

JULIE GREEN—MLA YELLOWKNIFE CENTRE
Highway Rescue Services Funding Program Review
Committee of the Whole—2020-2021 Operating Budget Review
Dept. of Infrastructure – GNWT Mega Projects — May 26, 2020

MS. GREEN: Thank you, Madam Chair. I was astounded to hear from the Minister that there is no additional money required for the three infrastructure projects she is promoting, because we only appropriate money a year at a time. Can she reply on that?

CHAIRPERSON (Ms. Semmler): Thank you, Member. Minister.

HON. KATRINA NOKLEBY: Thank you, Mr. Chair. I am not an accountant. I misspoke. I apologize. Thank you, Mr. Chair.

CHAIRPERSON (Mr. Semmler): Thank you, Minister. Member for Yellowknife Centre.

MS. GREEN: The point of the question is not only to point out the error, but also to point out that, in fact, these three projects are not all signed, sealed, and delivered. There still is an opportunity to choose a priority and to allocate the money to that. Is there any work going on in that respect? Thank you.

CHAIRPERSON (Mr. Semmler): Thank you, Member. Minister.

HON. KATRINA NOKLEBY: Thank you, Madam Chair. Could I ask for clarification? Is there looking at reallocating money from those three infrastructure projects to other projects?

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

MS. GREEN: Making one project a priority.

CHAIRPERSON (Mr. Semmler): Thank you, Member. Minister.

HON. KATRINA NOKLEBY: Thank you, Madam Chair. I think that's a conversation for all of us as a whole as to whether or not we're revisiting the mandate. I don't believe that we're at that point in the conversation, and if we are, I'm not aware of it. No, that's not ongoing at this point. Thank you, Madam Chair.

CHAIRPERSON (Mr. Semmler): Thank you, Minister. Member for Yellowknife Centre.

MS. GREEN: What confidence does the Minister have that the revenue surpluses will be adequate for funding all three projects going forward? Thank you.

CHAIRPERSON (Mr. Semmler): Thank you, Member. Minister.

HON. KATRINA NOKLEBY: Thank you, Madam Chair. I don't like to predict the future, so I'm going to pass this over to Dr. Dragon to answer. Thank you.

CHAIRPERSON (Mr. Semmler): Thank you, Minister. Dr. Dragon.

DR. DRAGON: Thank you, Madam Chair. In looking at all three of these projects in terms of our due diligence and looking at what opportunities we have, a number of them, as we go through

them, look at going through the environmental assessment process right now, developing developer assessment reports. We're really also looking at our Indigenous partners and seeing the feedback because, in these, I'll just go through a couple of them real quickly. The Mackenzie Valley highway, we're probably taking about the next four years to go through that process. If we look at the Slave Geological Province Corridor, right now, the money that we have allotted for that project is going to be, probably, in the next six years in terms of going through an environmental assessment and looking at all the regulatory authorizations. Then, finally, in terms of looking at Taltson, we have \$18 million going through that project, and we're looking at design feasibility and environmental assessment. All three of the projects are in the early stages. It's very, very critical that we have Indigenous engagement in all three of those, and I think the long-term plan is to try to identify business cases for all three that would then be able to come to the committee to be able to have a discussion on which one makes sense to go forward, but we're a few years away from that. Thank you, Madam Chair.

CHAIRPERSON (Mr. Semmler): Thank you, Dr. Dragon. Member for Yellowknife Centre.

MS. GREEN: Yes, thank you for that information. It doesn't answer my question. My question was that the premise was for funding infrastructure is that there has to be a surplus in the budget; and the surplus is forecasted to go down to a double double at Tim Hortons at 2023, so how is the government going to continue to pay its share of these three projects in the life of this Assembly? Thank you.

CHAIRPERSON (Mr. Semmler): Thank you, Member. Minister.

HON. KATRINA NOKLEBY: Thank you, Madam Chair. Those are good questions and, obviously, something that we're going to have to be dealing with over the next while. I do want to say that some of the federal funding that's coming forward now, they are, as I mentioned before, looking to be more flexible. We are looking to get 100 percent dollars for projects going forward so, perhaps, that may be a route we can go with the three major infrastructure projects. Those would be options that we would be looking to discuss with the federal government. The conversation I'm having with the federal government is that, not only were we already in a huge infrastructure deficit prior to COVID, we were in a bad economic situation, and it's just kicked us right off the cliff with COVID. One of the conversations we're having is: how do we keep Northerners working? What Northerners can do, is they can do these projects, and they can build roads, and they can bite away at these types of projects, and that's part of our structure going forward. Yes, it will play into making sure that Northerners are doing those projects. When economies are bad, governments build infrastructure, so we will see better supports, and we already are seeing better supports from the federal government on our infrastructure projects and in that conversation. Thank you, Madam Chair.

CHAIRPERSON (Mr. Semmler): Thank you, Minister. Member for Yellowknife Centre.

MS. GREEN: Thank you, Madam Chair. The Minister's comments are only relevant if the contracting is going to the North, and the Tlicho All-Season Road tells us how that can really not work in our favour. My follow-up question is: when does the Minister expect to reach an agreement with the government for the 100-percent funding for northern infrastructure? Is this something that's going to happen in the life of this Assembly, in the life of this fiscal year? What's the timing on that? Thank you.

CHAIRPERSON (Mr. Semmler): Thank you, Member. Minister.

HON. KATRINA NOKLEBY: Thank you, Madam Chair. Well, I think, as we all sit here, the future is fairly uncertain. I don't have a time frame, and I won't profess to say something just to answer a question. In a new world when it comes to our funding formulas, we already have seen flexibility and changes within federal pots of funding that are already available. We are going to continue, all of us, to go to our FPTs and have these conversations with the federal government. I can't give you a time frame, but I'd be surprised if anyone can tell you what's going to be happening anywhere in the world in a year. Thank you, Madam Chair.

CHAIRPERSON (Mr. Semmler): Thank you, Minister. Member for Yellowknife Centre.

MS. GREEN: Yes, I'll just finish with a comment. This is really a hopes and prayers section of the budget. We hope that we will be able to advance these three projects to the business case that there will be northern contracting, there will be Indigenous partnerships. I feel like we don't have anything that is super sturdy, here. We just have a lot of hopes and prayers. For something that is so vital to our economy, I would like to see a more proactive or, at least, show me that it's a proactive approach to obtaining more infrastructure money from the federal government. I don't see that now. I hear it's being discussed, but I don't hear there's any deadline. We hope and pray the federal government will come up with 100 percent funding for infrastructure. I mean, that would be wonderful, wouldn't it, but it's not something we that we can count on. I think that we have to deal with what we've got, and maybe that means going back to the priorities and looking again at the three large infrastructure projects and sorting out how we can prioritize those. Thank you. I have nothing further.