



Northwest Territories Legislative Assembly

Standing Committee on Accountability and Oversight

Public Meeting on
Bill 12, Public Health Act,
Bill 13, Change of Name Act,
Bill 14, Employment Standards Act,
and
Bill 15, Liquor Act

June 7, 2007

Chair: Mr. Jackson Lafferty, MLA

STANDING COMMITTEE ON ACCOUNTABILITY AND OVERSIGHT

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Mr. Robert Hawkins, MLA, Yellowknife Centre

Ms. Sandy Lee, MLA, Range Lake

Mr. Michael Miltenberger, MLA, Thebacha

Mr. Calvin Pokiak, MLA, Nunakput

Mr. David Ramsay, MLA, Kam Lake

Mr. Norman Yakeleya, MLA, Sahtu

Witnesses

Mr. Telmo Dos Santos

Committee Staff

Mr. Doug Schauerte, Committee Clerk

Mr. Glen Boyd, Law Clerk

Ms. Colette Langlois, Director of Research

Ms. Regina Pfeifer, Research Analyst

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Committee Room "A"
7:10 p.m.

DEPUTY CHAIRMAN (Mr. Braden): Good evening, committee and guests. My name is Bill Braden and I'm the deputy chair of Accountability and Oversight. This is a continuation of a public hearing into four bills that are before this committee and Social Programs committee. We're here for the review of Bill 15, Liquor Act; and Bill 12, Public Health Act; Bill 13, Change of Name Act; and, Bill 14, Employment Standards Act. Before we get any further, we will allow Members to introduce themselves, for the record, and we'll start with Mr. Miltenberger.

MR. MILTENBERGER: Michael Miltenberger, MLA for Thebacha.

MR. MCLEOD: Robert McLeod, MLA for Inuvik Twin Lakes.

MS. LEE: Sandy Lee, MLA for Range Lake, Yellowknife.

MR. POKIAK: Calvin Pokiak, MLA, Nunakput.

MR. HAWKINS: Robert Hawkins, MLA, Yellowknife Centre.

MR. RAMSAY: David Ramsay, MLA for Kam Lake. I'd like to welcome everyone to the meeting.

DEPUTY CHAIRMAN (Mr. Braden): Thank you, committee. Our staff with us this evening is Gail Bennett, the clerk of our committees; Colette Langlois, who is the director of research; and Mr. Glen Boyd, who is the legal counsel to the Legislative Assembly.

We heard from Ministers Roland and Dent on their respective bills yesterday, and we have had public hearings so far in Behchoko last night and today here in Yellowknife. This evening we are again opening the floor to any members of the public who wish to speak to any of these bills. So far we have on our list Mr. Telmo dos Santos of Yellowknife. In a moment, Mr. dos Santos, I will welcome you to the committee table. Of course, if anyone else comes in they can get in touch with Gail and sign up for the evening.

Committees will be taking these bills on the road next week to Fort Smith, Hay River, Jean Marie River, Fort Simpson, Inuvik, Tsiigehthich, Tulita and Gameti, and we will then be preparing reports and bringing these bills back to the Assembly in August for debate

and, hopefully, passage. Copies of the bills and summaries are available on the back table. I think at this point, committee, are we prepared to welcome Telmo dos Santos to our committee table?

SOME HON. MEMBERS: Agreed.

DEPUTY CHAIRMAN (Mr. Braden): Mr. dos Santos, I will ask you to introduce yourself and make whatever comments you have. Our usual practice, once you are finished, is to allow Members to ask you for any points of clarification or question and engage in some discussion. This is a very important part of passing law, is to hear what the public says. So we appreciate you coming out this evening. Mr. dos Santos, you have the floor.

Presentation By Telmo dos Santos

MR. DOS SANTOS: Hi, everyone. My name is Telmo dos Santos and this is my second time here in a committee making some comments on proposed legislation. Thanks, everyone, for allowing the public to comment to provide their input, for whatever it's worth. Thank you to the staff, also, and everyone present.

I guess today I just wanted to make some comments on just one of the bills and that's Bill 15, the proposed amendments to the Liquor Act. I guess most of the MLAs and the honourable chair know the history of the bill, so I don't have to rehash. It's been pretty much since 2003 changes were recommended to the bill. I think it was brought to a consultant at that time and the consultant had some public consultations. I guess it's passed the second assent now when we're at the public hearings before the third reading of the bill and the assent.

Just from my own review of the proposed bill and the old Liquor Act, the one thing I wanted to maybe comment on is that the bill is quite extensive. It calls for the whole scale repeal of the current Liquor Act and replacement with new legislation. I guess a good way to characterize the bill, then, is it's pretty broad in scope.

What we can get from this is another review of the bill isn't likely to happen for a long time, so we should be careful about not only what we're putting into the bill now, but also maybe what we're leaving out of the bill and that's mostly what I want to focus my comments on. I don't really have issues with the amendments that are proposed, but I do want to make some suggestions about maybe some things that I feel have been left out.

Most of my comments focus on sections 58 of the old Liquor Act and section 62 of the new proposed Bill 15, which I guess will become the new Liquor Act. Both these sections deal with the revenue that accrues from the sale of liquor in the NWT. Section 58 of the old Liquor Act stipulates that all monies from the sale of liquor in the NWT go into a special fund called the liquor revolving fund, and from there, on a quarterly basis, according to the old act, the money was deposited into the consolidated revenue fund, which can be accessed, I guess, through a motion from the Members of the Legislative Assembly.

The new legislation doesn't really substantively affect the old legislation. The liquor revolving act stays in effect and the monies still end up in the consolidated revenue fund. Albeit now it's not on a quarterly basis anymore, it's on an as needs arises or on a periodic basis. I think that's how it's worded in the legislation.

So I guess before I offer my recommendations, I just wanted to maybe indicate that a review of how the money is distributed after it's collected by the Liquor Commission I think is in the scope of the proposed legislative review, because we are replacing entire legislation and according to the consultant, she had a pretty broad mandate to review all aspects of legislation and make them in accordance with the priorities of the NWT residents. My recommendation I guess is pretty simple and I'm not going to waste a lot of time getting into details or anything, but my recommendation boils down to a suggestion that maybe not the entire amount of the proceeds from the liquor sales should go into the consolidated revenue fund. My suggestion is that a portion of those proceeds should go into programs directly, which combat the consumption of alcohol, maybe awareness, treatment; basically programs which will ease the problem, which I think everyone recognizes that is here in the Northwest Territories of alcohol.

Now, saying this, I do recognize that in fact the Northwest Territories spends a lot more than the monies that are generated through the sale of liquor in the North on programs for health and to combat alcohol. It does spend more money in the end. But I would suggest that even though more money is spent overall, process does matter in this kind of thing. It's not just a public perception argument in the sense that the money is going to be spent directly, the actual dollars that are generated from alcohol will be spent to combat the problems. I think that's important, too. But it's also the way that money can be accessed by the communities. Like, it's different because it goes into the consolidated revenue fund as opposed to going to beef up program areas, because essentially my understanding is that it's an unwieldy process. I mean it happens very slowly when it comes down to the Legislative Assembly level. It's a very big process. It's kind of a macro thing. I think those monies that can be spent from the consolidated revenue fund are good for big picture items like if you want to have a big conference in the North or a big program, but they're not so useful for communities that just want to implement a small project which maybe will have a good impact also on reducing consumption of alcohol in a community. I'm not talking about reinventing the wheel here and creating new programs; there are programs which already exist, but they need to be beefed up. So my suggestion is that we should focus on separating a small portion of this money, maybe 10 percent, and applying it directly to combat this problem of alcohol.

So I do recognize that more money is spent overall on treating alcohol and combating the problem of alcohol, but my suggestion is a dollar is not a dollar when it comes to this. I think the way the money is spent makes the big difference; process matters.

As a consultant here in the Northwest Territories, I'm often asked for job proposals for funding for communities. It's very frustrating not to be able to access the resources like when the communities have that initiative that they want to put on a program, because it doesn't always happen. The communities often don't have either the capacity or the

desire to put on a program. But when they do, I try my best to make it happen one way or another. The funny thing is that a lot of the times when I try to access funds, the way you try to access funds has to fit into program criteria, guidelines and so on. It works out that a lot of times the programs that communities want to access funding for are the ones that have the least funding available. One really good example is the money that's available for cultural programs in the Northwest Territories. I made this point I think last time I was here, which is there's only \$5,000 available for cultural programs in the communities. That's not \$5,000 for each community; that's \$5,000 for all 29 communities in the Northwest Territories. That kind of a program area, if it's beefed up, can have a large impact, a large, positive impact because it's the kind of programs communities often want to access and it's something that's small and can make a big difference. I think you get better bang for your buck in a way by providing a little bit more resources there directly.

Now I have given public perception argument and maybe a process argument for diverting these funds, like not putting them into a consolidated revenue fund, putting them in a separate fund that goes directly to combating the problems. The other point I wanted to make is a small percentage won't substantially affect the GNWT's consolidated revenue fund. The consolidated revenue fund is exactly what it sounds like. It's money from lots of different sources, so it's not going to make a big difference in terms of GNWT's ability to do whatever programs it wants to. If there is a shortage, the GNWT can always...It has more resources. It can always borrow money. It has more ability to generate the incomes, but from the grassroots perspective, if a community wants to do a project at a certain time and the money is not available, the project doesn't get done. The youth will maybe...(inaudible)...eventually people will drink more and you have a cyclical process.

I think this division or separation will have beneficial impacts for the GNWT in the sense that you will have cost savings and having spent so much money to keep people in jail or whatever. A large portion of incarcerations involve alcohol. I am sure everyone here knows that.

I guess that's my main point for today. It's a very simple point and I am ready to entertain questions the Members of the Legislative Assembly might have or the honourable chair. Thank you very much for listening to my presentation.

DEPUTY CHAIRMAN (Mr. Braden): Thank you, sir. That's very thoughtful. You've brought a new perspective into the idea of dedicating some revenues and you've also demonstrated a greater understanding of our process and seeing some of the limitations that we have. I'll go to committee, then. Mr. Hawkins and then Mr. Ramsay.

MR. HAWKINS: Thank you for your presentation. I actually suggested the same thing not that long ago. Although it wasn't well received by the Finance Minister, we don't really make a lot of money off of it. I am going to go off memory, although I am probably wrong, but I think the cost is \$20 million and we make \$40 million, so our net difference is \$20 million in the whole program, I think. Again, I am going off memory here. The nod looks like it sounds close enough.

I tried to challenge the Finance Minister about making a symbolic commitment knowing we spend way more than \$20 million on these types of programs and services. The fact is he pointed out yesterday that no other jurisdiction actually does this. I am not defending his point. I think a symbolic contribution is important. I am pretty sure he said that.

One thing he did highlight, which is interesting, is in essence the multiple departments providing this. So it's not just one department and different layers and stuff. There is a lot that could be spoken about this issue. I appreciate your point of view; share it, even if it's a symbolic sense. It's the alcohol and that seems to be the genesis of some of the problems people are having. I actually worked at the correctional centre a number of years ago and most of the inmates I saw there were there because of some type of problem with alcohol. So one guy there, I won't exaggerate the fact that when he drank he killed people. When he got out, he drank again and guess what? He killed somebody else. He was a single case in that particular set of circumstances, but a lot of the folks out there are recognizing the troubles. Those are just those folks who are incarcerated.

I think we had 70 or 80 percent of folks who had alcohol problems. It's well stated that it is a problem up here. What about the law-abiding folks that have a problem with alcohol. It would be really nice to see the process supply some type of support, rather than just being drawn straight out of the consolidated revenue. I guess the long and the short of it is I agree with your point. The Finance Minister didn't, but a symbolic contribution would speak loud. Thank you. No questions.

DEPUTY CHAIRMAN (Mr. Braden): Thank you, Mr. Hawkins. Is there any aspect that you would like to comment on, Mr. dos Santos?

MR. DOS SANTOS: I am not a Member of the Legislative Assembly, but I am glad it's been brought up before that it would be a good idea to provide some kind of symbolic gesture. In my view, working in communities, it wouldn't be symbolic at all. It would have a real positive effect. I think there has got to be a willingness to experiment because the problem is here and it's going to be around for a long time. People have to try to think outside the box sometimes. A dollar isn't just a dollar. A dollar in the consolidated revenue fund has less of an impact than a dollar that goes to programs communities can easily access. So it's not just a symbolic gesture.

As for the argument that other jurisdictions don't do this, I really don't think that holds much water because those are other jurisdictions and here we have a very large population that is addicted to alcohol. There are historical reasons for that as well. I think the government has a responsibility to really put its best foot forward. It's not just symbolic at all, in my view. It takes the willingness of the Legislature to really press on these kinds of points. If the Legislative Assembly ends up spending more money in the end for alcohol programs, really what harm does it do to experiment and try to put this money into programs the communities really need? That's the argument that should be presented to Minister Floyd Roland. Of course, it's never easy to give up power or resources. That's the hardest thing to do for any government, but you have to take, or I

suggest it's necessary to take, a broad perspective and think about where we will be in the long term if you experiment and do things that really benefit the communities. Communities aren't always in a position to put on projects which benefit them. When they do, often they don't want a lot of money but those resources are like gold or diamonds, if you want to use the North or any kind of analogy. So really I think those resources should be put in a place that's accessible. It's not symbolic at all. It really would make a big difference, in my view. That's my suggestion. Thank you.

DEPUTY CHAIRMAN (Mr. Braden): Thank you. I will go to Mr. Ramsay now.

MR. RAMSAY: Thank you, Mr. Chairman. Thank you, Mr. Dos Santos, for your presentation this evening. I share the same outlook as my colleague Mr. Hawkins on this. I think, as a government, we really do need to experiment a little bit in looking at creative ways to try to tackle some of the issues that present themselves in our communities, especially in the regions. One way to achieve that would be to earmark some of these funds for that purpose. Hopefully at some point in time, we would be able to move towards that. I do understand and I do appreciate the fact that as a government, we spend probably five or six or seven times what this money would mean on alcohol and addiction services and education and you name it. We spend and we spend. From an optics point of view, I really think the government should have more of a moral or social obligation to earmark money that is derived directly from the sale of alcohol, which is killing its citizens in many cases, destroying families, ruining lives, into something beneficial. It's a symbolic thing for me. That's what it amounts to. If it makes the money look like it's actually doing some good instead of going into a consolidated revenue fund, which I like to refer to as a black hole, that would be better. How do we convince the Finance Minister of that? How do we convince the bureaucracy of that? That's something from a political level we will have to try to achieve.

So that's where I am at on that. Again, I just wanted to thank you for your insight into the issue and we will see what we can do going forward. Thank you.

DEPUTY CHAIRMAN (Mr. Braden): Thank you, Mr. Ramsay. That's more of a comment and endorsement for your approach. Mr. Dos Santos.

MR. DOS SANTOS: I appreciate your feedback and I am glad a few Members support this money being put to use in different ways. I guess one thing I would really like to emphasize, that the money wouldn't be symbolic. It's not a symbolic gesture. Symbolic gestures are nice, but they are kind of easy to defeat as an argument because people think they are just trying to do something symbolic. It doesn't sound like it puts a lot of weight on the argument. Like I suggested before, dollars put to use in different ways can have a different impact. The consolidated revenue fund, the way it's accessed, it's a lengthy process. You are asking a small community to come and ask for money from the Legislative Assembly. The Legislative Assembly only meets once in awhile. It takes a long time for them to make a decision. It's just not a very wieldy process for a community that wants to do a small project. Sometimes small is big. The small things are the things in the end that make the big difference, not just the big dollars.

So if there is one perspective or argument that I could maybe present to this committee that will help: Is the money being put to use in different ways? It's got symbolic value but it also has some real practical value that will pay money dividends in the long run. So if the argument is presented that way, I think Minister Roland will maybe consider just entertaining it. Like I said, I am not saying the whole amount. I am saying 10 percent, which is \$2 million a year, but \$2 million a year between 30 communities will make a big difference. You are giving a cushion for the communities when they want to do something on the land or whatever. Those are the funds the communities often want to access. It's not big things. It's small things that make a big difference because they are small communities at the end of the day. Thanks again. I hope my point got across.

DEPUTY CHAIRMAN (Mr. Braden): No, we are doing very well. I have Mr. Miltenberger who indicated he would like to engage.

MR. MILTENBERGER: Thank you, Mr. Chairman. This issue has come up a number of times already and the focus tends to be on this one pot of money out of a billion dollar budget, which gets attention paid to it when it comes to prevention and mitigation programs, which is one way to look at it. I would suggest that the underlying goal of all the discussion is prevention and mitigation. So for myself, as an MLA, I am much more interested rather than debating the merits of this particular little pot to look at a way as Health and Social Services has done where they have committed to a target of 1 percent of their budget towards prevention. As a Legislature and government, we could indicate from the social envelope departments, Education, Housing and Justice, that the requirement is going to be departments have, through our planning process, to target whatever percentage we deem necessary. I would suggest 1 percent is a minimum starting point, but that other jurisdictions that are making serious inroads into some of their social programs are in the 3, 4, 5, 6, some of them almost double digit, commitments for prevention. For the long term for us, the discussion has to be that type of approach as opposed to looking at this one particular relatively small pot of money in our business. If you want to talk about symbolic, powerful, real gesture, that's a commitment that could be made and has to be considered when you look at our social indicators.

So I share the intent. I am just of the mind that there are other ways of a broader approach to be able to free up more resources across the board. The other thing I would point out is that we already, off the top, the two departments have consumed half our budget. About 80 percent of those budgets voted by the Legislature go, probably more like 70 to 80 percent of those budgets go right to the DEAs and the DEC's and the health boards. So the issue for us is to create a process where the resources are put as closely into communities as possible as opposed to some kind of pot at the territorial level where communities have to work their way up through a labyrinth, as you pointed out. There are ways to reach the same goal and that's what I have in my mind as we try to mitigate and do the things we are talking about in terms of overcoming the negative impacts of alcohol. Thank you.

DEPUTY CHAIRMAN (Mr. Braden): Thank you, Mr. Miltenberger. I recall your discussion and initiative on this of recent. I just wanted to see if I could make sure I have all the context there. There was the suggestion to have that 1 percent of the front-line departments and that would be Health, Justice, ECE and Housing.

MR. MILTENBERGER: Essentially the social envelope.

DEPUTY CHAIRMAN (Mr. Braden): Yes, 1 percent from each of those.

MR. MILTENBERGER: Mr. Chairman, I am suggesting that's a very viable option. In many cases, how you define prevention is look at what they are already spending, but clearly in many cases it's not prevention. It's treatment after the fact. We want to get ahead of the wave is the goal here. There is not a lot of resources to do the things we have been talking about at the community level because it's all tied up in hospitals and treatment centres and fixing the broken, as opposed to preventing the issue to begin with.

DEPUTY CHAIRMAN (Mr. Braden): Thank you. I think that's very much where Mr. Dos Santos is coming from. Your message is aimed very much at awareness and prevention and not the treatment and the after effects. Have I got that right? That's what I think I was hearing. Mr. Dos Santos.

MR. DOS SANTOS: No, that's right. That's exactly what I was suggesting was that these dollars would be put into programs that the communities could access. Any time a community wants to put on a project, in a way that's a prevention in my view because whenever the youth are involved in doing something that's positive and constructive, they aren't drinking. Time and again, whenever I go into communities, the youth themselves will say that. The reason why we are drinking is because we don't have anything else to do. So when a community wants to put on a project, whether it's going on the land for a weekend, that's the weekend the youth aren't going to be drinking or that they aren't going to be exposed to drinking. So that is prevention. Abstinence is prevention in a way.

Of course, there are other maybe bigger ways, the 1 percent prevention or goal on the social envelope. That's another way to ameliorate the situation in the Northwest Territories, but I don't think that it's a matter of choosing between this pot of money and the 1 percent goal. I think I emphasized earlier that I am not even talking about the \$20 million; I am talking about \$2million. I think that makes a world of a difference. It's a small amount in terms of numbers, but we have to stop thinking like accountants and be more creative. A small amount of money used in the right way can make a much bigger difference.

So duplication is like a word that has a bad reputation in the Northwest Territories. People don't want to duplicate things and stuff, but I don't see these things as being incompatible. I think it's possible to have the 1 percent goal in the social envelope and also divert a small portion what accrues from booze sales towards putting these dollars

into prevention programs that can be easily accessed by the communities. So I agree with what the Minister said, but I think it's still a good option.

DEPUTY CHAIRMAN (Mr. Braden): Thank you. We are growing this by increments here now. It's 10 percent of the liquor revenue and 1 percent from each of the departments. The ante is growing. Ms. Lee.

MS. LEE: Thank you, Mr. Chairman. Thank you, Mr. Dos Santos, for your presentation. I want to get some clarification about what your vision is as to if you could use that revolving fund for programming, what exactly would you like to do with that? You mentioned that in your experience of working on proposals for cultural programs, there is not enough money there to do that. Are you thinking that government should use their revolving fund for cultural programs or are you looking at specific alcohol and drug treatment programs, prevention campaigns or things like that? This is not a new suggestion to have a revolving fund, a part of that allocated for alcohol and drug issues. The reason why that is seen as being symbolic is because people are not aware that there is already a lot of money being spent by the government on alcohol and drug treatment. For example, Nats'ejee K'eh funding alone is multi millions. Sally Ann in Yellowknife, they have drug programs there or addiction programs. So when someone suggests that the revolving fund should be allocated for alcohol and drug treatment, that's seen as crystallizing what the government is doing. That's not to say the government is not spending money on that. I think we could always spend more money, but if the government came up tomorrow and said they were going to spend \$10 million on alcohol and drug treatment or whatever program you have in mind, you aren't going to say no to it just because it's not coming from the revolving fund money. Do you know what I am saying? I want to know if you could give us more insight on what kind of programming you're wanting to see. Thank you.

DEPUTY CHAIRMAN (Mr. Braden): Thank you, Ms. Lee. Mr. Dos Santos.

MR. DOS SANTOS: Thank you, MLA. I do recognize that much more money is spent overall. In a way, that's part of my argument. Maybe too much money is being spent on these programs, not in the sense that we don't need it, but in an ideal Northwest Territories, we wouldn't have to spend this much money. So the question is, how are we going to get from where we are now to spending a lot less money on alcohol, whether it's prevention, awareness, treatment, these things are sucking a large part of the budget out and the GNWT has jurisdiction. They don't want us to have to foot the bill at the end of the day. So my suggestion is to put the money aside in a separate fund or perhaps divert it to an existing program. I really think the cultural programs is an area that is very weak right now. It's only \$5,000 a year. I was kind of shocked when I heard that. I think it's administered through Education, Culture and Employment at the Prince of Wales Heritage Centre. Communities, when they want to do projects, often they want to do things like spending time out on the land, having a drum dance or drum feast. It often falls within that criteria for cultural programming, but there is very little money there. Those kinds of things are things which prevent alcohol or alcoholism or alcohol-related problems because when the youth are doing things that are cultural, they aren't drinking. Also a lack of culture, loss of culture, lead to drinking.

I do think if you strengthen the culture, that's one thing because I think it's severely underfunded right now. That's just one suggestion. There are maybe other ways to do it too, but my main focus is on where exactly to put the funding. That's an idea. I don't think it's symbolic. It would be really worthwhile to do that.

DEPUTY CHAIRMAN (Mr. Braden): Thank you. Thank you, Ms. Lee. Anything further for Mr. dos Santos? Okay. If you have any closing remarks.

MR. DOS SANTOS: I would just like to thank everyone. I probably will be submitting a written submission as well. I think the deadline is July 13th. I thank everyone for all your questions and for listening to me. I hope it's somewhat useful and maybe has an impact, maybe. Thank you very much.

DEPUTY CHAIRMAN (Mr. Braden): Every perspective that comes to us has value. We've given it some thought and you have some experience out there, so we are happy that you've come to us and we will certainly take it into account.

We have no other witnesses that have indicated that they want to come to us this evening, committee. Does anyone have anything for the record? Okay. I think we will close off this portion of the public hearings. We are back at it tomorrow morning, committee, at 8:00 a.m.

---ADJOURNMENT