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**The Honourable Jeannie Marie-Jewell, Speaker**

MEMBERS PRESENT

Mr. Allooloo, Mr. Antoine, Hon. Silas Arngna'naaq, Mr. Arvaluk, Mr. Ballantyne, Hon. Nellie Cournoyea, Mr. Dent, Mr. Gargan, Hon. Stephen Kakfwi, Mr. Koe, Mr. Lewis, Hon. Jeannie Marie-Jewell, Hon. Rebecca Mike, Hon. Don Morin, Hon. Richard Nerysoo, Mr. Ningark, Hon. John Pollard, Mr. Pudlat, Mr. Pudluk, Hon. John Todd, Mr. Whitford, Mr. Zoe

ITEM 1: PRAYER

---Prayer

**MADAM SPEAKER:**

Thank you. Good afternoon. Item 2, Ministers' statements. The honourable Member for Hay River, Mr. Pollard.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 23-12(5): Measures To Control Tobacco Consumption

**HON. JOHN POLLARD:**

Thank you, Madam Speaker. Good afternoon. Madam Speaker, I am announcing today measures that will hopefully protect government revenues and reinforce our government's commitment to promoting healthy lifestyles in the Northwest Territories.

The federal tobacco tax reduction of \$5 per carton of cigarettes and 2.5 cents per gram of loose tobacco, announced last week, has reduced the selling prices of cigarettes and loose tobacco in the Northwest Territories. Since the territorial tobacco tax is based on taxable price, as determined in a quarterly survey of tobacco prices in Yellowknife, tobacco prices would fall again, by about \$3 per carton of cigarettes, on April 1, under our existing tobacco tax legislation. That would result in Northwest Territories cigarette prices being more than \$8 per carton lower than what they were before the federal tax cut. For our government, this tax reduction of \$3 per carton would represent a significant amount of foregone revenues - an estimated loss of \$2 million in 1994-95.

Lower tobacco prices would lead to increased tobacco consumption by Northwest Territories residents. It is well established that tobacco products are a major cause of lung cancer, heart disease, emphysema and many other diseases. In the

Northwest Territories, this is a major health concern because our per capita tobacco consumption is generally higher than in the rest of Canada. Nonetheless, over the past few years, progress has been made in reducing tobacco consumption. By imposing relatively high tobacco tax rates together with health awareness programs carried out by the Department of Health, per capita consumption of cigarettes in the Northwest Territories has fallen by over 20 per cent over the past five years. We cannot allow the progress we have made to be reversed.

I am, therefore, proposing to bring forward legislation in this House that will:

-increase the tax on cigarettes; and,

-increase the tax on loose tobacco products by a corresponding amount.

Because this measure will increase the differentials between Northwest Territories tobacco prices and those in Quebec, Ontario and New Brunswick, it is necessary that we take additional actions in the area of enforcement.

Under the existing Northwest Territories Tobacco Tax Act, individuals importing tobacco products into the Northwest Territories from other jurisdictions, whether for personal use or resale, must report to the Department of Finance and pay the territorial tax. I have been meeting with the RCMP to discuss ways of ensuring maximum compliance with this provision of the act.

As a further measure to prevent smuggling, I intend to bring forward legislation to this House to assist in the enforcement of the Tobacco Tax Act. This legislation will include increased penalties for non-compliance with the act.

Madam Speaker, in conjunction with the federal anti-smuggling awareness campaign, the Department of Health will be enhancing its own health awareness programs warning residents of the dangers of smoking. It is a well-known fact that individuals who become smokers usually acquire the habit and become addicted as teenagers or as young adults. Our campaign will therefore be aimed primarily at the youth population of the Northwest Territories.

The federal government has announced certain legislative measures regarding the sale of tobacco to young persons. It has outlawed the sale of small "kiddy" packs of cigarettes and it has raised the

minimum age for purchasing tobacco products from 16 to 18 years. Madam Speaker, I am proposing that we go one step further and bring forward legislation to this House that will raise the minimum age for purchasing tobacco products in the Northwest Territories from 18 to 19 years. Five Canadian provinces have already raised the minimum age to 19 years. It would also be the same minimum age at which persons can be served liquor at bars and other licensed premises in the Northwest Territories.

I also wish to consider bringing forward legislation that would enable us to withdraw the tobacco vendor's license of any retailer convicted of selling tobacco to minors. Under current legislation, we can withdraw the licenses of retailers convicted for tax-related offenses under the Tobacco Tax Act.

Madam Speaker, we will also be joining forces with the Yukon and the provinces of Manitoba, Saskatchewan, Alberta and British Columbia in controlling smuggling. We will prepare a

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coordinated strategy which will include a review of the following options:

- increased investigations and audit activity;
- increased cooperation between provincial/territorial officials, police forces and the RCMP;
- legislation to require tobacco manufacturers to mark tobacco products;
- increased information sharing in areas such as tobacco imports and exports in order to ensure proper accounting to tobacco movements;
- sharing of resources;
- ensuring that the federal government allocate a fair share of incremental federal audit and enforcement resources to the territories and the western provinces; and,
- increased dissemination of information to retailers and consumers on the requirement that they pay tax on their tobacco imports.

Madam Speaker, the measures I have announced today will protect government revenues and discourage contraband in tobacco products. Above all, they represent a significant enhancement of our government's health awareness program. I am

confident that residents will be responsive to this program and that the successes we have had in reducing tobacco consumption will continue. Thank you, Madam Speaker.

---Applause

**MADAM SPEAKER:**

Thank you, Mr. Pollard. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Amittuq, Mr. Allooooloo.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Michif Conference

**MR. ALLOOLOO:**

Thank you, Madam Speaker. I will finish my Member's statement that I started yesterday. Madam Speaker, Michif is not bad French, as many of the speakers have been made to believe and have felt for many years. It is a real language, rather a group of languages that are spoken by large groups of people in Canada and in the USA. Michif is a truly born Canadian language, actually born before confederation. It is the result of friendly relations between aboriginal people and the French and English.

Michif is taught in some schools and there are some dictionaries and grammar written on it, but it has never been documented in the Northwest Territories before. I would like to thank the resource people who came from Manitoba, especially Guy Lavalee and Audreen Hourie and also those from North Dakota, especially Ida Rose Allard who speaks and teaches Michif Cree.

Madam Speaker, the reason why I am making a Member's statement on this is because I see my language, Inuktitut, evolving everyday, borrowing words from English and French. For example, we borrowed the word "oui," French for "yes." We use the word "Ouibill." And we borrow the word sugar, as "sukaq" and also the word flour "palaugaq." There are so many examples. I believe if I'm speaking to an Inuk mechanic, he would have names for every part of the truck, including pistons, ball bearings and manifolds, in Inuktitut, which have been created since that product has come to our life. We have many examples.

The reason why we are adopting these words is so that our language will survive. It is one of the

strongest aboriginal languages in Canada. So many aboriginal languages are endangered and there are only three languages that aren't. One of them is Inuktitut and it will survive because it adapts to all the languages it encounters. Thank you.

---Applause

**MADAM SPEAKER:**

Thank you. Item 3, Members' statements. The honourable Member for Yellowknife South, Mr. Whitford.

Member's Statement On Congratulating Minister Of Finance For No Decrease In Cigarette Prices

**MR. WHITFORD:**

Thank you, Madam Speaker. Today I rise to congratulate our Minister of Finance, also the Minister of Health, on his position to hold fast on the tobacco tax. I had no idea he was going to make those announcements, but it deals with what is happening across Canada. While the bigger provinces, Madam Speaker, are caving in to the smugglers and the criminal element, the rest are standing ground.

Madam Speaker, yesterday, Ontario lowered its cigarette tax by \$9.68 per carton, bringing it to \$28 per carton in Quebec and New Brunswick. The stand that the western provinces and the territories -- while very commendable from the health point -- have raised fears among the provincial Health Ministers that there will be a dramatic increase in young smokers and a decline in quitters now that the cost of cigarettes are lower. The fear may be well founded, based on the vast quantities of cigarettes that are coming back into Canada from the United States and elsewhere. If the news can be believed, Madam Speaker, there is a much higher cigarette production occurring now in Canada. Someone has to be smoking those cigarettes.

The stand against the lowering of the tax, however, can be likened to the little Dutch boy that stuck his thumb into the dyke and saved the country from flooding. It may well be that there are not enough thumbs left and even then, I fear that the flood will breach the dam before summer is out and that the smugglers will again win and the health of our people will lose. As a matter of fact, we will all lose if that happens.

So congratulations, Minister of Health.

---Applause

**MADAM SPEAKER:**

Thank you. Item 3, Members' statements. The honourable Member for Baffin South, Mr. Pudlat.

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Member's Statement On Construction Of Wharf In Lake Harbour

**MR. PUDLAT:**

(Translation) Thank you, Madam Speaker. Madam Speaker, the community of Lake Harbour has been asking the Government of the Northwest Territories, for many years, to construct a wharf in Lake Harbour. The harbour is very heavily used by local hunters during the summer and fall. Each year it seems there is at least one boat that capsizes in the harbour due to high winds.

The harbour is also affected by very strong currents due to some of the highest tides in the world. The community has instructed me to pursue this matter with the government. I will be asking the Minister of Transportation about what specific future plans it has on constructing a wharf for Lake Harbour. Thank you, Madam Speaker.

---Applause

**MADAM SPEAKER:**

Thank you. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Lewis.

Member's Statement On Transportation Corridor For The North

**MR. LEWIS:**

Thank you, Madam Speaker. The fact that the Izok Lake deposit is no longer on the agenda to be mined in the near future makes me think that people will now talk about no longer having a need for infrastructure, because one of the dreams of Yellowknifers was to have a road that would eventually go to Izok Lake and then to the coast. Many people in Yellowknife, in the mining community, knew as much as a year ago, Madam Speaker, that there were many deposits in the world that could be mined a lot cheaper than the one at Izok Lake. There was some degree of scepticism that this project would proceed, only to find

out that the road to Yellowknife and beyond, along the Ingraham Trail was built at a time when there was a vision of a road to resources. I was very happy this summer when Mr. Todd asked us to contribute to a revision of his transportation strategy. Yellowknife MLAs agreed that one priority that would certainly deserve to be considered and included in this strategy was a continuation of that trail to McKay Lake, which is in the vicinity of many deposits, approximate to the diamond fields and would be an advantage to our economy and to an eventual transportation corridor for the north.

So, Madam Speaker, it remains a priority for Yellowknifers to have a corridor which would make those resources around the Lac de Gras area more accessible so other places in the Northwest Territories could take some economic advantage of that development. Thank you very much.

---Applause

**MADAM SPEAKER:**

Thank you. Item 3, Members' statements. The honourable Member for Aivilik, Mr. Arvaluk.

Member's Statement On Selection Of Senior Men's Hockey Team For Arctic Winter Games

**MR. ARVALUK:**

Thank you, Madam Speaker. I would like to first congratulate the Coral Harbour senior men's hockey team for coming in second place in the territorial trials.

---Applause

Considering the fact that they have only had an arena for a few years, they have certainly excelled in that short time. I must say, Madam Speaker, I am very proud of them. Unfortunately, not one of these players from the Coral Harbour team were selected for the senior men's hockey team...

**SOME HON. MEMBERS:**

Nay, nay.

**MR. ARVALUK:**

...to represent the NWT at the Arctic Winter Games at Slave Lake, Alberta, next week. In fact, not one player from the Keewatin region was selected for this team.

**SOME HON. MEMBERS:**

Nay, nay.

**MR. ARVALUK:**

A lone player from Iqaluit represents the Nunavut area and the territorial team, as indicated in the Arctic Winter Games calendar. The NWT team is made up of six players from the Yellowknife team, which placed first in the trials. I am informed that, according to guidelines for team selection in hockey, there is room for approximately 16 players. Obviously, there is some discretion for the selection of players from these teams which did not place first. It makes me wonder why there was not one player selected from the Coral Harbour team.

Madam Speaker, the Arctic Winter Games were started in the early 1970s as an alternative to national competition for circumpolar athletes, an opportunity to make friends and have fun in the atmosphere of good sportsmanship at somewhat less pressure than that of national competitions. I would like to remind the organizers of the Arctic Winter Games that they have to keep in mind that the spirit and intent of these games -- part of which is to represent all residents of the NWT and, in my view, the spirit and intent of the games -- were not followed when many of the players from the team that came in second place were not selected for the territorial team. I will be pursuing this matter with the Minister responsible...(Microphone turned off)...during question period.

---Applause

**MADAM SPEAKER:**

Thank you. Item 3, Members' statements. The honourable Member for Deh Cho, Mr. Gargan.

Member's Statement On Mineral Exploration And Development In The NWT

**MR. GARGAN:**

Thank you, Madam Speaker. Much of the focus in the last few months has been on mineral exploration and development in the Northwest Territories. Everyone is concerned about getting their fair share of the pie. The territorial government is concerned that the mineral royalty money will go to the federal coffers. Everyone is concerned that there will not be economic opportunities for northerners.

Native organizations are concerned about the environment and how mineral exploration will affect land claims negotiations.

None of us -- aboriginal or white northerners -- can afford to miss these opportunities. But on the other hand, Madam Speaker, we cannot run bluntly into mineral development agreements.

Madam Speaker, in Australia's Northern Territory, there have been some fantastic joint venture agreements between mining companies and aborigines. In return for a percentage of the company and the profits, aborigines work hand in hand with developers to bring new economic opportunities to their regions. Having a percentage of the company gives them some control in the direction that the company takes. This control is essential. It gives the aborigines a say in what happens, a voice that minimizes the environmental impact of projects and ensures that aborigines reap the economic benefits.

Madam Speaker, in my own region over the past few months, we have been in negotiation with oil and gas companies over exploration and development in the Cameron Hills. These companies have taken a step to involve us in the process, and that is appreciated. However, Madam Speaker, I somehow get the impression that the reasons these negotiations haven't progressed is that DIAND has chosen to ignore these companies that have made an attempt to involve the Dene and Metis in the process. We must become owners and partners like the aborigines in northern Australia to make our involvement in non-renewable resources development legitimate, as we, as people, must have the power to make decisions that affect future generations participating in resource development. Madam Speaker, I would like to get unanimous consent to continue my statement.

**MADAM SPEAKER:**

Thank you. The honourable Member is seeking unanimous consent to continue. Are there any nays? There are no nays. Continue, Mr. Gargan.

**MR. GARGAN:**

Madam Speaker, token payments for the use of Dene lands and a few unskilled labour jobs are no longer enough. These concessions are nothing more than a modern version of glass beads. We must have the opportunity to participate. This participation, Madam Speaker, does not mean that we will forget our first responsibility to the environment. A lot of us have

concerns about open-pit mining and its effect upon the land. These minerals are not going to go anywhere. Trading the environment off for short-term economic gains is not acceptable. We must know what is going on for our sake and that of our next generation. Thank you, Madam Speaker.

---Applause

**MADAM SPEAKER:**

Thank you. Members' statements. The honourable Member for Nahendeh, Mr. Antoine.

**Member's Statement On Additional Financial Assistance For TEP Students**

**MR. ANTOINE:**

Mahsi, Madam Speaker. Today I would like to express my concern with regard to the educational post-secondary incentive, consolidated and emergency loans. This has to do with the amendment to the policy that happened last year. It gives additional funds to students in the north who are attending the teacher education program at Arctic College.

We have some students in the south -- specifically in the University of Saskatchewan -- who are working towards obtaining their Bachelor of Education degrees. This policy does not apply to them. There is a feeling here that they are discriminated against.

The idea for this policy is to try to achieve 50 per cent of all teachers in the north to be northern or aboriginal by the year 2000, which is a good policy, Madam Speaker, and I totally support it. However, the aim of this policy is misdirected by applying it only to students who are attending Arctic College. In Arctic College, if we develop teachers, they receive a certificate, but at a university, there are northern students, specifically aboriginal students, who are trying to obtain Bachelor of Education degrees and the focus should also be placed on them. It is a lot of work to go back to school, in Arctic College, and especially in universities where you have to be able to do exceptionally well in your studies to obtain that degree after four years.

I would like to say that this Department of Education incentive policy should be aimed at the development of teachers, whether they receive a certificate at Arctic College or a Bachelor of Education degree at a university in the south, such as the University of Saskatchewan. Mahsi, Madam Speaker.

---Applause

**MADAM SPEAKER:**

Thank you. Members' statements. Item 4, returns to oral questions. The honourable Member for Sahtu, Mr. Kakfwi.

**ITEM 4: RETURNS TO ORAL QUESTIONS**

Further Return To Question 52-12(5): Legal Opinion Re Conflict of Minister Serving As Chairman Of Advisory Committee

**HON. STEPHEN KAKFWI:**

Madam Speaker, I have four returns. I will read them all. The first is in response to a question asked by Mr. Gargan on February 11, regarding a legal opinion about whether there is a conflict of a Minister serving as the chairman of the Advisory Committee.

Madam Speaker, the conflict of interest provisions of the Legislative Assembly and Executive Council Act contemplate a Member's conflict of interest in his or her personal capacity due to direct or indirect pecuniary interests in matters in which the Legislative Assembly is concerned. The provisions do not address the potential for a Minister to be in conflict by virtue of his or her office as a Minister of the Crown. Accordingly, a Minister is not in a legal conflict of interest under the terms of the Legislative Assembly and Executive Council Act if the Minister is represented on a committee advising his or her department.

Return To Question 114-12(5): Northern Nominees For RCMP Training

**HON. STEPHEN KAKFWI:**

The second return is in response, again to Mr. Gargan, to a question he asked on February 16 regarding northern nominees for RCMP training.

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Although no new students are being accepted at this time, those who are already started will be able to continue with it. The program has been successful over the years in the Northwest Territories. Most recently, Yvonne Niego and Dan Roode, both graduates of the program, completed their training at the RCMP academy in December 1993, and have now been posted in NWT communities.

Two NWT residents who went through this program, Joey Moses and Henry Coman, are currently doing well in their training at the RCMP academy and will graduate in March and April. Two more, Violet Pokiak and Adolphus Norris, have completed the program and are waiting for an opening at the RCMP academy.

Further Return To Question 128-12(5): Duration Of Tranquillizer Effect On Polar Bears

The remaining two returns I have are with regard to the drug used to tranquilize polar bears and the duration of the effect of this tranquilizer on same. The first question was asked by Mr. Pudluk on February 17. The second was asked by Mr. Allooloo.

Polar bears were first drugged with Sernylan (phencyclidine hydrochloride), also known as PCP or angel dust. However, after 1978, it was no longer manufactured because large amounts of it were used illegally on the street. The Department of Renewable Resources changed to a combination of ketamine and xylazine (Rompun).

**AN HON. MEMBER:**

(Microphone turned off)

---Laughter

**HON. STEPHEN KAKFWI:**

Rum-pun.

---Laughter

I don't want to fool around with that one.

---Laughter

In 1985, the department began using Telazol, which is an excellent drug for the purpose. It immobilizes these large bears in about six minutes. No bears have died from the use of this drug.

Further Return To Question 130-12(5): Drug Used To Tranquillize Polar Bears

This is in response to Mr. Allooloo who asked about the duration and effect of these tranquilizers.

In 1992, the Department of Renewable Resources initiated a cooperative study with the University of Saskatchewan and the resident hunters' and trappers' association to determine how long Telazol remains in

the tissue of polar bears. The study took longer than expected because new procedures had to be developed in the lab. Blood analysis have shown that all Telazol is eliminated from the blood at least three days after the injection. The results for the meat, fat and organs should be available this May.

The department has kept the community of Resolute Bay informed by providing written and oral briefings through the renewable resources officers to the hunters' and trappers' association. The most recent report was provided two weeks ago. The final report, which should be completed this spring, must be reviewed by Health and Welfare Canada before it can be released to the communities and to the general public. Once Health and Welfare Canada establishes its guidelines, we will further consult with the communities. In the meantime, we will continue to ask that meat from drugged polar bears not be eaten and compensate hunters who harvest a tagged bear to not eat the meat. Thank you.

**MADAM SPEAKER:**

Thank you. May I ask Ministers, when you are replying to more than one return to oral question at one time, to indicate that for the record and to make it easier for Hansard staff to record the question number into the record. Thank you. Item 4, returns to oral questions. The honourable Member for Hay River.

Further Return To Question 142-12(5): Payroll Tax Return Forms

Further Return To Question 146-12(5): Payroll Tax Calculations

**HON. JOHN POLLARD:**

Thank you, Madam Speaker. This is a return to oral questions asked by Mr. Dent and Mr. Ballantyne on February 18, 1994. It concerns tax return forms and payroll tax calculations. Both Members raised questions concerning the wording used on the annual return to be filed by employers under the Payroll Tax Act.

Firstly, Mr. Dent was quite correct in stating that the form asks for the total amount of tax collected from each employee. Although this is a payroll tax form and the information requested was for payroll tax purposes only, it is understandable that this request might be misunderstood. It is also correct that the word "remuneration" is misspelled twice on this form.

Madam Speaker, the spelling will be corrected and the wording on the forms will be revised to state, "Total amount of payroll tax collected from each employee."

Mr. Dent also questioned the purpose of asking for the name of each employee who worked in the NWT in the year. As I indicated on Friday, it is necessary to obtain payroll information on each employee to enable the government to cross-reference employee tax information and to report back to this Assembly on the effectiveness of the tax initiatives. The individual payroll tax information requested should be readily available from employer payrolls and is considerably less than employers have to report federally for income tax purposes.

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Mr. Ballantyne also quite rightly noted that the payroll tax calculations described on the annual payroll tax return may be confusing. Although the annual return identifies that the "gross annual remuneration" is that remuneration subject to payroll tax, it may not be clear to some employers that this would be the earnings for the period July 1 to December 31, 1993, only. We will clarify this request on any follow-up correspondence and on any new forms issued to employers who have not already reported correctly. Thank you, Madam Speaker.

**MADAM SPEAKER:**

Thank you. Item 4, returns to oral questions. Item 5, oral questions. The honourable Member for Inuvik, Mr. Koe.

**ITEM 5: ORAL QUESTIONS**

Question 165-12(5): Review Of Fee Structure For Services Provided To Aged And Handicapped

**MR. KOE:**

Mahsi, Madam Speaker. I have a question for the Minister of Social Services. The Minister's department is responsible for services to the aged and handicapped. Currently, there is a policy in existence which sets the fees that government-operated or self-standing operated senior citizens' homes can assess their residents. I believe that this fee is currently \$380 a month, and that the money collected helps cover some of the operations and costs of residents.



Since this fee is set by policy, it is also my understanding that it hasn't been changed for quite some time. My question to the Minister is, what has been done to review this fee structure to determine whether they're adequate or not?

**MADAM SPEAKER:**

Thank you. Minister of Social Services, Ms. Mike.

Return To Question 165-12(5): Review Of Fee Structure For Services Provided To Aged And Handicapped

**HON. REBECCA MIKE:**

Thank you, Madam Speaker. The government agrees that services, such as those provided by personal care of elders and group homes, should be needs-based. The income security reform initiative will recommend that the fee structure be revised to allow facilities to charge rates based on what clients are able to pay, with reasonable ceilings. This is in line with our restructuring plan and that restructuring plan should be in place by September 1, 1994. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 165-12(5): Review Of Fee Structure For Services Provided To Aged And Handicapped

**MR. KOE:**

Mahsi. I'm glad this is under review. Has any work been done to determine whether the contribution and fees which are being received by the self-standing facilities are adequate?

**MADAM SPEAKER:**

Minister of Social Services, Ms. Mike.

Further Return To Question 165-12(5): Review Of Fee Structure For Services Provided To Aged And Handicapped

**HON. REBECCA MIKE:**

Thank you, Madam Speaker. At the present time, we have an extremely heavy workload in terms of planning other things that have been requested by this Legislative Assembly. We are looking at

programs, in a time of restructuring and reorganization of the department. As far as I know, at the present time, the facilities that we contribute grants to are being looked at to streamline the price structures, as well. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Aivilik, Mr. Arvaluk.

Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**MR. ARVALUK:**

Madam Speaker, I informed the House earlier about the situation of the selection process of the players for Arctic Winter Games, the open men's division. The fact that Coral Harbour was the runner up and beat Tuktoyaktuk, Hay River and an all-star team from different regions, and yet do not have one player on the territorial team brings the whole question of selection into question. My question is to the Minister responsible for sports and recreation. I believe he is also the Minister of MACA. Would he inform the House what the process is for selection for team membership to participate in the Arctic Winter Games? Thank you.

**MADAM SPEAKER:**

Thank you. Minister responsible for Municipal and Community Affairs, Mr. Arngna'naaq.

Return To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**HON. SILAS ARNGNA'NAAQ:**

Thank you, Madam Speaker. The selection criteria for teams to the Arctic Winter Games is set and carried out by independent governing bodies of the particular sport. Thank you, Madam Speaker.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Arvaluk.

Supplementary To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**MR. ARVALUK:**

Thank you, Madam Speaker. My question is not who selected the membership of the teams. I asked, Madam Speaker, how these players are selected. Thank you, Madam Speaker. Just for clarification. Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**HON. SILAS ARNGNA'NAAQ:**

Madam Speaker, because selection is made by independent sports bodies, in this case the hockey association, I don't know how the selection would be made. The hockey association would pay the people who make the selection and how they would make the selection is up to them. Thank you.

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**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Arvaluk.

**MR. ARVALUK:**

Madam Speaker, is it the practice of the territorial government, being the trustee of the Arctic Winter Games initiatives, to take an interest in the spirit of the selection process of the Arctic Winter Games?

**MADAM SPEAKER:**

Mr. Arvaluk, I don't believe you had a question. Mr. Arvaluk.

Supplementary To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**MR. ARVALUK:**

Thank you, Madam Speaker. I was trying to pose a supplementary, but it didn't come out very clearly. I believe the recreation directors, coordinators and other government employees who are connected with the Department of Municipal and Community Affairs and I take it that the territorial government is a trustee. Does the Minister responsible for sports and

recreation participate in the guidelines and intent of those guidelines for the Arctic Winter Games?

**MADAM SPEAKER:**

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**HON. SILAS ARNGNA'NAAQ:**

Thank you, Madam Speaker. Madam Speaker, to date I have not been involved in any of the selections nor the guidelines as to which players will be selected for the Arctic Winter Games. Whether that may have been in the past, I don't know. But to date I have not been involved. The governing body of the particular sport would decide the guidelines for a selection of participants in the Arctic Winter Games. The associations, themselves, in this case, the hockey association, would be asked to review the selection process for the final team. Thank you.

**MADAM SPEAKER:**

Thank you. Final supplementary, Mr. Arvaluk.

Supplementary To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**MR. ARVALUK:**

Thank you, Madam Speaker. I am sorry this is a final supplementary. Can the Minister at least check into the matter and ensure that fairness and equality is practised in the selection process to avoid discrimination against smaller communities. Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 166-12(5): Process For Selection Of Team Membership For Arctic Winter Games

**HON. SILAS ARNGNA'NAAQ:**

Thank you, Madam Speaker. Yes, I will.

**MADAM SPEAKER:**

Item 5, oral questions. The honourable Member for North Slave, Mr. Zoe.

Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**MR. ZOE:**

Thank you, Madam Speaker. Madam Speaker, the NWT Association of Municipalities, in resolution 93(1), called for the territorial and federal governments to begin discussions to complete the Mackenzie Valley Highway. In June of last year, Madam Speaker, the Minister of Transportation informed the association that his department is developing financial proposals for the federal government's consideration. Can the Minister tell us whether these proposals were completed?

**MADAM SPEAKER:**

Thank you. Minister of Transportation, Mr. Todd.

Return To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**HON. JOHN TODD:**

Thank you, Madam Speaker. Yes, as the honourable Member has indicated, it has been one of the priorities that we have established in our update of the transportation strategy. We are currently working with Mr. Frank Pope in trying to work out a plan to extend the highway in that area. We are on track for the negotiations we are undertaking with the federal government. During the break, when some of you are at the Arctic Winter Games, I will be in Ottawa trying to convince, along with Ms. Blondin-Andrew and Mr. Anawak, the federal government to join us in this venture of roads to resources. Thank you.

---Applause

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**MR. ZOE:**

Thank you, Madam Speaker. I appreciate the Minister giving me his strategy for this particular initiative. But you didn't answer my question. My question was, could the Minister tell us whether these

proposals were completed, as indicated in June to the NWT Association of Municipalities?

**MADAM SPEAKER:**

Thank you. Minister of Transportation, Mr. Todd.

Further Return To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**HON. JOHN TODD:**

Well, this is a moving document...

---Laughter

...you have to feel the policy.

---Laughter

The reality is that, in principle, we have said we are going to make a priority of roads in the Mackenzie and some other areas, in our negotiations with the federal government. These strategies are well under way. There are discussions taking place with some regional groups. I am hopeful that we will be able to convince our federal counterparts that this is a good initiative. Until we know how much participation we can get

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from the federal government, it is difficult to say definitively that this is when it is going to happen, here is what we are going to do and this is the time schedule in which we are going to do it.

We have a plan, we just don't have the money. We need to find a way to convince the federal government to join us in this initiative which is important to the people in the area that is affected. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**MR. ZOE:**

Thank you, Madam Speaker. I am not going to prolong this question. Am I correct in assuming the proposal is not complete, which is what the Minister is indicating?

**MADAM SPEAKER:**

Thank you. Minister of Transportation, Mr. Todd.

Further Return To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**HON. JOHN TODD:**

We have established that there is a requirement, or we see as a priority, the need for these roads in some initiatives that we have laid out. Mr. Lewis spoke to it earlier. I am saying to you the weakness in the proposals is to determine how much involvement we can get from federal government. Once we have that, if we can get it, then we will be able to put it to bed with respect to timing and how we would go about it. In the meantime, there are people like Mr. Pope, for example, who are taking a very aggressive position in his area in trying to come up with some creative ideas on how to expand that highway. I applaud him for it. What we're doing is getting in behind them to say that this is a good idea. I don't know how else to answer the question. We want to build roads, we have a plan, we made a priority and we stake out the money. We have to go out there and find the money from the federal government and that's what I'm trying to do.

**MADAM SPEAKER:**

Thank you. Final supplementary, Mr. Zoe.

Supplementary To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**MR. ZOE:**

Madam Speaker, I thought my supplementaries were straight forward. I just asked a simple question on whether the financial proposal that the Minister is developing has been completed or not. I want to know if it is and what's happening to it. I realize that the Minister is developing one. It appears from the comments received from the Minister that this financial proposal is not completed yet. Am I correct?

**MADAM SPEAKER:**

Minister of Transportation, Mr. Todd.

Further Return To Question 167-12(5): Proposals To Complete Mackenzie Valley Highway

**HON. JOHN TODD:**

Yes, Mr. Zoe is correct. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Baffin South, Mr. Pudlat.

Question 168-12(5): Requirement For Boat Shelter In Lake Harbour

**MR. PUDLAT:**

(Translation) Thank you, Madam Speaker. In my Member's statement I mentioned that we need a boat shelter in Lake Harbour. And, in the very strong winds, some boats capsized in the water so we will be looking for a shelter for the boats. Thank you, Madam Speaker.

**MADAM SPEAKER:**

Minister of Transportation, Mr. Todd.

Return To Question 168-12(5): Requirement For Boat Shelter In Lake Harbour

**HON. JOHN TODD:**

Thank you, Madam Speaker. I have indicated in my previous budget statements that I felt that marine development, particularly in off-road communities, was important because the water has both recreational and commercial importance. Certainly, we would be prepared to look at the possibility of assessing the dock facilities and wharf facilities that may be required for the people of Lake Harbour. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Pudlat.

Supplementary To Question 168-12(5): Requirement For Boat Shelter In Lake Harbour

**MR. PUDLAT:**

(Translation) Thank you, Madam Speaker. In the past, there have been communities that have had shelter for their boats. The water in our area is not only used for sport. It is also used for hunting. Like I said, there are very strong winds in Lake Harbour so they need a shelter for their boats, to put their boats away during the strong winds. I wonder if I understand that there will be no funding for a shelter for the boats? Am I correct, Madam Speaker?

**MADAM SPEAKER:**

Minister of Transportation, Mr. Todd.

Further Return To Question 168-12(5): Requirement For Boat Shelter In Lake Harbour

**HON. JOHN TODD:**

I'm a little unclear on the translation, but I think what the honourable Member is talking about is the requirement for some kind of breakwater, wharf-type of protection or shelter for local boats. We have constructed a number of them in other communities, in Gjoa Haven and Cape Dorset. I will give the honourable Member the commitment to look into his request and see if we can build it in the capital budget for future years, assuming that the municipality sees it as a priority. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Pudlat.

Supplementary To Question 168-12(5): Requirement For Boat Shelter In Lake Harbour

**MR. PUDLAT:**

Thank you, Madam Speaker. There are two of them. The one you're talking about and the one I'm talking about would be a breakwater. What would be your first priority, the dock or the breakwater? Thank you.

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**MADAM SPEAKER:**

Point of order, Mr. Allooloo.

Point Of Order

**MR. ALLOOLOO:**

Thank you, Madam Speaker. I don't think the translation came out as it should have. The Member is not talking about breakwaters or wharves for boats. The Member is talking about a shelter or harbour where the boats could go in the event of a storm, to be protected from the elements. Thank you.

**MADAM SPEAKER:**

Thank you for that clarification. You don't have a point of order, but thanks for your assistance. Minister of Transportation, Mr. Todd.

Further Return To Question 168-12(5): Requirement For Boat Shelter In Lake Harbour

**HON. JOHN TODD:**

We have a new superintendent of Transportation, as part of our decentralization process in the Baffin. So perhaps what may be appropriate, to get a more accurate reflection of what the community desires, is to have the superintendent go into the community of Lake Harbour and work with the Member and the municipality to work out an appropriate course of action to meet the requirements of that community. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Amittuq, Mr. Allooloo.

Question 169-12(5): Revenue Generated From Sale Of Cigarettes

**MR. ALLOOLOO:**

Thank you, Madam Speaker. I would like to ask the Minister of Finance a question. He made very positive remarks this morning in his Minister's statement. I agree with his position to keep cigarette prices at the same level. Would the Minister know how much more revenue will be generated for our government through this effort? Does he have some sort of number to tell us? Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Finance, Mr. Pollard.

Return To Question 169-12(5): Revenue Generated From Sale Of Cigarettes

**HON. JOHN POLLARD:**

Madam Speaker, because the federal government tax is part of the price upon which we calculate our taxes, our taxes effective April 1 will drop and we stand to lose around \$2 million. So, if we don't raise our prices, we are going to lose the \$2 million. If we move into the federal tax room, then we can gain an extra \$1.5 or \$2 million on top of that again, Madam Speaker. Those are the ranges we are discussing at the present time. Thank you, Madam Speaker.

**MADAM SPEAKER:**

Supplementary, Mr. Allooloo.

Supplementary To Question 169-12(5): Revenue Generated From Sale Of Cigarettes

**MR. ALLOOLOO:**

Thank you, Madam Speaker. I understand that in our formula financing agreement there is a perversity factor. If we increase taxes in the NWT, would that apply in this case? Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Finance, Mr. Pollard.

Further Return To Question 169-12(5): Revenue Generated From Sale Of Cigarettes

**HON. JOHN POLLARD:**

Thank you, Madam Speaker. Madam Speaker, the perversity factor that affects us is calculated by an average tax rate across Canada, so when Ontario drops its taxes, then there's going to be some effect on us. Quebec and New Brunswick have done the same thing so it will effect us. As I've said in the House before, when Mr. Ballantyne was the Finance Minister he was very aggressive on the tobacco taxes and he really did well in escalating them during the term he was there.

**AN HON. MEMBER:**

(Microphone turned off)

---Laughter

**HON. JOHN POLLARD:**

So we won't gain advantage from all of these increases, but we will certainly close the gap on the average taxes across the Northwest Territories, compared to Canadian provinces. Thank you, Madam Speaker.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Deh Cho, Mr. Gargan.

Question 170-12(5): Minister's Awareness Of Defective Stovepipes

**MR. GARGAN:**

Thank you, Madam Speaker. I would like to direct my question to the Minister of the Housing Corporation. Last week, I was watching a documentary on Market Place with regard to the kind of stovepipes that we use up here and the Housing Corporation uses a lot of them. Those are the steel stovepipes

manufactured in Ontario. A lot of these stovepipes when condensed will collapse. It could pose a hazard for people if they are not aware if their stovepipe has collapsed. Is the Minister aware of this?

**MADAM SPEAKER:**

Thank you. Minister of the Housing Corporation, Mr. Morin.

Return To Question 170-12(5): Minister's Awareness Of Defective Stovepipes

**HON. DON MORIN:**

Thank you, Madam Speaker. I was not aware of it. I am aware of it now and I will check with my department to see if they have received direction from CMHC. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Yellowknife Centre, Mr. Lewis.

Question 171-12(5): Planning For Grade Extensions

**MR. LEWIS:**

Thank you, Madam Speaker. My question is to the Minister of Education. About nine years ago, we began extending grades in the communities. This program has met with quite a bit of success, I believe. When the Minister does

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his planning, how does he determine what his needs are going to be in the following year? Is it made on the assumption that all the young people who are in a particular grade in one year are then going to proceed to the following grade the next year?

**MADAM SPEAKER:**

Thank you. Minister of Education, Culture and Employment Programs, Mr. Nerysoo.

Return To Question 171-12(5): Planning For Grade Extensions

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. The basis on which the assessments have been made is the initial student enrolment in October and the final enrolment at the

end of the year. That is the basis on which the decisions are made.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 171-12(5): Planning For Grade Extensions

**MR. LEWIS:**

Thank you. I know when this was first discussed 12 years ago, there was a concern about costs and how much this new approach was going to cost the government. When the Minister takes his proposal for funding these initiatives at the local level, is this considered by our government as a forced growth item, which is a priority item in terms of funding?

**MADAM SPEAKER:**

Thank you. Minister of Education, Culture and Employment Programs, Mr. Nerysoo.

Further Return To Question 171-12(5): Planning For Grade Extensions

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. Generally speaking, it is considered, with the exception that we are also proposing changes in the way we make our calculations to include the potential for new registrations of students in that particular year. Our problem has been based on the method by which we are calculating student growth -- and this has been raised by the Standing Committee on Finance -- it is not responding to the population increases occurring within our student population in the communities.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 171-12(5): Planning For Grade Extensions

**MR. LEWIS:**

Could the Minister give some indication of what extra costs we need to incur so this program can proceed in the communities where we have already taken this initiative to extend grades?

**MADAM SPEAKER:**

Thank you. Minister of Education, Culture and Employment Programs, Mr. Nerysoo.

Further Return To Question 171-12(5): Planning For Grade Extensions

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. The potential increases in some situations, and I made mention of this during our capital review in November and December, are to meet the needs for this upcoming year, for instance, which would cost us an additional \$16 million. The additional requirements over the next five years would be approximately \$30 million. The total amount was approximately \$46 million, if Members will recall when I made my presentation. That is based on the calculations that have been used previously. Members are all aware of the tremendous population growths in our communities, particularly in the Nunavut communities where the population of students is almost six times what is normally the national average. So we have to be cognizant of that. The population growth in the north is two to three times the national average.

**MADAM SPEAKER:**

Thank you. Final supplementary, Mr. Lewis.

Supplementary To Question 171-12(5): Planning For Grade Extensions

**MR. LEWIS:**

Since we have made education a priority and since this is a program that our government has been committed to now for many years, will this money be made available in this year's budget?

**MADAM SPEAKER:**

Thank you. Minister of Education, Culture and Employment Programs, Mr. Nerysoo.

Further Return To Question 171-12(5): Planning For Grade Extensions

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. The question of whether or not the financing will be made available is a matter that has to be brought before my Cabinet colleagues and the Minister of Finance then has to respond to it. Members have been made aware of the financial requirements. I must say my colleagues

have been very supportive of my request for additional funding for programming and services to students. I realize that there are probably some deficiencies, but we are working hard to respond to those needs. In that context, we are moving ahead.

The other important element in this whole discussion is we have developed draft guidelines, standards and criteria for capital projects for the future to respond to the potential growth in communities. Those require further review by departments and my Cabinet colleagues and will be the basis by which we construct facilities in the future.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Inuvik, Mr. Koe.

Question 172-12(5): Power Corporation Staff Housing Policy

**MR. KOE:**

Mahsi, Madam Speaker. I have a question for the Minister responsible for the Northwest Territories Power Corporation. Last Friday, February 18, the Minister responded to questions by my colleague, Mr. Patterson and myself, and stated that the Power Corporation has a staff housing policy, which was approved by the board of directors on June 12, 1992. The Minister also stated that details could be provided on this strategy. Will the Minister provide, to this House, the staff housing strategy of the Northwest Territories Power Corporation?

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**MADAM SPEAKER:**

Thank you. Minister responsible for the Power Corporation, Madam Premier.

Return To Question 172-12(5): Power Corporation Staff Housing Policy

**HON. NELLIE COURNOYEA:**

Thank you, Madam Speaker. Madam Speaker, yes.

**MADAM SPEAKER:**

Supplementary, Mr. Koe.

Supplementary To Question 172-12(5): Power Corporation Staff Housing Policy

**MR. KOE:**

Mahsi. Has the Power Corporation advised their employees about the strategy?

**MADAM SPEAKER:**

Thank you. Madam Premier.

Further Return To Question 172-12(5): Power Corporation Staff Housing Policy

**HON. NELLIE COURNOYEA:**

Madam Speaker, in terms of the current situation, the staff housing policy incorporates principles approved at the June 12, 1992 board meeting. It also attempts to keep the policy as brief and simple as possible. The policy differs significantly from the way the Government of the Northwest Territories is currently administering staff housing. However, it has the same general thrust as the GNWT, which moves towards transferring more of the actual cost for staff accommodation to employees. The Northwest Territories Power Corporation is required to consult with the Union of Northern Workers when initiating new policies that affect employees' terms and conditions of employment. The consultation occurred, with meetings held February 18, 1993, and March 31, 1993, and the policy was implemented September 1, 1993. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 172-12(5): Power Corporation Staff Housing Policy

**MR. KOE:**

Thank you for that information. In what time frame, then, is the Power Corporation working to get rid of all its staff housing?

**MADAM SPEAKER:**

Thank you. Madam Premier.

**HON. NELLIE COURNOYEA:**

Madam Speaker, I don't know the answer so I will have to take that as notice.

**MADAM SPEAKER:**



Thank you. Item 5, oral questions. The honourable Member for Nahendeh, Mr. Antoine.

Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**MR. ANTOINE:**

Mahsi, Madam Speaker. My question is for the Minister responsible for Education, Culture and Employment, and this is in regard to the education post-secondary incentive, consolidated and emergency loans. In my statement today, I made known to this House my concern about this policy and how it does not really address the whole policy. This policy is part of the government initiative to have 50 per cent of teachers in the north be northern aboriginal by the year 2000. This initiative is only helping the students in Arctic College taking the TEP program, no other students, and is not offered to students who are at university, specifically, the University of Saskatchewan, which is affiliated with the TEP program. My concern is if the Minister of this department is looking to see if this policy is beneficial to university students as well as Arctic College students. Mahsi.

**MADAM SPEAKER:**

Thank you. Minister of Education, Mr. Nerysoo.

Return To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. Just so that we are not confused, the CTEP itself is a community-based training program that is associated with universities, so it is a university program with the exception of the initial two years as being the certification aspect. What we have been trying to do in the initiative of the teacher training program is to ensure that we encourage those students who are living in communities to be part of the program. As such, our position to date has been to fund those who are participating in the program, specifically in our communities or in our northern communities in particular.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**MR. ANTOINE:**

Thank you, Madam Speaker. There are students who want to be teachers, as well, that have taken their own initiative, even taken their families to southern institutions, specifically, the University of Saskatchewan, and they take the hardships along with it. It is not very pleasant going to university in the south on limited resources. What you are doing here with the community-based teacher education program is giving additional money above and beyond what students have been normally getting to people who are from the community to try to encourage them to go back to school, but there are people who have taken that initiative on their own, and for taking the initiative on their own, they do not have the benefits that the students who we are encouraging to go back to school have. It is not fair to those students who have taken that extra effort and hardship to go to university, and you are encouraging the other ones to take it. To me, it is not fair, and to the students in the University of Saskatchewan who I am aware of, it is not fair. What I am saying is, have you looked at this policy to see if you could change the policy to allow for these students who are going to become teachers with a degree in education and who are going to come back home to the north to teach in the school system? Are you going to be able to change the policy so that they could benefit from it as the other people who are taking the CTEP? Thank you.

**MADAM SPEAKER:**

Thank you. May I remind Members to attempt to keep their preamble as short as possible when they are doing their supplementaries. Minister of Education, Mr. Nerysoo.

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Further Return To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. I think what becomes difficult is the idea of changing the initiative without considering all factors. I understand the concerns that the honourable Member has raised, however, the initiative itself was to encourage and to develop

northern NWT community-based training to encourage people in the communities to become part of the teacher training program. That has been our focal point so far.

I would be cautious about the idea of extending the incentives in other institutions because it would mean that you would have to consider the students in Arctic College generally. There are other programs, and there have been criticisms of this government because we have not provided assistance to other program areas. I think that I would be very careful with the concept of providing additional financial resources to students in southern Canada because you would expand the total requirement to most students who are in educational programs.

The other issue that the honourable Member should be aware of is that a year ago, particularly for aboriginal students, we increased the total amount of dollars we were providing to those students because we increased and moved the students' financial assistance to those levels that were being provided by Indian Affairs generally across the country. There is another point that should be considered and it is that there is an additional living allowance that is normally paid and provided to students that require additional finances, particularly if they have family members to support. It all depends on the applications and the additional requirements, and we will review every application and deal with them as fairly as possible.

On the matter of providing the same incentives to students in southern Canada as compared to within our communities, I would be very careful about the idea of expanding that particular program. We are reviewing, as well, the student financial assistance program, and maybe some of the concerns the honourable Member has raised may be addressed in that particular review.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**MR. ANTOINE:**

Mahsi. Thank you, Madam Speaker. My concern is for students who have decided to go to university to obtain a degree in education, specifically, the University of Saskatchewan, which has an agreement

with Arctic College and the teacher education program. The students there, especially those with families and kids, need additional funding to help them go to school. That is the main point. What you are telling me is that they don't qualify for this extra funding, so if they decide to quit university and go home, then you will have that extra funding to go to TEP. Is that what the Minister is saying? Thank you.

**MADAM SPEAKER:**

Minister of Education, Mr. Nerysoo.

Further Return To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. No, I would never be in the position to discourage our students from attending university. In fact, if anything, I would try to find a way to ensure that they stayed at university. But, I would suggest to the honourable Member and Members of this House that the best way would be to try to find a change in the student financial assistance rather than encouraging or utilizing a program that was meant to encourage people in our communities to enter the teaching profession. That would be my view.

The other element that is important for us to consider is that we are moving to introduce third and fourth year programs in the NWT who are assigned to particular universities. The University of Saskatchewan program in the west and McGill University in Nunavut. It is my view that it would be best for us if we could encourage third and fourth year programming in the NWT, with the view that they would be degree students at the end of the program.

But, no, I would never discourage our students. If anything, my suggestion would be to find a solution for the specific individual and student. Then we can maybe find a solution.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**MR. ANTOINE:**

Final supplementary, Madam Speaker. I would like to ask the Minister when will this review take place and what kind of time frame are we looking at for changes to this policy? Thank you.

**MADAM SPEAKER:**

Minister of Education, Mr. Nerysoo.

Further Return To Question 173-12(5): Post-Secondary Assistance For Teacher Training, University Vs Arctic College Students

**HON. RICHARD NERYSOO:**

Thank you, Madam Speaker. The review is ongoing. A committee has been set up in-house that is reviewing the student financial assistance program, with the view of considering possible changes. It will be part of our ongoing operational plan. We hope that we can have some of the changes completed by the fall so that we can apply them to students. In that context, there is no attempt on our part in the review to reduce any of the assistance we are providing to any of our students attending university.

**MADAM SPEAKER:**

Item 5, oral questions. The honourable Member for North Slave, Mr. Zoe.

Question 174-12(5): Review Of Utility Subsidies

**MR. ZOE:**

Thank you, Madam Speaker. Madam Speaker, in 1993, the NWT Association of Municipalities resolved to request

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a fuel subsidy for home owners in the Northwest Territories. On April 20 of last year, Madam Speaker, the Minister of Public Works responded to the association stating that the issue of utility subsidies was then under review and that a recommendation would later be made to Cabinet. Could I ask the Minister the status of this particular issue? Thank you.

**MADAM SPEAKER:**

Thank you. Minister responsible for Government Services and Public Works, Mr. Morin.

Return To Question 174-12(5): Review Of Utility Subsidies

**HON. DON MORIN:**

Thank you, Madam Speaker. We are reviewing the prices of POL products in the Northwest Territories and it should be done by March 31. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for High Arctic, Mr. Pudluk.

Question 175-12(5): Consumption Of Meat From Tagged Polar Bears

**MR. PUDLUK:**

Thank you, Madam Speaker. I appreciate the return to my oral question 128-12(5) from the Minister of Renewable Resources. The way I see the answer to my oral question, it makes me more concerned about the tranquillization of polar bears. In the last paragraph it says, "In the meantime, we will continue to ask that the meat of tagged polar bears not be eaten and we will compensate hunters who harvest tagged bears to not eat the meat." Is the Minister saying not to eat bears, no matter how long ago they were tagged? Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Renewable Resources, Mr. Kakfwi.

Return To Question 175-12(5): Consumption Of Meat From Tagged Polar Bears

**HON. STEPHEN KAKFWI:**

Madam Speaker, as I understand it, the bears that are tagged are marked with some sort of indication that they've been tagged recently. There is a way to tell if they have been tagged very recently or if they've been tagged a few weeks ago, by the way they are designated. It is my understanding that part of the difficulty of carrying out this type of work is that, in order to determine how long the tranquillizer stays in the blood and in the flesh of the bear, on first tranquillizing it you have to do it again shortly after.

It is stressful for the animals and some of the communities have discouraged the tagging of bears twice in such a short duration. What we've said is that the samples that we've got are being analyzed right

now to determine how long the tranquillizers stay in the meat, fat and organs of the polar bear. This information will be available in May. Until then, until Health and Welfare comes out with its own statement on this, we've asked that people refrain from shooting bears that have been tagged and from eating the flesh of bears that have been tagged. I'm not certain if in Resolute people eat polar bear meat on a regular basis, but surely there's some way to work out some arrangement to ensure that the research is reported and it doesn't hinder the lifestyle of the people who do eat polar bear meat. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Pudluk.

Supplementary To Question 175-12(5): Consumption Of Meat From Tagged Polar Bears

**MR. PUDLUK:**

Madam Speaker, as soon as the hunting season is open, we start eating polar bear meat until the season is over. Polar bear hunters are eating polar bear meat even though it's been drugged before because we were never told not to eat it. Would the Minister let the people know as soon as he has the information about possible health effects because it will affect me, my family and my friends and people who hunt polar bears. It will affect many in Nunavut. Thank you, Madam Speaker.

**MADAM SPEAKER:**

Thank you. Minister of Renewable Resources, Mr. Kakfwi.

Further Return To Question 175-12(5): Consumption Of Meat From Tagged Polar Bears

**HON. STEPHEN KAKFWI:**

Madam Speaker, the study that

was undertaken on the effect of tranquillizers on polar bears started about two years ago and we would apologize to the MLA and the affected communities if we have not alerted them to the possible negative impact of tranquillizers being used on polar bears and how it may have a negative effect on those who eat polar bear meat. I hope this was done at the outset of the study. If it hadn't been, I think there is an apology in order. Perhaps it was done. I'm not aware. I'm just saying that if it hadn't been, then an apology is in order. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Natilikmiot, Mr. Ningark.

Question 176-12(5): Policy On Use Of Local Businesses By Contractors

**MR. NINGARK:**

(Translation) Thank you, Madam Speaker. Madam Speaker, I would like to direct my question to the Premier, the communities using fiscal restraint. The hunters are having a hard time trying to make money. The government has different things happening in the communities, such as constructing buildings and they have contractors coming in from different areas. It seems the contractors go into the communities, but they often don't use the businesses in the communities. Is there a policy that would encourage the contractors to utilize the different businesses in the communities? Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Public Works and Services, Mr. Morin.

Return To Question 176-12(5): Policy On Use Of Local Businesses By Contractors

**HON. DON MORIN:**

Thank you, Madam Speaker. Yes, there is a policy in place, the business incentive policy. It does encourage contractors to hire local people. For any portion of their tender, if they use a local person, they are allowed five per cent extra, over a northern person. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Ningark.

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Supplementary To Question 176-12(5): Policy On Use Of Local Businesses By Contractors

**MR. NINGARK:**

Thank you, Madam Speaker. My initial question was does the government have a policy that encourages contractors, who are working on a government project, to use local businesses, such as hotels, taxis

and whatever services are given in that community?  
Thank you.

**MADAM SPEAKER:**

Thank you. Minister of Public Works and Services,  
Mr. Morin.

Further Return To Question 176-12(5): Policy On  
Use Of Local Businesses By Contractors

**HON. DON MORIN:**

Thank you, Madam Speaker. Yes, there are policies  
in place for local accommodation. Contractors should  
be using local accommodation, if it is available. Also,  
if there is transportation available, government  
employees are to use that local transportation. They  
are not to use government vehicles as taxis. The  
government is not in the business of competing with  
local businesses. The policies and directions are very  
clear to the departments that when you have a local  
taxi, you are to use it. When you have a hotel in a  
community, you are supposed to stay there. That  
was developed to encourage local businesses. If by  
some chance this policy is not being followed in your  
riding, I would be pleased to follow up on it. Thank  
you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. We have 18  
seconds left for oral questions. We will recess for the  
federal budget address. Thank you.

---SHORT RECESS

**MADAM SPEAKER:**

I would like to call this House back to order. The  
honourable Member for Natilikmiot, Mr. Ningark.

**MR. NINGARK:**

Madam Speaker, I would like to seek unanimous  
consent to extend question period.

**MADAM SPEAKER:**

The honourable Member is seeking unanimous  
consent. Are there any nays? There are no nays.  
Please proceed, Mr. Ningark.

Question 177-12(5): Dissatisfaction With Spence Bay  
Housing Association Employee

**MR. NINGARK:**

Thank you, Madam Speaker. Madam Speaker, my  
question is directed to the honourable Minister of  
Public Works and Government Services. Since he is  
not in the House at this moment, I will direct my  
question to the Premier. My question, Madam  
Speaker, is I had the opportunity to talk to people in  
Spence Bay and some of those people are not happy  
with a certain person who worked for the Housing  
Corporation who has been using the Housing  
Corporation's truck to transport his belongings. It  
seems he is not using the business community,  
namely the taxi and other infrastructure. My question  
is, would the honourable Minister check into this  
problem? Thank you.

**MADAM SPEAKER:**

Thank you. Madam Premier.

Return To Question 177-12(5): Dissatisfaction With  
Spence Bay Housing Association Employee

**HON. NELLIE COURNOYEA:**

Madam Speaker, the Minister in that portfolio is  
presently waiting for a telephone call from Mr. Bidwell  
who asked for him to stand by the phone, that is why  
he is not present here. With regard to the matter that  
the honourable Member has presented to us, I will  
have that checked into immediately. Thank you.

**MADAM SPEAKER:**

Item 5, oral questions. The honourable Member for  
Natilikmiot.

Supplementary To Question 177-12(5):  
Dissatisfaction With Spence Bay Housing Association  
Employee

**MR. NINGARK:**

Thank you, Madam Speaker. Madam Speaker, a  
source to find out about this problem in this  
community would be the hamlet council. Would the  
honourable Minister check into this problem through  
the hamlet council where, initially, this problem was  
brought up? Thank you.

**MADAM SPEAKER:**

Thank you. Madam Premier.

Further Return To Question 177-12(5):  
Dissatisfaction With Spence Bay Housing Association  
Employee

**HON. NELLIE COURNOYEA:**

Madam Speaker, I thank the honourable Member for giving us that direction. It seems that a lot of times it is good when we know where to look to seek advice. We will be dealing with it through the hamlet council. Thank you.

**MADAM SPEAKER:**

Thank you. Item 5, oral questions. The honourable Member for Yellowknife Centre, Mr. Lewis.

Question 178-12(5): Federal Assistance In Western Constitutional Development

**MR. LEWIS:**

Thank you, Madam Speaker. I would like to ask the Minister of Intergovernmental Affairs and Aboriginal Rights a question. There was a meeting last night at which the press was present. It was the meeting of the Constitutional Development Steering Committee. I would like to ask the Minister, since there's much confusion right now as to what direction we will eventually take in the west with regard to constitutional development, and since this issue relates to money, what stage is the Minister at right now with regard to getting the Government of Canada to accept its constitutional responsibility to assist us in this work?

**MADAM SPEAKER:**

Thank you. Minister of Intergovernmental and Aboriginal Affairs, Mr. Kakfwi.

Return To Question 178-12(5): Federal Assistance In Western Constitutional Development

**HON. STEPHEN KAKFWI:**

Madam Speaker, the members of the Constitutional Development Steering Committee, which is made up of all the major aboriginal peoples of the western territory as well as Members of the Legislative Assembly, have developed a work plan and schedule along with an accompanying budget that was submitted to the federal

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government in December. It lays out the scenario of what is required to arrive at a drafting of a constitution for the western territory in the next couple of years. Recently, the federal government has been giving

indications that they have received the proposal favourably and it is my hope that they will continue to see the good light and give us a positive response during the next couple of weeks. Thank you.

**MADAM SPEAKER:**

Supplementary, Mr. Lewis.

Supplementary To Question 178-12(5): Federal Assistance In Western Constitutional Development

**MR. LEWIS:**

I know that we always try to put a positive spin on things, but I would like to ask the Minister if there is a contingency plan should the federal government decide that at this stage they are not prepared to look at funding a process when there are so many other processes going on at the same time?

**MADAM SPEAKER:**

Thank you. Minister of Intergovernmental Affairs, Mr. Kakfwi.

Further Return To Question 178-12(5): Federal Assistance In Western Constitutional Development

**HON. STEPHEN KAKFWI:**

Thank you. The scenario is that we believe the federal government will support the call we've made on them to fund a process and to be a positive element by their participation and involvement in the process in putting together a constitution for a western territory. In my view, it's fully in line with the division of Canada that all federal governments have had over the years. We are to keep all the diverse groups, aboriginal peoples and other peoples of the western territory, together under one government. This is what is being called for in Canada. With elements of reform and separatist issues rearing their heads, we believe it is fully in line with the responsibility of the federal government to support the type of proposal we put forward to them. It is the only viable option at this time, other than to allow individual aboriginal peoples and groups to set up small regional governments and/or exclusive aboriginal governments at this time. Thank you.

**MADAM SPEAKER:**

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 178-12(5): Federal Assistance In Western Constitutional Development

**MR. LEWIS:**

That's a very useful answer, Madam Speaker. Since the Minister is so optimistic about the document which was sent to the federal government -- and I believe it's probably gone by now through several stages of bureaucratic review by now -- has he discussed this with the Minister of DIAND and is that the reason he's so optimistic?

**MADAM SPEAKER:**

Thank you. Minister of Intergovernmental and Aboriginal Affairs, Mr. Kakfwi.

Further Return To Question 178-12(5): Federal Assistance In Western Constitutional Development

**HON. STEPHEN KAKFWI:**

Mr. Speaker, the thousands of civil servants within the Department of Indian Affairs have all suffered with the lobby that we have put on over the last ten years with this general scenario. The new Minister has been approached on two occasions. Once in December when the chairman of the Constitutional Development Steering Committee, Mr. Fred Koe, and myself presented the proposal to him in Ottawa. More recently, he was approached at the federal/provincial native affairs Ministers meeting in Toronto when we had a meeting with the Royal Commission on Aboriginal Peoples. Mr. Irwin was approached to seek an early response. Last Friday night in Edmonton, he mentioned that they would be responding to this proposal fairly soon. I did not seek to discuss it with him at that time, but he did indicate that they would be responding shortly, which is all that I asked for at the time. He has been lobbied on at least two occasions. Thank you.

**MADAM SPEAKER:**

Thank you. And, I'm not Mr. Speaker, Mr. Kakfwi, thank you.

---Laughter

Item 5, oral questions. The honourable Member for Natilikmiot.

Question 179-12(5): Requirement For New Health Facility In Gjoa Haven

**MR. NINGARK:**

Thank you, Madam Speaker. Again, the honourable Minister who I would like to direct my question to is not in the House, this is the Health Minister, Madam Speaker. In his absence, I will direct my question to the Premier. Madam Speaker, in 1975, the health centre in Gjoa Haven was built, according to the information I got from that community. During the last two weeks I had the opportunity to visit the community and his worship, the mayor, personally took me around the facility. According to my observations at that time, it seems that community needs a new health facility. They are running out of space in that particular building. Madam Speaker, there is a plan for extension of that facility in the years 1994 and 1995, but after talking with the hamlet council, I was informed the hamlet council would like to get a new facility instead of an extension because the community of Gjoa Haven is the fastest growing community, not only in the region, but within the jurisdiction of this government. My question to the Minister is, would the honourable Minister look into the problem and perhaps consider building a new facility? Thank you.

**MADAM SPEAKER:**

Thank you. Madam Premier.

Return To Question 179-12(5): Requirement For New Health Facility In Gjoa Haven

**HON. NELLIE COURNOYEA:**

Madam Speaker, I am familiar with the particular situation. At the time that I was involved, I know that the hamlet council did request a new facility but there was an evaluation done of that particular facility and it was determined at that time that because the facility is in relatively good condition, there would be an extension rather than building a new facility. However, I will relay the request to the Minister of Health and he can further look into it, however, from my recollection, you don't have very much hope for getting a new facility because that has been gone over a number of times. However, I will relay that message to the Minister of Health.

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**MADAM SPEAKER:**

Thank you. Item 5, oral questions. Honourable Member for Yellowknife South, Mr. Whitford.

Question 180-12(5): Cancellation Of Request For Proposals For Counselling Services

**MR. WHITFORD:**

Thank you, Madam Speaker. Madam Speaker, I have a question I would like to direct to the Minister of Social Services. We know that counselling services are quite important. A lot of Members have spoken about it in this House. There is a much greater need out there than we are able to supply. The Minister's department sent out a call for proposals a little while ago. Within a very short time, Madam Speaker, they cancelled the request for proposal for counselling services for the area south of the lake. I would like to ask the Minister, in view of the necessity that Members of this House have expressed, why this request for proposal was cancelled.

**MADAM SPEAKER:**

Thank you. Minister of Social Services, Ms. Mike.

**HON. REBECCA MIKE:**

Thank you, Madam Speaker. I am not aware of that particular call for proposals. I will take the question as notice. Thank you.

**MADAM SPEAKER:**

Item 5, oral questions. Item 6, written questions. Item 7, returns to written questions. Item 8, replies to opening address. Item 9, replies to budget address. The honourable Member for Yellowknife North, Mr. Ballantyne.

ITEM 9: REPLIES TO BUDGET ADDRESS

Mr. Ballantyne's Reply

**MR. BALLANTYNE:**

Thank you, Madam Speaker...and he talks to a packed house.

---Laughter

I have looked forward to responding to the budget speech as a Member of the Legislative Assembly. I feel it is an important opportunity for MLAs to present their views about government policy and direction.

I have heard criticism in the past that the Standing Committee on Finance report was either based too much on constituency concerns or too personalized in

its approach. Members of the committee agreed that this committee report would be based on broad policy themes, and we hoped that it would result in a productive debate and tangible results. The government would acknowledge the concerns of Members and would be able to articulate their direction and strategy in a way that would gain Assembly and public support. That is what a budget debate is all about.

Successful governments build a broad base of consensus, lay out a clear philosophy and strategy. New Brunswick is a good example. Frank McKenna knows exactly where he is taking his province. He has found a niche where he can build on his province's strengths. A well thought out strategy puts together the many pieces of a complex puzzle that leads to economic revival. It includes high technology and the information highway, tax regimes, education, training, welfare reform, brilliant salesmanship, a totally positive message and great political skills. I think the NWT has a lot to learn from New Brunswick. If we are able to rise above our own differences, we would have a great package to sell.

The budget before us presents many good concepts. We have a hard-working Premier, even though she seems a bit defensive at times. She still has considerable public popularity. She is even more popular than Bob Rae in Ontario. We have a very competent Finance Minister, and when I just listened to the federal budget, he seems to have done a pretty good job in protecting the interests of the Northwest Territories. We have a number of energetic and capable Ministers who do have the ability to get things done. The Standing Committee on Finance wants the government to succeed and we are confident that our suggestions will help the government succeed.

In a nutshell, here is my view of what the Standing Committee on Finance is saying to the government. The government must clearly state its main priorities and devote the energy and resources in the time remaining to a manageable number of key objectives.

Secondly, the central agencies have perhaps become too powerful and the important checks and balances between line departments and central agencies have been reduced. I feel that the real policy-making and political strategy role of the Cabinet and its Ministers has been inevitably diminished as a result. Ways should be found to open up the system to better encourage innovation and exchange of ideas, while keeping the positive aspects that reorganization has brought in making the organization more cohesive.



It is very difficult for Cabinet to focus on priorities, policies or political ramifications when they collectively plough through a large agenda. Most governments set up specialized Cabinet committees to deal with these issues. For example, there could be a political strategy committee consisting of the House Leader and two Ministers. The support staff could be the Secretary to the Cabinet, the Principal Secretary, the Legislative Coordinator and the Press Secretary, or whatever combination the Premier is comfortable with, to meet once a week and plan political strategy for Cabinet decisions dealing with the House, the standing committees and with the public. I think with that sort of committee we wouldn't have the problem we had with the labour study.

Right now, mining is a hot subject. Perhaps there should be a committee chaired by the Minister of Energy, Mines and Petroleum Resources, with the Minister of Intergovernmental and Aboriginal Affairs, the Premier and the Finance Minister, to ensure that the inevitable conflicts are ironed out and aboriginal groups are kept involved, that the environment is protected and that the strategy fits into the overall strategic objectives of the government.

Income support reform, housing and education are all examples of where there could be committees but, again, it is very important that the government decide its priorities and then spend their energy concentrating on those priorities.

The financial picture over the last two years has been a lot better than the worst-case scenarios that were tossed around,

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however, the Finance Minister has done a good job in protecting our overall surplus, and I am sure that he will attempt to continue with that trend. I think everybody here must recognize, though, that our future fiscal position is very vulnerable and everyone must realize that as the federal government tries to wrestle down its debt and its deficit, it will become increasingly challenging to maintain our present financial situation. Outstanding issues such as health costs, housing cuts, pay equity, land claim implementation and the cost of division could play havoc with our fiscal situation. The Standing Committee on Finance has said and reiterated in this report that all outstanding financial issues should be brought together in one coordinated package, and sold to the federal government as a means to lessen our dependence on Ottawa to provide political and

fiscal stability in the period leading up to division and beyond.

Right now, housing is in a crisis situation and the Standing Committee on Finance agrees that the government should deal with it as a priority item. We feel that the Housing Minister has tried his very best up until now to address the problem, but we feel that it is probably time that he needs the housing issue put into the package with the full support of the Government Leader and the Cabinet, if he is to be successful.

In the long term, we feel very strongly that education must be

the number one priority of government. Our recommendation, as the standing committee, of making excellence the philosophical underpinning of education, we believe will lead us to provide an education system second to none for all of our students. They have to be competitive with anyone, anywhere, in a rapidly shrinking world.

The recommendations made by the Standing Committee on Finance should be viewed as positive input and a strong indication that Members want the government to succeed. At the end of this term, all Members will be judged, not by government reorganization, not by strategies or studies, but by concrete results. There is no doubt in my mind that the present government is operating in an extremely difficult political and financial climate, nationally as well as in the Northwest Territories. Sometimes I don't think that reality has sunk in. Division itself poses a monster challenge. Regional aspirations, self-government negotiations and treaty negotiations all complicate the political landscape. I feel we must get our act together and resolve our regional differences. In the future, both east and west must speak with one strong voice and provide a practical and cost-efficient form of government in each territory that can protect the interests of northerners in an increasingly competitive and unsympathetic world.

The federal government must recognize that Northwest Territories defies all comparisons with the rest of Canada. We administer one third of the country. Nunavut and the new western territory will probably be the last two new political jurisdictions created in this country's history. We are leaders in the world in circumpolar relationships and language legislation. We are, by far, the most enlightened, in forging new relationships between native and non-native societies. It may not be enough for many

people in the north, but for the first time in the history of this country, aboriginal people form a majority in a Canadian Legislative Assembly and a Canadian Cabinet and today sit as equals at First Ministers' conferences, at Ministers' conferences and in the boardrooms of corporate Canada. We are the guardians of a treasure house of renewable and non-renewable resources, diamonds, fur, fresh water, oil and gas. More importantly, we benefit from the culture of proud aboriginal people who have lived here for centuries and have much to teach Canada about life and about living.

The north defines Canada, the splendour of its beauty, the diversity of its cultures and the promise of its future. Surely the federal government must see that we are different. We can't be lumped into a narrow Ottawa perspective. The real issue isn't that the \$963 million we get from Ottawa is too much. The real issue is that it only costs each Canadian \$34.74 a year to look after one-third of Canada, a little more than a carton of cigarettes in Quebec and a little less than a carton of cigarettes in Yellowknife. An empire for \$34.74 a year. We can tell Mr. Martin that he has himself one heck of a deal. Thank you very much.

---Applause

**MADAM SPEAKER:**

Thank you. Item 9, replies to budget address. Item 10, petitions. The honourable Member for High Arctic, Mr. Pudluk.

ITEM 10: PETITIONS

**MR. PUDLUK:**

Thank you, Madam Speaker. I am not really pleased to make this petition at this time. Petition No. 4-12(5), we the undersigned want a plebiscite on the liquor control in Resolute Bay. Out of the 37 signatures, five of them are not eligible because they do not reside in the north. There are actually 32 signatures that are eligible. Thank you.

**MADAM SPEAKER:**

Thank you. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. The honourable Member for High Arctic, Mr. Pudluk.

ITEM 13: TBLING OF DOCUMENTS

**MR. PUDLUK:**

Thank you, Madam Speaker. Tabled Document 24-12(5) is a letter sent to me on January 27, 1994, from the Polaris Mine concerning their drinking water in Little Cornwallis Island. Thank you.

**MADAM SPEAKER:**

Thank you. Item 13, tabling of documents. Item 14, notices of motion. The honourable Member for Yellowknife Centre, Mr. Lewis.

ITEM 14: NOTICES OF MOTIONS

Motion 13-12(5): Appointment Of Member To The Advisory Committee On Social Housing

**MR. LEWIS:**

Thank you, Madam Speaker. I give notice that, on Thursday, February 24, 1994, I will move the following motion:

I move, seconded by the honourable Member for High Arctic, that Mr. Fred Koe, the honourable Member for Inuvik, be

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appointed as a Member of the Advisory Committee on Social Housing.

**MADAM SPEAKER:**

Thank you. Item 15, notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1994-95; Committee Report 2-12(5), Review of the 1994-95 Main Estimates; Minister's Statement 5-12(5), Session Business; Tabled Document 1-12(5), Towards an NWT Mineral Strategy; Tabled Document 2-12(5), Building and Learning Strategy; Tabled Document 3-12(5), Towards a Strategy to 2010: A Discussion Paper; and, Tabled Document 11-12(5), First Annual Report of the Languages Commissioner of the NWT for the Year 1992-93, with Mr. Lewis in the chair. Thank you.

ITEM 19: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

**CHAIRMAN (Mr. Lewis):**

I will call the committee to order. Yesterday, we were on Bill 1 and the committee report connected with that bill. What is the wish of the committee? Mr. Dent.

**MR. DENT:**

Mr. Chairman, I would like to recommend the committee continue its consideration of Bill 1 and Committee Report 2-12(5), Review of the 1994-95 Main Estimates, and continue on with the consideration of the Department of the Executive budget with Mr. Kakfwi.

**CHAIRMAN (Mr. Lewis):**

That is a recommendation. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

Bill 1: Appropriation Act, No. 2, 1994-95

Committee Report 2-12(5): Review of the 1994-95 Main Estimates

Department Of Executive

Intergovernmental And Aboriginal Affairs

**CHAIRMAN (Mr. Lewis):**

All right. We are on page 02-41, Intergovernmental and Aboriginal Affairs. We are still with general comments. Does anybody have any general comments? All right, do you want to look at some figures? We are on page 02-41, Intergovernmental and Aboriginal Affairs, there is an amount of O & M, \$3.975 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

Next page on page 02-42, details of grants and contributions. Grants, \$250,000. Mr. Dent.

**MR. DENT:**

Mr. Chairman, I have a number of questions for the Minister about some of these grants. Under what is

now the IAA grants program, could the Minister advise where the \$10,000 that was distributed in 1993-94 was distributed to and where was the \$292,000 distributed in 1992-93? Could we get a listing of where those amounts went, please?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi, do you have that kind of detail, or do you need to take the witness table?

**HON. STEPHEN KAKFWI:**

I'm sorry, could you tell me the amounts again?

**CHAIRMAN (Mr. Lewis):**

Mr. Dent, would you repeat the question please?

**MR. DENT:**

Mr. Chairman, am I correct in that we are dealing with page 2-42?

**CHAIRMAN (Mr. Lewis):**

Yes.

**MR. DENT:**

Okay, on page 02-42 we have IAA grants program. In 1993-94 the revised forecast is showing \$10,000 and in the 1992-93 actuals we are shown \$292,000. My question is, could we get a list of the distribution of the \$10,000 in 1993-94 and the distribution in 1992-93, please?

**CHAIRMAN (Mr. Lewis):**

Could you get that, Mr. Kakfwi?

**HON. STEPHEN KAKFWI:**

Yes, Mr. Chairman. Could I get my staff to join me to provide that detail? I don't have it here.

**CHAIRMAN (Mr. Lewis):**

Does the committee agree that Mr. Kakfwi get some witnesses to help him?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

Sergeant-at-Arms, would you escort the witnesses to the table, please? We're on page 02-42, under grants we are looking at the figures \$10,000 and \$292,000. Mr. Kakfwi, could you identify the people you have as witnesses, please?

**HON. STEPHEN KAKFWI:**

Yes. On my left is the deputy minister for Intergovernmental and Aboriginal Affairs, Mr. Bob Overvold and on my right is Terryl Allen, the director for finance and administration.

**CHAIRMAN (Mr. Lewis):**

Are you ready to answer the question? Ms. Allen.

**MS. ALLEN:**

There were nine grants given under the \$292,000 in 1992-93. These were formerly grants that were distributed through the Executive grants program. The Ministry of Intergovernmental and Aboriginal Affairs has since had a grants program that...

**CHAIRMAN (Mr. Lewis):**

Can you try again once more?

**MS. ALLEN:**

Can you hear me now? The 1992-93 grants that were given were given out under the Executive offices grants. The Ministry of Intergovernmental and Aboriginal Affairs had a grant program that was approved in October 1993. So, for the purposes of the main estimates, we have restated the grants into the Ministry of Intergovernmental and Aboriginal Affairs grant program. There were nine grants given in 1992-93

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totalling \$292,000, broken down as follows: St. John's Ambulance, head office expenses for \$15,000; plebiscite information program for the western Arctic for \$33,764; ICC conference in Inuvik for \$50,000; to TFN for plebiscite information program of \$115,500; Gwich'in Tribal Council, agreement signing authority for \$10,000; Metis Nation participation in western constitutional development for \$38,904; Dogrib Treaty 11 Council, for participation in western constitutional development for \$2,000; Deh Cho Tribal Council, for participation in western constitutional development for \$1,555; and, the Dene Nation meeting expenses for \$25,000.

**CHAIRMAN (Mr. Lewis):**

Thank you, very much. Does that complete the list?

**MS. ALLEN:**

I believe the Member wanted the 1993-94 grants as well. The \$10,000 grant in 1993-94 is for the Metis Nation headquarters' office expenses.

**CHAIRMAN (Mr. Lewis):**

Mr. Dent.

**MR. DENT:**

There's obviously been a cut this year from previous years to the St. John's Ambulance. This is not just for St. John's Ambulance, take a look at all the groups. Why is the cut so dramatic, from \$292,000 in 1992-93 to \$10,000 in the current year and the projection of zero dollars for the next year?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi. Ms. Allen.

**MS. ALLEN:**

The reason why it doesn't show an equivalent amount of grant money is there is never a grant budget set aside at main estimates time for those kinds of grants. The grants that come up throughout the year are passed through council and the FMB to gain approval to move money into the fund for grants identified throughout the year. At this point in time for 1993-94, only the \$10,000 has been identified and has been allocated out of other portions of the main estimates budget. Last year, out of the budget there was nothing identified and the \$292,000 was identified throughout the year.

**CHAIRMAN (Mr. Lewis):**

Thank you. Mr. Dent.

**MR. DENT:**

Given that explanation, Mr. Chairman, at the time this book was printed there was \$10,000 known about for 1993-94. Since this book was probably sent to the printers six or eight weeks ago, have there been any applications for grant funds which are under active consideration or have other grants been approved?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, I understand there have been applications. There has been a request for an additional \$45,000. As to what groups are applying for it, we don't have the detail.

**CHAIRMAN (Mr. Lewis):**

Thank you. Mr. Dent.

**MR. DENT:**

Thank you, Mr. Chairman. Just a question out of interest's sake, the description in our budget book says that grants are provided to aboriginal organizations pursuant to the grants and contributions to aboriginal organizations policy. I know that the grants policy has been revised as of October 1993. How, in 1992-93, did the plebiscite office and St. John's Ambulance qualify for this particular grants policy?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

That was done under the policy for the Executive.

**CHAIRMAN (Mr. Lewis):**

At the time when the Executive had its own grant policy. Mr. Dent.

**MR. DENT:**

Part of what's causing me some confusion is that when the Premier appeared in front of the Standing Committee on Finance and we asked about what had happened to grants, we were advised that the program, along with funding, had been transferred to IAA. If you look at the IAA grants program and the IAA contributions, there is no funding. While the program may have been transferred, there has been no funding identified and no funding transferred to IAA for grants to aboriginal organizations. Is that correct?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Yes, Mr. Chairman, that is true except for the \$250,000 which is targeted for core funding for the Metis Nation.

**CHAIRMAN (Mr. Lewis):**

Thank you. Mr. Dent.

**MR. DENT:**

Mr. Chairman, could I also get a similar breakdown on the IAA contributions for 1993-94 and 1992-93?

**CHAIRMAN (Mr. Lewis):**

Do you want to go on to the next item, then?

**MR. DENT:**

Same page, Mr. Chairman.

**CHAIRMAN (Mr. Lewis):**

Next item, contributions. We've agreed to complete grants before we go on to the next item, \$250,000. Mr. Dent.

**MR. DENT:**

Mr. Chairman, I wasn't aware that we had to complete one, because at the bottom of the page I see we have a grants and contributions total, so I had thought we could deal with this whole thing in total. I do have a number of questions which may, in fact, relate back and forth to these grants and contributions.

**CHAIRMAN (Mr. Lewis):**

Carry on then, Mr. Dent.

**MR. DENT:**

I was wondering, Mr. Chairman, if I could, at this time, get a breakdown in the IAA contributions for both 1993-94 and 1992-93.

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, the \$27,000 that shows in 1992-93 as contributions, breaks down to \$10,000 that was given to the Dene Cultural Institute for the Dogrib traditional governance system project, and \$17,000 that was given to the Inuvialuit Regional Corporation for their

exchange program between the Inuvialuit and the Republic of...(inaudible)...in Russia.

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**CHAIRMAN (Mr. Lewis):**

Thank you. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

I'm sorry. The 1993-94 contributions that total \$15,000, breaks down to \$5,000 that was given to the Assembly of First Nations on the First Nations elders' language gathering, and \$20,000 that was the initial money given to the Dene Cultural Institute for their study on the Dogrib traditional government system.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Dent.

**MR. DENT:**

Thanks, Mr. Chairman. I take it from that there's no intention for IAA to continue providing any funds to the Dene Cultural Institute?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, the project, as I understand it, is done. It may be that a request may be coming back in the future but, at this time, as far as I know, it has been completed.

**CHAIRMAN (Mr. Lewis):**

Thank you very much. Mr. Dent.

**MR. DENT:**

Thank you, Mr. Chairman. Just for clarity's sake, even though there are no funds shown in this budget for IAA grants program or IAA grants contribution, is my understanding correct that should a group apply for funding under the policy, that the government may still find a way to provide a grant to that organization? In other words, are we seeing zero here because there is going to be nothing spent or are we seeing zero here because they don't know what might be spent during the year?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, we've advised all the aboriginal groups that we've done business with about the change we made in policy. I've indicated that if special occasions or special projects come up, we will look at them and try to respond accordingly, since it's almost impossible to budget on speculation for these things.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Dent.

**MR. DENT:**

Thank you, Mr. Chairman. Looking at the policy which has recently been approved for grants and contributions to aboriginal organizations, there's reference made in here under a special events application to a committee called the Political and Constitutional Development Committee. Could the Minister advise us, is this a committee of Cabinet or is this a bureaucratic committee?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

The committee the Member is referring to, the PCDC, is the Political Constitutional Development Committee of Cabinet. It is a special committee of Cabinet that I chair, which deals with all political and constitutional issues, issues dealing with claims, and applications from aboriginal groups for consideration of government funding. We make recommendations to Cabinet. It is a special committee of Cabinet, basically, to formulate recommendations.

**CHAIRMAN (Mr. Lewis):**

Mr. Dent, are you satisfied with that?

**MR. DENT:**

Thank you, Mr. Chairman. Under community transfer contribution in the 1994-95 budget, we see the same amount proposed this year as last. Do we have the number of communities for which this funding is proposed, or is the Minister seeking applications for communities? What process will be used to determine the fairness and equity of distribution of this

\$500,000? Could I get some details on this half million dollar grant, please?

**CHAIRMAN (Mr. Lewis):**

There are several questions there. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, the Member is recalling when we first started this community transfer initiative. I had held off in trying to give a ball park figure on how much money I would request or would be made available to communities to begin work in the community transfer initiative area, simply because I was trying to solicit some input from Members as to what would be, in their opinion, a realistic figure. I won't get into the argument about whether I am nickel and diming communities or whether I was lavishing too much money into this initiative. We had settled on \$500,000 as a good starting point. It served us quite well. I think, politically, it has sent a good message to communities that this money is available and it has been well used. We have decided to maintain this figure. We believe that more communities will be making use of this over the coming year. Thank you.

**CHAIRMAN (Mr. Lewis):**

Is there anybody else who wants to speak to grants and contributions? We have finished dealing with grants and we are now discussing contributions of \$500,000. Mr. Gargan.

**MR. GARGAN:**

Thank you, Mr. Chairman. I only have one question that I wanted to put to the Minister. It is with regard to self-government contributions. Last week, there was an announcement by the federal government with regard to self-government negotiations. The government made a commitment that the self-government negotiations would be part of settlement negotiations, whatever that means. Is the Minister aware of that? Is this a fact? I have listened to it, but the government doesn't seem to really concern themselves. I would think that communities would be quite excited about this and this government should be, as well. Most of the Members here are aboriginal people. I would think that was significant. Am I dreaming, or is this something that...

**CHAIRMAN (Mr. Lewis):**

All right. I don't think you were asked to answer the question of whether or not he is dreaming, Mr. Kakfwi, but perhaps you could clean up this business.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, the new Minister of Indian Affairs, Ron Irwin, has said on a few occasions that the negotiations for land claims, for treaty land entitlement or specific claims, and the process to negotiate self-government can all be one-track. It is understood that this means you can constitutionalize self-government agreements, which was not the policy of the previous federal government. The Cabinet policy still needs to be changed. The federal Minister is setting a high political target that all of us are silently hoping he can pull off. Members will recall the last Minister who vocalized this position was Warren Allmand. I think an unsurely bureaucracy

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led to his demise in quick order. It is my hope that the department officials within the Minister's office and department will support their Minister and his goal of trying to change policy to meet the demands of aboriginal groups all across this country. It is welcome news for many of us. People will recall that groups have, for years, said they want to negotiate their right to self-government and have it constitutionalized as well as the claims agreements. The Dene people have consistently taken that position as far back as 1974. We hope that he can do it. We know that, at the present time, there is a political statement and agenda on the part of the federal Minister. However, the previous policy of the federal government still stands, so the Minister will see, politically, if he survives. If he can pull it off, he will have applause from all corners of this country.

**CHAIRMAN (Mr. Lewis):**

Mr. Gargan.

**MR. GARGAN:**

Thank you, Mr. Chairman. Does that also include eliminating that policy with regard to extinguishment?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Yes, the Minister has said that he doesn't talk extinguishment and doesn't use the term. It doesn't really exist in his vision of things. The Liberal government is on record as saying they are going to do away with extinguishment.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman. With regards to grants and contributions, I notice that the Metis Nation has \$250,000 for administration of their core funding. That is the one thing that happens in a new policy.

The other one is recommendations for approval for special events for other groups. You have a contribution to aboriginal organization policy. How fair is this policy to aboriginal groups? If the government is not in favour of funding a group, for example, after they apply for funding with your department, is it up to your discretion to make that decision to fund them, or is there a process or policy to make funding available to organizations? Thank you.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Antoine. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, most of the aboriginal organizations are funded through the federal government, either through the Secretary of State or the Department of Indian Affairs, and other groups get funding through the fact that they have several claims. For years, this government and Legislative Assembly has agreed to make it a level playing field at least for the Metis who are not given core funding by any government, at least not by the federal government or the Secretary of State. The territorial government has taken on the responsibility of giving core funding to the Metis because they do not get funding from anywhere else. We do support the Metis in their struggle to be recognized and to enhance their development as a people.

We have decided that we are not going to get into core funding of any other groups at this time. To open the door would lead to, I think, a further off-loading by the federal government, and it would be impossible for this government to take on the kind of financial cost that would be incurred by us if we said we would provide core funding to other groups. The

amount of money we are talking about is huge. We are not prepared to provide core funding to any other groups, but, as I say, we are open to doing business on special projects and to help groups on special occasions although we have identified no particular pot of money for that.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Before I recognize Mr. Antoine again, I would like to draw Members' attention to Mr. Red Pedersen who is in the gallery. He is a former Member and former Speaker of the Assembly.

---Applause

Mr. Antoine.

**MR. ANTOINE:**

He mentioned that core funding for the Metis Nation is going to continue with this government for an indefinite period of time and that no other aboriginal group will be having core funding. Is there a point in time in the future when this policy could change, and what would cause it to change?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Just to clarify, the Secretary of State does provide some money to the Metis Nation and it is primarily to operate their head office. What we do is provide the \$250,000 to support the Metis locals, so just about all of this \$250,000 goes directly to the communities to support the operation of Metis locals. It is my view that we must do everything we can to discourage the federal government from off-loading and sending aboriginal peoples to seek funding from the territorial government. There is a federal obligation to support aboriginal groups and peoples and that is the way it has to be maintained. There is no intent, at least on my part, to give any type of indication to the federal government that should they cut back or should they stop funding aboriginal groups that we will immediately take up the slack. Thank you.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Antoine.

**MR. ANTOINE:**



I would like to ask a question on a different line of questioning with regard to other parts on the next page, Mr. Chairman.

**CHAIRMAN (Mr. Lewis):**

(Microphone turned off) Mr. Antoine. On this page, are we agreed that we can deal with the whole item of grants and contributions on both pages? Is that all right with Members?

**SOME HON. MEMBERS:**

Agreed.

--Agreed

**CHAIRMAN (Mr. Lewis):**

Mr. Antoine.

**MR. ANTOINE:**

On the next page, we are dealing with the Gwich'in land claims agreement and the Nunavut TFN implementation. During the Standing Committee on Finance reviews in the last few budgets, we noticed that, time and again, through the departments there are different monies that

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are proposed in the budget to deal with the different land claims agreements that have occurred in the north, first with the Inuvialuit claims and with the Gwich'in claim and we will probably start seeing them in the Sahtu claim and then the Dogrib claim. All these different amounts of money are not in one place, so it would be good if we could identify the money collectively in the budgets, because a lot of these commitments are ongoing forever for this government. It would be good to identify what monies they are. The first question I would like to ask is how much money has been spent to date on these implementations, specifically on the Gwich'in implementation and the TFN implementation?

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

With respect to the implementation of the Gwich'in claim, our revised figure at this time for the amount of

money that we spent -- which we will get back from the federal government -- is about \$109,000.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Antoine.

**MR. ANTOINE:**

No, I have asked for the TFN implementation as well.

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

The revised forecast for 1993-94 for implementation of the TFN claim is \$146,000.

**CHAIRMAN (Mr. Lewis):**

Mr. Antoine.

**MR. ANTOINE:**

On the Gwich'in claim, I am more interested in the total amount that this government has spent to date on these implementations. That is what my question was. I know the \$109,000 for the Gwich'in land claims agreement was a revised forecast for 1993-94, and it would be interesting to know what the total amount spent to date on these implementations is.

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, as I said earlier, our best guess for the money spent to date for this year is \$109,000 for the Gwich'in claim. The actual figure for 1992-93 is \$28,000. This is money that we spent on behalf of the federal government for implementation. We do get this money back. I am not certain if the Member is asking for how much money this government has spent in taking part in negotiations for finalizing the Gwich'in claim, or if he's asking for more specific details on how this \$109,000 and the \$28,000 were actually spent on implementation on the Gwich'in claim and the TFN and if he wants detail of the actual breakdown of that. If he is, we can provide that. We don't have that here now.

**CHAIRMAN (Mr. Lewis):**

Mr. Antoine, maybe you could clarify what it is you want and I'm sure the Minister would be able to obtain it.

**MR. ANTOINE:**

Thank you, Mr. Chairman. During the Standing Committee on Finance review, we noticed in different departments, specifically in Renewable Resources, that there is money spent every year towards the TFN claim. We also know that money is being spent in the TFN claim as well. During the budget review of Renewable Resources, we noticed there was a \$3 million harvesters' assistance program that went to TFN. There are different sums of money throughout the budget because of the claim. I'm asking how much money was spent to date in these different areas. I know we bought land in Inuvik for a certain sum of money last year and there are different things like that all over the place. Plus, there are ongoing costs every year. It would be good to know what these costs are. Thank you.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Antoine. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, I understand what the Member is asking and we can put together a chart or some sort of sheet that would show where all the expenditures are made by this government, for instance in implementing the TFN, the Gwich'in and the Inuvialuit claims. We can indicate which are as a result of work we are doing on behalf of the federal government, which we get back. We can indicate which monies are as a result of our participation in these agreements and detail other figures.

The Member mentions the \$3 million going to the TFN claim. That was done as part of this government's commitment to support the TFN's call to establish a wildlife harvesters' assistance program. In the course of negotiations, the federal government had turned that down and it was a major setback. The previous government had committed to cost-share such a program and the agreement was we would contribute \$15 million over a five year period, at \$3 million a year, to a trust fund while the TFN would provide and match the same amount. The trust fund is to be administered by a board which would come up with ways that the money would be used to support wildlife harvesters, hunters and trappers, in the Nunavut area.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Antoine.

**MR. ANTOINE:**

If the Minister could provide a schedule and some charts, I think that would be good enough for me. Along with that, if he would indicate how long we are committed to pay these amounts, that would be good.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Antoine. Are there any more questions on these two pages? Mr. Gargan.

**MR. GARGAN:**

There's just one final concern I wanted to express. I realize that the Deh Cho isn't in a claims process, nor has it chosen to do so. But, Mr. Chairman, we do have a lot of claimant groups right now, from the Nunavut, the Inuvialuit, the Gwich'in, and the Sahtu. Those are all legitimate claims that have gone through all the legal hurdles. But, we have a situation where people are staking claims all over the north and they are doing that with disregard to whether they are in a claimant area or not.

The reasons the aboriginal organizations chose to do that was because of the alienation of their land, but I thought that issue would have been resolved by now. I see that people are staking claims and there is further alienation of the land. We are taking a position as if it doesn't exist, as if we don't have an issue here. I don't know whether claimant groups have an issue here, but I would think they do. The mining companies

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shouldn't be out there if those areas are part of the claimant areas or have been selected as claimant areas.

I'm wondering if the government has looked at this as an issue. If not, then maybe the claimant groups should. I don't think we should ignore it. Things are happening and they really bother me. I don't know why people aren't making an issue about it.

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

Mr. Chairman, the aboriginal people have business to settle with the federal government that has been outstanding for many years. They can do it through a comprehensive claim approach, they can do it through treaty land entitlement, or they can come up with another mutually agreed to process. That is primarily business with the federal government. As a territorial government, we've been trying to support and encourage all aboriginal peoples to be clear about how they want to go about settling outstanding issues and claims.

For instance, in our meeting with the Deh Cho leadership this summer in Kakisa, we said that if they do not agree with oil and gas exploration happening at this time, we would support that and convey it in very strong terms to the federal government. But, oil and gas and minerals are still very much the prerogative of the federal government. It's unfortunate that when processes break down or when the federal government or aboriginal groups withdraw from negotiations, it's the aboriginal people who are left exposed and unprotected.

I say that because I know that whatever you thought of the comprehensive Dene claim, that process, as long as it was in place, provided interim protection to the Dogrib people and the Chipewyan, for instance. But, as soon as the claims process was shut down then all the land was made available to stakers and people who wanted to make claims on that land. In the absence of the interim protection that the comprehensive claim provided, the Dogrib people have really had most of their traditional lands alienated through this massive staking activity that has gone on during the last three years. There is an interest. We are interested for more than just trying to settle things, to support aboriginal people in getting some process going because we see it as the best avenue for protection. We continue to support Treaty 8 in their recent efforts to try to come to an understanding with the federal government. They have come out with a specific suggestion. It is something we can work with. Once the Deh Cho does that, we will be there to support them as well if we think it can go. Thank you.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Gargan.

**MR. GARGAN:**

I appreciate the response that the Minister gave. I wasn't expressing a concern for the Deh Cho region,

but I was expressing a concern more over the claimant areas where companies are staking claims. I thought those were areas in which that whole purpose was to protect those lands in those areas. I don't know if surveys have been done. There are lands where surface or sub-surface has been selected. We don't know if the people going over their staking claims are doing it in non-claimant areas. Perhaps those are areas which have been selected by claimant groups. That is my whole concern. It seems that we are not concerning ourselves over that. I thought the whole purpose was to get...Once a claim is agreed to, finalized and ratified, then you send a strong message to the companies and industries that those are our lands now and you have to talk to us before you go in there and start developing. I am not hearing it.

**CHAIRMAN (Mr. Lewis):**

Mr. Kakfwi, do you want to respond to Mr. Gargan's comments?

**HON. STEPHEN KAKFWI:**

Yes, Mr. Chairman. After the Inuvialuit settled their claim, for instance, it became very clear what the rules are for engaging in development in their settlement area. The Inuvialuit have been doing business with old companies for a number of years on Inuvialuit lands. It is very clear -- including this government. When we go on their land, we have to engage them under a certain set of rules. There are certain expectations on how we do business. There are, in fact, laws that we have to follow. It is the same for the TFN claim, Gwich'in claim, and will be the same for the Sahtu claim. It becomes very clear what the rules of engagement are for development and the aboriginal peoples.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Kakfwi. Mr. Ningark.

**MR. NINGARK:**

Thank you, Mr. Chairman. Regarding the funding under each heading, on page 02-42 and 02-43, I am wondering if these funds are set by the federal government under the formula whereby there is a conditional agreement between the GNWT and federal government, that the federal government would dictate the funding that is only spent under those headings we have on page 1 and 2, for instance, Nunavut land claim agreement, and the

federal government would tell the GNWT that these are the conditions, this is the type of funding we will give to you, \$146,000. There is no way you can spend that money other than for the Nunavut land claim agreement. Or is it the funding is coming from the general funding, from the general pot of this government? I am just wondering. Thank you.

**CHAIRMAN (Mr. Lewis):**

Thank you. Mr. Kakfwi.

**HON. STEPHEN KAKFWI:**

The Member is correct. We basically contract to carry out work on behalf of the federal government. They tell us exactly what they want for this \$146,000 that is set out. We carry out the work on their behalf.

**CHAIRMAN (Mr. Lewis):**

We are in details now. We have covered two items, details of grants and contributions on page 02-42 and details of work performed on behalf of third parties on page 02-43. Can we go back to page 02-42, please? Grants and contributions, a total of \$750,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

On the next page, detail of work performed on behalf of third parties, a total of \$311,000. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

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**CHAIRMAN (Mr. Lewis):** All right. We will go back to the program summary on page 02-40, a total of \$3.975 million. Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

Does the committee agree that we have finished dealing with this activity? Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

And also dealing with this department? Agreed?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

That concludes this item, then. I would like to thank Mr. Kakfwi and his witnesses. Thank you. I will wait for the table to be cleared, and then I will ask where you want to go next. What is the wish of the committee? Mr. Dent.

**MR. DENT:**

Mr. Chairman, I would like to recommend that we continue with Bill 1 and move into the Department of Finance.

**CHAIRMAN (Mr. Lewis):**

Do Members agree?

**SOME HON. MEMBERS:**

Agreed.

---Agreed

**CHAIRMAN (Mr. Lewis):**

All right. Mr. Minister of Finance, it is your day. Would you like to give us some opening comments, please?

Department Of Finance, Introductory Remarks

**HON. JOHN POLLARD:**

Thank you, Mr. Chairman. There is a small reduction in the 1994-95 expenditure budget of the Department of Finance as a result of the reduced interest expense

on redeemed Northwest Territories Power Corporation bonds.

On the revenue side, the payroll tax, which was implemented in July of 1993, is estimated to generate new revenue to this government of \$11.7 million in 1994-95. Partially offsetting this revenue is the estimated administration cost for 1994-95 of \$222,000 and three person years.

During the current fiscal year, the department solicited proposals for government banking services. The contract resulting from this proposal will achieve the realistic objective of delivering limited banking services to communities.

The fiscal policy division of the department has devoted a significant portion of its time to negotiating formula financing with the federal government. A method was developed to eliminate perversity from the formula, which was proposed to the federal government. Discussions have been held with the federal government regarding this issue and proposed changes to the GDP ceiling and the treatment of investment income.

Mr. Chairman, the 1994-95 grant from Canada is forecast to be

\$878 million, up \$43 million from the 1993-94 main estimates. Increases in the grant are attributable to formula financing growth factors, such as population and national GDP, but also to the failsafe arrangement in the formula which offsets the decline in tax revenues.

Mr. Chairman, the taxation revenues for the Department of Finance, shown on page 04-14 of the main estimates, do not include the revenues from the two percentage point increase in the corporate income tax rate. Corporate income tax revenue for 1994-95 is now projected to be \$28.853 million.

Tobacco tax revenues shown for 1994-95 were developed prior to the federal government's decision to reduce excise taxes on cigarettes by \$5 per carton. Once this government decides on the territorial response, these figures will be adjusted appropriately.

Taxation revenues are expected to be \$133 million in 1994-95, down \$11 million from 1993-94 main estimates. This decrease is due to a very sharp decline in corporate tax collections which has resulted from a large fall in taxable income reported by a few large corporations and a general reduction in

corporate profits associated with the recession in 1992. Because 1992 tax returns were not assessed until later in 1993, lower corporate incomes in 1992 will reduce our tax payments from the federal government in 1993-94 and 1994-95.

The increase from \$8 million to \$12 million in payroll tax collections between 1993-94 and 1994-95 is due to the fact that the tax was only implemented for three quarters of the 1993-94 fiscal year. Other tax revenues are showing only small changes.

In total, Mr. Chairman, revenues budgeted in the department of Finance are expected to increase by \$29 million over the 1993-94 main estimates.

The expenditure budget has been reduced by \$592,000 related to the interest on redeemed NWTPC bonds. This is partially offset by an expenditure increase of \$222,000 for payroll tax administration and \$223,000 for increased insurance premiums.

In total, Mr. Chairman, the department's expenditure budget will decrease by \$147,000 over the 1993-94 main estimates and by \$692,000 over the 1993-94 revised forecast. Thank you, Mr. Chairman.

**CHAIRMAN (Mr. Lewis):**

Thank you, Mr. Pollard. There will be a report then from the Standing Committee on Finance. Mr. Antoine.

**MR. ANTOINE:**

Thank you, Mr. Chairman.

**Reorganization of the Department**

A number of functions previously housed in this department have been transferred to the Financial Management Board Secretariat and the Department of Executive. The Department

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of Finance retains responsibility for external financial arrangements. All revenue generation functions are integrated in this department, including taxation and negotiations with the federal government.

The committee feels that the government may have gone too far in streamlining this department and, as a consequence, diminished the traditional role of the department and the Finance Minister as the fiscal

watchdog of the government and a counterbalance to the more political Financial Management Board.

#### Property Taxation

The issue of property taxation was discussed with this department and with the Department of Municipal and Community Affairs. The committee feels that there are three issues related to the property taxation that must be addressed.

The first issue stems from the fact that treaty people claim exemption from paying taxes, most notably school taxes. Some treaty people living on lands reserved for Indians have never been taxed whereas their treaty neighbours living on Commissioner's land have huge accumulated arrears. The longer the situation is unresolved, the worse the confusion becomes. Committee Members feel that this issue has been outstanding for too long and that it requires that the government develop a strategy to deal with it.

Second, the committee feels that property taxation is not administered fairly and equitably across the territories. The tax rates for property owners in the general taxation area are very low compared to tax rates in the tax-based municipalities. There is an additional concern that low rates in the general taxation area may be acting as a barrier to some communities in obtaining autonomy through achieving a tax-based status.

Third, committee Members recommend that the department consider restoring the home owners' property tax rebate to its previous level or, alternatively, developing a new program which provides an incentive for territorial residents to buy their own homes. Members feel that the rebate was an important incentive program and that cutting it, without replacement, was premature.

#### Recommendation 18

Therefore, the committee recommends that the Department of Finance take the lead role with the Departments of Education and Municipal and Community Affairs to review the taxation policy in general taxation areas and develop a plan to resolve all outstanding issues in this area, with particular reference to treaty concerns. This plan, including incentives to home ownership, should be available for review by the Standing Committee on Finance during its review of the 1995-96 operations and maintenance estimates.

#### Investment Policy

The investment decisions made by government tend to be very conservative where the economic climate is portrayed very negatively. Opportunities for creative investment are overlooked. The committee encourages the government to reconsider its overall investment policy. More specifically, the Members would be interested in exploring further opportunities such as the development of a mortgage investment corporation. The committee understands that the government is currently investigating this possibility and encourages the timely completion of this important review.

#### Mortgage Investment Corporation

Committee Members understand that the government is considering a mechanism such as the establishment of a mortgage investment corporation to help address the housing shortage. Using a one-time capital investment from current resources to lever additional capital to invest in homes for northerners is a concept worthy of further consideration. As long as excessive overhead and bureaucracy can be avoided, the committee feels that such a corporation could prove to be a good investment.

#### Recommendation 19

The committee recommends that the government continue to investigate mechanisms such as a mortgage investment corporation and provide a status report to the committee by August 1, 1994.

#### **CHAIRMAN (Mr. Lewis):**

(Microphone turned off) Mr. Antoine.

#### **MR. ANTOINE:**

Mr. Chairman, I have two motions that I want to make.

#### **CHAIRMAN (Mr. Lewis):**

We don't have a quorum to deal with the motions so maybe the Clerk will ring the bell. Mr. Antoine, you have a motion.

Committee Motion 7-12(5): To Adopt Recommendation 18, Carried

#### **MR. ANTOINE:**

Thank you, Mr. Chairman. I have a motion here. I move that the committee recommends that the Department of Finance take the lead role with the Departments of Education and Municipal and Community Affairs to review the taxation policy in general taxation areas and develop a plan to resolve all outstanding issues in this area, with particular reference to treaty concerns. This plan, including incentives to home ownership, should be available for review by the Standing Committee on Finance during its review of the 1995-96 operations and maintenance estimates.

**CHAIRMAN (Mr. Lewis):**

The motion is in order. To the motion.

**AN HON. MEMBER:**

Question.

**CHAIRMAN (Mr. Lewis):**

Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Antoine.

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Committee Motion 8-12(5): To Adopt Recommendation 19, Carried

**MR. ANTOINE:**

Thank you, Mr. Chairman. I have a final motion. I move that the committee recommends that the government continue to investigate mechanisms such as a Mortgage Investment Corporation and provide a status report to the committee by August 1, 1994.

**CHAIRMAN (Mr. Lewis):**

Has everybody got the motion? Okay, everybody's got a copy of that. The motion is in order. To the motion.

**AN HON. MEMBER:**

Question.

**CHAIRMAN (Mr. Lewis):**

Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Antoine.

**MR. ANTOINE:**

That concludes the Standing Committee on Finance report and with that, Mr. Chairman, I would like to move that we report progress.

**CHAIRMAN (Mr. Lewis):**

Okay, Mr. Antoine, the motion is not debatable. The motion is in order. To the motion.

**AN HON. MEMBER:**

Question.

**CHAIRMAN (Mr. Lewis):**

Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

I will rise and report progress.

**MADAM SPEAKER:**

Item 20, report of committee of the whole.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

**MR. LEWIS:**

Thank you, Madam Speaker. The committee has been considering Bill 1 and Committee Report 2-12(5). I would like to progress with two motions being adopted and, Madam Speaker, I move that the report of the committee of the whole be concurred with.

**MADAM SPEAKER:**

Thank you. Is there a seconder for the motion? The honourable Member for High Arctic, Mr. Pudluk. The motion is in order. To the motion.

**AN HON. MEMBER:**

Question.

**MADAM SPEAKER:**

Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Item 21, third reading of bills. Item 22, Mr. Clerk, orders of the day.

ITEM 22: ORDERS OF THE DAY

**CLERK OF THE HOUSE (Mr. Hamilton):**

Madam Speaker, there will be a meeting of the Chair's Liaison Committee immediately after adjournment and tomorrow morning at 9:00 am of the Standing Committee on Finance, at 10:30 am of the Ordinary Members' Caucus, and at 12:00 of the Nunavut Caucus. Orders of the day for Wednesday, February 23, 1994.

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Oral Questions
6. Written Questions
7. Returns to Written Questions
8. Replies to Opening Address
9. Petitions
10. Reports of Standing and Special Committees
11. Reports of Committees on the Review of Bills
12. Tabling of Documents
13. Notices of Motion
14. Notices of Motions for First Reading of Bills
15. Motions
16. First Reading of Bills
17. Second Reading of Bills
18. Consideration in Committee of the Whole of Bills and Other Matters

- Bill 1, Appropriation Act, No. 2, 1994-95

- Committee Report 2-12(5), Review of the 1994-95 Main Estimates

- Minister's Statement 5-12(5), Session Business

- Tabled Document 1-12(5), Towards an NWT Mineral Strategy

- Tabled Document 2-12(5), Building and Learning Strategy

- Tabled Document 3-12(5), Towards a Strategy to 2010: A Discussion Paper

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- Tabled Document 11-12(5), First Annual Report of the Languages Commissioner of the NWT for the Year 1992-93

19. Report of Committee of the Whole

20. Third Reading of Bills

21. Orders of the Day

**MADAM SPEAKER:**

Thank you, Mr. Clerk. This House stands adjourned until Wednesday, February 23 at 1:30 pm.

---ADJOURNMENT