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Official Report

**DAY 13**

**Friday May 28, 2004**

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**Iqaluit**

**Speaker: The Honourable Jobie Nutarak, M.L.A.**

## Legislative Assembly of Nunavut

### *Speaker*

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(Pond Inlet, Tunnunuiq)

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(Akulliq)

**Hon. Louis Tapardjuk**  
(Amittuq)  
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Elders and Youth; Minister of  
Human Resources*

**David Alagalak**  
(Arviat)

**Hon. Leona Aglukkaq**  
(Nattilik)  
*Minister of Finance; Government  
House Leader*

**Hon. David Simailak**  
(Baker Lake)  
*Minister of Economic  
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Minister of Energy; Minister  
Responsible for Qulliq Energy  
Corporation*

**Keith Peterson**  
(Cambridge Bay)

**Peter Kattuk**  
(Hudson Bay)

**Hunter Tootoo**  
(Iqaluit Centre)

**Hon. Ed Picco**  
(Iqaluit East)  
*Minister of Education; Minister  
Responsible for Nunavut Arctic  
College; Minister Responsible,  
Homelessness and Immigration*

**Hon. Paul Okalik**  
(Iqaluit West)  
*Premier; Minister of Justice;  
Minister of Executive and  
Intergovernmental Affairs*

**Joe Allen Evyagotailak**  
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**Patterk Netser**  
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**Hon. Peter Kilabuk**  
(Pangnirtung)

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Responsible for the Nunavut  
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**Hon. Levinia Brown**  
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Health and Social Services;  
Minister Responsible for the  
Status of Women*

**Hon. Olayuk Akesuk**  
(South Baffin)  
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Workers' Compensation Board*

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**Iqaluit, Nunavut  
Friday, May 28, 2004**

**Members Present:**

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

**Item 1: Opening Prayer**

**Speaker** (interpretation): Mr. Barnabas, can you start the opening prayer?

>>*Prayer*

**Speaker** (interpretation): Orders of the day. Item 2. Ministers' statements. Mr. Premier.

**Item 2: Ministers's Statements**

**Minister's Statement 031 – 2(1): “Iqqanaijaqatigiit”**

**Hon. Paul Okalik** (interpretation): Thank you, Mr. Speaker. I rise today to inform members of an agreement signed this morning between the Government of Nunavut and Nunavut Tunngavik Incorporated. The agreement, named *Iqqanaijaqatigiit*, is designed to guide the working relationship between our two organizations.

As you know, in 1999, the Government of Nunavut signed the *Clyde River Protocol* with NTI. The protocol was designed to govern the working relationship between the two largest and most broadly representative organizations in the newly created territory of Nunavut.

(Interpretation.) It has been five years since the original protocol was signed. Both the Government of Nunavut and NTI have experienced a number of changes, along with growing responsibilities, and the need to renew our commitment to work together so as to maximize the benefits for all Inuit and residents of Nunavut.

I am happy to report that after consulting with my cabinet colleagues and NTI, we have agreed to a new protocol to enhance our relations for the benefit of Nunavummiut. The new agreement, *Iqqanaijaqatigiit*, was signed today with the president of NTI, Paul Kaludjak, and myself.

Translated, “*iqqanaijaqatigiit*” means working together. Both the Government of Nunavut and NTI are committed to working together. It is in the best interest of all residents of Nunavut for our two organizations to work together on a number of issues, like

devolution and land claim implementation. This government is committed to working with NTI.

In particular, I would like to thank Paul Kaludjak, the NTI board of directors, and my cabinet colleagues for agreeing to this working relationship. As the Government of Nunavut and NTI move forward and work together, I am hopeful that we can accomplish a great number of things for the benefit of Nunavummiut.

At the appropriate time I will table the new agreement. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Ministers' statements. Mr. Tapardjuk.

### **Minister's Statement 032 – 2(1): Protecting Nunavut's Archaeological Heritage**

**Hon. Louis Tapardjuk** (interpretation): Mr. Speaker, Nunavut's archaeological sites and artifacts represent more than 4,000 years of human history, and are the irreplaceable cultural legacy of generations of Inuit.

As Minister of Culture, Language, Elders and Youth, I feel it is critical that we work together with communities to protect our heritage and archaeological sites. In recent years, several sites have been disturbed and some artifacts have been removed. When this happens, our cultural legacy is threatened.

The department has worked in partnership with Inuit Heritage Trust and with Mirnguiqsirviit-Nunavut Parks in the Department of Environment to develop a poster designed to increase public awareness. The poster explains how all archaeological sites in Nunavut are protected by law and explains the importance of not disturbing these sites or removing artifacts. We have distributed posters to all communities.

Mr. Speaker, we have more than 7,000 documented archaeological sites in Nunavut; all Nunavumiut have a role to play in their protection and preservation. Public education and awareness is critical to the successful management of our cultural legacy.

I would like to invite all members to view some replicas of the artifacts, as well as our new posters, in the gallery. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Thank you. Ministers' statements. Mr. Tapardjuk.

### **Minister's Statement 033 – 2(1): Sivuliqtiksat Internship Program**

**Hon. Louis Tapardjuk** (interpretation): Mr. Speaker, I am pleased to update the my colleagues about the Sivuliqtiksat Internship Program for beneficiaries. This program creates 14 internships in departments and agencies of the government across Nunavut. During their tenure interns are exposed to many training and learning experiences. They develop their skills under the guidance of Government of Nunavut senior managers.

At this time, there are nine interns in various departments. The positions are located in communities across Nunavut including Cambridge Bay, Pond Inlet, Rankin Inlet, Gjoa Haven, and Iqaluit. Due to strong continuing interest, we are planning to broaden the program to include not only directors but program coordinators and middle managers. This will ensure there is a full intake of 14 interns. This change will take place in the fall of 2004.

The internship program is an example of an on-the-job training initiative which demonstrates our commitment to the fulfillment of Article 23 of the Nunavut Land Claims Agreement and to the Bathurst Mandate, which reflect the principles of lifelong and continuous learning. The internship program is playing an important role in helping the Government of Nunavut achieve a public service representative of the Nunavut population. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Thank you. Ministers' statements. Ministers' statements. Just before we go to Item 3, I would like to make a comment.

### **Speaker's Ruling**

Yesterday I indicated that following the review of the Hansard, I would rule on a point of order raised by Mr. Tootoo. During the proceeding of the Committee of the Whole on Wednesday May 26, various members asked questions regarding student financial assistance and the benefits available to beneficiaries and non-beneficiaries.

Yesterday in the Members' Statements, the Premier discussed the same issue. I have reviewed the Hansard and the member's statement. If there are different views between members on the merits of the government's policies, and it is not clear that there are, those differences are a legitimate topic for debate and discussion.

I find that there is no point of order, while reminding the member who raised it that he may wish to avail himself at the appropriate time of the opportunity to articulate the position on the issue under discussion.



Going back to orders of the day. Item 3. Members' statements. Mr. Evyagotailak.

### **Item 3: Members' Statements**

#### **Member's Statement 117 – 2(1): Signing Ceremony**

**Mr. Evyagotailak** (interpretation): Thank you, Mr. Speaker. This morning I'm very happy to witness the signing as a member for this Legislative Assembly within the last five years. The first signing was a first step in 1999, and I witnessed the signing at the residence in Iqaluit when NTI had their annual general meeting in Iqaluit. At that time I was a board member for KIA and witnessed the signing. Now, as a member of the Legislative Assembly witnessing the signing this morning, I am very happy to have witnessed the signing from both sides.

The elders have also mentioned that we have to work together. I know we have to work together in order to achieve what we want for the future. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Members' statements. Mr. Okalik.

#### **Member's Statement 118 – 2(1): GREC Reunion**

**Hon. Paul Okalik**: Thank you, Mr. Speaker. As a former member of GREC and Ukiivik resident I am proud to announce in this Assembly the first ever GREC reunion this coming July 5 to July 9, 2004.

The Gordon Robertson Educational Centre reunion will reunite former students, former teachers, and staff of the high school and Ukiivik residents from all over. A full week of celebrations will include a welcoming reception on the night of the 5<sup>th</sup>, a surprise auction, a talent show, an arts and crafts show, and a sale and a gala banquet on Nunavut Day, July 9.

Former students from some communities including Iqaluit have been fundraising for the past few months to bring as many students as possible. A shining example, I understand, is Sanikiluaq, where former students have raised over \$40,000.

*>>Applause*

There have been a few students coming from Sanikiluaq at any given year in Ukiivik and GREC from the 1970s to 1991, but there will be quite a few, I understand.

Former students of Iqaluit are doing their own part. They have been hosting bands at the Cadet hall, and this coming Saturday there will be another dance from 8pm to 1am. Games and door prizes will be available and everyone is welcome.

I know personally: our own George Mettuq, who is the best DJ in town, will be carrying out the 1970s to 80s music. Tickets are available from George for \$10 for this Saturday. I'd like to see all of you there.

So, for all those students, I look forward to enjoying the time with them in the week of Nunavut Day. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Thank you. Members' statements. Mr. Akasuk.

### **Member's Statement 119 – 2(1): Cape Dorset Celebrating Grade 12 Graduates**

**Hon. Olayuk Akasuk** (interpretation): Good morning to all of my constituents in Cape Dorset and Kimmirut. In Cape Dorset today, they will be celebrating at Peter Pitsiulak School the graduation of grade 12 students at 8:30 tonight. We are so pleased to have that ceremony.

There are quite a few students who have graduated and these individuals are Pitsiulaaq Akasuk — this individual's last name is Akasuk, my older brother's daughter. I congratulate her. Uttuqi Annirmiuq, Sarah Ashoona, Megan Constantino, Joanasie Jaw, Ikajuqtaq Jaw, Ittusaarjuk Manning, Sam Maathusie, Mary Mikiguq, Tappaungai Qatsigaaq, Pitseola Qiniqti and Makittu Tappaungai, also my sister's daughter.

I thank all of these individuals and I also congratulate them. If the weather permits, I will be attending the ceremony tonight. I would like to take this opportunity to congratulate these graduating students on behalf of the Legislative Assembly members. Because the parents were very supportive of these students when they were trying to complete their grade 12, we have to show our gratitude to the parents for giving support to their children during their education. Thank you.

>>Applause

**Speaker** (interpretation): Members' statements. Mr. Barnabas.

### **Member's Statement 120 – 2(1): Recognizing Arctic Bay Elder**

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. I rise today to recognize an elder in Arctic Bay, but the individual is unable to be here because of illness.

Makpa Pauloosie, I would like to recognize him. When Arctic Bay was starting to be settled, he was one of the first individuals to move to Arctic Bay and has helped develop the community.

There are many individuals out there that he has supported and he gave assistance many times voluntarily, yet he is hardly ever recognized. He is also an assistant lay person in the church and was also recently ordained as a deacon.

He helps young people and he also initiated a youth committee. This youth committee advises young people with problems. Pauloosie tries to help young people, to help in the prevention of suicide.

He has helped so much in our community and I would like to take this opportunity to recognize him.

When we were a legislature with the government of the Northwest Territories, Mr. Evaluarjuk advised me to recognize individuals who are not deceased yet. Thank you, Mr. Speaker.

>> *Applause*

**Speaker** (interpretation): Thank you. Members' statements. Mr. Kattuk.

#### **Member's Statement 121 – 2(1): Thank and Appreciate Family Members**

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. Since today is Friday, I am going to be a little more relaxed as I make my statement. I would also like to thank and congratulate, while I am here in Iqaluit, my two younger brothers who are taking care of our father. I would like to thank them.

They also are taking care of our sister and my wife Aalasia. She is very good while I am away from the community. So, I send my greetings to her and also to our daughter Annie. She takes care of our house and cleans our house and our youngest one, Melton, listens to his mother and I'm very proud of him. Also, our eldest child lives in Kuujjuaraapik. I send my love to him for taking care of his spouse and his children. And also Ipu, my small son, who is 13 years old.

I've never thought about this when I was away, that he would go out hunting. He's gone out hunting during the session here and arrived back to the community with a successful harvest. I'm very proud of Ipu for providing food for his family. This morning when I called, I asked him and he said that during the weekend he is going to take his mother out camping and fishing. I'm very proud of Ipu for doing all those things. Also my father, I send my love to him. And also, my eldest.

Mina Inuqqutailaq, our elder. I too, when I was a small child .... She used to breastfeed me. She helped raise me. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Members' statements, Mr. Alagalak.

**Member's Statement 122 – 2(1): Housing Shortage in Arviat**

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. I rise today to make all my colleagues aware that this past winter was very cold. I'm sure all the Nunavut communities felt the difference because it has really been a cold, harsh winter. This is what I've heard from all the communities, from one end to the other. It gets so cold in wintertime that we can't go out hunting anymore and blizzards were very frequent. The wind squalls were very strong. At times, with the wind chill, vehicles froze and many people ended up walking.

Mr. Speaker, I would like to talk about Arviat. Since the Nunavut government was established, the Arviat population has increased. We are happy that there are more employment opportunities and also that other people have moved to Arviat — some are Inuit and some are non-native. I'm sure that when the majority of our family moves to another community, we have a tendency to follow them to that community.

What I'd like to say is that decentralization is causing a shortage of public housing. It indicates that many family members follow when they move. That helps to aggravate the housing situation. Just outside of Arviat, there was a family trying to live in a shack. The entire family lived in the shack, built due to the housing shortage.

I want everybody to be aware of that, and I will be asking a question on that to the appropriate minister at the appropriate time. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Thank you. Members' statements, Mr. Tootoo.

**Member's Statement 123 – 2(1): Reply to Speaker's Ruling**

**Mr. Tootoo**: Thank you, Mr. Speaker. This is an appropriate time to articulate my position as you suggested in your ruling.

I rise today to set the record straight with respect to comments made in this House. I believe that one of the most important obligations as legislators and leaders is to be forthright and frank with our constituents. We must be prepared to clearly explain and justify the decisions that are taken by the government and by the Legislative Assembly.

Yesterday in this house there was a clear implication made in the questions that I raised concerning the eligibility of different categories of students for different levels of assistance under the FANS program. They somehow meant that I was accusing the government of practising discrimination.

Let's take a look at what was actually said. The word "discrimination" never actually left my mouth. It certainly is not a word that I would want to have cause to use. Mr. Speaker, I respect the Premier's willingness to make a strong and clear defence of the

supplementary benefit for Inuit students. What I'm not so impressed with is what took place here earlier in our session during Committee of the Whole. At the time, as members will recall, it was like pulling teeth to get the government to come out and clearly say for the record that there are benefits under FANS that non-Inuit students from Nunavut are simply not eligible to receive.

The government's own documentation itself states clearly, and I quote, that "FANS eligibility criteria are based on ethnicity." Frankly, it took persistence from this side of the House to get that fact out in the open and on the table.

Mr. Speaker, I recognize that this is a loaded issue. Whenever we talk about addressing the problems from the past by giving extra support to today's generation, the issue of race comes up. I happen to support the idea of providing supplementary grants to beneficiaries. The reality in our community is that Inuit students clearly did not come from families with means, and that extra level of support can make a difference between the success story and another dropout in the statistics.

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

**Speaker** (interpretation): The member is asking unanimous consent to complete his statement. Are there any nays? There are no nays. Mr. Tootoo, please proceed.

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

We can leave for a later date the question of whether such supplementary support should be provided to any student of any ethnicity who comes from a family with a comfortable income.

For my part I'm not going to apologize either. I'm not going to apologize for asking questions that sometimes cause discomfort. The ducking, dancing, and evasion that I often hear remind me that it is a necessary undertaking.

Mr. Speaker, I want to conclude by saying that we owe it to our constituents to give them straight answers. I have been asked by many voting residents throughout Iqaluit why their government is taking the position that their children are ineligible to receive a supplementary benefit underhand because of their ethnicity. That is a fair question and they deserve a frank answer. I think that such an approach would in itself help to combat the corrosive damage that is associated with the feeling of being discriminated against. Thank you, Mr. Speaker.

>> *Applause*

**Speaker** (interpretation): Thank you. Members' statements. Mr. Curley.

**Member's Statement 124 – 2(1): Question on Minister Responsible for Energy**

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I rise today for all the people who are planning to go weekend camping. I wish them a safe trip. My son is also planning to go out camping. No matter where you are, whether you are in Nunavik or Labrador, I wish you a safe trip. I also would like to thank the people who pray for us.

The reason why I rise today, Mr. Speaker... Here it states don't worry. It is just perfectly clear that the government's energy policy is a perfect mess. Let's start by trying to figure out who is actually in charge of energy policy in this government.

I'm going to have to apologize in advance for using so many acronyms in my statement, but it seems that acronyms are what we are best at producing.

First, we have the Premier, who is the minister responsible for the Utility Rate Review Council, the URRC — just in case you forget, write it down.

Second, we have the Minister of Energy who is responsible not only for energy, but also oil, mining, and mineral exploration, and who is responsible for the Qulliq Energy Corporation and Nunavut Power Corporation. Together, these are the Qulliq Energy Corporation and Nunavut Power Corporation. These acronyms are QEC and NPC.

Next, we have the Minister of Community and Government Services who is the boss of PPD. That is Community and Government Services — the Petroleum Products Division that used to fall under Public Works, for those of us who are not fluent in that unique dialect known as Government of Nunavut Speak.

Mr. Speaker, I am requesting unanimous consent to conclude my statement.

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

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. Not to be left out there, we have the Minister of Environment who gets to provide a grant to something called, in English, the Nunavut Energy Solutions Centre or the acronym NESC.

That is a majority of the cabinet right there with some kind of energy-related responsibility. But wait, I do not want to forget the Minister of Finance. She gets to pump millions into the Territorial Power Subsidy Program or the acronym, TPSP. Not to mention the \$10 million for the Fuel Stabilization Rider.

I am frankly surprised the remaining ministers have not complained about being left out.

Mr. Speaker, I have yet to hear a convincing explanation as to why we need to move the Petroleum Products out of government. I am concerned that the \$200,000 we're being asked to be approved for this purpose is money well spent. As I would say, if it is not broken, why fix it? Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Members' statements. Mr. Kilabuk.

**Member's Statement 125 – 2(1): Fishing Industry in Pangirtung**

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Speaker. I would like to say good morning to Kevin and my family.

At this time, I would like to take this opportunity to talk about the Pangnirtung fisheries. I am well aware that the rest of the members here would like to hear good new stories about the fisheries project in Pangnirtung.

Since the 80s we have had fishermen who go turbot fishing on the ice, and they worked extremely hard to keep it a viable business. They received subsidies from the governments and employ approximately 50 employees in the winter to do the actual turbot fishing. And again, we have that same amount of people who process the fish at the fish plant.

So, we are looking at 100 employed individuals, all from Pangnirtung, who make their money from fishing. It is something that we are very proud of.

However, Mr. Speaker, external issues are arising to affect the fisheries. Many people in Pangnirtung have worked hard to maintain this industry and so are very concerned about some of these issues.

I rise today to inform my colleagues that I will work extremely hard to keep the fisheries project going. It creates employment and economic development. I rise today to voice my concerns on behalf of the people of Pangnirtung, including various businesses involved in this industry, and I would also like to thank Mr. Tootoo for Iqaluit Centre who was able to get this discussion going. Thank you.

>>Applause

**Speaker** (interpretation): Thank you. Members' statements. Mr. Simailak.

**Member's Statement 126 – 2(1): Baker Lake Dog Team Race**

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. I would like to take this opportunity to represent the people of Baker Lake and also to congratulate them. Just last

week there was a dog team race and that was the very first time my father was the first one to come in and I congratulate him.

>>*Applause*

He is one of the elders of Baker Lake and I was able to watch the race, as I got there in time. It was a very happy event. This week the women got to have a two-day dog team race and my wife won the race. It is something that I am extremely proud of even though I wasn't able to be there.

>>*Applause*

I would like to congratulate them all and I would like to thank my two sons, Del and Craig, for helping their mother with the race.

>>*Applause*

**Speaker** (interpretation): Thank you. Members' statements. Mr. Peterson.

#### **Member's Statement 127 – 2(1): Renaming of Cambridge Bay to its Original Name**

**Mr. Peterson:** Good morning, Mr. Speaker. I apologize for being late. I was delivering a box of turbot to the airport for some friends to take back to Cambridge Bay, courtesy of the Premier, for intersettlement trade today.

I rise today on behalf of the elders of Cambridge Bay to thank the Minister of Culture, Language, Elders and Youth for listening and acting on their concerns.

It was over 150 years ago when an explorer first arrived in Cambridge Bay and decided to name the local lake Freshwater Lake. It was referred to by that name by southern folks for the next 90 years. In the 1940s, an American airforce colonel decided to have the local lake named after him. An emergency mission to rescue six soldiers allowed him to convince the government official in Ottawa to name the local lake after him. That's how it became Grenier Lake.

Almost another 60 years passed before the elders of Cambridge Bay had a chance to convince Government of Nunavut officials that the lake should be named Ekaloktotiak.

Mr. Speaker, I had a meeting in which nearly every elder in Cambridge Bay was in attendance. The elders at the hamlet council wrote a letter to the Government of Nunavut on their behalf to express their wish for the lake to be officially known by its traditional name. During that meeting the elders told us that they were tired of people from other places naming their local lakes and geographic features after themselves. The support of the minister and the Government of Nunavut for the elders of Cambridge Bay... . Yesterday's good news and announcement is a great way to end the week to show that the voice of the people can be heard, despite red tape and bureaucratic hurdles.



The renaming of the lake to Ekaloktotiak is an achievement in perseverance of the elders. And, in keeping with the spirit of Bathurst Mandate, the people come first. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Members' statements. Going to the orders of the day. Item 4. Returns to oral questions. Item 5. Recognition of visitors in the gallery. Mr. Alagalak.

#### **Item 5: Recognition of Visitors in the Gallery**

**Mr. Alagalak** (interpretation): Mr. Speaker, I would like to recognize the individuals over there from Arviat. They both work for Housing Corporation and I would like to take this opportunity to welcome to the gallery Abraham Tagalik, we just call him DJ, from Arviat. Thank you, Mr. Speaker.

>>Applause

**Speaker** (interpretation): Welcome to the gallery. Recognition of visitors in the gallery. Item 6. Oral questions. Mr. Tootoo.

#### **Item 6: Oral Questions**

##### **Question 129 – 2(1): Summer Student Hiring Delays**

**Mr. Tootoo:** Thank you, Mr. Speaker. My question is for the Minister of Human Resources. I know that the ministers and members will recall earlier in this session I was asking the minister about the summer student hiring program and he had indicated that it would take some non-beneficiary students a little more time to get hired for positions.

I would just like to ask the minister... I was talking to one student yesterday and he had indicated that he has been phoning every day for over a month now. I am just wondering if that is a normal practice, that a student has been asking over a month to get a job in the staff, and what the delays are in being able to find employment for the students. Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister of Human Resources. Mr. Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. In regards to the questions that are posed by the member in regards to the summer student program, we have made a request to the regions and asked if they would have summer students employed in their businesses.

After the approval of the cabinet this program is ongoing, and in some of the regions and under Article 23, they are still waiting for employment. If that is the case, we know that

there are many non-beneficiaries in Nunavut who are seeking summer employment, and because of that we are currently working on a program or an opportunity for the non-beneficiaries to be in employment. We will be putting this out as a pilot project, following the same guidelines.

Nunavut beneficiaries were given a priority, and then we will include the non-beneficiaries as a second priority. I would like to say that in the very near future, we will be dealing with this matter, and we will be asking the regional governments how many positions they have.

To date, Mr. Speaker, we are currently working on this issue and we do have a slight delay, but we are working on rectifying the problem. I will be making an announcement in the near future about this program and give you an update this coming month. We will give you the number, and if all of the positions will be manned, or if we will fill the positions.

**Speaker** (interpretation): Thank you. Supplementary. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. I acknowledge the minister's comments that this is something that wasn't thought of and that they are trying to rectify it. Given that with the current program, that students sometime only have a few months in order to try and earn some money to help put them through the following year of their continuing education. There's the case I mentioned about a student that had to wait a month, and they are coming up with another program to try and address that issue. If there is something that can be done in the meantime...

How many summer student jobs does the government have? And how many of them are filled by beneficiaries? If they know how many they are going to have they can say OK, a certain percentage are going to go to beneficiaries and we have x number of positions that are open to anyone, non-beneficiaries, and that can help and put people in these positions as soon as possible and not waiting around for a month trying to find work.

I'd like to ask the ministers how many summer student positions has the government allocated for this summer? Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Mr. Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. To date we'll have 27 positions currently identified in the regions, and we still have 7. I'm not quite sure yet, but I will give you an update on it later on today.

I would also like to say that this has been approved and it is pending at the end of August. In September, we will know how the program runs and what types of problems we've had over the summer and how we can make changes to it in order to have it run smoother the following year. Of course, like everything new, there are glitches, and I would like to assure the member that I will give you an update on how the program went in the fall. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Second supplementary, Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Speaker. I appreciate the willingness of the minister to look into it and try and address some of the issues. The 27 positions that the minister has stated are available for summer students, roughly 8 of them would then be open to non-beneficiary students. I'd just like to ask the minister: do they have those eight positions filled by non-beneficiaries if they have enough applicants to fill those positions? And if so, where are they? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): I'm not really sure. We have a number in place. There would have to be 85 percent for beneficiary employment. But, for the summer student positions I cannot really state at this time how many we would have open for non-beneficiaries and beneficiaries.

Last year it was 70 percent beneficiaries and 30 percent non-beneficiaries that were included for summer employment. I don't think at this time that it is appropriate for me to put in a figure, because the departments of government, or the regional offices will have to look into how many applicants are beneficiaries and non-beneficiaries. I will get back to the member after I consult with my department. Thank you, Mr. Speaker.

**Speaker** (interpretation): Last supplementary. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Speaker. As I said, I recognize the fact that government wants to try and meet its Article 23 obligations and have 85 percent Inuit employment. I would like to commend the department for having 70 percent Inuit employment last year. As you know, Mr. Speaker, it is much higher than a lot of the departments have right now. I would just like to commend them on that.

The minister stated earlier that this is a new program. My understanding is that this summer student program is something that has been going on for some time now. Every year you will recall it happening — last year and the year before.

I am just wondering if you can explain why all of a sudden it is a new program, and basically by stating that, is he stating that non-beneficiary students this year are just going to have to wait until next year when things get ironed out, that they are able to get employment. Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister Tapardjuk.

**Hon. Louis Tapardjuk** (interpretation): Thank you, Mr. Speaker. What we are doing at this time... . There was an agreement made in March 2003 by the cabinet on summer student employment. Summer employment for students in Nunavut... . I think that in 2002 it was started, but for this year we had an agreement in March, and that is what we are following. We will continue on with that, and in the fall we will find out how to make improvements on it.

We will try to make improvements each year, depending on the information that we get in the fall, to hire summer students in the departments of the government. I feel that we would like to continue on with this, this hiring students. So the agreement that we have in place, right now, is from March 2004. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Alagalak.

### **Question 130 – 2(1): Housing Shortage**

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. In my member's statement earlier, I said that I would ask a question to the minister of housing. We all have heard about the 126 people on the waiting list in Arviat.

There is going to be a fourplex built, but it has already been filled even before the building is complete. One hundred and twenty-two are still going to be on the waiting list, possibly more, because the population in Arviat is growing very rapidly. I would like to say that decentralization is part of the problem of population growth.

So, when the government sees a number of people on the waiting list for housing, do you make any consideration as to what steps you are going to be doing?

**Speaker** (interpretation): The minister responsible for housing, Minister Kilabuk.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Speaker. I would like to let the member know that as government, we are very concerned about the people on the waiting list for housing. What we hear about is how many people are on the waiting list and then we don't really get the full information. Because of the lack of housing in the communities some of them do not even want to put their names on the list, since they know that they will be waiting for a long time.

I would like to assure the member that we have tried every avenue to help the people who do not have a job. I think there are about three thousand people that need housing in various communities. So, if they were to give us three thousand houses, then we would be caught up.

Looking at the Canada Mortgage Housing Corporation and Housing Corporation, what we did was we planned to work together to make sure that we build more housing. As well, NTI will be involved in helping us or working with it. We will work along with NTI and to talk with the federal government to stress the lack of housing. Again, we would also like to work with the Inuit secretariat, which was announced recently, to bring about more housing for Nunavut communities.

And Mr. Speaker, lastly, we are doing our very best to try and get more housing for the people of Nunavut in communities. We will be building 88 new housing units this year.

**Speaker** (interpretation): Mr. Alagalak. Supplementary.

**Mr. Alagalak** (interpretation): Thank you, Mr. Speaker. Yes, it is very good to hear that there are going to be 88 new units, but if it is just going to go to all of the communities, not just to Arviat... .

I want to say, in the smaller communities, a lot of people look for employment and they are not given work when there is contract work given out in the communities.

I would like to ask the minister if they had considered taking more out of a smaller community to a larger community, even though you are not going to do it yearly, to consider planning to put more houses in where they are most needed and take them from the smaller communities to larger communities. Has that been considered by the department? Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister Kilabuk.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Speaker. Yes, there are a lot of things that I have considered, or that we have considered as a department, and I have talked to my officials on those.

Perhaps the smaller communities that do not need housing as much as the larger communities... . I recently found out that Clyde River has a very good plan in place, and being a non-decentralized community and for the... . We will recognize that there has to be some training in place for employment. Sanikiluaq has requested that training for employment.

Mr. Speaker, those are all the types of things that we looked at as a department and we will inform the members as we make improvements on them. Thank you.

**Speaker** (interpretation): Oral questions. Mr. Evyagotailak.

**Question 131 – 2(1): Plans to Expand Kugluktuk Police Detachment**

**Mr. Evyagotailak** (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the Minister of Justice.

The police detachment in Kugluktuk is very small. I have been asked a number of times about when is the building going to be expanded, are there any plans for the detachment, because there are about five police officers. Whenever there are people put into a drunk tank... That drunk tank is not very, very big. I have worked in there a few times and it is not very comfortable.

I am just wondering if there is any plan in the future to expand the police detachment and the very small office. When there are people put into jail, it is not very safe in there. I have seen fights going on right in the cell there. So, what if there is a death in the jail because the jail is very small in there. That is why I am asking the Minister of Justice if he has any plans, and if there is going to be some expansion in that regard to the police detachment, and the jail, and the office. Thank you, Mr. Speaker.

**Speaker** (interpretation): The Minister of Justice. Mr. Okalik.

**Hon. Paul Okalik**: Thank you, Mr. Speaker. We have been working on this file for a while. When I heard about this issue, I wrote a letter to the federal government expressing our request to try and get the detachment increased in capacity. We remain very supportive of the community in trying to get this detachment expanded to meet community needs.

So we are working with the federal government. We are trying to push them to expand this facility to the community requirements as this matter is a federal matter — all detachments are funded by the federal government. We remain very committed in trying to help Kugluktuk on this issue. Thank you, Mr. Speaker.

**Speaker** (interpretation): Supplementary. Mr. Evyagotailak.

**Mr. Evyagotailak**: Thank you, Mr. Speaker. Up to today I would like to hear from the minister: is he going to be pushing for the expansion to the police detachment? Are you going to try and make it a priority, because we badly are in need of expansion. This concern is going to keep coming up from my community, so I would like to know from the minister if he has any plans to expand the police detachment in Kugluktuk. Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister Okalik.

**Hon. Paul Okalik:** Thank you, Mr. Speaker. I wrote a letter to the minister responsible for the federal government, Ms. Anne McLellan. I haven't received a response on this issue yet.

We are all aware that the federal government is in the midst of an election. It might be a while before the election is over, the end of June. So, it is difficult for me to commit. I will continue to press this matter with the national government, but we all are aware that the election tends to slow down responses from the federal government. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Tootoo.

### **Question 132 – 2(1): Update on Airport Safety Issues**

**Mr. Tootoo:** Thank you, Mr. Speaker. My question is for the minister responsible for transportation and airports.

The minister will recall earlier this session I asked about some of the decaying conditions of our airport here in Iqaluit.

As I recall, about three years ago there was a study done that identified some changes that would be required to be made because of new federal regulations; it also identified some safety concern and issues of the existing airport facility here in Iqaluit.

Last year I asked the government when we would see some changes happen to address some of those issues, and they indicated that it was going to be put on the table with the federal government under the funding for that.

I ask the minister today where things are at with that and when can we expect to see some of these issues and concerns addressed. Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister of transportation, Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. Yes, the repairs will be made this coming spring. The airport in Iqaluit needs to be fixed and so it will be fixed and expanded this coming spring, with room for equipment such as navigational equipment. We will be provided funding from the federal government for that. Thank you, Mr. Speaker.

**Speaker** (interpretation): Supplementary question, Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. It's good to hear that after three years, finally the federal government is coming up with some money for addressing some of those issues.

I believe the issue that the minister talked about deals strictly more with regulatory changes and that. I also understand there were some safety concerns with the location of

the terminal building, and the size of the apron, and the approach. Everyone knows the airport here is one of the busiest ones in Canada, if you look at the number of flights that come through here. I'd just like to ask the minister, is any of this stuff going to be looked at as well with the federal funding that's going to come forward this spring? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Simailak.

**Hon. David Simailak:** Thank you, Mr. Speaker. The work I mentioned earlier is going to address the Canadian Air Transport Authority security requirements. That work is being done this summer as I mentioned.

Moving the location to apron 1, as was recommended in the Iqaluit airport master plan.... The feasibility that was done on that, the estimated cost on all of that, is about forty million dollars. Funding is not currently identified in the Government of Nunavut capital plan. But, this project has been identified as the number one priority in the airports for *Nunavummiut and Their Economy*, an airport investment strategy for Nunavut. That was done in 2003.

We are still working with the federal government to see if we can find the necessary funding to do all of this work at the Iqaluit airport. Thank you, Mr. Speaker.

**Speaker** (interpretation): Second supplementary, Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. I acknowledge the cost factor involved on such an undertaking and also acknowledge the limited resources that the territory has to address our capital issues.

I think that we know airports are a federal responsibility, as the minister indicated. But, does he have any indication as to whether the federal government is going to be looking at putting this as a priority on their funding dollars, for these types of projects to go ahead as soon as possible? Are there any talks underway between his officials and their counterparts in the federal government? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. My officials and their federal government counterparts have been working together and discussing this matter continually as to how there will be provided additional funding. Thank you, Mr. Speaker.

**Speaker** (interpretation): Your last supplementary, Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. If I can include in the argument to federal government that has been raised that there are safety concerns and I think that we can't afford to wait until an accident happens before fixing something.



I know that there has been a number of close calls at the airport over the last couple of years and we certainly don't want to wait until a disaster happens before anything is done. So, would the minister be willing to commit to corresponding this very quickly to his federal counterparts or their officials, as the Premier indicated about elections going on. So, we have to deal with the bureaucrats in Ottawa, instead of political leaders, to try and address these issues as quickly as possible before a disaster does happen. Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister responsible for transportation. Mr. Simailak.

**Hon. David Simailak:** Thank you, Mr. Speaker. As I mentioned, my officials are in constant contact with officials in Ottawa. This is a top priority. But, yes, I will commit to pursuing that even harder. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Kattuk.

### **Question 133 – 2(1): Power Bills in Inuktitut**

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the Minister for Nunavut Power Corporation, although this question was previously asked, in regards to monthly bills.

Currently the monthly bills for power continue to be written only in English. It's been I don't know how many years that the Nunavut government owns that NPC. Its been too long now that these power bills have been given out to the clients only in English. When do you plan to see them in Inuktitut? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. In April, we started using the new computer program at NPC, and they can now provide Inuktitut in their computer. This coming spring we expect to see the power bills in Inuktitut, English, and French. It should be starting this coming spring. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Barnabas.

### **Question 134 – 2(1): Arctic Bay Proposed Hotel**

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the same minister, Mr. Simailak.

Today there still is only one issue in regards to capital assets such as hotels. There is only one consultant hired to do feasibility studies in Nunavut. In Arctic Bay we are experiencing problems in regards to the proposed hotel. It's impossible to contact the researcher; he is starting to delay the process for ordering goods that should be sent by ship.

So, I would like to ask the minister, is the minister is going to rectify this problem?  
Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. In regards to the member's question, we will take this as notice and I will make this a priority. Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Peterson.

### **Question 135 – 2(1): Housing Issues**

**Mr. Peterson:** Thank you, Mr. Speaker. My question is for the minister responsible for Nunavut Housing Corporation.

A couple of weeks ago, there was a public announcement that said that there were \$6 million owed in rent over the last 30 years, and \$1 million in damages, related to public housing.

So, I am wondering if the minister can tell the House if this money has been written off, or is it set up as an allowance for doubtful accounts? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Kilabuk.

**Hon. Peter Kilabuk:** Thank you, Mr. Speaker. My colleague is right. The fact that there is that much owing to the Nunavut Housing Corporation, that \$6 million dollars... I want to assure the member that as part of my discussions with my staff, this is a file that we are currently reviewing to determine our next best efforts to move on this fall. Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Speaker. I have been in some of those houses that are 30 years old, and they are not in very good condition. I am wondering, for most tenants nowadays, they seem to have to sign a 10- or 12-page tenant agreement. I'm wondering, I have had some people come to me... Do they understand the full tenant agreement?

So, I am wondering if the minister could tell this House if the people that are renting these houses, that have to sign these contracts, do they understand the qualifications, the legal implications of the contracts, when they sign them? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Kilabuk.

**Hon. Peter Kilabuk:** Thank you, Mr. Speaker. I guess that would depend on individual cases. It is virtually impossible for me to state to the House if the tenants signing these agreements do not understand fully the contents of the agreement.

But, I will assure the member I will further instruct my staff to make sure that we have our tenants signing documents that are best explained to them or put out in the languages of the tenant. Thank you, Mr. Speaker.

**Speaker** (interpretation): Second supplementary. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Speaker. That is good to know. I went through one of those contracts and I had to read it with a fine-tooth comb. A person may have to call a lawyer for this agreement. If you do not pay attention to it, it could cost you significantly. There is a lady in Cambridge Bay who is getting hit for a \$20,000 repair bill because she misunderstood a clause.

I am wondering, Mr. Speaker, if the minister could tell us what the annual operations and maintenance clause is for a typical house in Nunavut that is operated under the Nunavut Housing Corporation. Thank you.

**Speaker** (interpretation): Mr. Kilabuk.

**Hon. Peter Kilabuk:** Thank you, Mr. Speaker. It will vary from community to community and region to region. So, I will commit to providing the figures to my colleague after I get the facts and have them separated region by region, and I guess a couple of communities for comparisons for the benefit of the member. Thank you, Mr. Speaker.

**Speaker** (interpretation): Your last supplementary. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Speaker. Just to clarify, the annual O and M for the house costs for the Nunavut Housing Corporation is \$18,000 a year, but they are being rented out for \$2,000 or \$3,000 a year.

Is there some mechanism currently in the government that allows interdepartmental transfers from other departments to the Housing Corporation to cover off a deficit to operate the houses? Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Kilabuk.

**Hon. Peter Kilabuk:** Thank you, Mr. Speaker. I apologize to my colleague, I did not quite understand his question. If I could get him to rephrase that for me, please. Thank you.

**Speaker** (interpretation): Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Speaker. I was just trying to determine from the minister if the cost of the Housing Corporation is \$19-20,000 to maintain a house in Nunavut is different by community.

If they are rented out to individuals in the community and some people are only paying \$3-4,000 rent per year, is that difference made up through internal transfers from other government departments, or does the money coming from the Housing Corporation pay the difference? Thank you.

**Speaker** (interpretation): Mr. Kilabuk.

**Hon. Peter Kilabuk:** Thank you, Mr. Speaker. Mostly that's covered by the Nunavut Housing Corporation. However, there will be cases where certain individuals may qualify for some programs that they can apply to, and that will vary, but in most cases it will be the Nunavut Housing Corporation. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Oral questions, Mr. Curley.

#### **Question 136 – 2(1): Plans on Constructing Houses**

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I would like to direct my question to the Minister of Community and Government Services.

As a preamble, in the smaller communities when they are building houses, usually the piles are put in by companies. There are less and less companies that specialize in that field, and usually what's happening is they put in gravel foundations for the houses.

We have to start using the small companies, because, of course, we know that we can use traditional piles instead of using the steel piles. It's possible to have gravel foundations. As the Minister of Housing and Community and Government Services, I think that we have to seriously consider using gravel foundations for the houses because it's better in the smaller communities. Could the minister tell me what plans that they have for the future.

**Speaker** (interpretation): Minister of Community and Government Services, Mr. Kilabuk.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Speaker. I would like to thank the member for posing this question. Again, it's been a concern of the other members in the House.

In the past, they used to cut wooden piles. I would like to assure the member that I will look into the matter and see what's best for the communities. During that time we will

also look at why they have to use certain foundations in certain communities. Thank you, Mr. Speaker.

**Speaker** (interpretation): Supplementary, Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Speaker. I would also like you to include a cost analysis when you are doing the review. We also have to look at the amount of money that we have used, and we also have to include large infrastructure because, of course, we know that they make steel piles to build those huge buildings.

We usually know how much a lot is going to be, and it's going to be no less than \$60,000 if you are going to be putting steel piles in it. The people of Nunavut would be extremely pleased if you could do this review. Are you willing to do so?

**Speaker** (interpretation): Thank you. Mr. Kilabuk.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Speaker. I would like to assure the member that during this review we will also include a cost analysis. There are different costs to a lot in each of the communities, but some are under \$60,000 to develop a lot. But I would like to assure the member that I will look into it. Thank you.

**Speaker** (interpretation): Thank you. Oral questions, Mr. Tootoo.

### **Question 137 – 2(1): New Billing System**

**Mr. Tootoo**: Thank you, Mr. Speaker. My question is for the minister responsible for the Power Corporation. One of my colleagues asked me earlier about when the bills are going to go out in Inuktitut.

Last week, I asked about power bills as well, and the minister had indicated they are on the new system now. Under the old system, under the old billing format, there was a breakdown on the bill that showed you what the rates were, and the hours of usage times the rate equals the amount that you were billed. I think it was the same for the subsidy. The amount that he used over the subsidy, it was at a different rate as well.

I would just like to ask the minister if that information is still going to be available under the new system. Thank you, Mr. Speaker.

**Speaker** (interpretation): Minister of Power Corporation, Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. At this time I do not know, but I would like to tell the member that we will look into it. Thank you, Mr. Speaker.

**Speaker** (interpretation): Supplementary. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Speaker. The reason that I asked that question.... As I had indicated last week, that same day I got my bill was the first one in a couple months, and it didn't have that rate breakdown on there. It showed you what you're being charged per kilowatt hour and I had a number of residents of Iqaluit ask me the same thing. It doesn't show that on there and it appeared that their bills had gone up as a result, for whatever reason.

I don't know if that is just that time of the month or time of the year that the rates, the usage is higher. I would just like to confirm with the minister that they can comfort the power utility users out there that there was no increase on the bill and that the rates are going to be coming out, as always has been, on the future bills. Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Simailak.

**Hon. David Simailak** (interpretation): Thank you, Mr. Speaker. There has been no increase in the power rates. And it is still basically the same. I will look into it, but I can assure the member that there has been no increase in the power rates. Thank you.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Barnabas.

### **Question 138 – 2(1): Financial Support for Beluga Hunting**

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. I will direct my question to Mr. Akesuk.

Hunters are going to be going beluga hunting pretty soon and usually there are businesses that sell the beluga meat and it creates economic wages to local residents.

I would like to ask the minister if he is going to be supporting this.

**Speaker** (interpretation): Thank you. Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. In regards to financial support, we will, of course, have to look into it carefully because maqtaq is very popular and there is money available in my department, with economic development, to provide financial support to the hunters.

We would also work with the Department of Fisheries and Oceans. But, if it is for economic development we will definitely have to work with the economic development department on this issue. Thank you, Mr. Speaker.

**Speaker** (interpretation): Supplementary, Mr. Barnabas.

**Mr. Barnabas** (interpretation): Thank you, Mr. Speaker. Some communities have a hard time selling the beluga meat. Is it possible for the small businesses to get financial support so that they can start intersettlement trading. Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. We will have to see what we can do and see what monies are available for intersettlement trading, either through my department or through Economic Development.

I would like to assure the member that I will look into this and see which departments will be able to provide financial support. I will look into it and keep the member updated. Thank you.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Netser.

### **Question 139 – 2(1): Update on Funding Available for Contaminant Clean-up**

**Mr. Netser** (interpretation): Thank you, Mr. Speaker. I would like to ask the Minister of Environment....

We have heard that there was \$3.5 billion that the federal government has to give to the Nunavut government in regards to cleaning up contaminants. I wonder if the minister can tell me when that funding will be coming from the federal government. Thank you, Mr. Speaker.

**Speaker** (interpretation): The Minister of Environment. Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. And I thank the member for the question. The Nunavut government has requested that amount of funding for clean-up of contaminants. We have some concerns about the communities with contaminants that have to be cleaned up.

At this time, there has been some infrastructure that has to be looked at again to find out what kinds of contaminants are contained in them. The funding that is going to be used for the contaminant cleaning, we will have to review all of the communities and we will request that funding from the federal government.

I will instruct my officials on how we can get some funding for that \$3.5 billion. Once I get that information, I will inform the members in the communities. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Oral questions. Mr. Kattuk.

**Question 140 – 2(1): Grading of Sealskins**

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. I had a question to the Minister of Environment. It is in regards to how it is good that the hunters are able to get some funding from his department for sealskins that they sell.

At times when the hunters deliver their sealskins to the renewable resources officer, it is just returned. I believe that Nunavummiut should be given understanding and clarity as to what kinds of sealskins are taken at the local level by Renewable Resources. Thank you.

**Speaker** (interpretation): The Minister of Environment. Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. For some questions from the members this morning.... At this time, I would like to tell the members that the sealskins that are being sold are from different years. North Bay is the buyer of the sealskins, and there are some sealskins that are returned for various reasons. We have done a study as to why they don't buy them. So what they do is they have a guideline that was in 2000, a price list that was struck in 2000.

So, what we have found out is which furs are bought and which ones are not, in accordance with the grading. So, when they have an auction in North Bay, what we do is we try to understand which ones are not bought and which ones are popular. Our officials have compiled information as to which ones are not bought and which ones are. Thank you, Mr. Speaker.

**Speaker** (interpretation): Supplementary. Mr. Kattuk.

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. The minister mentioned the guidelines, or the grading of the sealskins that are bought and not bought. I wonder if the minister can provide me with the grading so the community of Sanikiluaq can have the understanding of the grading system. I wonder if the minister could provide me with the system that they use. Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. Yes, I will provide the members with the system that they use and give information to the members on the quality of the grading that is used when they have an auction. We will commit to do that. Thank you, Mr. Speaker.



**Speaker** (interpretation): Second supplementary. Mr. Kattuk.

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. I would like to ask the minister again.... At times, when we use a certain calibre rifle, sometimes there is more damage to the skin than others. That is probably the reason why they are not sold, because of the damage that it did to the skin. Perhaps the minister can tell me whether that is part of the grading. Thank you, Mr. Speaker.

**Speaker** (interpretation): Mr. Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. The guidelines are set already as to which skins will be bought. I mentioned that when they do the grading of the skins, and when they do an auction down south of the sealskins.... When they have an auction down in North Bay, all the grading system is in place and it is written in an information form.

So, I will provide the members with the grading system and the various kinds of sealskins that they auction. There are some that come from Nunavut.

As far as I can understand, there are about \$400,000 to \$600,000 in number that we spent, and sometimes we either lose that money or gain a little bit of money during the auctions. So, those types of information will be in place when I give the information to the members. Thank you, Mr. Speaker.

**Speaker** (interpretation): Last supplementary. Mr. Kattuk.

**Mr. Kattuk** (interpretation): Thank you, Mr. Speaker. There is a certain amount set, such as the highest price of seal skin, about \$60. It can reach \$60. It could also be sold for below \$60. I also know that depending on the quality of the seal, if it's not properly done or cleaned, sometimes the price goes down. If the skin is in good condition it could sell for more, but if it's not of good quality then it is less. It doesn't seem to make sense, so I would also like to hear how they grade them that way. Mr. Speaker.

**Speaker** (interpretation): Minister Akesuk.

**Hon. Olayuk Akesuk** (interpretation): Thank you, Mr. Speaker. The member asked how we can best help in selling those sealskin products. They are also selling them at North Bay, and we are looking into giving out information as to how we can have better quality sealskin to be sold in North Bay. What we can do is can look at the Marine Mammal Protection Act in dealing with the sealskin to be sold in the United States to help the people of Nunavut. Thank you, Mr. Speaker.

**Speaker** (interpretation): Thank you. Going back to the orders of the day. Item 7. Item 8. Item number 9. Item 10. Item 11. Item 12. Item 13. Item 14. Item 15. Item 16. Item 17. Item 18. Item 19. Consideration in Committee of the Whole of Bills and Other Matters,

Bill 2 – Appropriation (O&M) Act, 2004-05, with Mr. Arreak in the Chair. We will break for lunch for one hour before Committee of the Whole.

Sergeant-at-arms.

>>*House recessed at 11:41 and resumed at 12:51*

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

**Chairman** (Mr. Arreak): Mr. Kilabuk, do you want to move to the table?

**Hon. Peter Kilabuk**: Mr. Chairman, yes, I do. Thank you.

**Chairman** (interpretation): Mr. Minister, if you can introduce your officials.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. To my left, he will be here with me, and also another official will join us, Assistant Deputy Minister, Shawn Maley. Thank you.

**Chairman** (interpretation): Thank you, Minister Kilabuk. Members, there is a correction for page 8, and we will be expecting to receive the correction for that page.

We are dealing with Community and Government Services. (Interpretation ends.) G-6, G-7, G-8, G-9, and G-10. (Interpretation.) So, those are the pages that we will be considering. We will start off with questions. Mr. Curley had a question.

**Mr. Curley** (interpretation): I have forgotten the question I was supposed to pose. I would like to ask the witness, do we now have any geese in Nunavut, in Rankin Inlet?

**Chairman** (interpretation): Thank you, Mr. Curley. Are there any questions? Minister Kilabuk.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I stated earlier on that I was going to introduce my officials. My Deputy Minister, Tom Rich, and to my right, Mike Rafter.

**Chairman** (interpretation): Thank you, Mr. Minister. Are there any questions on pages G-6, 7, 8, 9, and 10? Mr. Peterson.

**Mr. Peterson**: Thank you, Mr. Chairman. I would like to.... G-9 is included on that page, right? I would like to ask the minister and his witnesses if they could update us on the progress we're making with the water and sewage subsidy funding program.

That was a program that we inherited from the Northwest Territories. When I was mayor of Cambridge Bay, we had a very difficult time understanding how it worked. For the benefit of our community, if he could explain and make any progress in updating and figuring out how that program works, so it doesn't work against communities like Cambridge Bay that have a large number of private sector housing. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you also. Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Taking into account the concerns from the communities, and also our partners, this is a topic of review within the department right now, for us to get a better handle on the situation, an understanding of the concerns that have been expressed by the municipality. So, this is a topic under review right now. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. Can the minister give us some indication how long the review will continue. Will it be completed this year or within a couple of years? Thank you, Mr. Chairman.

**Chairman** (interpretation): Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I expect to have the recommendations come forward sometime this fall. Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. Are our senior administrative officers and their officials from various hamlets involved in the reviews and the discussions? Folks with the hands on experience? Thank you, Mr. Chairman.

**Chairman:** Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. They have been consulted with, however, there are new SAOs who may not have taken part in the process. Those would be the SAOs that have been excluded as part of the consultation. But, the SAOs have been consulted with. Thank you.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Peterson.

**Mr. Peterson:** Thank you, Mr. Chairman. It's good to hear that there is a review going on. In Cambridge Bay, when I first became mayor in January 2000, one of the first letters I had was a letter from your predecessor asking about getting our financial matters in order. A lot of it was attributable to the inequity that existed in the water and sewage subsidy program. So, it is a problem for our community.

Could you, on the same page, update us on the Nunavut Association of Municipalities' insurance program. How is that working? Can you update us, please?

**Chairman** (interpretation): Thank you. Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. As a matter of fact, NAM is progressing very well and right on schedule. So, to date we have been very pleased with progress. By 2006-07, the funding that has been committed to the program will be in its final year, with the outstanding, in the 2006-07, \$500,000, to bring it right up to the committee funds of \$5 million. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Peterson.

**Mr. Peterson:** That's good to hear. That's the way that the program was supposed to operate in the final years. As long as we don't have any major catastrophes like an ice arena or a community hall burning down. I haven't seen any reports for that happening, and I understand the Nunavut fire strategy is working very well with the municipalities. Municipalities have staff in the long-term fire departments who are working hard at getting trained and inspecting buildings, so it's good to hear.

On the same page, down on the municipal lands officer program, there has been a big concern in our community over the years that the \$67,000 that was provided to the hamlets, at least our hamlet, was insufficient. That funding was coming from, I think it was coming from the government of Canada and NTI, but the program ended last year. Then the government stepped in and picked it up, but I see there is no budget for it this year.

There's a general budget. Could you update it on where the funding for that program will come from? Thank you.

**Chairman:** Minister.

**Hon. Peter Kilabuk:** Thank you, Chairman. Yes, the member is correct that there is nothing showing in the 2004-05 because when the federal funding ceased, the Government of Nunavut took over the program and put in funding required to continue this program. You'll notice next year this will then again come under the federal government contribution for that same amount. Thank you, Chairman.

**Chairman:** Thank you. Mr. Peterson.

**Mr. Peterson:** Thank you, Chairman. Is it then that consideration is being given to increase the amounts to municipalities to increase the wages, salaries, and supporting equipment and lands also required in the community?

I think we all realize and understand that when you are in a municipality, land is a critical issue, and you need people that are very well qualified and have the tools to do the job. I'm just wondering if the Government of Nunavut will possibly be considering supplementing what they get from the federal government. Thank you, Chairman.

**Chairman:** Thank you. Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Chairman. I would also inform this House and the member that despite all of our efforts to try and find more money... . Because we realize and are well aware that there has been inadequate funding provided under this program.

We are continuing to work on a new agreement which we hope is successful. More funding can be identified from other sources, not only from the Government of Nunavut. Thank you, Chairman.

**Chairman:** Thank you. Mr. Peterson.

**Mr. Peterson:** I'm not sure what page I can look at here but now I will just ask a question for the Government of Nunavut, for your department, in discussions with the Federation of Canadian Municipalities. They have a green funds program, a federal program that was transferred to FCM for administration and its programming, that has to be matched by municipalities.

I know in Nunavut, probably the only municipality that can match the green funds is Iqaluit. But if any municipality in Nunavut wanted access to green funds could they come to your department for matching funds to apply for a grant from the Federation of Canadian Municipalities, from their green funds program? Thank you, Chairman.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Chairman. I'm just going to ask my deputy minister to give a little more detailed response to that question. Thank you.

**Chairman:** Thank you. Mr. Rich.

**Mr. Rich:** Thank you, Chairman. We don't have a specific matching fund available for communities if they wanted to access the Green Fund. What we can suggest to communities is two things. One is that at some points in time they have made use of reserve funds, where they have substantial accumulated reserve funds, and with permission from the minister can use some of those reserve funds to do special projects and match special projects, particularly if they are not on an ongoing basis.

The other thing is at certain points in time we do have small grants available for various projects that can partner sometimes with other departments also. So, if it's in recreation it might partner with CLEY. If it had to do with roads, or something like transportation, it might partner with funds that were available.

The other possibility is that at times it may match some of our strategies that we are doing in terms of improving municipal infrastructures such as water or sewage facilities. Again, we are more than willing to collaborate with the community if there is an ability to get matching fund and combine the sources. Thank you, Chairman.

**Chairman:** Thank you. Mr. Peterson.

**Mr. Peterson:** Thank you, Chairman. Last September, we had a joint effort between the Departments of Community and Government and Transportation, as it was then called, and the Federation of Canadian Municipalities, in Cambridge Bay. They worked together to do an RFP for review of the sewage lagoons, metal waste dumps in Cambridge Bay. There was a study undertaken over a 3- 4-month period.

Part of the reason why we worked together in a partnership is so that everybody would have input, so that depending on what the study recommendations would be, the proponent being the hamlets and the Government of Nunavut could possibly access the Green Fund program.

So, I am hopeful that will occur. But, the Green Fund folks always say that you require matching funds and that it is virtually impossible for most hamlets in Nunavut to do that. It means sometimes the reserve funds are not there to do it. I just thought I would ask that question and make those comments. Mr. Chairman, thank you very much.

**Chairman:** Thank you. Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. The member's comments are well taken. This is, again, a matter that we are willing to explore further with the municipalities that may have these great ideas that they would like to forward to us. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Any further questions? Mr. Curley.

**Mr. Curley** (interpretation): I was talking about the land officers yesterday, and like I said yesterday, I do not think that they do proper inspections. I was using the five-plex building in Rankin Inlet as an example. They were having a hard time getting certified because it is situated on a lot and another lot adjacent to it; they issue of building permits, and I would think that would be a part of the job of the lands officer and not the contractor. Could you elaborate on how this whole system works?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. I will have to ask my deputy minister to give a further explanation of that. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Rich.

**Mr. Rich:** Thank you, Mr. Chairman. You are certainly right, that is part of the duties and responsibilities of the municipal lands officer. The municipal lands officer obviously works closely in conjunction with the senior administrative official in the community and with the community council.

It is the responsibility of the council, ultimately, to approve the plan for the lot. When the particular design comes in, it is inspected and approved. What often happens in the construction programs is there can be variations in the actual siting on the lots when the construction company undertakes its work. Then you fall into an area of when inspections are done, and whether or not, in fact, the contracting firm did its work precisely as they said they were going to do on the plan.

So, it is the responsibility of the land officer to make sure that the plan conforms to all codes, follows all of the rules and regulations appropriately, but what happens after that is then up to the contractor and the municipalities. Thank you, Mr. Chairman.

**Chairman:** “Qujannamiik,” Mr. Rich. Mr. Curley.

**Mr. Curley** (interpretation): As that is the case, is it possible for your department to ask the lands officers.... Or, are you going to provide training for those lands officers so they know what their roles and responsibilities are? Thank you.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I am very pleased to inform the House that we are going to have an MTO, municipal training grant. We do not have a municipal training grant and we have approximately 34 individuals who participated in that training program.

We are going to address some of the concerns that were identified by the communities in regards to having training available, but we will go ahead with the training of the lands officers. Thank you.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): I would be extremely pleased to see this program go ahead, but I would like to instruct or tell your department that you should put it in writing.

Once these facilities are built, they're leased. That means they have a hard time getting long-term financing. Usually, what holds up the whole system is the bank; it takes them a long time to approve it because they have to assign the leases prior to getting approval from the bank. There are a lot of legal requirements when you're going to be building a house. For example, it would be the same as trying to get a mortgage. Usually, what happens is they go into long-term financing with the bank.



I think that it would be better if your department wrote a letter or put out the information out there. For example, building permits are extremely important not only to the contractor, but also to the other stakeholders, and the banks, and everything else.

So, I think that your department should write a letter urging them just to speed up the process.

**Chairman** (interpretation): Mr. Kilabuk.

**Hon. Peter Kilabuk** (interpretation): We have initiated the process and I would like to inform the House that there is training provided. The training is recognized.

On top of that, their training is initiated, and in regards to what the member is saying, I will get the information and write a letter and inform the stakeholders of training programs available. Thank you, Mr. Chairman.

**Chairman** (interpretation): Anything else, Mr. Curley?

**Mr. Curley** (interpretation): I would just like to thank the minister and I would urge him, again, to get the information out there.

I know that some of the communities are doing extremely well in providing training. When I was working for the corporation, some of the communities were extremely slow, and they thought that we were urging them too much. In the construction business, you have deadlines, you have the ships to bring in the supplies, and we have to urge everybody to do everything in a timely manner in order to meet the deadlines.

When there are a lot of stakeholders and when you have a lot of tenants signed up for the lease, it's a pretty cumbersome process. So I would like to urge your department to write up the letter, because it's the construction contractor who has to deal with the whole process, more than the stakeholders. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Curley. I didn't hear a question. I have no other names on my list. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chair. I know that on community support, I have a number of questions over the few pages here.

I'm just going to start off with each one on G-7, on the equalization. There is a decrease in funding there. I would just like to ask if that was the result of no longer needed funding for equalization or a cut in the budget because of fiscal restraints. Thank you, Mr. Chair.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. Yes, the member is correct. Historically this funding had not been expended and lapsed, so taking the history into account it was reduced accordingly to the best of our records at the time. Thank you.

**Chairman** (interpretation): Thank you. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I look at the equalization, if they could provide grants to assist municipal taxing authorities in the provision of municipal services to community residents. I heard here, over the time, and even as the minister is aware, a number of the hamlets have gone into deficit, and they're saying it is because of the fact that they don't have the resources to meet the needs of their basic services.

So, I would just like to ask minister, are there certain things that the municipalities do that don't qualify under this program? Why have they all applied for the funding? Thank you, Mr. Chairman.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. I will clarify that this one applies only in particular to the tax-based city of Iqaluit. Thank you, Mr. Chairman.

**Chairman:** Thank you. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I know that the city is struggling with making ends meet. Is there a reason why the amount that was there was not being utilized? What types of things qualify under this program? What dozen other things is the city saying that they want to have some funding for that did not qualify according to the program? Thank you, Minister.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. I guess in trying to answer my colleague's question about the areas the city has identified, I would have to ask my staff and see if they have responses they can share with the member on his question. So, I turn it over now to my deputy minister for his latest discussions. Thank you.

**Chairman:** Thank you. Mr. Rich.

**Mr. Rich:** Thank you, Mr. Chairman. The equalization formula goes back quite a while. Actually it is on an old NWT formula that was carried over, as most formulas were carried over. Essentially what happened in this case is because the property tax base has increased substantially in Iqaluit, they get now substantially more revenue from property tax because of all the building that has been going on in Iqaluit, and as a result, their equalization grant is offset by the property tax grant.

Historically about \$614,000 is the maximum that's ever been generated by the formula for Iqaluit, and we were lapsing every year. The difference in the funds between \$614,000 and the \$768,000.... So, we simply reduced it to the amount that it was historically, then the amount that was paid out under the formula.

As the minister mentioned earlier, we completed a review of the MOK formulas, and we're now in the process of formulating the recommendations of how to improve and rationalize all the MOK formulas. We have a number of little things like this that need to be folded into the overall improvement of the formula. Thank you, Mr. Chairman.

**Chairman (interpretation):** Thank you. Mr. Kilabuk, did you want to make a supplementary comment?

**Hon. Peter Kilabuk:** Yes, I'll just add for the record that if it is identified after the 2004-05 year, if there is a higher need for this funding, then it is something that we would definitely visit with the city of Iqaluit at that time. Thank you, Mr. Chairman.

**Chairman (interpretation):** Thank you, Mr. Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. As he indicated that they use an old formula.... I know that many of the formulas that this government uses.... I know the minister and his deputy are aware of the old-school funding formula, that there are problems with it. I am talking about the Water and Sewer Subsidy Program formula and there are problems with it. Given the reviews in place, I could imagine that the costs have changed over the years since it was put in place.

Again, one would automatically think that there would be a requirement for more funding because of cost increases and inflation. Are those things that are being taken into consideration on the review of the formula?

Also, is the departmental staff consulting with the city in developing a new formula and in identifying some of the new areas that may not have been covered under the formula, at the time it was developed? If there are any new areas that were missed, to be included? Thank you, Mr. Chairman.

**Chairman (interpretation):** Thank you. Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. The current formula that is being used has been very successful, and we feel that it has been a very good formula. Also, at the same time, the equalization has been very representative of the needs out there. We have some formulas that we know are working to our advantage and the municipalities' advantage.

As we stated earlier, we have been reviewing some of the other issues under our municipal structure. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chairman. I just want to ask if the city and the council and the administration have identified any areas of concern with the formula that they would like to see included or changed in how this funding is allocated. If the minister could indicate if there were any and what they were. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. If my memory serves me right, and I will ask my DM to confirm this, I guess more of the issues that have been brought forward have been with capital funding and mostly not a lot of other issues under the O and M side. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Tootoo.

**Mr. Tootoo**: Thank you, Mr. Chairman. I know, for example, you have some of the utilidor lines being changed, some of them are quite old. They are saying that it costs a considerable amount of money to repair these things, as they fix when they break. Are those types of things taken into consideration under this formula?

Again, I would like to know, are there any specific areas that the city has identified that it has issues with in the equalization formula for the O and M, for the delivery of municipal services to the city residents? Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I guess I will be trying to respond with detailed information that I have available to me, so maybe I will get Mr. Rafter to put some light on the question. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Rafter.

**Mr. Rafter:** Thank you, Mr. Chairman. The city is funded through a very complex formula for grants in lieu of taxes, as well as equalization. The grants in lieu of taxes is based on mill rates, which are set in consultation with the Department of Finance to meet city needs.

As the Government of Nunavut acquires property within the city of Iqaluit, the need for the grant increases. It has a very linear effect. We are certainly reviewing the amount of grants in lieu of taxes and anticipate over the course of this fiscal year that it will likely increase. Thank you, Mr. Chairman.

**Chairman:** Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Something has been in the media recently; the city is saying there is no money to fund the recycling program, which is.... You know, one would consider that a municipal service, for garbage delivery, and even we have a separate ministry of the environment. Would that be something that could be considered under operating costs for this program? Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Currently probably not under the operating funding, but this is an issue that we would be in a position to discuss further and see if there are options we can look at to meet that need. Thank you, Mr. Chairman.

**Chairman:** Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. The city is saying that they are thinking of scrapping it now and sending it to the recycle bin, so to speak, because they cannot afford it. But, could the minister commit to looking at this issue with the city so that they can deal with this issue in this fiscal year so they would not have to waste all of the money that they have started in getting the program running?

It supposedly was expanding. I think it is a great program that is desperately needed, when you look at all of the problems that we are faced with at the land fill site, prior to that with all the burning and the like.

So, I am just looking for a commitment from the minister to try and work with the city to resolve that issue, possibly through his department, through equalization payments so they could continue to operate that program. Thank you, Mr. Chairman.

**Chairman:** “Qujannamiik.” Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. If the city would come to our department for possible solutions to the shortfall then we would be more than happy to look at this closer, plus possibly other partners that we may be able to set. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. And thank the minister for his commitment and willingness to work with the city, with all of the other municipalities across the territory.

Moving on to the municipal training grant and, again, there is a decrease of \$30,000. I am wondering if I could get some clarity for the record: is that because it is not needed or a direct result of budget restraints in the department? Thank you, Mr. Chairman.

**Chairman:** Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Well, I guess you see the negative effect today of some very positive developments that have occurred over the last while.

The reason for the decrease you see there is as a result of a lot more partners that have joined us to run these programs. I will just quickly run down through some of the partners that we are working with. We have got the Nunavut Association of Municipalities, Kakivak Association, Rural Development Initiatives, Kivalliq Partners, Kitikmeot Inuit Association, Nunavut Arctic College, Nunavut CEDA, Municipal and Community Affairs. There is a lot of monetary support.

Mr. Chairman, I am very pleased with the new partners that we have got to run and offer the municipal training programs. Thank you.

**Chairman:** “Qujannamiik,” Minister. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. That is good to hear, that we could use less of our money and that there is more of other peoples’ money, so that we could see that happen more in other areas.

Just on the leadership forum, there is a cut of \$50,000 and I am asking, is that because your rates are going down, to be able to hold these meetings, or is that due to budget restraints? Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Unlike my first response, unfortunately most of this is due to financial restraints.

However we are again looking at other options. We may be able to review and seriously consider how to help us offset the costs of running the Nunavut Association of Municipalities. So, we are looking at options and trying to do more partnership arrangements. Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. The leadership forum.... I know a few years back, they had a territorial one where all the mayors and SAOs came in. I think it was held here in Iqaluit. There was also regional leadership forums in each of the regions. Is that what this funding goes towards? Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Yes, this mostly goes toward the regional meetings. Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. So, are there no more territorial leadership forums for mayors and SAOs to get together to share regionally any common issues and concerns or to try and get together to come up with strategies to try and deal with some of the challenges that they face? Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Through the Nunavut Association of Municipalities and our partnership arrangement, we have annual meetings with all the mayors and SAOs. This has turned into a very good partnership, to continue these ongoing meetings.

Also, as I just indicated, the regional meetings will also take place. Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chair. The \$150,000 that was there in previous years is down to \$100,000 now. Is the department still anticipating having the same number of meetings and the same level of participation? It will be up to the municipality to decide whether they're going to have to foot the bill more, now, to have someone attend these meetings?

Given the financial situation of some of the municipalities that can't afford it, will there be any other additional assistance to be able to help those that don't have the resources for something like this? Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Well, despite the \$50,000 reduction we see here, I am glad to report that we still have been able to track the same number of participants at these meetings.

As we indicated, due to the financial restraints it has led to a reduction to the budget, however, we are still able to meet. We were still able to have the same numbers, despite the reduction. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I guess if the municipalities want to have the same representation at the meetings, they're going to have to pay for it themselves out of their own resources, instead of getting that extra funding from this grant. Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. I guess I should have mentioned this earlier, but the municipalities are expected to help cover some of these costs and this is money that we use to assist them.

So, it's been a cost sharing effort all this time and I have been led to believe that the \$100,000 in the budget today is still adequate as assistance to the municipalities. Thank you.

**Chairman:** Thank you, Mr. Minister. Final question, Mr. Tootoo.

**Mr. Tootoo:** Thank you, Chairman, I'm watching the clock. My last one on this is the community development fund. Again, there's roughly a \$600,000 decrease. I noticed that there was a decrease in the budgeted amount last year, about \$50,000, and then roughly another \$500,000 this year. A direct result of fiscal restraints on the department or as a result of not needed funding? Thank you, Chairman.



**Chairman:** Thank you, Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Chairman. Not to be amusing, we're sending money up and down the ladder here, because this is a result of some other very positive trends over the life of this program.

I guess the biggest factor which contributes to reduced requirements for this program is result of the Municipal Training Organization and their enhancement of our programs and attracting the partners it's been able to. This has required less use of the initial budget, because of the positive impacts the other side has been having. Thank you, Chairman.

**Chairman:** Thank you, Mr. Minister. If you have any more questions, Mr. Tootoo, I will get back to you later. Mr. Curley.

**Mr. Curley (interpretation):** Thank you, Chairman. I think I'm going to have quite a few questions and I have to go to the airport at 2pm. According to rule 6(2)(a), I would like to not discuss the department past two o'clock.

**Chairman (interpretation):** There's a motion on the floor. The motion is in order. All in favour of the motion, please raise your hand. Opposed? Abstain? The motion is carried. Mr. Curley.

**Mr. Curley (interpretation):** Thank you, Chairman. Under G-9, I have a question on water and sewer services block funding. It's over \$5 million. Is Iqaluit included in here? It cost over \$7 million for the sewage treatment centre in Iqaluit.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk (interpretation):** I'm sorry, I didn't really hear the question, can he elaborate on it please?

**Chairman(interpretation):** Mr. Curley, would you like to elaborate on your question?

**Mr. Curley (interpretation):** Thank you, Chairman. The water and sewage service block funding is \$5 million. The Iqaluit sewage treatment centre cost over \$7 million at that time, or was it done before the Nunavut government became a reality? I think the \$5 million is included in here for the treatment centre.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk (interpretation):** Thank you, Chairman. No, it is for the operation for municipal services. The one that you are talking about comes from the capital funding. This one, on this page, is for the operations and maintenance. Thank you, Mr. Chairman.

**Chairman:** Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Yes, this block funding, when it is allocated.... I will need some clarification on terms and conditions on the allocations of the block funding contribution. Everything is all written down, or do they inspect this during the process of this work? Thank you.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** (interpretation): Mr. Chairman, I will have my deputy minister elaborate to the question. Thank you.

**Chairman:** Mr. Rich.

**Mr. Rich:** Thank you, Mr. Chairman. The block funding is a grant to assist on water and sewage and it assists the communities above and beyond what they gather from the water and sewage taxes that they have.

They have, under the accounting guidelines that we use, specific expenses that can be allocated to water and sewage funding. Part of the review that we do every year, actually on a quarterly basis, is the review of the expenditures to make sure everything is appropriated to the right categories of expenses.

So, the only thing that they can use the water and sewer block funding for is for operations specifically related to water and sewage funding as shown on their audited financial statement. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Rich. Mr. Curley.

**Mr. Curley** (interpretation): I thank the official for his remark. I think the question I was going to pose has passed and I think the contribution, or the \$4 million was.... I do not see it.

My question would be, since DPW, previous Department of Public Works and Community Government Services, would the programs and service expect to see the terms and conditions, because at times when the contractors do not complete the work they are supposed to do, that seems to get all lost.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Well, that would be the two full departments that are now under one new department. It really does bring the team players much closer together and that has allowed us to work much closer, the fact that it is now under the direction of one deputy minister and one minister.

So, I can report to the House that as a result of the change and the two departments, the former departments' requirements at the time are now much more closely monitored. Therefore, I should really see some improvements in that field. Thank you.

**Chairman:** Mr. Curley.

**Mr. Curley** (interpretation): That is it. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. I have no more names on my list for general comments or questions. Moving on to page G-6, -7, -8, -9 and -10. I apologize. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I am sorry about that, I was being lobbied by the Minister of Education on something; I could not be in my desk, and I hope he is listening.

On the community development funds, just a couple of quick questions. It says to provide reasonable amounts of funding to communities.... How is that negotiated? Who determines what is reasonable and if this is what you are getting coming from the department, or is it something that is negotiated and comes to a consensus on with the municipalities? Thank you, Mr. Chairman.

**Chairman:** "Qujannamiik," Mr. Tootoo. Mr. Minister.

**Hon. Peter Kilabuk:** Yes, the, sorry, Mr. Chairman. (Interpretation.) I lost my English. Perhaps, if I could respond by saying that when the \$10,000 is allocated to the communities.... Thank you.

**Chairman** (interpretation): Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I was just wondering if this is what you're getting, despite what you asked for as a type of approach on it.

It was on the news the other day that, I think it was Cambridge Bay was asking for \$160,000 and the department was only going to give them 80. So, if it was more on that type of a thing, or was it a negotiated amount? But, the minister had indicated that it's a straight figure for each community.

So, I would like to thank him for that. What types of projects qualify under that program? It talks about administrative projects. Could we just get an idea of what types of projects are covered under that program? Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Minister.

**Mr. Kilabuk** (interpretation): Thank you, Mr. Chairman. Mainly for the programs of training, the SAOs. Usually, this is mainly used for the training of the SAOs. Thank you.

**Chairman** (interpretation): Thank you. I have no more names on my list for questions. We're on community and government services.

(Interpretation ends.) Community support. Total, Operations and maintenance: \$43,907,000. Do you agree?

**Some Members:** Agreed.

**Chairman:** Go to page G-11. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. I don't think we have seen the revolving funds being tabled, so therefore I would like to ask about last year's expenditures for fuel.

I don't think the reports have been tabled by March 31. Perhaps, we will expect to see around June 30 the last year's report. And, perhaps if you can estimate the.... Do you expect to see the sales go over \$75 million, and what do you expect the sales to be?

I know that you'll table that some time in the future. Can you give me some kind of estimation on that figure? Thank you.

**Chairman** (interpretation): Thank you. Mr. Minister.

**Mr. Kilabuk** (interpretation): Thank you, Mr. Chairman. The expenditures are now being prepared and finalized.

Mr. Chairman, my colleague, if I'm correct.... I would ask him to turn to page 16. We will do the revolving fund on that page. In regards to his question, we're now on the final pages. Once I know when I could table them, I will let you know. Thank you.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. I know the price is increasing. If you expect it to be \$75 million.... I know that at that page I'll be asking that question. But, one issue that I'm concerned about which you are aware of — it's not just for the sake of having a concern.

*Ikuma I* and *Ikuma II* reports.... Once they were tabled, there were many recommendations by the consultants, and some of the recommendations were followed by the Petroleum Products Division.

One thing that I would like to say or ask, since they made a recommendation to move the petroleum products responsibilities to the department in the *Ikuma II* report: have you agreed to all the recommendations in *Ikuma II* which were made by the consultants?

**Chairman** (interpretation): Thank you, Mr. Curley. Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I apologize, according to my knowledge, I don't think that all recommendations were acted upon and as we speak, some of the recommendations are under discussion.

So, therefore I don't have any other explanations at this time. I don't want to give him a guess as an answer. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Minister. I want everyone to be aware we're on page G-11 and G-12. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. Since they are connected together, that's why they don't have the *Ikuma II* report in front of them. But, when we look at the business plans on G-28, and there is petroleum product in there, on the same page there is revolving funds. They can't be totally split up; they're connected, so my question will be connected to G-17.

Looking at this business plan, under page G-29 under your priority plans, in the second bullet of the priority list, the department and the government organizations will be amalgamated, and following the recommendation, *Ikuma II* reports that the PPD will be moved there. That's what I'm interested in, and that's within the *Ikuma II* report.

But at times the wording is not clear. I can't really understand clearly the *Ikuma I*, *Ikuma II*. The consultants worked very hard, and it seems like even if this a Crown corporation, it is still going to be very expensive.

Where would the money come from, this \$500,000 under contributions? Would that be used for the overhead of staff during the transition, during April 1, 2005?

**Chairman**: Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Mr. Chairman, yes, the \$500,000 is a contribution, and the objective is to provide funding for the transitions of the Petroleum Products Division to QEC. More importantly, the environmental site assessment.... For example, if there was a spill, we need to spend money. Also for information technology, and that money is used for legal fees or lawyers' fees. Thank you.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Yes, it doesn't seem to say that on page G-12. According to my understanding, the Qulliq Energy Corporation transition contribution is to ensure smooth transition of the Petroleum Products Division to Qulliq Energy Corporation.

In Rankin Inlet, I think there were 13 positions that had to be transferred, and these employees did not want to move. Where would you find people to fill the vacant positions in the Qulliq Energy Corporation?

**Chairman** (interpretation): Mr. Minister.

**Mr. Kilabuk** (interpretation): Thank you, Mr. Chairman. Just to elaborate further, the staff will not have to be transferred. In regards to his question on the page where the \$500,000 is, it is to contribute to ensuring a smooth transition of petroleum products into Qulliq Energy Corporation. As I have indicated, it's for the smooth transition, for example, the computers and legal fees. It's mainly geared towards that. So, I'm just explaining further, if the explanation doesn't have enough information.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): What I'm trying to say is that the Petroleum Products Division and Power Corporation purchased fuel. So, there is going to be three Petroleum Products Divisions; the staff will remain in the same location in the government services, the new corporation will require more staff.

The government funding that is allocated to them is going to increase from the sales, and looking at the revolving fund, there is always a small deficit. That's why we increased it to \$19,000,000.

My question is, do they have an adequate, proper business plan if you're going to be giving the contribution for Qulliq Energy Corporation? Is it just verbally a transition or do they have concrete plans?

**Chairman** (interpretation): Mr. Minister.

**Mr. Kilabuk** (interpretation): Thank you, Mr. Chairman. I wanted to say thank you properly, Mr. Chairman. I ended up coughing.

Just recently, since it's time to transfer before the transfer, the business plans are now being worked on, and I can indicate to the member that I want to have a proper business plan for that. Thank you.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. There is another issue. Nunavummiut should understand.... They expect that this would be a much better system, but I don't think it was just one option. Some private sector would be phased in. Isn't it time that there be a separate one for Kivalliq, Kitikmeot, and Baffin? This \$19,000,000 that's being borrowed would not have to go back and forth.

One thing that I'm concerned about as a member of the Legislature here, this \$19,000,000, I think, is just going to be transferred from the Petroleum Products Division to the Crown corporation. They would receive royalties from there. There are no other private corporations set up like that. The Crown corporation will just operate.

I think 50 years ago the ships that transported oil were in the same system, but at this time, the funding that's going to be used.... Is that a very good investment? It's not just going to be \$500,000. I'm sure this figure is going to be increased next fiscal year. I don't know.

The Petroleum Products Division and NCPC have authority to purchase fuel. They were operating very well even though they were two separate departments, as the Auditor General had concerns with regards to the Crown corporation, the stand-alone corporation.... Aren't you concerned about that?

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. This contribution is a one-time contribution, and after that, in the next fiscal year, it will not be there. That is why this contribution is not going to increase, because it is a one-time contribution.

On the concerns that have been raised, because we don't want to go into concerns, this \$500,000.... There is going to be a contribution agreement so that this will go smoothly. Thank you.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. I am not trying to make a big thing out of it. Nor am I trying to hinder anything, but with a corporation this size, it has to make money in order to operate on its own, and you have to increase the price of fuel in order to generate the revenue that it needs. I don't think that these corporations should get their subsidies all the time.

With that, I would like to suggest that the PPD should stay as is and not be moved to the Energy Corporation. A lot of us are not comfortable with the corporation; we don't even know who the board of directors is, or who is accountable, because at this time we are talking to the minister responsible here.

I think that we should be assured that we are not going to have any ongoing problems if this is moved. Initially, what happens is if you are going to set up a corporation, you get a loan from the bank to finance the deal. What would happen if we take this \$500,000 out?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. We were directed to set up the operations so that they run smoother. In order to do that, we set up this transition

contribution for the Petroleum Products Division. The member is making very good comments.

Of course, I cannot make this decision by myself because I have to work with the cabinet and the Premier. Under their direction we would be able to tell you exactly what we are going to be doing. Those are very excellent questions, but I cannot answer them at this time, because I have to consult with cabinet members.

With the transition contribution we would like to have a smooth transition of PPD to Qulliq Energy Corporation. There is room for improvement so it will have a smooth transition and so that we can deal with the problems or the concerns of the people out there. Thank you, Mr. Chairman.

**Chairman:** Thank you, Mr. Minister. Mr. Curley, your time is up. If you would like to make further comments, please feel free to do so afterwards. Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. It shows \$11,838,000 for contract services. I'm just wondering if the minister could explain what those contract services are. Thank you, Mr. Chairman.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. The breakdown is as follows: one, GN facility leases, non-housing, to the tune of \$10,200,000; two, senior technical personnel from the following companies for \$1,600,000: CGI Info; CNC Global; and the numbered 1112197 Ontario company.

Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. These are leases for government office buildings and other buildings that the government utilizes. It is strictly just for the government or do they deal with things that the municipalities have as well? Thank you, Mr. Chairman.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Mr. Chairman, these are just for those under the government. Thank you, Mr. Chairman.

**Chairman:** Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. The one-point note happy reduction. You see over even from the Main Estimate made in amount last year to the revised Main had dropped down a million it's down another million close to this year. I'm just wondering if



the minister could explain this: less spaces, less units, or buildings that we're leasing? Or, is it just a result of renegotiation of leases? Thank you, Mr. Chairman.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Also, a big contributing factor is partly attributable to the Government of Nunavut purchase of the Sivumut Building. Thank you, Mr. Chairman.

**Chairman:** Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. Given that factor in there, the rest of the leases overall... Are they going up, or are they going down, or are they staying the same? Thank you, Mr. Chairman.

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. Without going into detail of where and why, they have been going down. Thank you, Mr. Chairman.

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

**Mr. Tootoo:** Thank you, Mr. Chairman. Just for clarification: is what's included in purchased services for consultants, or does that fall under contract services, janitorial contracts, or what exactly? Thank you, Mr. Chairman.

**Chairman:** Thank you. Mr. Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. I guess the explanation would be for phone bills and also computer data loops. So, it is for those related purposes. Thank you, Mr. Chairman.

**Chairman:** Mr. Tootoo.

**Mr. Tootoo:** Thank you, Mr. Chairman. I know, again, as a reduction, because.... We don't need as much, or as fiscal restraints on the department.... Thank you, Mr. Chairman.

**Chairman:** Minister.

**Hon. Peter Kilabuk:** Thank you, Mr. Chairman. I've been led to believe that historically, the expenditures have been lower, and as a result we see that here today. Thank you, Mr. Chairman.

**Chairman:** Thank you. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Chairman. Looking at the figures here, usually, the more information we get, the more questions we have.

Looking at last year's figures and looking at this year's figures, there is quite a huge cut in here for this year. We do know that when you were budgeting last year, there was a decrease and then again there were further reductions this year, so there is room for deducting the expenditures.

It's obvious that the Qulliq Energy Corporation does need money after this coming year. Of course, since we see all these reductions over the years, it is now obvious that we're channelling those funds to the Qulliq Corporation. We know that it has to be financed by the government, but I'm concerned about this issue and it's very obvious that there is going to be a fuel price increase.

As the minister of government services stated yesterday, because of the world prices the price of fuel will most likely go up. The Petroleum Products Division has 13 employees and they cost approximately \$1.6 million, for the pensions and everything else, in one year. That's quite a large amount of money that is being used for PPD.

If you're going to set this up, if you are going to have this transition, if we delete this \$500,000, I'm sure that you can still set this up. You can probably get this transition going. If there are people that have to be relocated, and they don't want to, or can't because of the lack of funds, what's going to be happening with those people that currently work for PPD?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. As I stated earlier, if any of these individuals.... We're not overly concerned about the people that would not want to move from Rankin Inlet, but I would like to say that there are 26 employees in total who work for the Petroleum Products Division: 16 of them are headquarters; 3 are in the Kivalliq Regional Office; 3 in the Kitikmeot Regional Office; and 4 in the Baffin Regional Office. They are full time employees, and they total 26, that are in the three regions.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Alagalak.

**Mr. Alagalak** (interpretation): Thank you, Mr. Chairman. It seems quite obvious that since this was created and the first Assembly approved this transition, if you look at the bare bones it seems like it hasn't been properly planned. But, it was approved by the first Assembly which I'm very proud of. But, I am very concerned about the fact that it wasn't properly planned and that it is not going to be a good news story for the second Assembly.

I think that it wouldn't be good for government to approve this. I don't think it's the right time to approve it now. I think it would be better if we do proper planning, build a solid

foundation on it before initiating. Our government's mandate is to make sure that everything is running smoothly. Do you figure that this is a good move?

**Chairman** (interpretation): Thank you. Mr. Kilabuk.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I cannot respond to your question at this point because I am not sure what concerns are going to come out of this move. What I can say is that we have been given the directive to go ahead with this to make sure that everything runs smoother. That was the directive that we had from the cCabinet. The reason why we got this directive is to make sure that everything runs smoother.

In regards to that question from the member, if you have concerns about it or if you need more information on how this is going to go, we can provide the information in order to alleviate some of the concerns that you have. Of course, there are going to be concerns from the other communities. Thank you.

**Chairman** (interpretation): Thank you. Mr. Alagalak.

**Mr. Alagalak** (interpretation): I have another question, too, that there is no other money for gambling. If you look at it that way, just before I finish my question off, if the Nunavut Power Corporation was not running smoothly.... We were told that there is some funding allotted for contractors or consultants to do the work.

I just wondered, if Qulliq Energy Corporation was not going to run properly, is there something in place?

**Chairman** (interpretation): Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I will answer the question as Minister of Community and Government Services. I could say that as far as my department is concerned, we cannot really predict how smoothly it is going to run at this time. But, if there have to be other avenues that we could use to make it run properly, then we would look for them, but I cannot say right now what it is going to be. But, we are always looking for improvements, and I am sure that we will find out, in the coming year, what we have to do improvements on. We have to wait until it is running. Thank you.

**Chairman** (interpretation): Mr. Alagalak.

**Mr. Alagalak** (interpretation): Yes. Thank you, Mr. Chairman. I would like to thank Minister Kilabuk for his response. We will be able to give Mr. Kilabuk some direction when we feel that the corporation is not working properly. We will give suggestions to the minister at that time.

At this time, I would like to thank the minister for responding to the questions that I had earlier on. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you, Mr. Alagalak. That is not a question, it is just a comment. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. The response by the minister.... I have a concern because there is no plan in place. It seems like they just want to let it go ahead at this time, and then you will find out that something is wrong. That is exactly what the Auditor General was saying, that if you don't have a plan in place, and if you don't know how much money you are going to have return on them, then don't go ahead with something.

The *Ikuma* II Report is not a plan and is not a foundation. You cannot just say yes to all the consultants' reports. It has to be done by the members of the House, include the members of the House.

I think I have a concern. I am asking the minister about that \$500,000: if it is not used, would that be used for some emergency money? Once you get a plan in place, you can start it after April.

**Chairman** (interpretation): Thank you, Mr. Curley. Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. Just to clarify, like I said, that the members of the House and the cabinet.... I was told by the members of the cabinet that this was a directive from cabinet. I can't really answer it at this time; the \$500,000 is going to be used for a contribution. That is what I said.

Other members can probably tell me if I they think that my answers are not adequate. What I was saying is that we have a better plan in place. I am sure, like I stated earlier, that if changes should be made, we will make some changes.

I said earlier on, too, that the plan became a reality for the operations of the Qulliq Energy Corporation. There is a working group that is in place for the planning of the operations of the Qulliq Energy Corporation. They come from Community and Government Services and the Department of Finance working group. They will be doing the planning for the operations of this. Thank you.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Yes, I understand, or am starting to understand, if they, perhaps, give us an overview of what the plans are in place. But it seems like there is nothing much happening in regards to the Qulliq Energy Corporation at this time.

The Petroleum Products Division, I think, have to be appreciated. I would have to say I appreciate them because they have worked very hard with their operation and then they are going to get rid of them.

What are they going to do now if they don't move to the Qulliq Energy Corporation, because it is going to have to have the staff to run the Qulliq Energy Corporation. And, if the money the government is spending is going to get larger, it is not going to get any smaller.

That is the thing we don't really understand. That is a great concern. That is why we are asking those questions. That item, \$500,000.... Isn't there a way we can defer that and hold off until April 1?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. The plan that we have in place.... If we are going to continue with the plan that we have at this time, what we're asking for from the members of this House is support so that our staff, from my department's point of view, the people that are going to be working at the PPD.... I could only answer for my department at this time, but what I have to say is we would like some support from the members of this House for the transition.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Yes, thank you Mr. Chairman. Perhaps you're having a very good transition but you can't have a smooth transition if there is no plan. If you tabled a written plan that your department has in place.... We have never seen the president, and if there is no plan in place then we don't really have the confidence to vote on this.

There is a concern that Nunavut people might not be very happy about that. I would ask you how long is it going to take you to put up the plan and will you be tabling it in the House? When will we hear from you? Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Minister.

**Hon. Peter Kilabuk** (interpretation): Yes, thank you, Mr. Chairman. It seems like during the session of this House.... The plan will probably not be put in place, but probably we'll bring the plan about in the fall session. It seems like it is going to be a little bit late for this time around to put that plan in place.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): Even if you don't have the whole plan in place.... There is a president that is already on the board. If the board is already in place, can you tell us

how many board members there are, and who they are? Perhaps, if you don't name any names, you could tell us the number of the membership.

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. If I understand his question correctly, this is the responsibility of a different minister. I think he's asking me a question that should be answered by another minister.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): Thank you, Mr. Chairman. The \$500,000 is going be.... It's a grant or contribution to the Qulliq Energy Corporation. They have a board of directors. Is there a board of directors in place already?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. As far as I know, yes.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Thank you. Perhaps I could go back to your department. The Petroleum Products employees, past employees.... Apparently, they're not moving, so what happens to their jobs? Would they be given a chance find employment within the government?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I am sorry, Mr. Chairman. Perhaps if I could clarify it a little bit more from the member's community and from our department, and the name will just change; the department increase will just move on.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): The staff of the Petroleum Products was just stated by the minister.... To your knowledge, Mr. Minister, I am not really worried about the employees in Rankin Inlet, are there going to be any employees passed forward from the community of Rankin Inlet to the Qulliq Energy Corporation? Are there going to be some transferred from Rankin Inlet to another community? Is that one of the directions that the department received?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. As far as I know, the employees will be the same people. They are not going to have to be replaced. Thank you, Mr. Chairman.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Just to ask a further question, the staff, the employees who do not want to be transferred.... Did you already conclude an agreement with them, or are you just going to start doing that after April 1, 2005?

**Chairman:** Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I will have my deputy minister respond because he has been working closely, having close discussions with them. So, I am going to ask him to answer in detail. Thank you.

**Chairman:** Mr. Rich.

**Mr. Rich:** Thank you, Mr. Chairman. The number of employees identified is essentially the same. The employees will still be employed in the same positions, in the same communities.

So, it is a net, it is just simply a change of names. Before, the minister said that they now become a part of the Qulliq Energy Corporation, and the pay will be the same or better. Thank you, Mr. Chairman.

**Chairman** (interpretation): Thank you. Mr. Curley.

**Mr. Curley** (interpretation): So, those are the things that we are interested in hearing. So, they will not be transferred, like when we say "new" it means "transferring" in Inuktitut.

Will they be transferred from Petroleum Products to Qulliq Energy Corporation? The staff will remain in the community, but they will now be working at Qulliq Energy Corporation, do I understand that correctly?

**Chairman** (interpretation): Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. Yes. That is how it is. You are understanding correctly. Thank you.

**Chairman** (interpretation): Mr. Curley.

**Mr. Curley** (interpretation): Yes. That is why I have been stating that there needs to be a plan. You talked about maintenance, and it is still going to be using the high sums of money. The overhead cost will be over \$1 million because of that, that is why we want to hear as soon as possible. I do not believe that this was the best alternative for the reason,

as some of us state, that this \$19 million dollars is expensive, and a huge sum of money for the operations, sales, and delivery.

I believe that the private sectors should be making the report and ask what are your views on that, or for your position on that, rather than making a report on something that the government had already completed. We should also be involved in the consideration whether the private sector should be involved.

That's the reason why I'm asking this question. Prior to April 1, it would be ideal to provide progress reports in regards to this issue. That way, you will receive more support from the members. Would you agree to making progress reports?

**Chairman:** Mr. Minister.

**Mr. Kilabuk** (interpretation): Thank you, Mr. Chairman. I will want to provide information to my colleagues as we proceed with this and to elaborate further as to what the impacts are on us, on the separate staff at the local level.

As I have stated personally, myself, if this is taken on by the private sector, I don't have any information on that. But, I agree with my colleague that we need to provide detailed information to the public as we proceed with this. Thank you.

**Chairman** (interpretation): Thank you, Mr. Minister. Mr. Curley.

**Mr. Curley** (interpretation): Thank you. Yes, I like your statement, but I would like to state that all the chambers of commerce and all the suppliers are quite large now, such as Inuit land claim corporations. If they took part in this.... According to my view the revolving fund could be reduced, and we need to consult with them. There should be more than one minister working on this to consult the public.

That is why I liked your statement. It's an obligation to report to the communities, and to get their views on it. If there is no view or open consultation, it seems to be closed and non-transparent; that's when we become unhappy. Therefore, I'm going to conclude with that, as long as you stated that you will look into the suppliers' chambers of commerce. And will you do that during the summer, while you can?

**Chairman** (interpretation): Thank you. Mr. Minister.

**Hon. Peter Kilabuk** (interpretation): Thank you, Mr. Chairman. I would like to indicate to my colleagues, and to the public who are listening to the directives that we have.... Once this funding contribution is agreed to, this will proceed further and it will develop.

We would like to be transparent and open during this process. In regards to my colleague's questions, and to the suppliers and users, we will provide information for all involved. The impacts and the benefits.... I will provide the information on this. Thank you.



**Chairman:** Thank you, Minister. Mr. Mapsalak.

**Mr. Mapsalak** (interpretation): Thank you, Mr. Chairman. There was a motion not to go beyond our business hours; I believe we've done enough, so I would like to make a motion to report progress.

**Chairman** (interpretation): Thank you, Mr. Mapsalak. There is a motion on the floor to report progress. All those in favour, please raise your hand. Opposed? Abstain? The motion is carried. Thank you, Mr Minister Kilabuk, and also your officials.

**Speaker** (interpretation): Item 20. Report of Committee of the Whole. Mr. Arreak.

### **Item 20: Report of the Committee of the Whole**

**Chairman** (Mr. Arreak): Thank you, Mr. Speaker. Your committee has been considering Bill 2 and the main estimates and would like to report progress. Also, I move that the report of Committee of the Whole be agreed to. Thank you, Mr. Speaker.

**Speaker** (interpretation): There is a motion on the floor. Who seconds the motion? Mr. Evyagotailak. All those in favour of the motion? Opposed? The motion is carried. Item 21. Item 22. Mr. Clerk.

## Item 22: Orders of the Day

**Clerk:** Thank you, Mr. Speaker. A reminder to all members that there is a meeting of the full caucus on Monday morning at 10:00 in the Nanuq Room. Orders of the Day for Monday, May 31:

1. Opening 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 2
20. Report of Committee of the Whole
21. Third Reading of Bills
22. Orders of the Day

Thank you.

**Speaker** (interpretation): We will be meeting May 31, 2004 at 1:30 pm. Have a good weekend.

*Sergeant-at-arms.*

>>*House adjourned at 14:45*

