progress on the other files, particularly in the big projects like the Bathurst Inlet Port and Road.

I will continue to press our issues with our Prime Minister and the national government on those other matters. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Premier. Your second supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the Premier for that answer. It certainly seems like, when we're dealing with Ottawa, we have to operate at glacial speeds. I can remember, when I was with the Nunavut Association of Municipalities, it was a challenge to make a case in Ottawa for economic development in the north. I don't know if there's enough recognition of the value of the north to Canada.

Mr. Speaker, there are only two jurisdictions in Canada that do not have regional development agencies. One is Northern Canada and the other is Southern Ontario. Over the years, Western Premiers have expressed their support to Northern Premiers to lobby Ottawa for the establishment of a regional development agency for the north.

So my question for the Premier: can the Premier tell the House what the current status is with the Northern Premiers' efforts to convince Ottawa to establish a regional development agency for the north? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) There has been some progress and some money was set aside in the previous government's budget for northern development.

There's still no agency for the north, so we continue to stress that we expect the same treatment as the rest of the county, and particularly, when our situation is a lot worse than the rest of the county in terms of economic development.

We continue to work with our sister territories on this matter, along with other unique challenges that we face as northerners. So we're planning another Northern Premiers Conference this coming year and we look forward to more discussions with our federal partners on this challenge. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you. Your final supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the Premier for that answer. I certainly hope that the Northern Premiers keep up the lobby efforts and the Western Premiers support them. We can't give up in pressuring Ottawa to make a case. Canada is a large country, so there's lobbying efforts from all over the country for particular reasons and jurisdictions. I agree with the Premier that the north and Nunavut is a special area.

Mr. Speaker, Ottawa established a northern program called the Strategic Investments in Northern Economic Development that came into being in, I think, 2004-05. There was \$25.1 million in funding set aside for Nunavut and that program expires next year.

My question for the Premier: can the Premier indicate to the House if the Government of Nunavut is currently in discussions with Ottawa to establish a new economic development program with funding for Nunavut? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) That is exactly what we're doing with our sister territories; is to find ways to address that fund and other programs that were initiated.

So we're going to continue to work as partners and push our federal partner and get some movement so that we can stimulate our economy. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Premier. Oral Questions. Member for Quttiktuq, Mr. Barnabas.

Question 510 – 2(4): Uranium Policy on Nuclear Energy

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the Minister of Energy, Minister Picco.

We have heard through the media that the three mining companies are exploring for uranium in the Baffin region. Peregrine Diamonds have found uranium between Iqaluit and Kimmirut.

Indian and Northern Affairs Canada had given permits and Uranium North is working in the south of our community, north of Igloolik. Global Union has been working and they had attended the mining symposium in the 1970s.

My first question is in regard to nuclear power in Nunavut. What kind of uranium policy do we have within the Energy Strategy? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Barnabas. Minister of Energy, Honourable Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. The member is correct and it is a good question. I'm sorry, I didn't raise it.

Mr. Speaker, the Energy Policy of Nunavut, along with NTI, as an example, have endorsed, and the Government of Nunavut has endorsed the safe practice of mining of uranium to ensure that all of the criteria, all of the standards, and all of the environmental processes are in place for that. In the Energy Strategy itself, we endorsed the mining of uranium in Nunavut given those conditions that I have just outlined. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your first supplementary, Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. I thank Mr. Picco for his response. Since the cost of fuel and cost of living is increasing, we have to look for alternative forms of energy which would be more cost effective.

I would like to ask the minister in English. (interpretation ends) If you went in and bought the SLOWPOKE reactors for 25 Nunavut communities, it would be much cheaper. Why not do it, Mr. Speaker? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Barnabas. Minister Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. The member is correct. Canada is on the leading edge and has been for several years in nuclear technology and exporting that technology to different countries. We know, for example, that a majority of the energy used currently in Ontario is from nuclear energy.

Mr. Speaker, we have not looked at nuclear energy in Nunavut in any serious fashion. We have had some cursory looks at opportunities within that field. However, Mr. Speaker, at this time, we have not looked at bringing forward nuclear generators in Nunavut, although I know that there have been articles in the paper released or at least letters from the editor in the paper suggesting it. It's something that may, in the future, come forward. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your second supplementary, Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. Although I know that the department did not discuss this, our government should start working on that because the communities are growing in population.

Every community in Nunavut is experiencing a population increase. There is forced growth in the communities, and it's evident right now in Iqaluit that, due to forced growth, sometimes there are power outages during the session because of generator overloads. That also occurs in the communities.

In regard to uranium, as the Minister is responsible for Energy, could he encourage his staff to start speaking with the companies to see if this can be developed? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Barnabas. Minister Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. The problem with nuclear energy is this: if we had a nuclear reactor, and we all know what happened in Chernobyl, I'm not saying in any case that that's going to happen, but in the case of a problem with a nuclear plant, in our case, a nuclear generating electricity plant, let's say it was the middle of winter and we were having a blizzard, and we had a huge problem, we had a catastrophic breakdown like what we saw in Chernobyl, then how would we get the people in to help us fix that problem?

If a diesel generator goes down, then yes, that's an issue, and we have mechanics, linemen, electricians, and people on the ground, and we're usually able to use local resources.

In a case of a nuclear problem, we're not in Ontario or some of the largest provinces in the south where you could get the armory, the military and other resources. So in our case, if you had a nuclear generator creating electricity in a small community and there was a problem, how would you get that immediate response? That's one of the concerns that we have with nuclear power, Mr. Speaker.

So I take the member's question seriously and it's something that we need to do a little bit more work on. I know, as I said earlier, we have done some cursory work on it and we will follow that up. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your final supplementary, Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. Nowadays we have much better nuclear equipment now, which are newer than what was used in Chernobyl.

If it's impossible for us to get nuclear power, I know for a fact that they use wind power but people don't like the sound of them because you can hear them from quite a distance. Have they considered getting energy using the ocean tide? Has the minister already considered this? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Barnabas. Minister Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. We saw, just recently, in the last 24 hours that a price of a barrel of oil has gone to record levels well over \$106, \$107, or \$108.

We know that we have an awful addiction to fuel, oil, and diesel here in Nunavut, so we need to look at alternative energy sources. We're trying to look at ones that are readily available to us. We are, for example, in the process of doing a hydrological study on

possible hydro sites in the Kivalliq region after April 1; we're looking at some hydro issues right here; we have completed a wind map with Environment Canada to look at the potential for wind.

We have not looked at tidal in a serious way; we do have some very good tides here. There are some problems with tides and that's, in this case, when you have six or seven months of ice, how do you get at the generator below the ice and so on. So those are problematic for us.

We're looking the best economies of scale when it comes to providing that alternative energy. So tidal, wind, hydro, nuclear; these are all avenues that, in the Energy Strategy that we have tabled, we would be looking at. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Oral Questions. Member for Hudson Bay, Mr. Kattuk.

Question 511 – 2(4): GN Agreement with Fuel Delivery Contractors

Mr. Kattuk (interpretation): Thank you, Mr. Speaker. Yesterday, during Committee of the Whole, I asked this question. I want to reiterate it to the Minister of Community and Government Services by asking this question because we have concerns in my constituency with regards to the experience that the people had when the fuel delivery truck broke down more than once.

One thing that I would like to get clarification on is the contractor for fuel delivery. What kind of agreement does the Government of Nunavut have with the contractor when the fuel delivery truck breaks down? Is there an agreement for that? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Kattuk. Minister of Community and Government Services, Honourable Levinia Brown.

Hon. Levinia Brown (interpretation): Thank you, Mr. Speaker. We do hold contracts with the communities in Nunavut for fuel delivery and sometimes the Co-op Stores and some private companies are contracted out.

There should be a process or a provision in the agreement on how or what they should be doing when the fuel delivery truck breaks down. There should have been a provision under the backup plan if there were no more vehicles to deliver the fuel. There would be a breach of contract if there was no backup plan.

After our meeting, I talked to my officials and they told me that Sanikiluaq had no more fuel delivery truck, although there was another vehicle available but it was too old. Both of those fuel trucks were broken down, so therefore, the community of Sanikiluaq will have to look at alternative ways. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your first supplementary, Mr. Kattuk.

Mr. Kattuk (interpretation): Thank you, Mr. Speaker. I don't know if I understood the minister but I do want to ask the minister another question. Are you saying that the government has already had an agreement with the contractor and that if they breached it, they have to order and maintain the vehicle themselves? Is that what she's saying? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Kattuk. Minister Brown.

Hon. Levinia Brown (interpretation): Thank you, Mr. Speaker. There was only one fuel delivery truck when there should have been a backup available because there must be delivery done in all of the communities, but that's what we found out in the community of Sanikiluaq. When the vehicle broke down, there was a backup but it was a very old, deteriorated vehicle. My officials told me that the old fuel delivery truck was so old it could not be used.

My officials and the contractors must have discussions on the possibility of being able to deliver the fuel. We already know what the problem is, so we know what to do now. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your second supplementary, Mr. Kattuk.

Mr. Kattuk (interpretation): Thank you, Mr. Speaker. I thank the minister. Since she is saying that they will remedy this, how are they going to resolve the situation with the fuel delivery trucks? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Kattuk. Minister Brown.

Hon. Levinia Brown (interpretation): Thank you, Mr. Speaker. It's obvious that any kind of vehicle will break and even when they order parts, it takes a while for them to go to the community. We can't predict how it will break but there should always be a working one as backup. Even if the backup vehicle is old, it should also be in working order and order parts for it ahead of time.

There should be a backup in working condition for the newer vehicle that was purchased in 2002. They will have to make more plans in the future because we might have to disregard that old one. Of course, we will have to find out if we'll have enough funding. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Minister. Your final supplementary, Mr. Kattuk.

Mr. Kattuk (interpretation): Thank you, Mr. Speaker. If I understand, the backup one... as she stated before, the fuel delivery truck was purchased in 2002 and the one that she keeps referring to as the backup one, they stopped using the old one, and since then, it hasn't been used. If they try to keep it in working order, it might require a lot of work.

Mr. Speaker, this is not a question but I just wanted to clarify that to the minister. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Kattuk. This is merely an information item. (interpretation ends) Oral Questions. Member for Iqaluit Centre, Mr. Tootoo.

Question 512 – 2(4): Cost of Charter to Vancouver

Mr. Tootoo: Thank you, Mr. Speaker. I would like to direct my question to the Premier.

Mr. Speaker, I know some questions were raised on the statement that the Premier made in regard to the agreement that was signed in Vancouver for the Inuksuit. I'm just wondering if he could indicate if he's aware of what the costs and how many people went on that charter. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Tootoo. (interpretation ends) Premier of Nunavut, Honourable Paul Okalik.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) This agreement took about three years to negotiate and I would normally have flown regular economy class, but the fact that we were in session, it was decided that the best course of action was to charter with a Nunavut-based company. The approximate total was about \$43,000 for the trip but it's a once in a lifetime agreement for Nunavummiut and I am very proud of it, and I would do it again and again and again. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Premier. Your first supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. That's three lifetimes I guess. I'm just wondering if the Premier indicated that it is a good agreement, I'm not saying that it isn't, but would he commit to tabling or providing that information on that agreement in the House? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) I can't commit to it; it's an agreement with an outside party. What I can disclose, I will. I will undertake to do that, but we usually require consent of the other parties.

I must say that this is a very special agreement.

An Hon. Member: Hear, hear.

Hon. Paul Okalik: No other agreement has ever been signed like this. Nunavut products will carry the Olympic Logo, so companies pay a lot of money for that and I'm very

proud of this very special arrangement that was reached. (interpretation) Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Premier. Your second supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. I thank the Premier for that. I'm not saying that it isn't a good deal but these are questions that are being asked of me to ask on behalf of the people I represent.

Mr. Speaker, what the Premier indicated, he didn't answer the second part of my first question which was: how many people went on that charter? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) In light of the questions I was anticipating, he kept it very short and small. There were three of us on this flight. (interpretation) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Premier. Your final supplementary, Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Speaker. If there were three people on that flight, and I think last week, the Premier indicated that there were two other officials from the Development Corporation that went down on scheduled airlines, were there any other government officials that went down for that event as well? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tootoo. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. (interpretation ends) There were some of our officials who were doing work down there, so they took part and helped out on their other duties. Other than that, those were the officials that were there from other communities in Nunavut. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Premier. Oral Questions. Member for Cambridge Bay, Mr. Peterson.

Question 513 – 2(4): Update on Initiatives to Address Bullying

Mr. Peterson: Thank you, Mr. Speaker. My question is for the Minister of Education.

Mr. Speaker, last year, I raised the issue of bullying in schools in response to concerns from some of my constituents. The minister indicated that he would work with the school to address the issue. In fact, some workshops were held in Cambridge Bay to discuss bullying. My question for the minister: can the minister update the House about any further initiatives that the Department of Education has implemented in Cambridge Bay to address bullying in the schools? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Minister of Education, Minister Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. As committed in the House and as the member indicated, there were some workshops in the community to deal with the issue of bullying.

In other cases, Mr. Speaker, we have put a program in place through all of our schools about how to deal with bullying, aggressive behaviour of the students, and so on. This has continued in PD, or professional development, workshops with teaching staff in different localities throughout Nunavut. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your first supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer. I have received many emails from people across the north in response to my questions last year about bullying and congratulating me in asking some important questions and they're quite complementary to the minister that the Education Department was doing something about it.

Mr. Speaker, there are many schools in Nunavut and it's very likely that bullying is occurring in most, if not all, schools in Nunavut, even if we don't hear about it. My question for the minister: can the minister tell the House how prevalent bullying is in Nunavut's elementary and high schools, and how do the schools deal with the bullying incidents? Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Minister Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. We have different programs within the Department of Education to help our schools deal with the issue of bullying. Let's be serious, Mr. Speaker, that bullying not only occurs in our schools and playgrounds but it occurs away from the schools.

So what you need to be able to do, as a government, is to work with families, with parents, and with the local District Education Authority and start talking about the effects and the causes of bullying. Some of those are the socio-economic conditions that we see at home. Some of them are from issues that the child may not have control over outside of the school environment.

We have put in place effective behaviour supports, or EBS. We have worked with Tribes Training, that we have talked about before in the House, to deal with the issue, as well as the Council of Ministers of Education, or CMEC, which I'm a member of. We have also talked, at a national level, about bullying in our schools across Canada.

Again, Mr. Speaker, this issue is more than just five hours, or from 9:00 to 3:00, that we have children five days a week, or 25 hours a week, that we have children at schools. It happens off the playground, and certainly, it happens away from the school and we need to be able to deal with it.

The other big issue, Mr. Speaker, on bullying, if I can just very quickly say, we have seen an increase in cyber bullying across Nunavut and that has raised some red flags. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your second supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that informative information. I agree with the minister; there is no doubt that bullying occurs away from school.

When parents contact MLAs, they're concerned about their children being bullied when they're at school, or on their way to school, or on their way home from school. When parents send their children to schools, they're in the care of the Government of Nunavut and that's where the Department of Education has to be very conscious of the issue.

Mr. Speaker, my question for the minister: can the minister tell the House what the longterm consequences are for victims, bullies, and bystanders of bullying incidences in schools? Thank you, Mr. Speaker.

Speaker: Thank you. Minister Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. I think the department has been very proactive in trying to deal with the issue of bullying across Nunavut. We actually have pamphlets and posters on bullying and how to recognize it. We've got student support teams in every school across Nunavut.

The long-term effects of bullying are well documented, Mr. Speaker, and those include issues with low self-esteem, issues with holding jobs, emotional problems, and so on. What I can say at this point is that if parents are aware of issues with bullying, they should immediately contact the school so we can actually have it addressed at that issue.

Again, I want to emphasize that the issue of bullying now is occurring outside of our schools so much so that when the children go home and use the computers, we're seeing more and more of this cyber bullying and that's where children are going on MSN Messenger and going on websites like Bebo, which is very popular across Nunavut in all of our schools, and saying things to different classmates, using intimidation on the Internet and computer. So that's something else that we have to be aware of.

So it's not just aggressive physical behaviour in the classroom; we're seeing more and more aggressive cyber behaviour outside the classroom. That's more worrisome because

we are not able to see the physical results of it, for example, punching and everything, because a lot of that is emotional and that is very serious. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Your final supplementary, Mr. Peterson.

Mr. Peterson: Thank you, Mr. Speaker. I thank the minister for that answer and I agree that cyber bullying is a big issue now, not just in Nunavut but right across the world. The minister indicated that bullying happens everywhere; it happens away from the school elsewhere in the community, or in the homes, who knows where it can be happening.

I'm wondering if the minister could make a commitment today to work with other agencies in Nunavut to address the bullying issue, I'm speaking about RCMP, wellness centres, and hamlets, to come up with an overall bullying strategy to address the bullying that goes on within our communities and in cyberspace. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Minister Ed. Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. The Department of Education is very interested in working collaboratively with other departments of government or interagency groups at the local and community level to try to address the issue of bullying.

As I said earlier, we've got pamphlets, posters, we have held workshops, we've got different programs, we've got school supports in place, and yet, we still see more and more occurrence of bullying. As I said earlier, it may not be just physical; it could be the mental or emotional bullying that's occurring now, probably, in some cases, more frequently.

In cases where bullying becomes threatening, I know of cases where we've had to call in the RCMP, so that would continue. The RCMP has done an excellent job with the DARE program and some other programs in our schools across Nunavut, and that type of interagency work will continue. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Oral Questions. Member for Rankin Inlet North, Mr. Curley.

Question 514 – 2(4): Fuel Stabilization Rider

Mr. Curley: Thank you. (interpretation) This was on for a while.

Mr. Speaker, my question is directed to the Premier concerning the URRC; I don't know what it is in Inuktitut. Last month, I asked a question the Minister of Energy concerning the increase in the Fuel Stabilization Rider which the Cabinet approved on October 23, 2007.
When it was approved by the Cabinet, although the Minister of Energy stated that was not the case when I asked him about it at the time, this stabilization rider was implemented and added to our monthly bills starting November 1, 2007 and end on October 31, 2008. It states that we will be paying an additional 6.40 cents per kilowatthour during this period and that the Cabinet has approved this rider.

Due to this reason, why is it that there are more reviews on costs by URRC when this rider was previously approved by the Cabinet just a few months ago on Oct 23, 2007? Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Curley. Minister of Energy, Minister Picco.

Hon. Ed. Picco: Thank you, Mr. Speaker. I believe the member addressed a question to the Minister responsible for the Utility Rates Review Council, the URRC. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you. Premier Okalik will respond to the question.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. This committee is our watchdog and they operate at arms length and they usually review the riders to ensure that all of the costs are taken into consideration. They usually undertake a thorough review and invite concerns from the public.

After they conducted their review, they agreed with the Rider of 6.40 cents per kilowatthour due to the rising costs of fuel. The committee agreed with the rate rider set by the Cabinet and that it was in order. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Premier. Your first supplementary, Mr. Curley.

Mr. Curley: Thank you. (interpretation) As I stated earlier, the Minister of Energy's response when I posed those questions to him, was that there was no increase in regard to this matter and I asked the minister on October 31, 2007 whether or not there would be a rider implemented and his response was that there was no such increase upcoming.

Why is it then that the minister didn't appear to be telling the truth when the Cabinet had already approved the Fuel Stabilization Rider on October 23, and it is also in the *Nunavut Gazette*, this figure of 6.40 cents per kilowatt-hour, and I believe that, based on these facts, the minister will have to revise his previous answer to me as it is currently written in the *Hansard*. Thank you, Mr. Speaker.

An Hon. Member: Point of Order.

Speaker: Thank you, Mr. Curley. A Point of Order has been called. Mr. Picco.

Point of Order

Hon. Ed. Picco: Thank you, Mr. Speaker. I know that the member is very concerned about the issue of the URRC and has raised the rider many times. However, in this House, we should try to stick to some parliamentary level and some parliamentary language.

It's not appropriate for the member to suggest that the member has deceived the House and deceived the public. I have stated the facts, there was a decrease, the member states that the date of the timing was inaccurate, and I gave him the facts in this House.

So I would ask that the Speaker rule on the unparliamentary language that the member is using because that is not a correct statement the member has made. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Picco. To the Point of Order. Mr. Curley.

Mr. Curley: I don't know how it was translated in English but I said in Inuktitut, *Sulijuujaanngittuq*. It doesn't appear to be the truth what the minister indicated at that time when I asked him on October 31: will he be imposing any fees or a Fuel Stabilization Rider on October 31.

I remember using the word "Halloween" at that time, and therefore, since then, there appears to have been a fact of the acknowledgement that the issue of the Fuel Stabilization Rider in fact...

Speaker: Mr. Curley, to the Point of Order, please.

Mr. Curley: Mr. Speaker, there is no Point of Order because what I have said, and the record will show, my questions are consistent and there is a contradiction as to what the minister is saying then and today. Thank you.

Speaker: Thank you, Mr. Curley. We will review the transcripts and translations and make a ruling on this Point of Order tomorrow. Thank you.

Thank you. Mr. Curley, can you repeat your second supplementary, please. Mr. Curley.

Mr. Curley: Thank you, Mr. Speaker. My supplementary is this: the Premier did acknowledge that, as a matter of fact, the Cabinet has approved a continuation of the fuel stabilization that was carried, even at the slightly reduced rate, to 6.40 cents to continue from October 1, 2007.

What is the reason for URRC if the Cabinet has approved the proposal from the Minister of Energy? Thank you.

Speaker: Thank you, Mr. Curley. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. We do not fix fuel costs; we follow the changing world price accordingly. Energy depends on fuel; once fuel costs increases, we are forced to keep up with the increases.

The increase by 6.40 cents per kilowatt-hour is the result of careful review and we implemented that rate accordingly. We put that in place so we could have it reviewed again by the independent working group.

After conducting the review, they concluded it was a good rate and resulted in a small increase that tracked the increase in fuel costs. This rate is going to stay in place until that fuel has been fully paid. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Premier. Your final supplementary, Mr. Curley.

Mr. Curley: Thank you. (interpretation) My last question is in regard to the proposal received by QEC to continue using the same rate. The Premier stated earlier that they are reviewing the URRC, so is their review done and when are they tabling the report from that review in this House? (interpretation ends) Thank you.

Speaker (interpretation): Thank you, Mr. Curley. Mr. Premier.

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. We now have that report and the 6.40 cents per kilowatt-hour has been approved. We have to follow it in accordance with the increases but there were concerns given to us regarding that increase, so we will table the report once we have reviewed those objections further. Thank you, Mr. Speaker.

Speaker (interpretation): Question Period is now over. (interpretation ends) Item 7. Written Questions. Item 8. Returns to Written Questions. Item 9. Replies to Opening Address. Item 10. Petitions. Item 11. Reports of Standing and Special Committees. Item 12. Reports of Committees on the Review of Bills. Mr. Alagalak.

Item 12: Reports of Committees on the Review of Bills

Committee Report on Bills 010 – 2(4): Interim Report on the Review of Bill 20

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. (interpretation ends) Interim Report on the Review of Bill 20:

Mr. Speaker, I am pleased to have the opportunity today to provide the House with an Interim Report of the Standing Committee on Health and Education on its review of Bill 20, the proposed *Midwifery Profession Act*.

Mr. Speaker, Bill 20, the proposed *Midwifery Profession Act*, was introduced by the Minister of Health and Social Services.

Following second reading of the bill on November 6, 2007, it was referred to the Standing Committee on Health and Education for review.

Mr. Speaker, the standing committee has been reviewing this bill with care and attention. The committee received input from a number of stakeholders including the Nunavut Association of Midwives, Nunavut Tunngavik Incorporated and the Irnisuksiiniq Inuit Midwifery Network of the National Aboriginal Health Organization. I will be tabling copies of their written submissions in this House at the next opportunity.

Mr. Speaker, the standing committee certainly supports the principle and intent of Bill 20. This legislation will serve to bring maternal care and midwife services closer to the community level, something that families and community residents have been requesting for some time.

However, as a result of our review of the bill, the committee raised a number of concerns that remain unanswered despite repeated requests to the sponsoring minister for clarification.

As you will recall, last week, this House passed a motion to extend the period of time for the committee to continue its review of the bill. I would like to thank all members for their support of the motion. The extension will allow time for these issues to be resolved and to ensure that any legislation passing through this House best serves Nunavummiut.

Mr. Speaker, members remain concerned that despite the fact that the term "traditional Inuit midwifery" is referred to in both the summary and body of the proposed legislation, the actual practice of traditional Inuit midwives is not clearly defined.

Mr. Speaker, the standing committee supports this government's efforts to incorporate *Inuit Qaujimajatuqangit* within its policies, practices and proposed legislation. However, in order to do this realistically we need something more substantial than vague and undefined references.

Mr. Speaker, a second issue of concern relates to the process of ensuring that any individual practicing midwifery in Nunavut is adequately protected by liability insurance. Even though bringing forward civil suits is not a traditional practice in Inuit society, it is becoming more common in this modern world. As such, it is critical that anyone who is providing maternal care services, in a traditional or a contemporary manner, be adequately protected in the event of a lawsuit.

Mr. Speaker, the committee looks forward to working with the Minister of Health and Social Services to amend Bill 20 accordingly.

The committee hopes to be in a position to make its final report to the House in the spring sitting.

With that, Mr. Speaker, I move that this interim report of the standing committee be received by this House. Thank you, Mr. Speaker.

>>Applause

Speaker: Thank you, Mr. Alagalak. Do members agree the report of the standing committee be received?

Some Members: Agreed.

Speaker: Thank you. The report is received. Item 12. Reports of Committees on the Review of Bills. Item 13. Tabling of Documents. Mr. Barnabas.

Item 13: Tabling of Documents

Tabled Document 211 – 2(4): Memorandum of Understanding between HTAs of Arctic Bay, Grise Fiord, Qikiqtarjuaq, and Resolute Bay to form the Arctic Fishery Alliance

Mr. Barnabas (interpretation): Thank you, Mr. Speaker. I am pleased to table today, in Inuktitut and English, a copy of the Memorandum of Understanding to form the Arctic Fishery Alliance. (interpretation ends) Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Barnabas. Tabling of Documents. Mr. Premier.

Tabled Document 212 – 2(4): Letter to Prime Minister on Devolution

Hon. Paul Okalik (interpretation): Thank you, Mr. Speaker. I am pleased to table the following document: Premier's Correspondence to Prime Minister Stephen Harper on Devolution. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Premier. Tabling of Documents. Mr. Netser.

Tabled Document 213 – 2(4): Development Partnership Agreement between the GN and the Meadowbank Mining Company February 17, 2008

Tabled Document 214 – 2(4): NHC 2005-2006 Annual Report

Tabled Document 215 – 2(4): Future of NBCC and NDC Report 2008/Crown Agencies Assessment Final Report April 2007

Hon. Patterk Netser (interpretation): Thank you, Mr. Speaker. (interpretation ends) I am pleased to table the following document: Development Partnership between the Government of Nunavut and Meadowbank Mining Corporation, Agnico-Eagle.

Also, I am pleased to table the following document: The Nunavut Housing Corporation Annual Report for 2005-2006.

Also, Mr. Speaker, the following documents which I am pleased to table is: the Interdepartmental Working Group on the Future of the Nunavut Business Credit Corporation and the Nunavut Development Corporation. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Tabling of Documents. Ms. Brown.

Tabled Document 216 – 2(4): CGS & HSS RFP for Medical Travel on Scheduled Airlines – Standing Offer Agreement

Hon. Levinia Brown: Thank you, Mr. Speaker. I am pleased to table the following document: RFP for Medical Travel on Scheduled Airlines. Thank you, Mr. Speaker.

Speaker: Thank you, Minister. Tabling of Documents. Mr. Tapardjuk.

Tabled Document 217 – 2(4): Towards a Representative Public Service Statistics as of December 31, 2007

Tabled Document 218 – 2(4): Online Lottery – Audited Financial Statements March 31, 2007

Hon. Louis Tapardjuk (interpretation): Thank you, Mr. Speaker. I have two documents to table. The first one is: Towards a Representative Public Service Statistics as of December 31, 2007.

The other one, Mr. Speaker, is: Online Lottery – Audited Financial Statements in accordance with the *Western Canada Lottery Act*. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Tapardjuk. Tabling of Documents. Ms. Aglukkaq.

Tabled Document 219 – 2(4): "Not All Bugs Need Drugs" Pamphlets

Hon. Leona Aglukkaq: Thank you, Mr. Speaker. As part of the campaign referred to in my Minister's Statement, I'm tabling the "Not all Bugs Need Drugs" Pamphlet and a sample of the printing for t-shirts that will be distributed to the communities. Thank you, Mr. Speaker.

Speaker: Thank you, Ms. Aglukkaq. Tabling of Documents. Mr. Alagalak.

Tabled Document 220 – 2(4): Written Submissions on Bill 20

Tabled Document 221 – 2(4): Hudson Bay Quest

Mr. Alagalak (interpretation): Thank you, Mr. Speaker. I would also like to table two documents. First of all, Submissions on Bill 20.

Thank you, Mr. Speaker. (interpretation ends) Earlier, I delivered the Interim Report of the Standing Committee on Health and Education on its review of Bill 20, the proposed *Midwifery Profession Act*.

I now wish to formally table the submissions that we have received on Bill 20 from the Nunavut Association of Midwives, Nunavut Tunngavik Incorporated and the Irnisuksiiniq Inuit Midwifery Network of the National Aboriginal Health Organization.

(interpretation) I would also like to table another short report on the dog quest from Churchill to Arviat. It's a press release for everyone's information. Thank you, Mr. Speaker.

Speaker (interpretation): Thank you, Mr. Alagalak. (interpretation ends) Tabling of Documents. Item 14. Notices of Motions. Mr. Peterson.

Item 14: Notices of Motions

Motion 030 – 2(4): Extended Adjournment – Notice

Mr. Peterson: Thank you, Mr. Speaker. I give notice that on Friday, March 14, 2008, I will move the following motion:

I move, seconded by the Honourable Member for Iqaluit East, that notwithstanding Rule 4, that when the House concludes its present sitting in Iqaluit, it shall be adjourned until May 22, 2008.

Mr. Speaker, at the appropriate time, I will seek unanimous consent to deal with my motion today. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. Notices of Motions. Item 15. Notices of Motions for First Reading of Bills. Item 16. Motions. Mr. Peterson.

Item 16: Motions

Mr. Peterson: Thank you, Mr. Speaker. I move, seconded by the Honourable Member for Iqaluit East...

Speaker: Mr. Peterson, you may seek unanimous consent to deal with your motion today. Mr. Peterson.

Mr. Peterson: Sorry, Mr. Speaker, I'm a little eager to get going here. Mr. Speaker, I seek unanimous consent to deal with my motion today. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. The member is seeking unanimous consent to deal with his motion today. Are there any nays? There are no nays. Please proceed, Mr. Peterson.

Motion 030 – 2(4): Extended Adjournment

Mr. Peterson: Thank you, Mr. Speaker. I move, seconded by the Honourable Member for Iqaluit East, that notwithstanding Rule 4, that when the House concludes its present sitting in Iqaluit, it shall be adjourned until May 22, 2008.

Further, at any time prior to May 22, 2008, if the Speaker is satisfied, after consultation with the Executive Council and the Members of the Legislative Assembly, that the public interest requires that the House should meet at an earlier time during adjournment, the Speaker may give notice and thereupon the House shall meet at the time stated in such notice and shall transact it's business as if it had been duly adjourned to that time. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Peterson. The motion is in order. Question has been called. All those in favour of the motion, please raise your hand. Opposed. The motion is carried.

Item 16. Motions. Item 17. First Reading of Bills. Item 18. Second Reading of Bills. Item 19. Consideration in Committee of the Whole of Bills and Other Matters. Bills 22, 23, 24, and 25.

In accordance to the authority provided to me by Motion 4 - 2(4), the Committee of the Whole will stay in session until it reports itself out. Before we proceed with Committee of the Whole with Mr. Evyagotailak in the Chair, we will take a 20-minute break.

(interpretation) Sergeant-at-Arms.

>>House recessed at 15:28 and Committee resumed at 15:58

Item 19: Consideration in Committee of the Whole of Bills and Other Matters

Chairman (Mr. Evyagotailak): I would like to call the committee meeting to order. In the Committee of the Whole, we have the following items to deal with: Bills 22, 23, 24, and 25. What is the wish of the committee? Mr. Kattuk.

Mr. Kattuk: Thank you, Mr. Chairman. We would like to continue with Bill 23 and the review of the Department of Finance, followed by the Nunavut Housing Corporation and the Department of Justice. If time permits, we will proceed with the Department of Economic Development and Transportation, followed by the Legislative Assembly. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Kattuk. Are we in agreement that we continue with the Main Estimates for the Department of Finance?

Some Members: Agreed.

Bill 23 – Appropriation (Operations & Maintenance) Act, 2008-2009 – Consideration in Committee – Finance

Chairman: Thank you. Minister Tapardjuk, do you have witnesses that you would like to bring to the witness table? Minister Tapardjuk.

Hon. Louis Tapardjuk: Yes, I do, Mr. Chairman.

Chairman: Does this committee agree to bring the witnesses in?

Some Members: Agreed.

Chairman: Thank you. Sergeant-at-Arms, please escort the witnesses in.

Thank you, Sergeant-at-Arms. For the record, minister, please introduce your witnesses.

Hon. Louis Tapardjuk (interpretation): Thank you, Mr. Chairman. To my left is Peter Ma, my Deputy Minister, and to my right is Chris D'Arcy, Acting Assistant Deputy Minister of Finance, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma and Mr. D'Arcy, welcome to Committee of the Whole. We will go to page C-7. Internal Audit Services. Total Operations and Maintenance, to be Voted. \$1,148,000. Does this committee agree?

Some Members: Agreed.

Chairman: Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I know the Internal Audit Division goes around and does audits of different departments. In doing that, I'm just wondering if the department has used the information that it has obtained in any of the internal audits that it's done on different departments to assess which departments may be targeted. You had mentioned yesterday, for re-centralizing financial services, looking at where there may be problems as a result of the audit. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): I will have my Deputy Minister, Mr. Ma, respond, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. Certainly, we would assess the information as provided to us by Internal Audit as part of our evaluation to determine which departments would be further re-centralized into Finance. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. As a result of any internal audits done, have there been any flags raised at the departments that you may want to look at prioritizing for the re-centralization process? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): I will have Mr. Ma respond, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. None jump out particularly at this point in time. Obviously, some departments have better strengths than others and some, obviously, are weaker than others. At this point, I would say none jump out in my mind. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I know something I have raised over the years and I still get issues raised to me by businesses within Nunavut is that they're having a hard time getting paid in a timely manner. I know that one of the functions of Internal Audit is to go in and take a look at those documents, when they're received, commitments are made and then they get paid.

I'm just wondering if they have found any concerns of businesses in Nunavut, according to the *Financial Administration Act*, I think they're supposed to be paid within 20 days, where that hasn't been happening. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk: Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. The Internal Audit Division went in and audited a significant number of departments throughout the past year. Most of the difficulties, I guess, in paying, as far as on time, have to do with the interpretation of the actual directive that we have, the FAM directive.

With that said, I'm not sure if all members are aware, the Department of Finance has recently introduced the electronic funds transfer and we're rolling this out slowly. Some

of our staff and you, as members, have had an opportunity to have funds directly deposited to you. So that will also help expedite prompt payment to our suppliers. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. As a result of those audits that Mr. Ma mentioned, usually things are in percentage like in the Auditor General's findings where they say 40 percent of the files that we reviewed, and so on and so forth, was there a percentage of files or documents that were looked at where that 20-day period wasn't met? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. Yes, there were some numbers. I don't have that in front of me and I can certainly undertake to provide that to the member at the earliest opportunity. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I certainly look forward to getting that information and hopefully, whatever the number is, we look forward to it going down in the future. Can the minister or his officials give us an idea of how many actual internal audits were conducted by this division? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Please wait a moment while we look for that information.

Thank you, Mr. Chairman. From 2006 to the end of March 31, 2007, there were 2,030. That's the number of audits that were done on the government departments for 2006-07, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I assume that they don't have a number for the 2007-08 year, but could they commit to providing that information as well? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): We don't have those figures in front of us, but we can elaborate more on how many audits they did within the government departments tomorrow, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. Would the minister or his officials be willing to provide a report on the findings, like the percentages that didn't comply or did comply; the good, the bad, and the ugly of it, I guess, in a report? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Can the member clarify if he is talking about public accounts or if he's talking about audits? I would like the member to clarify his question for our understanding, Mr. Chairman.

Chairman: Thank you, Minister. Can you clarify your question for the minister? Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. Not that but just the results of the findings generally. I don't want the government to be in a position to point, "Okay, this individual didn't do this ten times," or whatever, but just some general information on the findings of those internal audits. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): We will research the issue to see if we can get that information. We will try and provide that information but we will have to review what kind of information that we would need to provide you. This will require some research prior to providing the information. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo, thank you. Internal Audit Services. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I welcome the minister and his officials back today. I would like to ask the minister if he could explain or clarify the relationship of the Internal Audit Committee to the Office of the Auditor General of Canada. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I'm just going to step back a bit to answer the member's question. The Internal Audit Committee indirectly reports, if you will, or works with the Deputy Minister of Finance and is comprised of the Director of Internal Audit and other colleagues of my own, of the deputies.

The relationship between the Internal Audit Committee and the Office of the Auditor General is basically one of a professional relationship. For example, some of the work that we do in Internal Audit may be used by the Auditor General in their work, so it's basically cooperation. I guess another recent example of cooperation between Internal Audit and the Office of the Auditor General would be the NBCC audit that happened I guess over a year ago. As you know, unfortunately, the results weren't what we had hoped for, but certainly, that was an instance where we worked together with the Office of the Auditor General. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister and Mr. Ma. Reading in your business plan, one of your priorities for 2007-08 said, "... including independence of the Internal Audit Committee as recommended by the OAG." Could you clarify for the record what the OAG meant by that recommendation "independence"? That's an important word I think, independence. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I believe what the Office of the Auditor General is referring to in that phrase is as long as you were free of interference from the government itself in terms of the Internal Audit Committee being able to do its work. I can tell you, at this point, being the Chair of the Internal Audit Committee, we basically have not had any interference from Cabinet or FMB in terms of the work that we're doing. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. Could you describe the different types of audits that the Internal Audit Services Branch would undertake on behalf of the Government of Nunavut? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. There are a number of different types of audits that Internal Audit can do. The most common one that we're all familiar with is what we call compliance audits and that's when you go in to make sure that a department or a particular organization does what it's supposed to do in terms of following the rules. For example, what Member Tootoo was referring to earlier about timing of payments to vendors; that would be a compliance type audit.

And, then there are operational audits and really what an operational audit does is we look at whether something is being done efficiently and effectively. I don't know what an example is but maybe let's say the fuel tax rebate, which is under our department; we would examine how quickly we're turning around payments to harvesters for example. So that would be an operational type audit.

Financial audits would then look at whether or not supporting documents are there to support claims that are made by the GN. A typical example would be what we call a Vote 4/5, where we have let's say somebody like the Government of Canada provide us funding but then we would have to report back to them. So that would be a financial type audit.

Fourthly, we have what we call forensic investigations and what a forensic investigation basically is, is to investigate an allegation of a possible fraud. Lastly, I talked about the fact that we also assist the AG.

So those are the four main types of audits that we do in Internal Audits. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. Can you provide us with the numbers of different types of audits you have completed in the current fiscal year in each of those four categories? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. As part of the information that we're going to provide back to Member Tootoo tomorrow, I can provide that information to the member. I do have numbers here for 2006-07 if he is interested. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank Mr. Ma. Yes, I would be interested in the numbers you have and then if you could provide the numbers tomorrow when you provide the answer to Mr. Tootoo, I would appreciate that as well. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. In 2006-07, there were 11 compliance audits, four operational audits, six financial audits, seven forensic investigations, eight of what we call advisory consulting audits, and the one case I have mentioned of where we provided assistance to the OAG with respect to the NBCC audit. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. Could you tell us how the Internal Audit Branch chooses each of these types of audits to undertake? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. In the past, we basically assessed where we thought the audit risk was within the GN and partly, it was also based upon reports of the Office of the Auditor General. Going forward into the next fiscal, we have changed that approach.

We are going towards what we call a risk-based assessment type audit. What that really means in plain English is that we have each department risk assess itself but at the same time, we also do our own assessment of that department. Based upon the results of those assessments, we then determine which departments to go into in terms of an audit plan for the ensuing fiscal year. I won't get into more detail; I could provide additional details to the member if he wishes. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank Mr. Ma. The forensic investigation audits; they're the ones that really pique the interests of MLAs and we had seven in that fiscal year. How did you identify those particular investigations to undertake? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that one, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. A number of those forensic investigations were brought to our attention by the particular department or the territorial corporation. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. When they're brought to your attention, then what procedures or processes do you undertake to investigate? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. Under the *Financial Administration Act* and a particular directive within the Financial Administration Manual, there are very clear policies and procedures that we have to follow within government.

The short of it is that if there is a suspected allegation of fraud, it must be brought to the attention to the Comptroller General. He or she would then make an assessment of whether that should be brought to the attention of Internal Audit. It goes towards Internal Audit and we then go towards an investigation based upon that assessment. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank Mr. Ma. Can Mr. Ma indicate the different types of fraud that they investigated in these seven investigations? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I actually don't have the details in front of me, so I am going to guess by memory. In most of the instances that had to do with situations of theft, for example, a computer may have been stolen or a particular capital asset may have been misappropriated elsewhere, I think there were also a number of instances where people inappropriately used their position to influence a particular contract. That does come to mind. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Can Mr. Ma indicate if any disciplinary action resulted as a conclusion of your seven investigations? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I won't confirm this but my memory at this point in time is no, there were none. There was one I think that was referred to the RCMP but in a majority of the cases that we investigated, the employee became former employees. In other words, they have left the employment of the GN. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank Mr. Ma. Did the former employees leave the employment of the Government of Nunavut before they were aware that they were being investigated or after they became aware that they were being investigated? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I would say that in the majority of the cases, the employees left because they knew we were likely about to do an investigation. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Assuming that, for example, they didn't know they were being investigated or still remained an employee of the government when you had undertaken your investigation and prepared a report, where does the report go from there once it's concluded? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. The draft report would then go to the department that asked for the particular investigation and to the Comptroller General. Between the particular department, which I will call the sponsoring department, and the Comptroller General, the decision would actually be made at that point whether to proceed further either by way of laying charges or going to the RCMP. I am going with it by memory but I do seem to recall one instance where we did refer the matter to the RCMP. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. I'm just trying to establish in my mind the independence of the Internal Audit Branch. Now, if you initiate an investigation but the investigation shows that there's fraud and you take it back to the department, does the department have the option of telling you or the Internal Audit Branch not to proceed with any disciplinary action or sending the file to the RCMP for further investigation? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. Yes, the department does have that opportunity. However, there is a significant amount of obligation on the part of the Comptroller General also to be part of the decision making. So if the comptroller general does not agree with the recommendation of the particular department, he or she may still proceed with referring the matter to the RCMP. Of course, as deputy, I could also step in. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. Does the department, if they disagree with your recommendations or investigation, can they engage external accountants or an audit firm to undertake a similar review of a particular investigation or report it if it led to fraud? Is that possible? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Mr. Ma: Thank you, Mr. Chairman. Yes, a department can certainly use other external resources but at this point, that has not happened. The departments have been satisfied with the services that we have provided. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. I know that one of your 2008-09 priorities is to "Perform an external and internal quality review of our Internal Audit Services Branch operations to ensure that they are current and in compliance with professional standards on quality assurance," and we have asked the Auditor General of Canada questions. They're out there auditing entities across Canada but we ask them, "Well, who's auditing the Auditor General?" So they have a process in place to ensure that their standards are at the very highest.

Now, with that 2008-09 objective, I'm glad to see that in there but what kind of work do you plan to do to ensure that your review is well done and that you are complying with professional standards on quality assurance? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that one, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. The member is quite correct. As professionals, we have to uphold certain standards and part of upholding that standard is to have what we call a quality review from time to time. In our case, for next year, we're intending to do both an external and an internal review.

With respect to the external review, we would probably bring in an outside organization. I know that if I was still in public practice, the particular professional body of the province or territory that I would be in would actually provide that review. We will likely ask an outside organization to come in and provide that quality review of our Internal Audit Division. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. It's good to know. Just going back to these forensic audits, I know you said you're going from memory but one file has been sent over to the RCMP for investigation, do you know if their investigation has been completed? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I don't believe it has but I will confirm that as part of the follow-up information that we will provide members. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. Thank you, Mr. Ma. One final question: can you tell us how many internal auditors you have working in this branch? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): I'm looking for that information. Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. As of December 31, 2007, we have nine approved positions. There are five employees, so we have four vacancies out of the nine. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Thanks again, Mr. Peterson. Internal Audit Services. Total Operations and Maintenance, to be Voted. \$1,148,000. Does this committee agree?

Some Members: Agreed.

Chairman: Thank you. Page C-8. Comptrollership. Total Operations and Maintenance, to be Voted. \$13,924,000. Does this committee agree? Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. Under Comptrollership, I think that's C-19 in our version of the business plan, there's Accounting Policy and Financial Systems Management; it looks like it's decreased by about \$600,000 from the previous year. I'm just wondering if I could get an explanation for that. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. As part of the Strengthening Financial Management Initiative, the FMB approved one-time funding for us last year, so a significant part of that would be the one-time funding of those contracts. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I noted in my opening comments yesterday and the minister mentioned as well, the \$23 million in funding that was announced to assist the GN in strengthening their financial management and one of the things was to improve the timelines for productions of the annual financial statements. I'm wondering if the department could give us an idea of what strategy they have for ensuring that its public accounts are prepared and tabled on time. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. The production of the public accounts is a somewhat specialized area so I would like to say that first. As members know, recruiting people has been difficult because of the economic conditions across Canada.

So that said, because of that sort of specialized expertise, if you will, at this time, we have brought in an individual that was the Assistant Auditor General of the Province of Nova Scotia. He obviously is very good in his profession; he has what we call an FCA, a Fellow Chartered Accountant. I think we made some comments yesterday about the different types of accounts we have within our system. So that's an honour that's bestowed upon you because of other skills or other things that you have done in the public domain.

Having said that, the other thing that we have done in the past year and we're still currently doing is we have put in writing a number of steps and processes to be followed in the production of the public accounts. In order to do that, we, of course, need the assistance of all of our colleagues across our departments and territorial corporations. So there is an actual year end plan for the production of public accounts that ties in all departments.

We have also initiated an internal quality review of the financial statements and draft statements before they get to the Auditor General. That was one of their concerns is that the quality of our draft statements that were given to them were not at a level that they feel that they should be at, so we have done our own internal review of statements before they go there.

In some cases, because of a particular territorial corporation or whatever, and the sense of nature of it or whatever, I, myself, have actually undertaken some of those reviews. I can

get into the nitty-gritty but that's the general sense of what we're doing in terms of getting public accounts produced on time. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I don't know if I should ask it under Financial Management or Comptrollership, but all of those positions that were re-centralized to the Department of Finance from the Departments of Health and Social Services and EIA, do they fall under the Comptrollership section? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. There were 24 positions that were re-centralized into Finance and the member's question is at the appropriate part of our main estimates. Four of those positions were from EIA and those positions went into the Corporate Services side of our operations. The remaining 20 positions from Health and Social Services went into the Financial Processing side of our operations, which is part of Comptrollership. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I think that was just last year that that was done and if that's the case, in the main estimates under Comptrollership, the initial amount for 2007-08 was \$11,620,000 for Compensation and Benefits and the revised amount was the same amount. So I'm just wondering where; I thought we passed the supplementary appropriation to transfer those funds over and I would have expected to see an increase there in the revised amounts. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. When we prepare the main estimates and the budgets, we try to prepare the main estimates like we do the financial statements on a basis consistent with that of the preceding year.

I would like to refer the member to Appendix V of the main estimates. In there is what we call the schedule of restatements and the schedule of restatements takes into account what he just talked about: different Supplementary Bills that have come forward. So

we're actually comparing apples to apples and not apples to oranges. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. If that number is still the same there, like it's still \$11,620,000 and if there are other positions that are in that division now, I think you said 20 positions or something like that, then how come there's only a \$50,000 increase in Compensation and Benefits for next year? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I don't think I explained myself very well to the member and I apologize for that.

Appendix V restates last year's budget and this year's budget so that it takes into account the 20-odd positions that were moved to this particular of the discussion. The difference of \$50,000 from one year to the next is primarily due to increments that staff would be getting, so the budgets are adjusted for that. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I finally found Appendix V. It shows that those 20 positions and I think if I'm reading this right here, there was \$1.7 million transferred over in 2007-08. I'm just wondering if that's correct, or is it the \$1.7 million plus the \$418,000? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Mr. Chairman, it would be both numbers. When we restate the 2007-08 main estimates, we basically assume or restate the numbers as if the 20 positions were there at the beginning of the year and then any subsequent supplementaries that affect those 20 positions. That's basically what it is. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Thank you, Mr. Tootoo. Comptrollership. Total Operations and Maintenance, to be Voted. \$13,924,000. Does this committee agree?

Some Members: Agreed.

Chairman: Thank you very much. Centrally Administered Funds. Total Operations and Maintenance, to be Voted. Mr. Curley.

Mr. Curley: Thank you. (interpretation) I have a question under the main estimates on page C-9 regarding electricity subsidies that are provided by the Department of Finance. Can the minister explain this program so that we can understand what that subsidy entails, who is eligible and where does the subsidy go to? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): I will have Mr. Ma respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I'm not entirely sure that I got the question that the member wanted answered, so I'll attempt to answer it and if I'm wrong, then he can correct me.

I think what he was basically asking is how the Nunavut Electrical Subsidy Program works. The Nunavut Electrical Subsidy Program is a program that's available to all Nunavummiut and that's individual consumers as well as businesses, but primarily, it would be, of course, individual consumers or homeowners that would benefit the most.

The electrical subsidy, if I recall correctly, is based upon half of the Iqaluit rate and I have to really admit that I'm going by memory now, but I think the current rate is 39.5 cents per kilowatt-hour, so it would be half of that, and so that rate would then be used to subsidize all other communities across Nunavut, Mr. Chairman. Thank you.

Chairman: Thank you, Mr. Ma. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. Yes, I appreciate that response. In view of the high world oil prices, because I think that's the way we pretty well measure the cost of subsidies and energy prices in Nunavut, I wonder if it's not a correct time now, I say it is, to evaluate the rationale. Are there any plans developed to re-evaluate as to how the rationale is normally arrived at? You quoted the current rate in Iqaluit and I believe that is the lowest electrical rate in Nunavut. Am I correct in that? Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Yes, the lowest electrical rate in Nunavut is in Iqaluit, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Curley.

Mr. Curley: Thank you. (interpretation) Yes, I already knew that Iqaluit has the lowest rate but there are 25 other communities in Nunavut, so I believe that we have 26 different rates. Is that correct? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Yes, each community has a different electrical rate, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Curley.

Mr. Curley: Thank you. (interpretation) I think the minister agrees that there are 26 different rates. Instead of using the cheapest rate for this subsidy, why not use averages instead, and determine which is the better rate. If you start considering those kinds of options, it would be more beneficial to our people. Because we cannot say much about it as regular members, but if the cabinet could at least discuss the issue. As we heard earlier the global oil prices increasing, 6.40 cents per kilowatt-hour we pay on top for the fuel rider even though we have a subsidy.

You stated that the subsidy was increased by 17 percent. Now, I would like to ask you: how did you reach the figure of 17 percent increase and what's the rationale behind that increase in the main estimates? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will elaborate on that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. If I understand what the member said, I believe he's asking why we have basically a \$1.1 million increase in the 2008-09 budget versus the 2007-08 budget, I think is what he's asking me. Last year, I think we admitted to the Committee of the Whole that we had actually under-budgeted this particular item in our budget and I can give the members some historical information that will maybe assist as well.

In the 2005-06 fiscal year, the actual expenditures were \$6.7 million, so you could see that's about \$600,000 more than what it was for the 2007-08 budget. With respect to 2006-07, the actual we have is \$7.2 million and again, that's pretty much in line with what we're budgeting for this year in the 2008-09 fiscal year. Year-to-date, I believe at December 31 for the current year, 2007-08, the number is about \$3.4 million. Of course, it seems low, but as you know, energy consumption is at its highest point in the winter months and we still have three months to go. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. I'm trying to get the Nunavummiut to understand a bit how the rationale is arrived at in proposing a bit of an increase to the fuel subsidy or the Electricity Subsidy Program. I think you have already explained that briefly, it's normally that subsidy provided to the kilowatt-hour or monthly bills of the NPC, or the Power Corporation.

So my point is: when you are actually considering increasing it from last year and you arrive at a 17 percent increase, how is that figure arrived at? I know you alluded to other previous years but it's not taken into consideration at all the energy increases that have occurred since last year. Am I correct? Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. There has been no actual increase to the subsidy amount from one fiscal year to the next. The increase in the budget from 2007-08 to 2008-09 is to take into account the actual amount that we're paying out as subsidies as a government. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Curley.

Mr. Curley: I understand that but my question still is: this 17 percent increase from the time I believe it was about three years ago, when it's the last time I remember, I think it was called a 'four-cent solution' or a 'six-cent solution' at that time, but it's not at all tied in with the high world energy prices. Am I correct in that? Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): I will have Mr. Ma respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. I'm not entirely clear as to what the member is asking but I don't believe that we tie in our electrical subsidy rate to fuel prices. It's tied into the actual cost of producing electricity and the rates that we then charge our consumers. So I think that's what he's asking. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Curley.

Mr. Curley: Thank you. Mr. Chairman, my thinking is that it should be tied in with the world oil price increases because it seems that we all believe that we can actually

evaluate whether or not the subsidies are working based on a number of costs that are escalating and the only one that we see escalating every year is the fuel prices.

There doesn't appear to be any real rationale as to how the 17 percent proposed increase is arrived at. That's what I was getting at. It seems to be they are just picking up a figure, or maybe the 17 percent being the half of the current Iqaluit rate; I don't know. I think there should be a proper rationale to guide subsidies because I can tell the minister that, as of last April of 2005, the fuel prices, at least the household fuel prices have increased at least 55 percent to date; I think that was yesterday's rate.

So this particular figure really is inadequate in view of the fact that we have two main prices that have gone up - the current market prices have gone up and our GN rate for electricity has gone up. The minister and the Premier just confirmed that today. Nunavummiut are not keeping up with the cost of electricity.

Is the minister prepared to consider evaluating this formula so that it reflects the true cost of energy in Nunavut, including fuel and electricity? Would that be possible so that you have a real clear formula for arriving at a particular subsidy as well as with this energy subsidy? (interpretation) Would you commit to doing that? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Yes, we could review all the subsidy programs we have as to our possible options, not just for electricity but also for heating fuel and other subsidy programs. We can authorize a review of these subsidies and recommend improvements to the programs to be considered at the Cabinet level, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Curley.

Mr. Curley (interpretation): Thank you. I would like to thank the minister because we want to see some kind of a formula or a policy since there seems to be no regulatory basis to follow for these subsidies. We would like to know how it is arrived at, but we are also lagging behind the rising costs.

As I stated, there are 26 different electricity rates across Nunavut but using the cheapest rate in our territory is not acceptable and I think that you should consider averages when you are looking at numbers. You might not get it approved but Nunavummiut must have a representative in Cabinet to see if it is inadequate, especially for the homeowners who are having difficulties keeping up with their expenses. Would you also consider looking at averages to set the rate for the whole of Nunavut, if the subsidy were to be reviewed? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Thank you, Mr. Chairman. I think Minister Picco would like to answer that question.

Chairman: Thank you, Minister. Minister Picco.

Hon. Ed. Picco: Thank you, Mr. Chairman. I just want to answer and clarify some of the suggestions that have been made in the House by the member. First and foremost, all electrical rates in Nunavut are based on what are called community-based rates and that's a direct result of the hearings by the NWT Power Corporation in 1996-97. We have continued those rate processes into Nunavut and what that means is that the actual generation of power in a given community, that's what the rate is in place.

What the government has done is subsidized the rate for the first 800 and the first 1,000 kilowatt-hours of electricity. We have also subsidized the rate on the basis of the cheapest rate in Nunavut and taken that price down to all communities. So what that means is that the subsidized territorial residential rate across Nunavut is 19.6 cents per kilowatt-hour. Although it's a subsidized rate, without that, it could be anywhere between 45 to 72 cents per kilowatt-hour given the community. A good example of that is that in Iqaluit, you're looking at about 31 cents; in Whale Cove, it would be 79 cents. So what the government has done is subsidized every rate in Nunavut down to that amount, which is 19.6 cents plus the rider.

At the same time, instead of increasing the oil prices that the member suggested occurred in the last hike, anyone in the House knows the cost that we dealt with. So instead of putting up home heating fuel and gas by the amount that we could have put in there, according to the Petroleum Products Revolving Fund, we have actually subsidized the price of home heating fuel and we also subsidized the price of gas so that the hurt wouldn't be on the consumer.

But at some point, and the member is correct, how do you balance out the amount of subsidizes that you're putting in place and at some point, that's not affordable. So the government has actually taken that into consideration and that amount is across the board for residential consumers. Thank you, Mr. Chairman.

Chairman: Thank you, Minister Picco. Mr. Curley.

Mr. Curley: Thank you. I think the minister needs to have a more independent assessment of the subsidy proposal and I don't believe that the minister should receive his advice from a Minister responsible for Energy who would like to pass on the costs to the consumer when we can't afford it because the rate base is too small for number one. The rate base... I'm speaking, Mr. Chairman.

Point of Order

Chairman: To the Point of Order. Minister Picco.

Hon. Ed. Picco: Thank you, Mr. Chairman. Again, the member continues to do this. The member just stated again that the Minister of Energy would like to pass on the full cost to the consumer. That's not what I suggested. The Minister of Energy doesn't pass on anything. The Minister of Energy works, because of legislation, with the Cabinet. The URRC does the independent review, does a check and balance, brings that information back to the Cabinet, and then the Cabinet, as a collective, decides what those prices are.

The member should not be implying that one person or one minister somehow controls this whole agenda, which is, as he knows, incorrect. Mr. Speaker, the member should be corrected on what he has stated because he has mislead the House in suggesting that the minister does want to pass on the full cost to the consumer.

Indeed, this minister, and my colleagues I'm sure would back me up, has tried, on many occasions, to put more of a subsidy in place and we have done that. I have just explained that for the fuel, I have just explained it for the gas prices, and we have increased the power subsidy from 800 to 1,000 kilowatts an hour, which wasn't in place two years ago, Mr. Chairman, but is in place now because, in the past, it was only 600 kilowatt-hours for 12 months of the year; we have actually increased it by 400 kilowatt-hours. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. To the Point of Order. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. The minister has no Point of Order because he is not an advocate for the consumer; only for the Nunavut Power Corporation. Thank you.

Chairman: In this particular case, I will need to review the *Hansard* before I make a ruling. Mr. Curley.

Mr. Curley: Mr. Chairman, I hope my Inuktitut comments will be reviewed properly. I have a further question. I know that we heard from the minister whom I indicated is not the advocate for the consumer because we need a Cabinet Member who advocates for consumer interests and so on, that's why I'm asking the Minister of Finance to consider using an averaging issue.

Even though the Minister responsible for Energy has said that the fuel price subsidy, the energy subsidy, or the electricity subsidy is great stuff, I don't believe it can even afford to pay one month's electricity bill in a place like Whale Cove and Rankin Inlet. We normally use a lot more than 700 kilowatt-hours or even more than 1,000 kilowatts a month. Our average bills in Nunavut are probably 2,000 to 3,000 kilowatt-hours a month per household. So the electricity subsidy he is so proud of is not adequate and I would like to urge the minister to do a thorough review and a more independent assessment of the subsidy. Could you do that for Nunavummiut? Thank you.

Chairman: Thank you, Mr. Curley. I said I would make a ruling tomorrow. Be cautious of the wording you used. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): With regards to my response, I stated that we would look at all the subsidy programs that are provided by the government for electricity, fuel, and others. We will make sure that all the subsidy programs are reviewed by our staff and if there is a change required or if we have to make a directive, we will make sure that this information is given to the Cabinet so that they could make a decision. For those reasons, I can commit to doing a review of the subsidy programs and submit it for consideration to the Cabinet. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Centrally Administered Funds. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I know this past November, finally, the provisions of the *Qulliq Energy Corporation Act* providing for, I think what the Minister of Energy termed as a 'hypothetical fund' in the past, the Affordable Energy Fund came into force.

The GN's new Energy Strategy, which was tabled in October of last year, states that this fund "will be managed by the Department of Finance. Funding will be made available for alternative energy and efficiency projects. In addition, the department will track direct and indirect energy subsidies." I'm just wondering why that whole idea or any of that is not mentioned in the department's business plans. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will respond to that.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. Probably because I didn't want to do it, I'm kidding. I think that at the time that we were producing or preparing our business plan, we weren't really sure in which direction the Affordable Energy Fund would head, so we didn't include it in the business plan.

With that said, the simple fact that it's not in the business plan doesn't mean that we're going to not do our share of the work in terms of the Affordable Energy Fund. Obviously, we have a huge part to play in the Affordable Energy Fund and you have mentioned some of the things such as tracking direct and indirect subsidies. So certainly, we will do our fair share of the work in respect of the AEF. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. As I stated earlier, it was last October that that was tabled in the House. Can the Minister of Finance or his officials indicate if that's when they became aware of the fact that they would be responsible for administering that fund? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. As a deputy, I sit on a committee called the Deputy Ministers Energy Committee or Energy Committee of Deputies and unfortunately, because of other commitments or files at the time, I wasn't participating fully in those discussions. Although I was aware at some point in time that Finance may be the department that would end up with some of these responsibilities that the member's alluded to, but I guess the fact that I wasn't at all at the deputies' meetings, I actually didn't become aware of it until some time afterwards. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I bet that came as a nice surprise when you did find out.

>>Laughter

The next question then is: since you became aware that you guys are going to be responsible for administering the fund, what are the next steps that you're looking at for the implementation of the Affordable Energy Fund? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Tapardjuk.

Hon. Louis Tapardjuk (interpretation): Mr. Ma will also respond to that, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Ma.

Mr. Ma: Thank you, Mr. Chairman. There are a number of things that will happen after this sitting of the Legislative Assembly. Next Tuesday, there will be another Deputy Ministers Committee of Energy or whatever we call it, so I will be attending that and I think that this will be on the agenda.

With that said, within my own department, I will obviously have to start working with my staff in terms of putting together a work plan to do the work that's been outlined in the Affordable Energy Fund. So all I can tell you at this point in time is that we will put together the work plan to do the necessary work. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Ma. Thank you, Mr. Tootoo. Centrally Administered Funds. Total Operations and Maintenance, to be Voted. \$30,620,000. Does this committee agree?

Some Members: Agreed.

Chairman: Thank you very much. Back to page C-3. Department Summary. Detail of Expenditures. Total Operations and Maintenance, to be Voted. \$54,156,000. Does this committee agree?

Some Members: Agreed.

Chairman: Thank you very much. Are you agreed that the Department of Finance is concluded?

Some members: Agreed.

Chairman: Thank you. Minister, do you have any closing comments?

Hon. Louis Tapardjuk (interpretation): Thank you, Mr. Chairman. I would also like to thank my officials. There was a question posed yesterday by Keith Peterson in regard to the liquor inspectors and I would like to respond to his question now.

There are six liquor inspectors in Iqaluit and one in Rankin Inlet. They are paid \$30 every time they do an inspection and they do inspections about 25 times per week at the liquor licensed establishments. There are 17 liquor licenses in Nunavut. For the 12 liquor inspectors, in 2007 based on liquor law violations, there were fines of \$4,000 imposed on the establishments and the Liquor Licensing Board set the amounts for the fines. I just wanted to respond to Mr. Peterson's question at this time.

I want to thank all of my colleagues for being very patient with us and I have had to learn this new portfolio and I'm very excited to hold this portfolio. This is a learning process, and it is really helpful so I'm looking forward to working with the committee and I'm sure that the committee's concerns are exactly the same concerns that the Department of Finance has, with respect to fiscal accounting. For that reason, I believe that my colleagues and our department have the same vision and that we will be working even harder on that this year. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. I would like to thank your staff for helping out. (interpretation) Thank you.

(interpretation ends) I would now like to ask Minister Netser of the Nunavut Housing Corporation to make his opening remarks. Minister Netser.

Bill 23 – Appropriation (Operations & Maintenance) Act, 2008-2009 – Consideration in Committee – Nunavut Housing Corporation

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) I am very pleased to be able to meet with the Members of the Committee of the Whole to discuss the 2008-09 Main Estimates and Business Plan for the Nunavut Housing Corporation.

Fiscal 2008-09 GN funding to the Housing Corporation will increase by \$14,063,000 from the main estimates of 2007-08 but only \$3,135,000 above the revised main estimates.

In June of 2007, there was a supplementary appropriation to address the forced growth items identified during the 2007-08 budget process in GN departments and agencies. The corporation received a base funding amount of \$8,959,000. This included an additional \$6,694,000 increase in the LHO funding model, \$1,470,000 for additional O&M for new public housing and \$795,000 to offset the net decrease we received from the Canada Mortgage Housing Corporation funding.

The additional increase for 2008-09 consists of \$3,441,000 for O&M costs for new public housing that will be available during this year or the following year, Mr. Chairman, \$894,000 to offset the net reduction in CMHC funding and \$1.2 million reduction to the funding to the Nunavut Arctic College for the pre-trades program. The funding to NAC, or Nunavut Arctic College, for 2008-09 is set at \$600,000; however, the supplementary appropriation in November 2007 increased the funding from zero to \$1.8 million and that was to cover the 2006-07 and 2007-08 fiscal years.

The need for additional public and affordable housing continues to place a burden on the finances of this government and we must seek alternative sources of funding.

Mr. Chairman, I attended my first Provincial/Territorial Housing Ministers' Meeting in Vancouver on February 6 of this year to discuss our growing housing issues in Nunavut with my P/T counterparts and the requirements for extra funding for both capital and operating costs. I am pleased to advise that we have been able to arrange a meeting with the federal minister on April 2 and will use that opportunity to continue to press for long-term sustainable funding to address the critical housing needs we have in Nunavut.

I would be pleased to answer any questions you may have regarding the Nunavut Housing Corporation's 2008-09 Main Estimates and Business Plan. Thank you, Mr. Chairman and Committee Members.

Chairman: Thank you, Minister Netser. Do you have witnesses you would like to bring to the witness table?

Hon. Patterk Netser: Yes.

Chairman: Thank you. Does the committee agree to bring the witnesses in?

Some Members: Agreed.

Chairman: Thank you. Sergeant-at-Arms, could you please escort the witnesses in.

For the record, minister, please introduce your witnesses.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. To my right is Peter Scott and he's the President of the Nunavut Housing Corporation. To my left is Eric Whitworth and he's the Finance Comptroller for the Nunavut Housing Corporation. Patsy Owlijoot just arrived in the Gallery and she is the Vice-President for the Nunavut Housing Corporation. Thank you.

Chairman: Thank you, Minister. Mr. Scott and Mr. Whitworth, welcome to Committee of the Whole. Does the Chair of the Standing Committee on Infrastructure have comments? Please proceed, Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. (interpretation) I would like to welcome the minister and his officials. We noted that your opening comments were quite brief, (interpretation ends) short and sweet. Mr. Chairman, I think the challenges that the Nunavut Housing Corporation faces are quite complex.

Thank you, Mr. Chairman. I am pleased to provide you with opening comments on behalf of the Standing Committee on Infrastructure, Housing and Economic Development on its review of the 2008-09 Main Estimates and Business Plan of the Nunavut Housing Corporation. The standing committee notes that the NHC's proposed 2008-09 operations and maintenance budget of \$112,817,000 has increased approximately 43 percent since the 2004-05 fiscal year. Mr. Chairman, the number of PYs in the corporation has increased from 70 in 2004-05 to 88 in 2008-09.

During the minister's recent appearance before the standing committee, members took the opportunity to raise a number of issues and concerns. The Nunavut Housing Corporation's 2005-06 Annual Report was not tabled in the Legislative Assembly until March 12, 2008. Its 2006-07 annual report has not yet been tabled. It is important that the Nunavut Housing Corporation comply with its legal requirements in this area.

Mr. Chairman, the GN's most recent annual reports on departmental contracting, procurement and leasing activities for 2006-07 were tabled in the Legislative Assembly on November 7, 2007. These reports have not included information on the procurement, contracting and leasing activities of Crown corporations and agencies. The standing committee was pleased to receive a commitment from the minister during his recent appearance before the standing committee that the Nunavut Housing Corporation will publicly report its activities in these areas.

Mr. Chairman, concerns have been raised in the House with respect to the significant disruptions that occurred last year in the transportation of public housing construction materials to a number of Nunavut communities. The standing committee has recommended that the minister provide a comprehensive report to the Legislative Assembly during the upcoming spring sitting on the 2007 Public Housing Construction program.

Members of the standing committee have received concerns from local companies with respect to the Nunavut Housing Corporation's contracting practices. While the standing

committee recognizes that no single approach will satisfy all parties, some of which may have competing goals, it expects the Nunavut Housing Corporation to communicate with Nunavut companies in a transparent manner. Mr. Chairman, the standing committee also expects the corporation to make all reasonable efforts to maximize the opportunities for Inuit and locally-owned businesses to submit bids and proposals for major Nunavut Housing Corporation contracts.

Mr. Chairman, last year, the Legislative Assembly approved close to \$9 million in supplementary funding to local housing organizations to help them in meeting forced growth needs. It is essential that the Nunavut Housing Corporation's business and budget planning process takes this trend into account.

Mr. Chairman, the Nunavut Housing Corporation's business plan indicates a number of priorities and issues with respect to local housing organizations. The business plan indicates that, "a workshop was held in Rankin Inlet in April 2007 where the managers of all Local Housing Organizations met with Nunavut Housing Corporation staff to provide input on how to revise the Public Housing Rent Scale. The findings of this workshop will be analyzed and submitted to Cabinet for approval for implementation in 2008." The standing committee urges the minister to table in the Legislative Assembly the report from this workshop at the earliest opportunity and encourages the Cabinet to listen closely to the concerns and views of our local housing organizations.

Mr. Chairman, the Nunavut Housing Corporation's business plan also indicates that, "the new funding model for the Local Housing Organizations makes them more accountable for the administration and maintenance budgets as well as for the collection of the rents for public housing. Nunavut Housing Corporation will continue to provide assistance to Local Housing Organizations in the areas of financial management, administration and project management." The Nunavut Housing Corporation's business plan also indicates that it will assist LHOs by "paying directly the non-controllable utility expenses for LHOs and allowing them to dedicate their resources to increased internal financial management on administration, maintenance and collection of rents."

Mr. Chairman, the issue of public housing rental arrears is a concern for the standing committee. In 2004, an MLA posed a Written Question in the Legislative Assembly concerning public housing rental arrears and tenant damages. The government's response indicated that as of November 2004, approximately \$6.6 million was owed in public housing rent arrears to LHOs across the territory.

Mr. Chairman, the NHC's business plan also indicates that a priority for the coming year is to "look at developing an LHO construction arm where there is no community contracting base and developing an established local workforce for construction." The standing committee looks forward to the minister providing ongoing and detailed updates to the Legislative Assembly on the progress of this initiative.

Mr. Chairman, the NHC's business plan indicates that it has "prepared a One-Year Staff Housing Review and will continue to monitor the Staff Housing Policy in consultation with the Department of Human Resources." It also indicates that one of its priorities for 2008-09 is to "prepare and introduce a program to assist GN staff to move from staff housing into homeownership."

Mr. Chairman, it is important that the review which has been prepared by the NHC be tabled in the Legislative Assembly at the earliest opportunity. Members have raised numerous concerns regarding the impact of the GN's Staff Housing Policy on recruitment and retention. Mr. Chairman, members are of the view that further efforts must be made to communicate the benefits of homeownership to GN staff and to encourage and facilitate the move from staff housing to private accommodation.

Members have noted the recent announcement in the Minister of Finance's 2008 Budget Address concerning the rollback of staff housing rents. It is important that the GN publicly and formally clarify for its employees whether this is a one-time initiative or a permanent measure. Mr. Chairman, it is also important that the government objectively evaluate whether or not the GN's Staff Housing Policy is actually achieving its stated goal of "addressing Nunavut's ongoing housing shortage by supporting a strong, private sector led housing market in Nunavut."

Mr. Chairman, the Nunavut Housing Corporation continues to develop a new housing strategy for Nunavut. Its business plan indicates that it "issued an RFP which closed on September 20, 2007. A draft strategy is expected in March 2008 and Nunavut Housing Corporation will submit the final strategy to Cabinet for approval in the late spring of 2008 and expects to begin implementation in the fall of 2008."

Mr. Chairman, the Nunavut Housing Corporation's business plan also indicates that one of its priorities is to conduct a Housing Needs Study in 2008 to "identify the number of bedrooms and the number of people resident in each housing unit in Nunavut and the condition of each unit. This is intended to provide a clear picture of actual housing needs." Mr. Chairman, the Nunavut Housing Corporation will also "undertake to identify the disabled residents of Nunavut through its Housing Needs Study." The NHC "will use the results of the Housing Needs Study to determine future housing needs and to build a better business case for federal funding." The standing committee looks forward to the minister tabling these items in the Legislative Assembly at the earliest opportunity so that all Members of the House will have the opportunity to scrutinize them with care.

Mr. Chairman, that concludes my opening comments on the 2008-09 Main Estimates and Business Plan of the Nunavut Housing Corporation. Thank you.

Chairman: Thank you, Mr. Curley. Before we proceed, I would like remind members of the following: according to Rule 77(1), you have ten minutes to speak, and according to Rule 77(2), subject to the discretion of the Chair, a member may speak more than once to the matter under discussion but not until every member wishing to speak has spoken.
I suggest to members that wherever possible you ask your detailed questions during the page-by-page review of the departmental estimates. Do members have any general comments?

Thank you. I have no members on my list for general comments. Now, we will proceed with the page-by-page review of the departmental estimates. Members, there is only one page to approve, page L-3, and all the details on the corporation is an information item that starts on page M-IV-1. Nunavut Housing Corporation. Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Chairman. As I am sure most of you listen to the news, you are probably aware of the story in the news regarding the sealift cargo carrying ships that come and deliver cargo to Nunavut. We used to get NSSI in our region, and last year, NTCL was the delivery agent for the Keewatin out of Fort Churchill. As well, last week, we heard on the news that NEAS will be also going to the Keewatin region to deliver goods and cargo.

Quite a number of housing units allocated for the Keewatin region from last year still need to be transported to the region and its communities and I am only referring to the Kivalliq region here. With the amount of cargo that requires transportation, have you identified which carrier will be transporting the construction material cargo that is to be landed in our regional communities? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Alagalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. The Nunavut Housing Corporation uses what is approved by the government, so we have to utilize the same ships. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Chairman. Can the minister state which of the three identified carriers that will be delivering cargo and materials to the Kivalliq region will be delivering the housing units? The carriers are all publicly known, and I imagine that there will be a bidding process and contract that these carriers can bid on as it will most likely be an open contract. Which of the ships or carriers have already received a contract to ship construction materials to the Kivalliq region? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Alagalak. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) We will use the carrier that has a standing contract with the Nunavut Housing Corporation to deliver the construction materials. However, Mr. Scott can clarify which of the carriers will be used to deliver these materials. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. The Housing Corporation uses the approved GN carriers and I believe that that contract has been extended for another two years. I don't have the list of the carriers that service which communities with me here, so I'm not sure which ships. I think it's the NEAS ships that service the Kivalliq region, but I'm not sure myself. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Chairman. It is obvious that you should have that information as opposed to us regular members.

For the past two years, NSSI has been the main shipping carrier delivering cargo to our communities. The scow (barge) used to deliver cargo to Baker Lake and it usually passed through Arviat and this is the historical carrier. However, this is the first time we have heard about NEAS delivering cargo to the Kivalliq region this summer. They have made a public statement that they will be doing so this year, but I don't know if they hold any contracts with the government. It would be quite beneficial to get more information on the company. NTCL delivered cargo that was left behind after being shipped via Churchill last year or diverted cargo that all of a sudden had to be shipped to our region last fall.

Can the minister provide details on which carriers the Government of Nunavut will be using? Further, the carrier that has a standing contract with our government, which I believe was stated as being extended for two more years, we would like to get a breakdown of the details so that our constituents can know which carrier to use, especially the local housing organizations and the private homeowners who are expecting materials. Further, where will these materials be shipped from?

I would also like to get information on the construction contractors or alternatively, the transportation carriers who hold the contract to deliver the materials to our region, since our people want to know more about the sealift carriers and which are the sponsored contractors. Can this information be provided in a written format, even if it means that it cannot be provided immediately? Can you give this to me at a later date? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Alagalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. Before the shipping season opens, I will let the member know exactly which carriers will be going to the Kivalliq to deliver the NHC materials. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Alagalak.

Mr. Alagalak (interpretation): Thank you, Mr. Chairman. We have heard since last year, it was quite difficult and although it was not on purpose, we have had issues with

materials going to the wrong destinations, such as this community's materials being sent to another community.

Some of the materials even had to be reshipped via cargo planes and it caused a lot of headaches with the various contractors who were supposed to build the houses. Due to this reason, prior to this summer's shipping season, can we expect that the housing materials will all be included this year? It was a logistical nightmare last year, even to the point where some of the Sea-Cans shipped up were full of the wrong kind of materials, such as the wrong kind of lumber. We also heard that there were no finishing materials, or in some cases, no foundation materials. On top of that, the lumber was just stacked in the Sea-Cans with no warehouse in which to store them.

We heard of all of the problems that occurred last year. Perhaps you have learned from last year's mistakes to ensure that the materials destined for the communities will not be mishandled or misplaced but will reach the right destinations this year. Can we expect a better handling of the materials this year? In regard to the materials that are to be shipped to our communities, can the minister inform us that this year's shipments will not be as problematic as last year and that all of the materials scheduled to go to the communities reach their destination? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Alagalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. Last year's situation that occurred with the mistakes and materials being shipped to different communities still requires a lot of follow-up work to plan for this year. We will be able to deliver some of the materials to the communities by airline where there are shortfalls possibly in May, to finish off the construction in the communities.

This coming summer, for the building supplies, we were able to go to Chesterville, Ontario to meet with our contractors and to look at the marshalling buildings and the deliveries that will be done in 2008-09 and for the upcoming construction season in the communities. I think it will be much better organized this coming summer to deliver the materials and I can say to you, Mr. Chairman, that this summer, the materials will be coming in full packages to their respective communities. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Thank you, Mr. Alagalak. Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Chairman. I would also like to thank the minister and his officials. With respect to L-3, there is only one page here. It is quite indecipherable as a single page, although I know that you are just transferring these funds to another entity, \$112,817,000.

Due to this being Grants and Contributions, it is only a one-pager. However, as a regular MLA, it is really hard to discern the reasons for these funds and what these funds are planned for. I am sure that these funds have a purpose for which they were planned, but

when you request information from the government, it should include planning documents, such as those provided by other departments' funding allocations.

I have another reason prior to initiating my questioning. The Nunavut Housing Corporation has never provided a report to the House, except for 2004-05 unspent funds report which was provided a couple of years later on March 21, 2007. We tend to get sporadic reports with considerable time in between these reports. Can the minister provide information on the \$112,817,000 amount and what it is to be used for? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Arvaluk. Mr. Arvaluk, a lot of detail starts on page M-IV-1. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) You provided the partial answer to his question, Mr. Chairman. Perhaps after the member has had a chance to digest this information, he can pose another question on the details that he wants. The members should have a copy of all the information in regard to the breakdown of the funds we wish to expend this year. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Chairman. What I'm trying to say is that in these pages of our business plan here, I would like to see some background information but I'll just pass over that issue and raise another question.

I would like to mention that a report has not been tabled for 2006-07. The Nunavut Housing Corporation has stated that they were going to undertake certain activities in 2006 and the minister wrote a report that they will be trying to keep pace with the reporting requirements. I would like to ask: what is the reason why the 2006-07 annual report not been tabled? Thank you.

Chairman: Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. Our finance comptroller is working with the OAG concerning the 2006-07 reports and they are still working on it. Perhaps Mr. Whitworth can elaborate more on this matter that the member has raised, Mr. Chairman. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Whitworth.

Mr. Whitworth: Thank you, Mr. Chairman. Just to inform the member, starting in 2005-06 and 2006-07, we are now required to consolidate 21 LHOs in 2005-06 and 22 in 2006-07, which is quite a task.

We are currently just finalizing up the audit with the OAG. They are now taking a break, they are currently doing an audit on QEC, and hopefully, they will be coming back in

April. After they come back within a month or so, we expect to finalize our audit that we will get signed off. Once we have signed off, then we will proceed to have them translated. So that's our process, but most of the delay has been because of the consolidation. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Whitworth. Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Chairman. Does this mean that the Nunavut Housing Corporation can state that the next annual report outlining the activities of the corporation will not be late? According to his statement. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) The person on my left stated that the Housing Association activities will have to be included in this report but we cannot say whether the report will be on time, since he stated that this is a complex process. (interpretation ends) Thank you, Mr. Chairman.

Chairman: Thank you, Minister. In answering questions, please give the exact names of the organizations. Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Chairman. I didn't hear exactly who he is referring to; which organization was he talking about? Thank you.

Chairman (Mr. Barnabas)(interpretation): Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) I thought I said the name. The local housing organizations are what I was referring to, and their activities should be put into one report. Mr. Whitworth stated that it's going to be more difficult to put them all into one report so we cannot say that we will work faster on these reports. (interpretation ends) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. The members asking these questions would appreciate responses. (interpretation ends) Please give the exact name of the organizations. That's to your officials. I'm asking your officials to address the exact names. Mr. Arvaluk.

Mr. Arvaluk: Thank you, Mr. Chairman. Your business plan indicates that the corporation's RFP for the development of a new housing strategy closed on September 20, 2007 and it also indicates that the draft housing strategy is expected in March 2008. The Nunavut Housing Corporation will submit the final strategy to Cabinet for approval in the late spring of 2008 and expects to begin implementation in the fall of 2008. What company was awarded these contracts and how much is it being paid to do this work? (interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) With respect to the member's question, we're a little bit behind on the report and we will complete it in the fall. Nuna Burnside is the company we have contracted for this project. Perhaps Mr. Scott can elaborate on that RFP. (interpretation ends) Thank you.

Chairman (interpretation): Thank you, Minister Netser. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. We're still under discussions on the scheduling and planning of the completion of the report but the company that we are dealing with is called Nuna Burnside. The expectation is that the report will be completed by the fall of 2008 and should be available then for either tabling or a review by the standing committee or the Legislative Assembly. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Arvaluk.

Mr. Arvaluk: During the Legislative Assembly's recent review of the Nunavut Housing Corporation capital estimates last fall, MLAs expressed concern that the development of the GN Housing Strategy should not be driven entirely by consultants who do not actually live in the territory. How is the Nunavut Housing Corporation addressing the concerns of MLAs in the area? How will the strategy be different from the Public Housing Trust delivery? Is it similar in that? You will be involving the housing associations. Would that work? (interpretation) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I would like Mr. Scott to answer that question. Thank you.

Chairman (interpretation): Thank you, Minister Netser. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. Part of the work plan that we are discussing with the company is developing consultations with various stakeholders that would have an interest in the housing strategy and that would involve, in particular, some of our local housing organizations in the development of that. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Arvaluk.

Mr. Arvaluk: Thank you, Mr. Chairman. Your business plan indicates that one of the Nunavut Housing Corporation's priorities for 2008-09 is to conduct "a Housing Needs Study in 2008 to identify the number of bedrooms and the number of people resident in each housing unit in Nunavut. NHC is currently considering a proposal from the Nunavut Association of Municipalities to undertake this work and expects that interviewing will begin in January 2008." As of today, what is the status of this initiative? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Mr. Scott will answer that question.

Chairman (interpretation): Thank you, Minister Netser. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. The status of the needs study that we are planning is still in the discussion stages with the Nunavut Association of Municipalities as well as Stats Canada. At this point, it's anticipated that the first phase of the needs study which is the development of the questionnaires and the methodology for the needs study will be done this spring and early summer. Collection of data will take place in the fall after the summer camping season and then it would allow the wintertime for Stats Canada and the Nunavut Stats Bureau to assist in the compiling of the data and doing the analysis. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Arvaluk.

Mr. Arvaluk (interpretation): Thank you, Mr. Chairman. This will be my last question. If the Nunavut Association of Municipalities is going to be involved and working with the Nunavut Housing Corporation, exactly how much would NAM want to be paid by Nunavut Housing Corporation to be part of the compilation and the analysis? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Arvaluk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) We've had discussions with NAM but they have quoted a rather large sum, so we are unable to reach an agreement yet. (interpretation ends) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. At this time, we will take a 30-minute break.

>>Committee recessed at 17:57 and resumed at 18:30

Chairman (Mr. Evyagotailak): Thanks for returning. Page L-3. Nunavut Housing Corporation. Total Operations and Maintenance, to be Voted. Mr. Peterson.

Mr. Peterson: I'm not going to let you guys get off that easy. Thank you, Mr. Chairman. I thank the minister and his officials for coming today.

We have been asking the Government of Nunavut for at least four years, it might go back a few years before that, about a P3 policy, public-private partnerships, and the government has indicated that they are working on that policy, and perhaps they will table it later this year. I'm wondering: has the Nunavut Housing Corporation considered the concept of a P3 policy to help them deliver housing in Nunavut? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I understand that we had been discussing this with the federal government some time ago. Lately, not much has been brought forth to the table but we know they're open to that. Thank you.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister for that answer. Can the minister provide a bit more detail on what the extent of the discussions have been with the federal government on a P3 for delivery of housing in Nunavut? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) My president can elaborate on that question. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. As the minister indicated, there haven't been any recent discussions and ones that we did have with the federal government were before his time as our minister. The former Minister of Housing with the federal government, Joe Fontana, when we had discussions with him, he arranged to set up discussions and meetings with the federal P3 Secretariat, or whatever it was that they called it.

So we had a couple of sessions of briefing of what the issues were regarding the housing in Nunavut - what the demand was, what the requirements were, and what's the total cost - we were talking then almost \$2 billion in investment needed to address the housing situation here in Nunavut, and then we advised them of the revenue stream that is received or collected from our public housing portfolio. After that, we never heard back from the P3 folks at the federal government; they never responded back. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister and Mr. Scott for that answer. Do you think that P3 policy or strategy might work in Nunavut from the perspective of Nunavut, irrespective of what the federal government thinks or however they react to ideas like that? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) To Peter Scott. Thank you.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. I guess I would have to have a look at the policy that's being developed or once it's completed to determine if it will actually work in addressing the housing situation here in Nunavut. We have had, recently, some very preliminary discussions with Nunavut Construction on potential P3 projects, again it's very preliminary and there really are no details on that initiative available yet. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister and Mr. Scott. When I was reading through your business plan, I didn't add them up but there are references to housing needs, studies, strategies, and all kinds of initiatives to try and make the case that we need more housing in Nunavut.

I, for one, don't understand why you had to make such a big case in Ottawa when the evidence is there already. You have talked to your counterparts in Ottawa and Mr. Scott's talked to his counterparts, and they have studied the north and they travelled up here, and yet, the Housing Corporation has to keep generating more reports, more studies, more strategies, and coming up with more information. I just, for the life of me, don't understand where that information is going and who's reading it that they can't see that there's a pressing need up here for housing.

You mentioned in your opening comments that the minister is coming up here, I think you said April 2, for meetings. So I'm wondering if the minister could tell us, the House, what the federal government's current position is on providing funding for housing in Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) It's no secret that we need \$1.9 billion to address the housing needs that we have here in Nunavut and the \$200 million that we currently have will be spent in the next couple years. Until the federal government comes to the table, then it will be very slow for us in addressing the housing crisis we have in Nunavut.

The member is correct that we will be going down to Ottawa on April 2 to meet with Monty Solberg to voice our concerns again over the housing strategy.

Like I said in my opening comments, we were recently in Chesterville for the opening of the marshalling contract we have with them. The contractor did a preliminary, very short study on what the cost of the program was and I think it's about 60 percent of the funds

that stay south of the territory. When the feds put money into the housing project, then all of Canada gets the benefits of the program. So that is what we're going to say to the minister when we meet with him on April 2. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister. The minister mentioned the \$1.9 billion in federal funding is required for housing in Nunavut. How realistic is it for us to expect the federal government to provide this amount of money? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. That is a very good question: how realistic is it? He knows the answer better than I do. We are grateful for whatever money, if any, the federal government will provide us to address the housing needs in Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I recall from the Ten-Year Inuit Housing Action Plan that there was a need for almost 4,000 housing units in Nunavut, so there's a huge demand. I know in my riding, we have 50 individuals and families on waiting lists seeking housing and there are similar lengthy waiting lists in all the communities.

I know you said you're grateful for any money that the federal government provides but if you have this requirement and there's an urgent demand for housing, even if the federal government isn't able to or doesn't want to provide any funding, then what is the plan for the Government of Nunavut or the Nunavut Housing Corporation if we will ever see the funding that we're seeking? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) I understand before the federal government gave us the \$200 million Housing Trust Fund, we were receiving \$5 million a year and we know \$5 million doesn't go very far, so we would like the federal government address the housing needs as it's a national crisis. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister. I think that the funding that you referred to might be the Canada Mortgage Housing Corporation funding. I think that is set to terminate completely in 2037. That's a few years away yet, but we're going to need more resources.

I think the cost of building houses in Nunavut a couple of years ago was \$300 per square foot or maybe higher. I know it's on an annual basis but I think the number I recall is \$20,000 for the Nunavut Housing Corporation to provide all the O&M costs on public and social housing, so it's quite expensive. If that CMHC program is expiring, what is the Nunavut Housing Corporation doing to address that issue? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) The federal government's responsibility for housing was transferred to this jurisdiction back in 1997 and that is why they have been playing very hard ball to get any money or funding from.

As for the other question, I would like to have Mr. Scott elaborate on that part of the question. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. I thought the minister handled both parts of the question quite well, mainly because I don't remember what the first question was.

To add to what the minister was saying, it's been very difficult and very frustrating for the provincial and territorial officials at the deputy and ministerial levels to get the federal government engaged in discussions on the housing portfolio of the housing file. As the minister indicated, their position is that the responsibility for housing was transferred to the provincial and territorial jurisdictions starting back in 1997.

The meeting that we held recently in Vancouver was supposed to be a federal, territorial and provincial ministers' meeting. It turned out to be a provincial and territorial because the federal minister was not able to come. The meeting on April 2 is an informal meeting between the federal minister and his provincial/territorial colleagues.

On the CMHC funding that is being reduced every year, the further we get into the social housing agreement that we have with Canada Mortgage and Housing Corporation, every year that we go forward with our main estimates, there's a component in there to make up for the loss of funding so that it actually then becomes a burden upon the Government of Nunavut to offset that loss of funding.

At the same time, it's an issue that is very much of concern of almost every other jurisdiction and that it's one of the key issues that they want to discuss with the federal government is to, if nothing else, then stop the money from falling off the table from the social housing agreements, and at the very least and if not, start reinvesting back into the housing issues and housing concerns across Canada. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister and Mr. Scott. Can the minister tell me, when these 725 new houses come on stream to the Housing Trust, where the incremental funding is coming from within his department to provide for the annual operations of those houses? As I said earlier, it's roughly \$20,000 per house. Where is that funding coming from? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) Those houses will be transferred over to the local housing authorities or organizations. The corporation has made a commitment to fully fund the cost of all local housing authorities or organizations and it will be part of the forced growth funding that the government comes up with annually. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister for that answer. It's probably going to add another \$14 million to the annual requirements.

I have some constituents that live in the communities of Bay Chimo and Bathurst Inlet who have houses. Is there any funding within your department for 2008-09 to provide them with assistance to upgrade and renovate the homes that they live in? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I'm sorry to say not officially. Thank you.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister for that answer. Could the minister clarify: when he says "not officially," what does that mean? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: To put it bluntly, no. Thank you.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I'm going to read an email I have here from former employees of the Housing Corporation. They say the units in Bay Chimo were built under an outpost program. As you are aware, these are very basic small units. These units are not recorded as an asset and once completed, they are given to the group of

residents to use as they see fit. NHC cannot just walk away and forget them, however. That was an email sent to me in response to an inquiry.

So with that information, can the minister tell me, if the employee was saying, "We can't just walk away," what did he mean if you were saying that you can't provide them with any help? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. As for the email, I don't know where it came from or if it came from the Housing Corporation, so I can't respond to that question. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Perhaps you can help me, Mr. Chairman. Can I tell you who it came from? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Maybe a copy could be given to the minister. Mr. Peterson.

Mr. Peterson: Thank you. He could have this copy right now. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Do you have a follow-up question to the minister? Mr. Peterson.

Mr. Peterson: Yes, I would like the minister to tell me if the Nunavut Housing Corporation can provide the folks down there with some assistance to upgrade their houses. They require windows to be fixed, doors to be levelled, and stoves to be cleaned.

Mr. Chairman, in fact, the Housing Corporation has in the past. Since that message has actually helped the communities, I'm not sure why the minister is saying now that they can't help them. So there's an expectation from the community that the Housing Corporation can and will assist them with some basic repairs and maintenance to their houses. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Mr. Chairman, I would like to know what type of activities that the people from Bay Chimo do in terms of the work they do. I understand the Nunavut Housing Corporation is only obligated to recognize communities within the Government of Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I hate to keep debating this with ministers of the government. I have raised this countless times, it seems like, over the years. They do not recognize themselves as outpost camps but simply because the government conveniently has an Outpost Camp Policy, they were communities that were funded under unincorporated community status. The Government of the Northwest Territories and the Government of Nunavut provided them with housing and other services, but now, they're basically cut off.

Those houses that are referred to in that email were provided by the Housing Corporation, so the folks down there would like some help. They live there and they have their houses. It doesn't require a whole lot of work, probably less than \$100,000 would be satisfactory to upgrade most of the houses there for a couple of years. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) I understand back in the NWT days that the buildings were put in Bay Chimo and the other community. As for further information, maybe Mr. Scott can elaborate on that a bit more. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. The member is correct; we have done a bit of work for the residents in Bay Chimo and Bathurst Inlet as well, I believe, in the past. The mandate of the corporation, I believe it's in the Act, stipulates our activities as they relate to communities.

Years ago when Bay Chimo had a much larger population, they had a school, they had an airstrip, they had a store down there, the NWT Housing Corporation was involved almost on an annual basis on assisting the residents, and certainly, since division and since the reduction in population down in those communities, the activity of the corporation down there has been limited to assisting on small projects and small work down there.

Currently, in our capital budget, there are no projects identified, particularly in our Modernization and Improvement budget, and that's largely because we get the wish list for projects prioritized by our local housing organizations; they develop the projects that they want done in their community. In the communities of Bay Chimo and Bathurst Inlet, there is no local housing organization to put forward their prioritized projects. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I think Mr. Scott is missing the point. They're not asking for new houses; they're just looking for some help to fix up the houses there before they deteriorate. I don't see most of the people who are still there planning to

move anytime soon. Can you unofficially help them with some funding to fix their houses up? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Unofficially off the record, no. Thank you.

Chairman: Thank you, Minister. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I appreciate the minister's candidness. Perhaps if we can assist the minister with this issue, I could ask for a formal motion in the House to provide some additional funding for the folks down there. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. The member is completely brave, too, to introduce a motion in the House. What can I say? Thank you.

Chairman: Thank you, Minister Netser. Mr. Peterson.

Mr. Peterson: Thank you, Mr. Chairman. I thank the minister for that.

I'm very disappointed with this whole debate in the last five minutes because the folks in Bay Chimo and Bathurst Inlet are residents of Nunavut. Just because they don't live in an incorporated community and they fall into some grey category that is conveniently an Outpost Camp Policy, it doesn't eliminate the need for housing for them. They have an expectation because the housing was provided by the government. They live and work in Nunavut as well.

I'm disappointed that there's not more recognition by your department to provide some small amount of monies to help them out down there, so I will talk to my colleagues about a formal motion in the House. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Peterson. That was just a comment. Thank you. Mr. Curley.

Mr. Curley: Thank you. (interpretation) First of all, just for notification, I already welcomed the minister and his officials. In regard to the housing units requested by the communities, when you actually see the list for housing applicants, it is quite daunting.

I had a chance to review a list during a meeting of the housing association in our community. I noted that there were over 70 young people applying for one-bedroom units and there were over 40 young families applying for two-bedroom units. As well, for the larger families requesting a three-bedroom unit, there were also over 40 applicants on the list. In just quickly reviewing them, how and when are we ever going to meet up with the demand for units?

With that said, I would like to pose a question. I believe that we require outside assistance to meet demands in Nunavut. The Nunavut Housing Corporation could be assisted if you explored all possible options, such as my colleague, Mr. Keith Peterson, alluded to. Perhaps we should be partnering up with private contractors and just start building apartments because the P3s can be utilized. I know we can't do it at this time, but if we start eventually planning, maybe we will be able to catch up. I just wanted to make that comment because we know there is a long waiting list for housing, not just in Rankin Inlet but in the other larger centres.

I know you have a lot of responsibilities and the Nunavut Housing Corporation mentioned that they are responsible for staff housing. Where do you get the funding assistance in order to build staff housing? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. The Department of Community and Government Services or the Department of Finance is currently working on the P3 policy. We get funding for staff housing from this government. (interpretation ends) Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Curley.

Mr. Curley (interpretation): Thank you. The funding doesn't come from the Housing Trust Fund for staff housing and student residences? Do they have separate funding? (interpretation ends) Thank you.

Chairman: Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): To answer my colleague's question, the \$200 million comes from the federal government for the Public Housing Trust Fund. We get the funding for student residences and government staff housing from that fund. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Curley.

Mr. Curley (interpretation): When you receive the funding for the Arctic College housing and the government staff housing funds, do you construct those units? If they say, "Please build these facilities," do you start the construction on them?

Chairman: Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): Yes, we do construct the units and if there are any renovations to be done, then we fix them up. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Curley.

Mr. Curley: Mr. Chairman, I want to go through the procurement policy a bit with the NHC officials and the minister. I understand that the Nunavut Housing Corporation's Procurement and Delivery Policy changed about last year. So can the minister or his officials explain why there was a particular requirement to change the procurement and delivery policy from last year to the current system? Thank you.

Chairman: Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Is he referring to the \$200 million trust fund that we received from the federal government? Could he (interpretation) clarify his question, please? (interpretation ends) Thank you, Mr. Chairman.

Chairman (Mr. Barnabas)(interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: I think he is asking for clarification. I'm pretty sure the president is quite well aware of what I'm talking about. There was a change of a major policy procuring all the materials for housing to the current system and I'm trying to get him to explain why the change was necessary. Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I'll let the president elaborate on that more. Mr. Chairman, (interpretation) the units that are constructed were opened to the communities to ensure more local people worked and also for apprenticeship and journeymen positions in the communities.

We have a shortage of journeymen and trades people in the communities and we would like to produce more of them. (interpretation ends) Mr. Chairman, (interpretation) we are trying to get 35 to 40 trades people (interpretation ends) with that Nunavut Housing Trust Fund and I think it's about 60 percent local hiring with that program, but Mr. Scott can elaborate on that a bit more. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. In the past, there have been a couple of traditional ways in which the corporation would procure or arrange to have the housing units constructed and one of them was to supply, ship, and erect where the successful contractor would provide and supply all of the materials and labour, and basically supply, ship, and erect the building.

During the 1990s and the early years of the corporation, there was pressure by previous Legislative Assemblies to unbundle the contracts. So rather than go with supply, ship, and erect, it was suggested that it be broken out into the supply component and labour component. Originally, when that was done at the request of previous assemblies, the

supply component was put out as one large tender for all components of the housing units, so that included everything from heating systems to floor tiles.

When the Housing Trust was announced in 2006, we went out for a very quick tender call. It was late in the season for almost 100 additional public housing unit packages and the prices on those particular packages came in at what we felt were excessively high. As a result, we modified the number of the units that we thought we could build from the \$200 million from 800 public housing units down to about 725.

As a result of that and an encouragement by the standing committee to look at innovative ways to deliver on the Housing Trust, the \$200 million, we looked at further unbundling the supply tender into various components of the complete housing package and separate the packaging and crating, basically the marshalling component, out of the tender process. In anticipation and as a result of that, we would encourage more suppliers of a particular commodity item to enter in on the bidding process and to reduce some of our costs. As a result of the material acquisition and the material costs, the 2007 and so far the 2008 material tenders indicate that we have achieved that. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Curley.

Mr. Curley: Thank you. The president, Mr. Chairman, alluded to "innovative ways" that he received from a standing committee. I don't know which one he's talking about because I certainly wouldn't want to term what we experienced in the past shipping construction year as being innovative at all. I don't believe any of us in the committee would have accepted that, so it will be interesting to find out where it came from.

Mr. Chairman, I have a question for the minister and his officials concerning the recent awarding of NHC's marshalling contract to Illamar Marshalling. On February 25, the minister told the House that NHC "has entered into a two-year agreement with Illamar Marshalling Incorporated to provide marshalling and distribution services." My question for the minister is this: when will he table detailed information in the House concerning the value, terms and conditions of this contract? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you. We will table that detailed information at the spring session if it is available at that time. (interpretation ends) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you. I would like further information with respect to the process that was used. I acknowledge that bids were submitted. How many actual companies submitted bids for the contract that was awarded to Illamar Marshalling and how many of these companies were Inuit-owned or owned by Nunavut companies? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) The president has all the scope of the tendering process, so I'm asking the president to respond to that question. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. There were actually four proposals received but one was declared non-responsive. Of the other three, there was one Inuit-owned company that did submit a proposal call for that tender. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Curley.

Mr. Curley: Thank you. Can the minister and his officials tell this House exactly who the evaluators were of these bid proposals? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I understand it was Bill Gotham, Jason Birthict and the President of the Housing Corporation who were on that evaluation committee. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. I appreciate the information. What provisions, Mr. Chairman, have been written into the contract with respect to Inuit labour content? Understanding the fact that there will be about 70 to 90 jobs in Chesterville, how will these provisions be enforced, if any? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Whatever is in the NNI Policy was adhered to. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you. The NNI Policy is the responsibility of the contract managed to apply provisions of the Inuit content. So in this case, can the minister actually table the provisions that are applied with respect to Inuit content with the current contract? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you. We will table that in the spring session. Thank you.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you. With respect to the current marshalling contract, I'm sure there are some provisions for reporting whether or not the arrangement is successful, how will the NHC evaluate the performance of Illamar Marshalling? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. We scrutinized the process to make sure there were no discrepancies like last year. David Akoak and Bill Gotham, who are our evaluators, reviewed them to ensure that they were proceeding properly. We can go on record today and state that they were proceeding properly as we found out. (interpretation ends) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. As of today, what is the status of NHC's dispute with the Aarruja Development Corporation? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I understand the mediation process will take place here in Iqaluit on March 26 and 27. Thank you.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you. We also have some concerns with respect to the location. Has the minister indicated that he wants the contractor in Ontario to succeed? Can the minister explain a bit about how the French and Montreal suppliers will have to comply with this new marshalling requirement? Even if they are in Montreal, they would have to be shipped first to Chesterville in order to be forwarded to the marine facilities in Montreal. Is that how it's going to work? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. We have no idea of what comes from Montreal in terms of bringing the marshalling into Chesterville and going back out. That's all.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you. Mr. Chairman, according to the president, he indicated that there was a new arrangement and all the suppliers will have to ship all of their products to that location. So that would likely mean that Quebec and Montreal are no exceptions. Am I correct? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. All the material comes from various parts of the country - Manitoba, Montreal, and Ottawa area. They all go to the Chesterville plant for packaging. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you. Mr. Chairman, we had some reports and also some photographs that we have seen from the Montreal location where all the materials were laying on the ground and it was really quite a messy location where all the suppliers were shipping to Montreal without any really solid crates being put on. Can the minister indicate to the House exactly what progress has been made to date with all the materials? Have they been airlifted already or a percentage of them? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. (interpretation ends) Some of the materials have been airlifted to some of the communities, but I understand the bulk of it is still to come. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. Can the minister or the officials tell this committee exactly when they expect to complete this shipping, or will some of them be forwarded to a location via sealift? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) I will have Peter Scott respond to that question. (interpretation ends) Thank you.

Chairman (interpretation): Thank you, Minister Netser. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman, for turning my light on. Most of the material will be transshipped into the communities by April 15. I was expecting to get the final schedule on the deliveries today but I haven't received it yet. By having them in the communities by early to mid-April, we can ensure that the projects on the ground that need to be finished or the packages that need to be started up can start. These will move forward as planned and as scheduled.

There may be some material that we could wait for. For example, we don't need mechanical packages on site maybe until May or June and some of the finished material. But none or very little of the material can actually wait for sealift because with the sealift, the first boats that arrive in our communities are bringing in the next round of housing packages and we have to try to ensure that everything we have in the communities now

are built and complete so that when the next round of packages come in, they can start working on them right away. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Curley.

Mr. Curley: Thank you, Mr. Chairman. There were also considerable amount of materials being shipped to the wrong locations throughout Nunavut. Have all these materials been identified and shipped back to the communities where they're supposed to belong? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you. Again to Mr. Scott.

Chairman (interpretation): Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. We are trying to identify what materials are on the ground in the communities that were delivered to the right communities to ensure that the right materials arrived in each community to complete the construction of the units that are on the ground right now.

It has been a very difficult process to determine and cross-reference considering the volume and the amount of material that's been involved. Where we haven't been sure of where the material went to or where it was located, we will be reordering and making sure that that material gets to the community where it needs to be to get these units started and/or finished. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Scott. Mr. Curley.

Mr. Curley: Thank you. Mr. Chairman, in view of the fact that it is quite confusing and chaotic as a result of the change in procurement of last year, has the minister or his senior officials conducted a proper review of whether or not the management was actually carrying out their responsibilities that they should in order to prevent such a disaster from happening again? Thank you.

Chairman (interpretation): Thank you, Mr. Curley. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I cannot speak for what happened last year but I can tell you this: we are on top of what is happening today and we want to assure the members that we are everything we can in terms of dealing with the 725 units that the \$200 million trust fund was earmarked for. Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. I have a brief question for the minister concerning the renting of the houses and the rental payments. In my constituency

and those that are renting houses from Housing Corporation in our community, concerns are raised by the people and that includes government staff who have to rent houses through the Housing Corporation, and this is continually brought up.

Can the minister clarify, here I will use an example, the public rental units that are rented, what kind of rental scale is used? What is the maximum rent payable and what is the minimum? What is the maximum rent that is paid to the Housing Corporation? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. In regard to the people who pay rent for our units, the scale is based on the household income. I cannot really identify which is the highest rent since we have to factor in the household income in order to set the monthly rent payable to the corporation for each client. (interpretation ends) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. Do I understand then that the person renting the unit who makes a high salary has a rent payable to the corporation which would be extremely high? Is there an absolute limit on the rental scale or is it limitless? Is that what I understood? Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. The limit for the rental scale is set at 28 percent of the household income and it cannot go past the 28 percent limit. (interpretation ends) Thank you, Mr. Chairman.

Chairman (interpretation): Thank you, Minister Netser. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. I would also like to thank the minister. The units currently under construction are mostly multi-plexes; some are three-plex, four-plex, or five-plex.

In regard to the household and the number of people living in the unit, if the majority were working and making good money, then their rent payable would be quite high and this seems obvious. How can the people renting the unit pay for their other expenses?

I'll use a three-plex building as an example since the majority of the new units are this size. What are the rough costs of each building, such as heating fuel, electricity and municipal services? Does the minister know what the actual costs of maintaining a unit are per month? Thank you, Mr. Chairman.

Chairman (Mr. Evyagotailak): Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you. I don't quite grasp what the member is trying to ask since he is using a three-plex as an example. Are you talking about annual costs of running the unit, or what exactly are you referring to? (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Yes, that is what I was asking. If it is a three-plex and all three units are rented by people who are working and paying all of their rents payable to the corporation. In this case, the maximum rent allowed, is this also limited by the actual costs of maintaining the unit or is it subject only to the household income even if the costs are equal to or greater than the costs of maintaining the building? I hope that this is clearer. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. In regard to the income that can be used to set the rent, it cannot go over 28 percent of the household income. In regard to the monthly expenses, if I understood his question correctly, the costs for the utilities and other expenses of maintaining a three-plex; I would have to get back to the member. If we look at a year's worth of expenses in maintaining a three-plex, we would have get back to the member on what are the actual costs for maintaining the units. Thank you.

Chairman: Thank you, Mr. Minister. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. In regard to the individuals who rent units from the Housing Corporation and the people who rent units from the Government of Nunavut: is there a big difference between what is being paid by the tenants for Housing Corporation units or are they about the same? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) The government staff housing units are substantially more than the tenants renting from the local housing units. They also pay for utilities and services, so they pay substantially more. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. In Rankin Inlet, in April 2007, the local Housing Association managers had a meeting with the Nunavut Housing Corporation. I believe they discussed the rental scale and how they could adjust it. What

is the status of the recommendations that were made at that meeting in Rankin Inlet in April 2007? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser (interpretation): Thank you, Mr. Chairman. In regard to the member's question, the documents were just delivered to my office and these issues are currently being considered by the Cabinet. We have them now. (interpretation ends) Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. Could the minister indicate if there will be an increase in the rental scale this year or is it too early to let us know? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I understand that there have been no changes to the scale recommended. Thank you.

Chairman: Thank you, Minister Netser. Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. I would also like to thank the minister. So is the minister saying that there will be no change this year in the rental policies that were adopted for I don't know how many years? Do I understand that correctly? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) Our Premier indicated that there was going to be a freeze on the rental scale during the term of this government. (interpretation ends) Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Thank you, Mr. Mapsalak. Page L-3. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I just want to make a correction; that was for the government staff housing program. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Mapsalak.

Mr. Mapsalak (interpretation): I understand it now. What about the houses that are under the Nunavut Housing Corporation? Is there going to be a change in the rental scale in the coming years? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Minister Netser.

Hon. Patterk Netser (interpretation): As I stated earlier, that information has been given to our office and will have to be considered by the Cabinet first before I can respond to the member's question. (interpretation ends) Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Thank you, Mr. Mapsalak. L-3. Nunavut Housing Corporation. Mr. Kattuk.

Mr. Kattuk (interpretation): Thank you, Mr. Chairman. I would like to supplement the question that was brought up by my colleague in order to get a better understanding. You stated that the information is now in your office and will have to be considered by Cabinet Members. Do you anticipate seeing any changes in the rental scale for units whether it will be an increase or a decrease? If the cabinet approves the recommendations, which are you expecting? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Kattuk. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. (interpretation) I can't say anything at this time because the Cabinet might approve it or decline it. At this time, I cannot respond to your question and I apologize. (interpretation ends) Thank you.

Chairman: Thank you, Minister. Mr. Kattuk.

Mr. Kattuk (interpretation): Thank you, Mr. Chairman. I believe the Cabinet Members are listening, so I would like to tell them lastly that if there's a recommendation to increase the rent scale, turn it down. Thank you, Mr. Chairman.

>>Laughter

Chairman: Thank you, Mr. Kattuk. I guess that was just a comment. L-3. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I have a question for the minister and his officials. I know it's on something that has been quite contentious, especially here in Iqaluit, and it deals with the Staff Housing Policy, or rent scale, or whatever you want to call it.

I know in the corporation's business plan it indicates that the corporation "has prepared a One Year Staff Housing Review and it will continue to monitor the Staff Housing Policy in consultation with the Department of Human Resources." Can the minister enlighten us as to what this one-year review determined? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. The member is correct that the corporation has completed a draft for the one-year review of the Staff Housing Policy implementation but the draft has not been approved by Cabinet yet. Thank you.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I thank the minister for that. Does he have an indication as to when it will get approved by Cabinet and why would a review have to get approved by Cabinet? It's just data, so why would they have to approve it? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. In the review, it contains recommendations, etcetera, so it needs to be approved by Cabinet before it can be brought forth. Thank you.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I guess it's more than just a review. I thought a review meant it would just be "this what transpired." When does the minister anticipate having it brought before Cabinet and then made available to the Members of the Assembly? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. We are trying to put it on the agenda as soon as possible. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. Hopefully they meet more than they did last summer; have a meeting and look at it. Without really giving information on it, and I know with the recent announcement of the rollbacks in the rents, if that's any indication, can the minister give us an idea of what the corporation's current perspective on the staff housing issue is? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser (interpretation): Are we being asked to leave? (interpretation ends) Thank you, Mr. Chairman. I would like Mr. Scott to answer that question. Thank you.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. That's a very good question from the member. As far as the corporation's perspective of the Staff Housing Policy or the situation, essentially, we're largely dealing with the biggest problem which is the supply problem of staff housing.

In Iqaluit, just as an example, there are over 100 positions out for competition and we do have 35 or 37 vacant housing units. So our biggest concern is trying to address the supply issue and trying to balance between competitions and with staff coming in and finding them appropriate accommodations. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I remember sitting here and there was a waiting list to get onto staff housing. There was like zero vacancy for staff housing and I don't know if the fact that we have 30-something vacant units out there right now is any indication of the effect that the Staff Housing Policy has had. Is it those vacant units or that change in this very short time... is the department or the corporation aware of whether or not that change is because of people leaving and moving out of staff housing, or leaving because of the rental increases, or because they just brought on more units? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Mr. Chairman, I'm going to ask Mr. Scott to answer that question.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. That's a very good, tough question from the member. I guess the more tired he gets, the tougher the questions become. Those are indicators that we have incorporated into the review that we have done. The fact that there are more vacant units now than we've had in the past isn't an all of a sudden occurrence; this has been a gradual build-up over a period of time.

We would like to think that, as a result of the Staff Housing Policy, a lot of our faithful GN staff have bought homes and we know that a lot of them have, and therefore, they don't need the GN staff housing. I think there are also other indicators out there as well. There is a very highly competitive and hot job market in other parts of Canada. It is more and more difficult to attract staff to positions here within the GN and it's not necessarily the direct effect of the Staff Housing Policy. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I think the minister and his officials indicated that there are like 30-something vacant units here but 100 positions that are vacant. I know we were talking earlier on what the vacancy rate is and I think it's at around 20 percent, so there are like 800 and some positions out there that aren't filled.

If my memory serves me correct, prior to a position being advertised and that, they have to determine that that position is eligible for staff housing and that the housing unit has to be assigned prior to that competition going out. It looks like we're about 70 units short here. How does that reflect across the rest of the territory? Thank you, Mr. Chairman. Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Because of the central location here in Iqaluit, it's going to have a bigger impact than the other communities in terms of staff housing shortages. I'll get Mr. Scott to maybe elaborate on that a bit more.

Chairman: Thank you, Minister. Mr. Scott.

Mr. Scott: Thank you, Mr. Chairman. It can be a bit of a juggling act, particularly in Iqaluit, but I would like to think that we've got it down to a fine art now where we are starting to be able to predict when people are going to be coming in and when we will have a housing unit available for them. In any of the larger centres, there are similar situations.

I'm just looking at the most recent stats that I got this morning. There are 354 vacant GN positions just in Iqaluit and currently, we would require an additional 61 staff housing units to address the open competitions. We are looking for staff and taking into consideration the units we have available. These positions aren't going to be all filled at once; they are going to be filled over time and some of them may not get filled for a long time.

So we do a bit of a juggling act to ensure that when somebody does show up at our door looking for staff housing, we will have something available. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Scott. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I thank Mr. Scott for that answer and that addresses Iqaluit. I know in the past, there have been concerns with let's say Cambridge Bay and I don't know about Rankin Inlet with the health facilities there not having the staff housing units to hire the staff, if they would hire the staff to put them in. So I'm just wondering, say for example the other two regional centres, if there are similar types of problems with the shortage of staff housing. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Yes, it's similar to the other two communities. For instance, I think Cambridge Bay has competitions for 42 and the total vacancy is 26, so the numbers are right there. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. I know when we had the Minister of CLEY or Education, I can't remember which one it was, and they were talking about the major projects that are on hold like the cultural school and the trade school as two examples, and I know that some of the other announcements that were made in the Budget Address

will have housing related issues tied with them. So I'm just wondering if there has been any assessment of what's required for staff housing as a result of all these other projects coming online. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. Anytime we have capital projects going into communities as the member mentioned, staff housing is always part of the process that needs to be addressed before the capital projects are actually started. So we really have a bit of a crisis here as well in terms of staff housing all across Nunavut. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. There's another issue that I have raised in the past and I don't know if it ever got clarified, so I would just like to ask the minister or his officials if they could clarify it.

I know the Housing Corporation is supposedly responsible for all staff housing and the issue came up in a number of communities, including here in Iqaluit, where the Department of Health has their own units. Are those under the auspices of staff housing and under the minister through the Housing Corporation, or are they separate and the Housing Corporation has nothing to do with those? I think I had asked it before at one time: do we know how many of those units are out there that we don't have control over? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. I understand when apartments are adjacent to or attached to the medical centres, CGS is responsible for the upkeep of the apartments but if the hospitals do not have apartments attached to them, then the Housing Corporation in responsible for staff housing. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Mr. Tootoo.

Mr. Tootoo: Thank you, Mr. Chairman. At some time I'll ask the appropriate ministers what they have out there in inventory.

The next question I have is and I'll just tie it in with the rent increases that have happened in staff housing, I know the government has a rental assistance program that was announced to help offset costs so that people in housing aren't paying more than I think it was 30 percent of their income, then they were eligible for a subsidy under that program. I'm just wondering if I could get an indication. Since the Staff Housing Policy was introduced in 2005, has the uptake on that program increased? Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Tootoo. Minister Netser.

Hon. Patterk Netser: Thank you, Mr. Chairman. As of February 13, 2008, the NHC has received 131 applicants, 93 have been approved, and 72 applications were received in 2007 compared to 27 in 2006. Thank you, Mr. Chairman.

Chairman: Thank you, Minister. Thank you, Mr. Tootoo. L-3. Nunavut Housing Corporation. Total Operations and Maintenance, to be Voted. \$112,817,000. Does this committee agree?

Some Members: Agreed.

Chairman: Thank you very much. Are you agreed that the Nunavut Housing Corporation is concluded?

Some Members: Agreed.

Chairman: Thank you. I would like to thank you, minister and your officials. I quickly want to move on to get the opening comments of the Minister of Justice and the Chair. Thank you, Minister and I would like to thank your staff for coming, too.

Thank you. Minister of Justice, Premier.

Bill 23 – Appropriation (Operations & Maintenance) Act, 2008-2009 – Consideration in Committee – Justice

Hon. Paul Okalik (interpretation): Thank you, Mr. Chairman. I am pleased to present to the committee the proposed 2008-09 Main Estimates and Business Plan for the Department of Justice.

The department has been allocated a total operating budget of \$66,749,000, which represents an increase of \$9,427,000, a 16 percent increase over last year's budget.

The largest allocation of new funding (\$2.8 million) is for the implementation needs of the *Family Abuse Intervention Act* passed by this Assembly in November 2006 and which is coming into force on March 1, 2008. This funding will ensure that each of our 25 communities have their own full-time Community Justice Outreach Worker. These outreach workers are the pivotal points for a successful implementation of the *Family Abuse Intervention Act* as they will assist victims and coordinate community intervention at the frontlines of family abuse situations in every community in Nunavut.

They will also work with the Community Justice Committees on crime prevention, healing, and diversion programs. The Community Justice Division of the Department of Justice will offer these outreach workers ongoing support, training, and guidance, in addition to a community implementation workshop. This *Family Abuse Intervention Act* budget will also fund the remaining parts of the system which will have some central administration and will offer family mediation services through mediators resident in four communities.

All these items require sufficient funding, of course, to enable the Act to successfully move forward, be embraced by all communities, and become a critical tool in reversing the damaging effects that family abuse and violence have on our families and communities.

Policing

There is an increase of \$1,536,000 to the RCMP contract to bring it to a total of \$22,823,000 for 2008-09. This will fund necessary increases for an Inuit Policing position, a Corporate Services position, and an additional RCMP member for Baker Lake, which is experiencing a large growth through new mine construction. \$544,000 of the budget increase will be allocated to increases to RCMP members' salaries through their collective agreement.

This additional funding for the RCMP will enable the continuation of essential policing services to all Nunavut communities.

Corrections, Court Services and the Legal Services Board

In 2007, the federal government amended the *Criminal Code* through Bill C-9 and removed the availability of a conditional sentence for serious personal injury offences. This will increase costs to Nunavut corrections, courts, and legal aid to an estimated total of \$2,199,000 annually. Increased costs are anticipated in longer remands, more jail sentences, and more trials being conducted. All these changes will put additional stress on these services, and it is estimated that Court Services alone will need an additional \$484,000, while the Legal Services Board will require an estimated \$234,000.

The remaining \$1,481,000 will cover the increase to Corrections in the cost of housing inmates both inside Nunavut and outside due to the ongoing lack of adequate correctional facility space within the territory.

Forced Growth

Other divisions within the Department of Justice are experiencing growth and change as well and require additional funding. The Nunavut Human Rights Tribunal, which was formed only three years ago, has been allocated an additional \$250,000 to develop its program delivery.

Legislation Division's increase of \$240,000 is to hire another lawyer to enable the division to meet current and increasing demands for legislation, and to continue with the consolidations of Nunavut's Acts and Regulations.

Costs associated with transferring the Liquor Licensing Board to the Department of Justice, increasing Justice of the Peace services and training, hiring an additional Deputy Sheriff needed for security at the new justice centre, and hiring a Senior Public Trustee Officer amount to almost \$1 million.

Closing Comments

We are continually working to enhance the quality of Justice programs and services to better serve Nunavummiut. We continue to work to find ways for our justice system to better reflect Nunavut. One such example is our push to increase Inuit employment in our department. Over 50 Inuit employees have been hired over the last four years. Today, the majority of the department's staff is Inuit.

We also strive to incorporate *Inuit Qaujimajatuqangit* into both our workplaces and the services the Department of Justice provides. Realizing these objectives remains a challenge when we are faced with increasing demands on our resources, both financial and otherwise, and additional funding will ease some of the strain of these increased demands.

Those are my comments and I'm pretty sure my colleagues will have some questions. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Premier. Does the chair of the standing committee have opening comments? Mr. Mapsalak.

Mr. Mapsalak (interpretation): Thank you, Mr. Chairman. (interpretation ends) I am pleased to deliver the standing committee's opening comments as we begin consideration of the 2008-09 Main Estimates and Business Plan of the Department of Justice.

Mr. Chairman, the Standing Committee *Ajauqtiit* has had the opportunity to meet with the minister and his officials. The minister was able to provide an update on his department's proposed expenditures for 2008-09.

Mr. Chairman, members noted that the Department of Justice is proposing a significant increase in its budget for 2008-09. The department's proposed budget is increasing by 16.4 percent. Much of this increase is due to corrections expenditures and the implementation of the new *Family Abuse Intervention Act*.

Mr. Chairman, members are pleased that this new Act will soon be implemented and that the majority of community justice outreach workers have been hired in most communities and are being prepared and trained for its implementation. The standing committee stressed the importance of ensuring that the needs of elders who may be suffering abuse are adequately addressed, and encouraged the Departments of Justice and CLEY to work together, where appropriate, given CLEY's role in developing the GN's Promoting Elders' Needs Strategy. Mr. Chairman, the standing committee strongly supports measures and initiatives to not only address the consequences of criminal acts, but to develop effective crime prevention programs. Too many of our youth are in conflict with the law. All too often, funding is available for incarceration but not enough is being put towards crime prevention programs. The standing committee again encourages the Departments of Justice and CLEY to work together, where appropriate, given CLEY's role in developing the GN's Youth Identity Development Strategy.

The standing committee remains supportive of Community Justice Committees and supports adequate training for their members.

Mr. Chairman, we must carefully consider policing needs in Nunavut. In March of 2007, the minister tabled in the Legislative Assembly a major report on policing services in Nunavut. The standing committee encourages the department to work towards the implementation of the recommendations in the report.

The standing committee notes that the department's proposed budget for 2008-09 includes over \$1.5 million in new funding for the GN's contract with the RCMP for policing services. The standing committee also notes that the department's 2008-09 business plan indicates that two of its priorities are to "improve the ability of the RCMP to communicate with the public in their preferred language, including particular focus on providing services in the Inuit language" and to "improve the recruitment and retention of Inuit members in Nunavut."

The standing committee strongly supports progress in these areas, including looking at such options as greater use of special constables. Many incidents in communities are not always adequately reported or resolved due to communication barriers. Although the standing committee recognizes and supports the dedication of those members of the RCMP who serve in our communities, it is also important to draw on the knowledge of our lifelong residents who are most familiar with our communities and people. Recent tragedies across the north involving the death of police officers on duty reinforce the need for communities and law enforcement to work closely together.

Mr. Chairman, members are pleased to see the department promoting and increasing its use of outpost camps for territorial inmates. These types of initiatives are an extremely important component of effective rehabilitation programming as they help to instill a greater sense of social responsibility in offenders by providing a sense of "giving back" to the community through providing food for elders and other residents. This kind of programming also helps to foster respect for cultural traditions and values. These camps should be focused on rehabilitation and not simply used as a means to address overcrowding in corrections facilities.

Mr. Chairman, members are also concerned that adequate training, including courses in self-defence, be provided to all staff who work at correctional and outpost facilities, including new facilities in the Kitikmeot and Kivalliq. Their safety and that of the public must not be compromised.

Members also support the department in its efforts to increase Inuit employment at our correctional and healing facilities, and applaud the department for its efforts to work with such organizations as Nunavut Arctic College to provide pre-employment training and counselling in anticipation of the opening of the new men's correctional healing facility in the Kivalliq.

The standing committee also noted that the department's business plan indicates that the department recently signed new agreements with the NWT and Ontario for the exchange of inmates. The standing committee recognizes that costs in this area continue to rise, and are hopeful that the department's long-term strategy of establishing new correctional facilities in the territory and delivering made-in-Nunavut rehabilitation programs will ultimately reduce the rate at which inmates reoffend.

Mr. Chairman, the functions of the Liquor Revolving Fund and the Nunavut Liquor Commission fall under the jurisdiction of the Department of Finance. Responsibility for the Liquor Licensing Board was transferred in 2007-08 to the Department of Justice. The standing committee looks forward to seeing detailed annual reports of the Nunavut Liquor Licensing Board tabled in this House as is required under the *Liquor Act*.

Mr. Chairman, members were concerned to note in the department's business plan that it has dedicated three lawyers to work on "complex and costly litigation" against the government and would appreciate further clarification on exactly how many lawsuits the Government of Nunavut currently faces and which of them are the most serious. The standing committee notes that the GN's 2006-07 Interim Financial Report, which was tabled in the House on February 21, 2008, indicates that "there are 24 claims and threatened litigation cases outstanding against the Government for which the outcomes are not determinable."

Mr. Chairman, the issue of access to justice for all of our residents is a fundamental concern. The standing committee noted that following a meeting of federal, provincial and territorial Ministers of Justice in November 2007, ministers issued a news release in which they indicated that "legal aid is an essential element of providing Canadians with this access. In particular, provincial and territorial ministers pressed the federal Minister of Justice to recognize the shared responsibility for delivery of legal aid to Canadians, to increase federal funding for criminal legal aid, and to provide new funding to support civil legal aid." The standing committee supports our government in its efforts to obtain increased support for the provision of legal aid services in Nunavut.

This concludes my opening remarks and other members may have their own remarks as we proceed. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Mapsalak. Mr. Barnabas.

Mr. Barnabas (interpretation): Thank you, Mr. Chairman. I would like to move to report progress. Thank you, Mr. Chairman.

Chairman: Thank you, Mr. Barnabas. We have a motion on the floor to report progress and the motion is not debatable. All those in favour of the motion, raise your hand. All those opposed, raise your hand. The motion is carried. I will now rise to report progress.

Speaker (interpretation): Going back to the Orders of the Day. (interpretation ends) Item 20. Report of the Committee of the Whole. Mr. Evyagotailak.

Item 20: Report of the Committee of the Whole

Mr. Evyagotailak: Thank you, Mr. Speaker. Your committee has been considering Bill 23 and the Main Estimates, and would like to report progress. Also, Mr. Speaker, I move that the Report of this Committee of the Whole be concurred with. Thank you, Mr. Speaker.

Speaker: Thank you, Mr. Evyagotailak. Is there a seconder? Mr. Arvaluk. The motion is in order. All those in favour, raise your hand, please. Thank you. Against. The motion is carried.

Item 21. Third Reading of Bills. Item 22. Orders of the Day. Mr. Clerk.

Item 22: Orders of the Day

Clerk (Mr. Quirke): Thank you, Mr. Speaker. A reminder for tomorrow, the Nunavut Leadership Forum is at ten o'clock in the morning in the Chambers.

Orders of the Day for March 13:

- 1. Prayer
- 2. Ministers' Statements
- 3. Members' Statements
- 4. Returns to Oral Questions
- 5. Recognition of Visitors in the Gallery
- 6. Oral Questions
- 7. Written Questions
- 8. Returns to Written Questions
- 9. Replies to Opening Address
- 10. Petitions
- 11. Reports of Standing and Special Committees
- 12. Reports of Committees on the Review of Bills

- 13. Tabling of Documents
- 14. Notices of Motions
- 15. Notices of Motions for First Reading of Bills
- 16. Motions
- 17. First Reading of Bills
- 18. Second Reading of Bills
- 19. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 22
 - Bill 23
 - Bill 24
 - Bill 25
- 20. Report of the Committee of the Whole
- 21. Third Reading of Bills
- 22. Orders of the Day

Thank you.

Speaker: Thank you. This House stands adjourned until Thursday, March 13, at 1:30 p.m.

(interpretation) Sergeant-at-Arms.

>>House adjourned at 20:20