

**KEVIN O'REILLY - MLA FRAME LAKE**  
**Committee of the Whole—2019-2020 Operating Budget Review**  
**Overall Dept. of Finance - February 27, 2020**

**MR. O'REILLY:** Thanks, Madam Chair. Yes, I do have a few questions around this section. On page 138, the contribution to the NWT Housing Corporation, if you compare 2020-2021 to the actuals or revised estimates from previous years, it actually shows a reduction. Can someone explain to me why we would be reducing our contribution to the NWT Housing Corporation, given the increasing need for more housing and better housing? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. The higher value in 2018-2019 was as a result, as I understand, of the contribution made to RCMP housing, and that program then sunsetted and is not currently included in the 2020-2021 Main Estimates. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister. Member for Frame Lake.

**MR. O'REILLY:** Thanks. Can the Minister provide me some assurance, then, that this is not a declining contribution from our government to the NWT Housing Corporation? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance. If you could use your loud voice, that would be great. Thank you.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. I am more than happy to do that. Madam Chair, no, there is no intention to have any sort of ongoing reduction to the Northwest Territories Housing Corporation. This was simply a reflection of a particular one-time program, and of course, it remains the commitment of this government to continue to seek out opportunities for more programs of that nature to hopefully bring in similar opportunities. There is a continuing intention to maintain funding to the Northwest Territories Housing Corporation. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. How is this contribution actually calculated? Is it just based on whatever budget the Housing Corporation comes up with, and the money is transferred, then, from the Department of Finance? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. The Housing Corporation does go through the business planning process, and their documents are vetted by the relevant

committee. Through that planning process, they will be subject to the four-year planning process that the Department of Finance is developing templates for right now, and that is how those values are tabulated, and then the money is run through the Department of Finance's budget. Ultimately, it will go through that same planning process and business planning process as every other department. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. I want to move on to a different issue, if I can. This is the, I guess, part of the Department of Finance that is supposed to be administrative leadership for GNWT and so on. Presumably this is the part, the deputy minister's office, as well, that relates to the federal government. I have been after previous Ministers of Finance for some time now to raise the issue with the Canada Revenue Agency about the Northern Resident Tax Deduction. I know it was increased one time. Has there been any progress made on indexing of the Northern Resident Tax Deduction? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. The federal government's budget will be coming out, obviously, next month, and I think, in terms of the northern residents deduction, we will have to look and see what has been included there. I can assure the Member that I am alive to what he is raising and that we will continue to engage with the Department of Finance from the federal government to work toward the best possible value and outcome for the people of the Northwest Territories. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. I am glad to hear that the Minister is on this issue. The other one that has caused huge consternation for Northerners is the calculation of the lowest return airfare and the extremely high rates of audit that we seem to get subjected to. Has there been any movement on having the CRA actually fix the amount and tell people what it is so they don't have to try to guess about it? Has there been any progress made on that issue? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. We do engage regularly with the Canada Revenue Agency. I haven't had that opportunity to have that engagement as of yet, but I would assure the Member and commit to the Member that, when that opportunity does come up, I will raise at that point whether or not a more efficient system can be found to ensure that it saves time, really, for everybody. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. Yes. I look forward to hearing back from the Minister when she raises this issue with her federal colleagues. I want to move on to a different issue that is Shared Corporate Services. This was sort of a new unit that was created within the Department of Finance to do a bunch of things across various departments. Previous Ministers had promised that there would be an evaluation done of how effective that function and centralizing those resources within the Department of Finance has gone. Can the Minister share that evaluation with us now? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Madam Chair, Shared Corporate Services is a communications function that is shared with the EIA, Executive and Indigenous Affairs. I wonder, though, if perhaps what the Member is seeking more information about is Information Shared Services System, which is a newer initiative and there is an ongoing evaluation process. If I could just confirm, Madam Chair?

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake, could you clarify what you are asking for, please?

**MR. O'REILLY:** Thanks, Madam Chair. The Minister is great because she has actually anticipated my next question. If we haven't done an evaluation on Shared Corporate Services, what kind of assurance can the Minister give me that the ISSS, or whatever we want to call it, is actually working as it has been touted? I want to know whether the evaluation was done on the Shared Corporate Services unit and if that can be shared with us. The next question, which she has anticipated, is: what is the evaluation framework for the ISSS, or whatever it is called? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. The Shared Corporate Services unit has not been subject to any sort of evaluation. Given the commitments that we have already made and the commitment of the Department of Finance specifically to enhance our evaluation services and programs, which we will be doing internally, I certainly can make the commitment to at least consider and look into whether or not this is the best opportunity and the best program to be starting with or one of the first to be starting with or if there are perhaps competing priorities. That is something that I can have further conversations with the Member about specifically to make sure that we are using our evaluation services in the most effective way possible.

With respect to the Information Shared Service System, ISSS, there is an ongoing evaluation. I think that specific program is reflected elsewhere in the mains, but for the sake of this question, there is a performance evaluation under way right now. It is not finalized. I don't have a final copy of it at this point. I certainly will provide it to this House when the evaluation is complete. It has only barely been a full year, if I am not mistaken, that it is been in operation and is still

moving forward. The evaluation is being planned, and it will be conducted, I expect, within the next year with that information to come back to the House in due course. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. I see the clock ticking down. I do have a number of other issues that I am going to raise in other sections. I am just going to give the Minister a heads-up: carbon tax reporting; Mackenzie Valley fibre link; revenues; and the Heritage Fund. I think most of those are found in other sections. That is all from me for now. Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Are there any further questions on Department of Finance, directorate, key activity? If not, I will call this page. Finance, directorate, operations expenditure summary, \$77,681,000. Does committee agree?

**SOME HON. MEMBERS:** Agreed.

**CHAIRPERSON (Ms. Green):** Thank you, Members. We will now turn to the human resources activity, beginning on page 141 with an information item and then the numbers on page 142. Are there questions on the human resources key activity? Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. One of the things that we have heard about in terms of human resources that has caused some concerns are the number of direct appointments. Can the Minister commit to provide a table showing the number of direct appointments by year and by department, say, for the last couple years, and if there is some overall rationale as to why direct appointments are done? That would be very helpful to get. Can the Minister commit to provide that and table it in the House? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Madam Chair, I will commit to providing the rationale that underlies all direct appointments. I certainly can provide that in fairly short order. With respect to the number of direct appointments that have occurred, I would like to first confirm that this wouldn't result in any information-sharing that would be inappropriate. For example, in a small community, I wouldn't want this to wind up with somebody having their personal information shared about the nature of their employment. I will return to the Member with a response as to whether or not I can, in fact, make that commitment on the other half of the request. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. Just to be clear, I am not asking for the information by community. I am asking for it by department. I guess I will let the Minister go and sort out

whether there is a breach of privacy in providing that information. I don't think there is any kind of public notice or anything attached to when a direct appointment is made, that I am aware of. If she wants to go away and think about it. Great for me to get this information. I want her to make it public, though. There is an annual human resources report that is prepared by the department. That is probably the most appropriate place for that kind of information to be found, but here, I have to ask about it in the budget review. Okay, the Minister is going to go away and think about that. I have some other questions here around staffing appeals. I would like to know what percentage of employees who apply on GNWT jobs are actually eligible to file an appeal. Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Madam Chair, I am informed that, in 2019-2020, we had roughly 75 appeals in total, but I can't say what the total percentage that is as compared to total applications. I will commit to getting that number for the Member. Thank you.

**CHAIRPERSON (Ms. Green):** Thank you, Minister of Finance. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. Yes. I have had this issue brought to my attention by some constituents, as well. When someone is not successful in a GNWT competition, are they actually informed of whatever appeal rights they may have? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. Not every person who applies has appeal rights. Those who do have appeal rights, I believe the intention is that they should be given that information. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. Yes, I think part of the issue here is the restrictions on the ability to file appeals. It's a very, very high bar to get over in the first place. I don't know how many job recruitments took place, but to say that we only had 75 appeals in a given year, that's not very many. I don't think it's necessarily just a result of us having a great staff, as we do, but I think it's an issue of the restricted ability to actually access the appeal process. My question for the Minister is: have we actually had the staffing appeal process ever reviewed independently by a third party? Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Minister of Finance.

**HON. CAROLINE WAWZONEK:** Thank you, Madam Chair. The appeal process itself is actually done by a third party. With respect to whether the overall process has ever been reviewed, not to my knowledge. This is an area that I already, in only the short few months that I have been a Minister, have had many enquiries from Members about staffing appeals, so I am

alive to the fact that this does seem to be an issue that is coming back to all of the Members in this House. While I can't right now commit necessarily to a full review of this particular program, I certainly can commit to going back and making some further enquiries myself about whether, in fact, we are making best use of the staffing appeal process for people who are looking for GNWT positions. Thank you, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Minister. Member for Frame Lake.

**MR. O'REILLY:** Thanks, Madam Chair. I appreciate the commitment on the part of the Minister. That's more than we got out of the previous Minister of Finance, who was not even prepared to admit that there was an issue or a problem, so that's good. I would suggest that the Minister start with reviewing some of the correspondence and reports from the Standing Committee on Government Operations from the last Assembly. I wasn't even a member of the committee, but I did sit in on some of their deliberations, and this was a source of some contention, and those issues were brought to the attention of the previous Minister without much resolution. That's more of a comment, Madam Chair. I don't have any further questions, but I appreciate the Minister's commitment to look into it, and she knows that I'll keep raising it. Thanks, Madam Chair.

**CHAIRPERSON (Ms. Green):** Thank you, Member for Frame Lake. Did you want to comment, Minister?

**HON. CAROLINE WAWZONEK:** No. Thank you, Madam Chair.