



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

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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. Ng, Mr. Ningark, Mr. Patterson, 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 Baffin Central, Ms. Mike.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 33-12(5): Sale of Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. In January 1994, employees who were living in government-owned staff housing units in level II and III communities were given the final opportunity to express an interest in purchasing the housing unit that they occupied. In all communities except Rankin Inlet and Iqaluit, employees had until February 11 to respond to our offer. February 18 was the deadline in those two communities.

I would like to advise all the Members of this Legislature of the results of this phase of the long-term housing strategy. On a regional basis, we have received expressions of interest from employees as follows: Fort Simpson, 10; Fort Smith, 1; North Slave, 1; Inuvik, 17; Keewatin, 63; Kitikmeot, 17; and, Baffin, 39. This makes a total of 148 expressions of interest. However, this does not mean that we have sold 148 staff housing units. The expressions only indicate that these employees would like to consider purchasing a unit.

Madam Speaker, the Department of Public Works and Services will be arranging for appraisals of each staff housing unit followed by formal offers to the employees. I know that Members are concerned about the sale of housing units in small communities,

but I would like to reassure the Members that most of the interest has come from the larger communities.

I will be writing to each Member very soon to let them know how many expressions of interest have been received from each community within their constituency. This will also begin the process of developing individual community staff housing plans which will address the unique circumstances in each community. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Aivilik, Mr. Arvaluk.

ITEM 3: MEMBERS' STATEMENTS

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

MR. ARVALUK:

(Translation) Thank you, Madam Speaker. My statement today is on a subject that I have already raised in this House regarding the selection of the senior men's hockey team for the 1994 Arctic Winter Games. I have received a response from the Minister to my oral question regarding this matter, but I am still left unclear as to why there were no players from the Coral Harbour team picked to represent the NWT at the Arctic Winter Games. (End of translation)

I do not know what the selection was, who was involved directly, what criteria was used and when the decision of team selection was finalized. Until I am clear on these matters, I am unable to give my constituents a satisfactory response to their concerns. However, Madam Speaker, I would like to tell the Coral Harbour men's hockey team that I support them all the way and I hope that, despite this setback, they can keep the faith and I fully expect that their day will come. Thank you, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for High Arctic, Mr. Pudluk.

Member's Statement On The Storage Of Firearms

MR. PUDLUK:

(Translation) Thank you, Madam Speaker. My statement today will be with regard to the federal legislation requiring firearms to be locked up during storage. I'm not against the safe storage of firearms whatsoever, Madam Speaker. The communities in my constituency have a very high rate of polar bear intrusions. There are often several incidents on a weekly basis of polar bears coming into the communities and camps, threatening lives and property.

This is the time of year also when there is complete darkness. It is only common sense, then, that residents should have rifles relatively handy for their protection.

If the people of the High Arctic are to follow the law to the letter, then it will not be possible to protect themselves adequately from polar bears. This is a very valid concern. My people do not want to break the law, but what can they do? They have to make a choice between protecting themselves and breaking the law.

Page 462

The federal government and the Government of the Northwest Territories must work together so that the law about storing firearms is changed to be practical to my constituents. Thank you, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Yellowknife North, Mr. Ballantyne.

Member's Statement On Congratulating Winners Of National Aboriginal Achievement Award

MR. BALLANTYNE:

Thank you, Madam Speaker. Today I rise on behalf of my constituents in Yellowknife North to offer our congratulations to the five northern winners of the national aboriginal achievement awards.

Cindy Kenny-Gilday is a constituent of Yellowknife North and is being honoured for her outstanding international work with the environment. Susan Aglukark is a world-class musician.

---Applause

Billy Lyall has done tremendous developmental work with the co-ops.

---Applause

Rosemarie Kuptana, as president of ITC, and for her support over the years for the creation of Nunavut.

I think our Legislative Assembly should be especially proud of the award given to Premier Cournoyea.

---Applause

She is a four-term MLA, served with distinction on many important Cabinet posts, and continues to serve us well as Premier. Her award brings honour and recognition to our Legislative Assembly. And all five awards bring recognition and honour to the recipients and to all northerners. Thank you very much.

---Applause

MADAM SPEAKER:

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

Member's Statement On Cruise Missile Testing

MR. WHITFORD:

Thank you, Madam Speaker. Many of us believe that the federal government has appeared to have failed to live up to its campaign promises, made during the last election, to not allow any more cruise missile testing in the Northwest Territories.

I quote, Madam Speaker, the Honourable Jack Anawak from his speech in the House of Commons debate on the issue. "Northerners recognize that although the cold war is over, other security concerns have arisen. However, they question whether the standard military responses are appropriate, or the only response we can make. In many cases, an economic helping hand may accomplish more for our long-term security interests than a military show of force." Mr. Anawak went on to use the example of the village recently constructed in Siberia using northern firms and expertise as an example of the type of help we should be doing. "No one is surprised about the support from the Reform Party with their "back to basics" conservative policies, but I must express my dismay on the support from the Bloc Quebecois for cruise missile testing given the strength of the peace movement amongst the residents of Quebec. The

single most reprehensible fact about the whole cruise missile testing program in the Northwest Territories is the lack of consultation by the federal government. The missile testing program has been renewed twice. Once for five years, and the latest agreement covering a ten year period."

There was no consultation. This legislature has sent numerous resolutions covering the banning of cruise missiles to no avail. Many of the Members of Parliament who had the courage of conviction to side with us in our opposition to the cruise missile testing also lamented the lack of consultation with northerners.

Madam Speaker, we as a legislature have no choice but to continue our fight against cruise testing in the Northwest Territories. There are no economic or moral benefits to testing these relics of the cold war mentality in Arctic airspace. Indeed, we all watched CNN in wonder a few years ago and saw how deadly accurate those cruise missiles could be during the Gulf War.

Madam Speaker, I seek unanimous consent to continue my statement.

MADAM SPEAKER:

The honourable Member is seeking unanimous consent to continue with his statement. Are there any nays? There are no nays. Proceed, Mr. Whitford.

MR. WHITFORD:

Thank you, Madam Speaker. Thank you, colleagues. There are no economic or moral benefits to testing these relics of the cold war mentality in Arctic air space. Indeed, we all watched CNN in wonder a few years ago and saw how deadly accurate those cruise missiles could be during the Gulf War.

I suggest, Madam Speaker, that the federal government take the attitude that these weapons' delivery systems are accurate enough, and no further testing should be allowed to continue in Canada. Thank you.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Nahendeh, Mr. Antoine.

Member's Statement On Cruise Missile Testing

MR. ANTOINE:

Mahsi, Madam Speaker. Once again, Madam Speaker, cruise missiles will shatter the silence of our northern skies. Once again, the opinions of northern people and this government will be ignored.

Page 463

For almost 40 years, Madam Speaker, the Northwest Territories have been the playground of the United States military industrial complex. Starting in the mid-1950s and continuing to this day, northerners have had strange substances dropped on them, military satellites and cruise missiles falling on them, and nuclear submarines under them.

Madam Speaker, we, as northerners, are no longer a colony of Ottawa subject to the whims of departmental mandarins who are put on this earth to look after the interests of the misbegotten Dene and Inuit. In this Assembly, there are 24 people elected to represent the views of their constituents, and the view of the vast majority of northerners, aboriginal and non-aboriginal, is that cruise missile testing must stop.

In 1987, the Dean of the House, Mr. Pudluk, rose to make an emergency statement on the American Airforce activities in the north Baffin, in the mid to late 1950s. In his statement, the honourable Member lamented the lack of consultation and the fact that residents of north Baffin weren't even warned that Americans were up to something in the northern skies.

Madam Speaker, the only change in the American and Canadian governments' attitude toward the feeling of northern residents is that they now give us a few hours notice so our northern pilots can get out of their way. There is still no consultation. Everything is still a secret, and northerners' thoughts and feelings have not been taken into account.

Madam Speaker, I urge the Liberal government to live up to their election promise, to ban the testing of cruise missiles over the Northwest Territories. The Russian threat is gone. Let's take positive steps to wipe out the mentality that we must have bigger, stronger and faster bombs than the other guy. Mahsi, Madam Speaker.

---Applause

MADAM SPEAKER:

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

Member's Statement On Closure Of Akaitcho Hall

MR. GARGAN:

Thank you, Madam Speaker. I rise today to talk about the plight of Akaitcho Hall. When I look at the people of my generation, I am once again reminded of the importance of residential schools to the political development and people development of the Northwest Territories.

I, myself, believe I was fortunate to attend the Sacred Heart Mission in Fort Providence and Lapointe Hall Residential School in Fort Simpson during my formative years. I believe, Madam Speaker, that the discipline and preparedness I acquired during my stay in these residences was well worth the time away from home.

My major problem with the closure of Akaitcho Hall is that I believe a small group of persons are determining the direction of education in the Northwest Territories for the years to come. I do not believe, Madam Speaker, that the ordinary parents in a small community understand the ramifications of the closure of Akaitcho Hall and other similar facilities. They may understand that the local school is being upgraded to grade 12 and that their children do not have to leave their homes. But, Madam Speaker, what they may not understand is that by closing Akaitcho Hall we are limiting the opportunities for the future generation of leaders.

Madam Speaker, I do not believe that a child will be able to get the equivalent education in a small regional or local high school to what is available in Yellowknife.

I suppose, Madam Speaker, I may be out of line with this statement because I am ignoring the political realities of devolution. I, nonetheless, remain convinced that by closing residential facilities such as Akaitcho Hall we are robbing our children, particularly those of aboriginal descent, of the choice for a total education.

Madam Speaker, I spent ten months of the year away from my family when I was growing up and going to school. I was always happy to spend the two summer months of the year learning how to hunt and fish and helping my family prepare for the long winter. I am proud of my heritage as a Dene person, but

nonetheless remain convinced that closing Akaitcho Hall is the wrong choice for the future generation of Dene and Inuit children. Mahsi cho.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Member's statements. The honourable Member for Iqaluit, Mr. Patterson.

Member's Statement On Clarification Of Work Undertaken By The Special Committee On Education

MR. PATTERSON:

Thank you, Madam Speaker. I feel I must rise to respectfully correct the honourable Minister of Education, Culture and Employment on certain statements he made in this House on Friday, February 25, about the Special Committee on Education during discussion in committee of the whole of his discussion paper, Towards a Strategy to 2010. I was not present in the House that day, but the unedited Hansard shows that Mr. Nerysoo, in responding to general comments from Mr. Dent criticizing the lack of detail in his discussion paper, referred to the Special Committee on Education and stated that, "It took them almost two years and almost \$3 million to do the work." Mr. Nerysoo went on to say, "What that committee took two years to do, we did in one year."

Madam Speaker, with respect, as a former Member of that special committee -- who, along with Ms. Cournoyea the only other sitting Member in this House who had the privilege of serving on that committee of the 9th Assembly -- I do feel obliged to correct the honourable Minister and set the record straight.

First, as to whether the Minister's excellent discussion paper did as much as that committee. Madam Speaker, here is what the special committee did, and it was the first committee of this legislature to be so active: it held no less than 73 meetings in 34 communities. We conducted excellent research and we prepared draft legislation.

While the committee was in existence, we were asked to and did recommend on the contentious issue of much needed reform of the student financial assistance regulations. We

produced no less than 49 detailed recommendations which led, among other things, to the establishment of divisional boards of education, teaching and learning centres, field-based teacher education and the Arctic College. We even recommended the establishment of what we called the secretariat for learning under the Minister of Education to coordinate all training and learning within the GNWT. The recommendations were accompanied by a detailed implementation strategy and timetable.

Finally, Madam Speaker, the Special Committee on Education did not cost \$3 million, as the Minister stated. It did all that work for just under \$1 million.

Madam Speaker, I recognize that the Minister is proud of his hard work on the discussion paper, Towards a Strategy to 2010, however I would respectfully suggest to him that it may be a little too early to determine whether his discussion paper will have the same impact as the report of the Special Committee on Education. Thank you.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. Item 4, returns to oral questions. Madam Premier.

ITEM 4: RETURNS TO ORAL QUESTIONS

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

HON. NELLIE COURNOYEA:

Madam Speaker, I have a return to an oral question asked by Mr. Koe on February 22, 1994 regarding the Northwest Territories Power Corporation staff housing policy.

Madam Speaker, it is the corporation's policy to encourage employees, where practical, to be responsible for their own housing costs. To this end, the corporation began withdrawing from providing staff accommodation within a five year period, commencing on April 1, 1993 in communities that have road access. In other locations where the corporation identifies surplus units, action will be taken to dispose of these units. Thank you.

MADAM SPEAKER:

Thank you. Item 4, returns to oral questions. The honourable Member for Kivallivik, Mr. Arngna'naaq.

Further Return To Question 162-12(5): Reason For Community Deficits

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. Madam Speaker, I have three returns today. The first one is a return to an oral question asked by Mr. Pudluk on February 21, 1994. I'm responding to the Member's question and subsequent discussions with the honourable Member on community deficits.

Communities are required by legislation to prepare annual budgets. Municipalities receive funding from a variety of sources, including the Department of Municipal and Community Affairs and budgets must reflect revenues from all sources.

Our legislation also requires a municipal corporation to eliminate any deficit that may have accumulated during the year. by the end of the following fiscal year. Deficits occur in communities because expenditures exceed revenues. There are a number of reasons for excess expenditures. Unplanned or extraordinary expenditures may be required, for example, in situations where unusually cold temperatures result in higher fuel and utility bills. Unplanned expenditures may be required if a water line breaks or equipment fails, creating a need for expensive repairs. Each community is different.

Community counsellors should be receiving accurate monthly financial information from their administrative staff in order to assist them in identifying potential deficits because of such situations as I have noted. The department monitors the financial position of all communities, providing advice and assistance where necessary.

Return To Question 223-12(5): Selection Of Players For Senior Men's Hockey Team

Madam Speaker, the second return is to a question asked by Mr. Arvaluk on February 28, 1994, on selection of players for senior men's hockey for Arctic Winter Games.

The manager of our Northwest Territories team for Arctic Winter Games has been delegated to the Sport North Federation. Sport North, in turn, requests that each territorial sport organization establish a process by which their teams will be selected for the Arctic Winter Games.

I'm advised that at their annual general meeting in the fall of 1993, the NWT Amateur Hockey Association

agreed to select an open men's hockey team from the best players involved in the territorial trials held in January, 1994. This process was implemented in order to provide an opportunity for the best players from across the Northwest Territories to be selected, as opposed to the previous selection process which allowed only for the winning team to attend the games.

This all-star team approach has successfully been used by other sports sending teams to the games. It was decided that responsibility for choosing the final team would rest with the two team coaches. Job advertisements for these positions were sent territorial-wide and only two coaches applied for the position. Only two applied and were selected. Both of these coaches are very capable. I have been assured that following a careful screening process, the best players have been chosen for the team.

The team selected consists of six players from the Yellowknife region, two from the Inuvik region, five from the South Slave region, two from the Mackenzie region and one from the Baffin region. Any change in team composition at this point, less than a week before the games, would mean that an athlete who has been told he has a spot on the team and has been training hard in anticipation of this, would have to be bumped in order to make room for the substitution.

I'm pleased to inform the honourable Member for Aivilik that there are four athletes from his constituency who will be attending the Arctic Winter Games. In total, there are 80 athletes, coaches, officials and mission staff who will be attending the games from the Nunavut area. I have written to

Page 465

the president of the NWT Hockey Association, advising him of the Member's concern.

Return To Question 201-12(5): Block Funding Agreement Re Yellowknife Sewer System

My third return, Madam Speaker, if I may, is to a question asked by Mr. Ballantyne on February 24, 1994 regarding the block funding agreement involving the Yellowknife sewer system.

As of February 16, 1993, a block funding agreement between the city of Yellowknife and the Government of the Northwest Territories has been in effect. Under the terms of this agreement, the Government of the

Northwest Territories has agreed to contribute \$4.1 million to the city in each of the 1993-94, 1994-95 and 1995-96 fiscal years. This funding support is being provided in order to assist the city in its delivery of municipal programs and services that are normally eligible for funding under the capital and operations and maintenance programs of the department.

The agreement allows for the city to request extraordinary funding for projects which do not fall under the parameters of the department's municipal capital assistance program, or the municipal operating assistance program. An example of such a project has been the sewer and water upgrading work on the city's central business district. In 1993, the Financial Management Board approved \$1.2 million for work to be undertaken during the 1993-94 construction season.

In November 1993, the city submitted a request for extraordinary funding support for water/sewer upgrading of the School Draw area, which has also been experiencing a severe degradation of the water/sewer lines.

Over the past several months, there have been ongoing discussions between the city and department staff on the long-term requirements and priorities for water/sewer replacement and upgrading for the entire city. As a result of these deliberations, the department is in the process of preparing a submission to the Financial Management Board. The submission will request extraordinary funding assistance for the city in support of its long-term water/sewer infrastructure replacement program. It is anticipated that this submission will be reviewed by the Financial Management Board in the near future. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Item 4, returns to oral questions. The honourable Member for Baffin Central, Ms. Mike.

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

HON. REBECCA MIKE:

Thank you, Madam Speaker. I have two returns to oral questions. The first question was asked by Mr. Whitford on February 22, 1994, regarding the cancellation of a request for proposals for counselling services.

The request for proposals for counselling services for Hay River and Fort Smith was advertised prematurely.

Discussions with a view to cost-sharing the service were still ongoing between the Department of Social Services and the South Slave Divisional Board of Education when the advertisement was sent out to media. The oversight was noticed and an effort was made to pull the advertisement. However, instead of pulling it out altogether, News/North placed a cancelled stamp across the advertisement.

The call for proposals for this important and much-needed service will be placed in the newspapers again in mid-March 1994 once all the details respecting cost-sharing are finalized.

Further Return To Question 225-12(5): Evaluation Of Food Allowances For Social Assistance Clients

My second return to oral question was asked by Mr. Ng on February 28, 1994 regarding the evaluation of food allowances for social assistance clients.

When the social assistance food allowances were first established in the early 1970s, they were set lower than the actual cost of food. This was done deliberately, on the assumption that social assistance recipients would supplement the allowance with country food.

This assumption may be less valid today because of a decreased usage of country foods.

The Department of Social Services, in cooperation with other departments, is undertaking a review of income support programs, including social assistance. As part of this initiative, it is our intention to review not just the food allowances, but all of the benefits currently paid through social assistance. This review will determine what the actual costs of living are in each community, so that social assistance and other support programs can be adjusted to provide a fair level of income.

I expect this review to be completed in the fall. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Item 4, returns to oral questions. Item 5, oral questions. The honourable Member for Yellowknife South, Mr. Whitford.

ITEM 5: ORAL QUESTIONS

Question 241-12(5): Consultation Re Cruise Missile Testing In The NWT

MR. WHITFORD:

Thank you, Madam Speaker. I have a question I would like to direct to the Premier. It follows on the statement I made concerning the reactivation of the cruise missile testing. Many people have expressed their concern over this for a number of reasons, certainly the end of the cold war being one of them. The other thing is, a point of principle, perhaps, which is more fundamentally important is the fact that we have weapons of war being test-flown over our sovereign territory here, although it may be with approval of the federal government but with the very clear expression of concern by the Northwest Territories residents, including the majority of this House on occasion. I would like to ask the Premier -- and it deals with consultation -- when was the government informed that tests would occur this week?

Page 466

MADAM SPEAKER:

Thank you. Madam Premier.

Return To Question 241-12(5): Consultation Re Cruise Missile Testing In The NWT

HON. NELLIE COURNOYEA:

Madam Speaker, the time that we were informed, I believe, was prior to the initial time that they were going to test the cruise missile. I would say that would be approximately eight to ten days ago.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Whitford.

Supplementary To Question 241-12(5): Consultation Re Cruise Missile Testing In The NWT

MR. WHITFORD:

Thank you, Madam Speaker. The concern is, people in the Mackenzie Valley where these tests are going to occur hear on CBC that they are going to take place, then, of course, bad weather in Alaska has cancelled them two days in a row. I guess they sort of hold their breath waiting for this to happen. I would like to ask the Premier whether the military does

consult with the leaders of our government to get their go-aheads and cancellations on a routine basis.

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 241-12(5): Consultation
Re Cruise Missile Testing In The NWT

HON. NELLIE COURNOYEA:

Madam Speaker, as the Members are aware, we, as a governing body, were not really informed any sooner at the initial time when they decided to do the testing. We, like the rest of the Members of the Legislative Assembly, also heard about it over the television and radio that the Liberals had changed their minds from their initial proclamation that they were going to cancel any more cruise missile testing in the Northwest Territories. We were somewhat assured by that, and we're also somewhat surprised that they reconsidered and decided to make the decision to honour the agreement they had with the United States.

In the matter of consultation with us, we were only informed yesterday that the missile testing was again put off another day.

The reporting relationship in the Department of National Defence is that they are of the opinion that they are mandated to look after the well-being and the safety of the country. They very reluctantly, when asked, do provide some information. But, in matters of defence policy, I believe they haven't changed their attitude at all about the fact that they're in charge and they will let us know when they want us to know what's happening in the matter of cruise missile testing. Although, in the last few days they appear to be advising more on a regular basis that the testing has been put off, then they will try again. But it's not for consultative purposes, really, it's just to let us know what they're doing. Madam Speaker, the attitude of the Department of National Defence hasn't changed. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Whitford.

Supplementary To Question 241-12(5): Consultation
Re Cruise Missile Testing In The NWT

MR. WHITFORD:

Thank you, Madam Speaker. I appreciate the answers that the Premier has given us, and I can understand and share with the government their frustration in not being at the table, so to speak. I very much appreciate the mandate of the military and what they do here. It is just that I think the point of principle we are trying to raise here is the fact that it is the Northwest Territories, that we are the government and there should be some consultation. In the Premier's letter to Ottawa, earlier on, I understand that she was expressing that. I just wondered if they had responded to her letter, advising her that she would be a bit more involved in consultation.

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return to Question 241-12(5): Consultation
Re Cruise Missile Testing In The NWT

HON. NELLIE COURNOYEA:

Madam Speaker, I did write a letter to the Honourable David Collenette on February 4. I have not received a response from the Minister of National Defence. I think the only issue that Members may feel a little comforted by is that I know the Minister of National Defence did state that the United States government should not presume further tests will be allowed after the two planned for this winter and that Ottawa is rethinking its agreements with the United States. So, the Minister of National Defence has put the United States on notice, and we are continuing to urge Ottawa to make sure that the concerns of Northwest Territories residents are paramount in their thinking when they are making their decisions and developing policy.

We have asked the Defence Minister to spend some time with us and asked also, if he is busy, that certainly, in the consultation process on what's going to happen, our officials get together at the earliest possible time. Also, when I was in Ottawa, I did mention to the Prime Minister that we had concerns about the cruise missile testing, that we applauded his initial statement and also asked that he encourage the Minister of National Defence to reply to us officially. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Iqaluit, Mr. Patterson.

Question 242-12(5): Premier's Discussion With Prime Minister Re Cruise Missile Testing

MR. PATTERSON:

Thank you, Madam Speaker. Madam Speaker, I would like to follow up on the Premier's recent discussion with the Prime Minister on this issue. I think, having been a long-standing Member of the Legislature, she is well aware of the strong opposition Members of this Assembly have expressed on this issue, going back to the 9th Assembly. I would like to ask the Premier if she could describe in a little more detail what she told the Prime Minister about this issue and what she might have learned about the government's future intentions once the present two tests are concluded. Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Page 467

Return To Question 242-12(5): Premier's Discussion With Prime Minister Re Cruise Missile Testing

HON. NELLIE COURNOYEA:

Madam Speaker, the availability of time or the place really wasn't conducive to a meeting. However, I did feel, because this was a problem and that the initial testing was to happen yesterday, that I should bring it to his attention that we felt very happy about his initial announcement and that we felt distressed that he was not able to carry out the commitment to cancel with the United States of America. All I did was suggest to him that it is a primary concern to us, that it is of immediate concern and that we were expecting some response. I did not go any further than that, Madam Speaker.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 242-12(5): Premier's Discussion With Prime Minister Re Cruise Missile Testing

MR. PATTERSON:

Thank you, Madam Speaker. I take it that the discussion the Premier is referring to took place while she was recently in Ottawa to be honoured with the achievement award, and, I guess, at the very same

time that the cruise missile was to be tested. Is that when that discussion took place, Madam Speaker?

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 242-12(5): Premier's Discussion With Prime Minister Re Cruise Missile Testing

HON. NELLIE COURNOYEA:

Madam Speaker, yes.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 242-12(5): Premier's Discussion With Prime Minister Re Cruise Missile Testing

MR. PATTERSON:

Yes, thank you, Madam Speaker. I wonder if the Premier has had an opportunity, or if any of her Ministers have had the opportunity, to directly convey our concerns to the Minister of National Defence on this same issue. Thank you.

MADAM SPEAKER:

Madam Premier.

Further Return To Question 242-12(5): Premier's Discussion With Prime Minister Re Cruise Missile Testing

HON. NELLIE COURNOYEA:

Madam Speaker, other than the letter that was written to the Honourable David Collenette, Minister of National Defence, I have not personally spoken to the gentleman or made contact with him. As for the other Ministers, I am not aware of any contact with regard to this specific issue. Thank you.

MADAM SPEAKER:

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

Question 243-12(5): Actions Taken With Liberal Government Re Cruise Missile Testing

MR. ANTOINE:

Mahsi, Madam Speaker. My question is to the Premier with regard to the cruise missile testing, as well. I mentioned, in my earlier statement, that the majority of the NWT residents have always been opposed to cruise missile testing in the Arctic and they continue to be opposed to it. What action has been taken by this government since the Liberal government was elected to inform the federal government of this ongoing opposition? Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Return To Question 243-12(5): Actions Taken With Liberal Government Re Cruise Missile Testing

HON. NELLIE COURNOYEA:

Madam Speaker, the first time that we had an opportunity to bring this topic up was when the Honourable Jean Chretien visited the Legislative Assembly soon after he was elected. Among the other topics that were discussed, the issue of the cruise missile was brought up at that time. Subsequently, when he made the announcement in Ottawa in the campaign that they were not going to be supportive of cruise missile testing in the Northwest Territories, he didn't feel that it was an issue and that he was going to stand behind his commitment. But, subsequently, I believe, there are agreements that were undertaken by the previous government that he felt that he couldn't walk around. Subsequently, on February 14, I did write to the Minister of National Defence expressing our concern and asking to be consulted and to set up some meetings and discussions about that issue. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 243-12(5): Actions Taken With Liberal Government Re Cruise Missile Testing

MR. ANTOINE:

Mahsi, Madam Speaker. The latest action was to write a letter to the Department of Defence, I take it. Has there been any reply to this letter? Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 243-12(5): Actions Taken With Liberal Government Re Cruise Missile Testing

HON. NELLIE COURNOYEA:

Madam Speaker, as I indicated before, there was not a reply to the letter. I am aware that the Minister is aware that it is an outstanding issue. I have also discussed the issue with the Inuit Tapirisat of Canada president and suggested that this problem continues, and they are trying to take an active role, as well. I know that the concerns that are raised by Members here are being heard, but at this point in time, there has not been any action to respond to how we are going to be consulted or if we are going to be consulted. It has also been stated by the Government of Canada that they are rethinking their whole involvement with the cruise missile testing, and they were going to have a series of meetings. We have requested to be involved in those meetings or the consultative meetings. So, I believe that the reason they were not able to live up to their initial commitment was because

Page 468

there were agreements in place that they couldn't walk around. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 243-12(5): Actions Taken With Liberal Government Re Cruise Missile Testing

MR. ANTOINE:

Mahsi, Madam Speaker. Supplementary to the Premier. Although there is no reply to the letter asking for consultation, is there an indication of any kind from the federal government that the Government of the Northwest Territories will be involved in any type of discussion of a consultative nature with regard to nuclear missile testing?

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 243-12(5): Actions Taken With Liberal Government Re Cruise Missile Testing

HON. NELLIE COURNOYEA:

Madam Speaker, I'm not aware that the Special Committee on Defence has set a schedule yet. They are aware that we want to be involved and I've told them that the involvement is very broad-based in terms of people's interest. They haven't set the timetable to date. Thank you.

MADAM SPEAKER:

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

Question 244-12(5): Lack Of GNWT Efforts To Pursue Cruise Missile Testing With Federal Government

MR. PUDLUK:

Thank you, Madam Speaker. I would like to follow up my colleagues' questions to Madam Premier. Given that this House has passed six motions opposing cruise missile testing and these motions followed lengthy debate opposing cruise missile testing, why did the government not pursue this issue more vigorously with the federal government? Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Return To Question 244-12(5): Lack Of GNWT Efforts To Pursue Cruise Missile Testing With Federal Government

HON. NELLIE COURNOYEA:

Madam Speaker, I take from the question that the Member is not happy with the amount of effort that has been put into this. I've already explained to the House the steps we've taken to express our concerns and relay the concerns of the Legislative Assembly to the Minister of National Defence and the Prime Minister at every opportunity. Unless there is something else that I'm missing or should be doing, if any other direction comes forward or if you feel that we can more aggressively pursue this, I am willing to use any support that can be given in this area.

---Applause

MADAM SPEAKER:

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

Question 245-12(5): Selection Process For Senior Men's Hockey Team For AWG

MR. ARVALUK:

Thank you, Madam Speaker. My question is to the Minister of MACA, in his capacity for being responsible for Sports and Recreation. I know, Madam Speaker, that he must be getting tired of my question, but I have not been repeating any of them. I am still not sure from his return to oral question that any of my original questions have been answered yet, other than the general process that the Arctic Games follows. But, I'm still not sure what actually happened during the past month.

I'm very, very happy that the South Slave, who came in eighth place, managed to get five players.

---Applause

I wish we could do the same thing in the Keewatin, coming in second place. My question is, what exactly was the selection process of the players for the NWT open men's hockey team in 1994?

MADAM SPEAKER:

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

Return To Question 245-12(5): Selection Process For Senior Men's Hockey Team For AWG

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I'm not familiar with the details but, the way I understand it, the process used by the organization was to hire on two team coaches and the two coaches made the decision during the territorial trials held in January. They selected the all-star team that is to go. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Arvaluk.

Supplementary To Question 245-12(5): Selection Process For Senior Men's Hockey Team For AWG

MR. ARVALUK:

Madam Speaker, I guess my expectations are a little bit high because I've been at this for over a week now. Can the Minister tell me, then, who was present and directly involved in this? I'm told that Coral

Harbour did not have a coach. I wonder if that is the reason why they weren't selected. My actual question, Madam Speaker, is who was present and directly involved?

MADAM SPEAKER:

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

Further Return To Question 245-12(5): Selection Process For Senior Men's Hockey Team For AWG

HON. SILAS ARNGNA'NAAQ:

Madam Speaker, I have indicated that I don't know the details of what has happened. I do feel very badly about this situation and I think, by all accounts, Coral Harbour has a very good team and it is legitimate for them to feel that they should have had a member on the final team. I sympathize with the team and the Member for raising the issue. The fact is, I, as the Minister of MACA, cannot appoint a player on the team. There is just no way that

Page 469

I can appoint a person. Even if I could, it would not be fair to those who have already been chosen.

However, what I think this debate could do is send a message to Sport North and its associate organizations that they should be more sensitive to the wishes of the smaller communities, especially those in the Nunavut area. I understand that a system is in place for fair selection for all athletes, but in this instance, no one was chosen from the second best team. I do hope this experience will be taken into account by Sport North and its various sporting bodies, particularly the hockey association.

I believe they have learned that it is important not only to have a fair and equitable process but also to be seen to be fair and equitable in their selections. I have also met with the Sport North officials and have indicated that there is a need for Sport North to be more aware of the situations in Nunavut. I have indicated to them that there is division taking place in 1999 and that they have to start preparing for this division and decide how it is that they are going to work with the area of Nunavut.

Once again, I would like to say that I do feel badly about this situation but there is really nothing I can do as Minister. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Arvaluk.

Supplementary To Question 245-12(5): Selection Process For Senior Men's Hockey Team For AWG

MR. ARVALUK:

Thank you, Madam Speaker. I understand that the government is one of the major sponsors of the Sport North activities that we all support. I also thank the Minister for recognizing the athletes from my riding. That's not the subject. The subject is not Coral Harbour, either. The subject is, is there a fair practice being made in selecting who should be in the Arctic Winter Games? My question to the Minister is, will he then intervene, using his good office, in finding out exactly what happened during the selection process for 1994, and report, in writing, to this House? Thank you.

MADAM SPEAKER:

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

Further Return To Question 245-12(5): Selection Process For Senior Men's Hockey Team For AWG

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. First of all, I would like to point out that the contribution that this government makes is only 30 per cent of the funding that is used by Sport North Federation for the Arctic Winter Games. Our say in what goes on as far as Sport North is concerned, is probably worth that much, 30 per cent of the funding that is acquired by Sport North. However, I will find out in detail, if that is what the Member wishes, and in writing, the details of what did take place. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Question 246-12(5): GNWT Policy On Day Care

MR. NINGARK:

Thank you, Madam Speaker. My question is directed to the honourable Minister of Social Services. Madam Speaker, the dreams and aspirations of people, the real people in my community, are very, very

important. All people, that is. We have women who want to have career opportunities and get a job. We have women who want to further their education, but are not able to because they don't have a babysitter. My question to the honourable Minister is, what is the government policy with regard to day care policy? Thank you.

MADAM SPEAKER:

Thank you. The honourable Member for Mackenzie/Delta, Mr. Nerysoo.

Return To Question 246-12(5): GNWT Policy On Day Care

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. Just to indicate to the honourable Member that it has been for a year now, since we took the responsibility over, that the policy has been under review. It is our intention to ensure that some basic principles are adhered to. One, the application of the policy is applied to every community that requests the support. Secondly, that the resources will be appropriately allocated so we don't have child care services that are not properly funded, nor parents who are not properly funded.

The other element that is important for us to consider is under the income support review, investing in people. It's our consideration that for those parents who are utilizing social assistance, it's our suggestion that we utilize the social assistance programming to encourage them to train, under which they would also utilize the resources for child care services.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ningark.

Supplementary To Question 246-12(5): GNWT Policy On Day Care

MR. NINGARK:

Thank you, Madam Speaker. Supplementary, through you, to the same Minister. We have women's groups in my communities of Pelly Bay, Gjoa Haven and Taloyoak, that are very important in this program. There are women in the community who are not part of women's groups, common people, who are interested to know what is going on because we have been told for a number of years now that there is a program in place, but people in the communities are not aware of the program. I hope the honourable

Minister will direct his staff within the region to consult with the people about what is available in the system. Thank you.

MADAM SPEAKER:

Thank you. Minister of Education, Mr. Nerysoo.

Further Return To Question 246-12(5): GNWT Policy On Day Care

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. Yes, I will certainly take note of the honourable Member's advice. In fact, Madam Speaker, this year, for the first time, other than having a term position, we will be putting in place a full-time position for the Nunavut communities so we have a

Page 470

program development officer to help the communities in Nunavut develop programs to take advantage of the child care services, including the possibilities of improving services generally across the Northwest Territories.

MADAM SPEAKER:

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

Question 247-12(5): Status Of Computer Equipment For Social Services Department

MR. WHITFORD:

Thank you, Madam Speaker. I would like to direct a question to the Minister of Social Services. The Social Services department had a system in place where they were installing a system of computers to assist area and regional people to communicate very quickly and to minimize the work that results from issuing of assistance, to cut down on abuse and fraud. This system was begun a couple of years ago, and some of us looked at it with great interest. I haven't heard much about it lately and I would like to ask the Minister of Social Services, what's the status on the new computerized system that was being installed in the area and regional offices? Thank you.

MADAM SPEAKER:

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

Return To Question 247-12(5): Status Of Computer Equipment For Social Services Department

HON. REBECCA MIKE:

Thank you, Madam Speaker. That information system was completed in December of 1993. Some deficiencies were identified and the work on that should be completed by March. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. Supplementary, Mr. Whitford.

Supplementary To Question 247-12(5): Status Of Computer Equipment For Social Services Department

MR. WHITFORD:

Thank you, Madam Speaker. I think for the interest of many people who are concerned with that department's operation, the system was being installed to minimize the work and minimize the errors that were being made as a result of the vast amount of work that is generated through that service. The smaller offices were without hook-ups and I wondered if the system now involves all of the offices, or is it just sort of pick and choose of maybe the larger ones. Does it involve all of the offices?

MADAM SPEAKER:

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

Further Return To Question 247-12(5): Status Of Computer Equipment For Social Services Department

HON. REBECCA MIKE:

Thank you, Madam Speaker. We are looking at smaller communities through the informatics strategy. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Whitford.

Supplementary To Question 247-12(5): Status Of Computer Equipment For Social Services Department

MR. WHITFORD:

Thank you, Madam Speaker. Could I get some indication what percentage of the total communities that have offices would be effected? Are there just a few left, more than half or three-quarters?

MADAM SPEAKER:

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

HON. REBECCA MIKE:

Thank you, Madam Speaker. I'll have to take his question as notice. Thank you.

MADAM SPEAKER:

Item 5, oral questions. The honourable Member for Iqaluit, Mr. Patterson.

Question 248-12(5): Reason For Length Of Power Failure In Iqaluit

MR. PATTERSON:

Thank you, Madam Speaker. I attended a wonderful event last Thursday in my riding. It was a fashion show that the Inuit Women's Association had worked very hard on. They brought a hairdresser up for the event and they had sewn clothing all year for this event. I understand some \$70,000 was committed to it and about half an hour into the show something happened that nobody could have foreseen. The power went out.

I would like to ask the Premier, in her capacity as Minister responsible for the NWT Power Corporation, why did it take 48 minutes to get the power on in Iqaluit, during which time over 200 people at the fashion show had to be sent home because they were told that the emergency batteries wouldn't last long enough for the able officials at the Power Corporation to get the plant running again? Why did it take 48 minutes, Madam Speaker?

MADAM SPEAKER:

Madam Premier.

Return To Question 248-12(5): Reason For Length Of Power Failure In Iqaluit

HON. NELLIE COURNOYEA:

Thank you, Madam Speaker. I know how important that event was to the Pauktuutit gathering and certainly I know the amount of work and effort that was put into preparing all the presentations made by women and residents all across the Northwest Territories. The information I received regarding the power outage was those two units were operating and the newly-installed Wartsila unit tripped off due to an

inadequately designed level switch. The manufacturer has since provided us with design modifications so that it doesn't happen again.

At the time of the outage, two units were running in Iqaluit. Normally, when one unit fails, a relay protection system is supposed to interrupt only a sufficient number of the distribution feeders coming out of the power house to ensure that the remaining unit can continue to carry on without overloading. When the entire town went out, the plant operator had to initiate a back-start of the generating unit to re-establish station service, followed by the restoration of service to the community. He first attempted to start the smallest unit, which is called a KS6, which is normal under these operating

Page 471

conditions. The KS6 failed to hold when the operator attempted to re-establish the station service. He then made a second attempt with the same result and the problem has been since been attributed to another part of the protection system.

When that wouldn't work, he attempted to start the new CAT unit and this unit failed to run up to the rated speed. The problem has since been traced to the program logic controller with remedial action under way. At the time, the operator then decided to start yet another unit, the K8, followed by the EMD and the services were restored.

Madam Speaker, when a large diesel generator is cold started, it cannot generate power right away, thus the long period to get back into play. Apparently, the unit must be run for several minutes to allow the temperature, oil pressure, et cetera, to normalize before it can be loaded. The fact that a number of units had to be started in sequence contributed to the length of this particular outage. In discussing this with the Power Corporation, they also feel very badly that this power outage had to happen during this very special occasion. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 248-12(5): Reason For Length Of Power Failure In Iqaluit

MR. PATTERSON:

Well, thank you, Madam Speaker. I do appreciate the Premier's acknowledgement that her officials in the

corporation feel badly about the problem. That's some small comfort. I guess I would just like to ask -- and I'm not an expert on technical issues, Madam Speaker -- but it seems that there was an inadequately designed level switch which stopped the machine in the first place. Then, as I understand from what the Premier said, the relay system failed to function. When there was an attempt to start another unit, another part of the protection failed and then there was a problem with the programmable logic controller.

I would like to ask the Premier, why did we have to learn all this when the town was in the dark? Doesn't the Power Corporation ever do checks on their back-up system so they can feel out these problems rather than testing them out in emergency situations?

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 248-12(5): Reason For Length Of Power Failure In Iqaluit

HON. NELLIE COURNOYEA:

Madam Speaker, to my understanding, this sequence of events in this case were rather unusual. It is not something that usually happens. The action that is necessary has been undertaken to deal with the design shortcomings on the Wartsila and the CAT. What has been done is a remote control system for the separate EMD plant is in its final installation stages. We expect that, with the completion of all these initiatives, the reliability of the Iqaluit electrical system should continue to improve and be set for the support of the new capital of Nunavut. Thank you.

SOME HON. MEMBERS:

(Microphones turned off)

---Laughter

MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 248-12(5): Reason For Length Of Power Failure In Iqaluit

MR. PATTERSON:

Madam Speaker, I should maybe quit while I'm ahead here.

---Laughter

I hear certain rumblings from other parts of this House.

---Laughter

But I do have the floor and I would like to thank the Premier for those extra comments. I'm sure they will be duly noted by the Iqaluit for Capital Committee. What I would like to ask the Premier, Madam Speaker, is there has been a lot of money spent on upgrading the system in Iqaluit. There was a lot of money spent last year when there were some serious power outages and I know a lot of money was spent this summer on new units. Is there a procedure in the corporation for dealing with these kinds of problems? Is there a procedure for training operators or doing drills to ensure that the back-up systems are tested on a regular basis? Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 248-12(5): Reason For Length Of Power Failure In Iqaluit

HON. NELLIE COURNOYEA:

Madam Speaker, I believe in the last three years I've been in every community in the territories and have visited the power plant in each and every one of them. Certainly, since the take-over of the Power Corporation by the Northwest Territories, that has been one of the major areas that the corporation has tried to incorporate into the training of workers, the preventative measures that should be taken so that we don't get ourselves in these unusual circumstances. Thank you.

MADAM SPEAKER:

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

Question 249-12(5): Status Of Mortgage Investment Corporation

MR. ANTOINE:

Mahsi, Madam Speaker. My question is for the Minister of Economic Development and Tourism. Reading the unedited Hansard from yesterday, the Honourable John Todd made a statement with regard to the development of a mortgage investment

corporation. He mentions that his department is developing a proposal to establish a mortgage investment corporation and that there was a briefing last fall which I attended. I was one of the Members there that responded positively to that initiative. I would like to ask the Minister when we would expect to see this mortgage investment corporation in place so that people can start using it? Thank you.

Page 472

MADAM SPEAKER:

Thank you. Minister of Economic Development and Tourism, Mr. Todd.

Return To Question 249-12(5): Status Of Mortgage Investment Corporation

HON. JOHN TODD:

Thank you very much, Madam Speaker. Right now, we do have the consultants, a Mr. Grossman and Mr. Kostenko, working on it out of Toronto. I guess it is fair to say it is a fairly complicated investment approach. If we come to the conclusion we should do one, it will require some legislative change and it will require some support from the federal government in terms of guarantees through the Canada Mortgage and Housing Corporation, et cetera.

I am trying to fast-track this because we recognize there is a sense of urgency out there. However, in fairness to the honourable Member, I suspect that within the next 90 to 120 days we will know whether it is worthwhile to continue to pursue this and we will know whether, in fact, it has some serious potential to succeed. Once we have accomplished that, I am told by Mr. Grossman, it would take somewhere between six and eight months to put both the legal and legislative framework in place. So, I guess, optimistically, we could be looking at somewhere in the region of 12 months. It is certainly my intent to try to fast-track it.

I do want to caution the honourable Member and others, of course, that part of the initial review that we are currently doing is to determine if this mortgage investment corporation has potential and can clear the hurdles, if you want, that are necessary to put it in place. I am optimistic. I am hoping that the report will indicate that we should proceed, and if we should, I want to assure the honourable Member that it is my intention to try to move as quickly as possible with it

and keep the House and, in particular, the Standing Committee on Finance, fully informed. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 249-12(5): Status Of Mortgage Investment Corporation

MR. ANTOINE:

Mahsi, once again, Madam Speaker. Continuing with the question, going back to the unedited Hansard, there is a figure totalling \$40 million. It is for the corporation for initial investment. I am trying to recall the briefing last fall, and my recollection -- which I don't think is that bad -- is that the initial investment would have been \$5 million. In his statement, it is quite substantially more than what was briefed to us. I would like to ask the honourable Member where this \$40 million is going to come from. Thank you.

MADAM SPEAKER:

Thank you. Minister of Economic Development and Tourism, Mr. Todd.

Further Return To Question 249-12(5): Status Of Mortgage Investment Corporation

HON. JOHN TODD:

In fairness to the honourable Member, I used the number to demonstrate the leverage between three and five times the money to show that it could, in fact, theoretically, bring a \$250 million mortgage investment corporation to the table. In the presentation that was done by Mr. Grossman to the Standing Committee on Finance, the Member is correct. It was significantly less. I believe we had indicated that if we could seed this to the total of \$5 million and perhaps look at external and northern money to bring it into a \$25 million pot, then from there we would lever it three to five times. So, the comments yesterday were mainly to illustrate how we could lever this particular investment corporation at three to five times, and I apologize if it has confused the Member. Thank you.

MADAM SPEAKER:

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

Question 250-12(5): Status Of Hunters Under The Federal Firearms Legislation

MR. PUDLUK:

Thank you, Madam Speaker. My question is directed to the Honourable Stephen Kakfwi. Today, I made a statement with regard to federal legislation that requires firearms to be locked up. Does this requirement apply to hunters when they are out in their hunting grounds? Do their firearms need to be locked up even if they are alone at forty below with thousands of polar bears around hunting for food? Thank you, Madam Speaker.

MADAM SPEAKER:

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

Return To Question 250-12(5): Status Of Hunters Under The Federal Firearms Legislation

HON. STEPHEN KAKFWI:

Madam Speaker, the Member raises a point which I think is a valid point, but the intent of the legislation, as I understand it, is to make firearms more inaccessible, particularly for children, and to cut down on the number of accidents that happen from careless placing and positioning of firearms. But, the Member is raising a point, about those parts of the north where predators like polar bears, which are very aggressive and unafraid of human beings, tend to prowl throughout communities and around houses, undetected sometimes during certain parts of the year. So, I would say, at this time, that I would simply raise it with department officials and have some discussions with them and come up with some response to the Member.

I think we have concern for safety from two perspectives: on the one hand, the laws require that we lock firearms up so that they become more inaccessible, particularly for children and those people that can cause accidents; and, on the other hand, we have a concern from community leaders about the safety of citizens of a certain community or communities because their safety might be compromised as a result of making it more difficult to get quick access to firearms in situations of need. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Pudluk.

Supplementary To Question 250-12(5): Status Of Hunters Under The Federal Firearms Legislation

MR. PUDLUK:

Thank you, Madam Speaker. The Minister answered part of my question, but part wasn't. The question

Page 473

is, does this apply to those hunters that I mentioned? Thank you.

MADAM SPEAKER:

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

Further Return To Question 250-12(5): Status Of Hunters Under The Federal Firearms Legislation

HON. STEPHEN KAKFWI:

Madam Speaker, the regulations about firearms and securing of firearms apply to everyone across Canada. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Kitikmeot, Mr. Ng.

Question 251-12(5): Fire And Safety Inspections In Kitikmeot Region

MR. NG:

Thank you, Madam Speaker. My question is to the Minister responsible for Safety and Public Services. It has to do with his department, under fire safety in the safety division itself, having 33 positions spread throughout the Northwest Territories with the exception of the Kitikmeot region. There are no positions whatsoever in the region to perform fire and safety inspections relating to existing buildings, new construction projects or work places. I would like to ask the Minister, at this time, what plans are in place, if any, to address this issue? Thank you.

MADAM SPEAKER:

Thank you. Minister of Safety and Public Services, Mr. Nerysoo.

Return To Question 251-12(5): Fire And Safety Inspections In Kitikmeot Region

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. In terms of the plans that are being proposed, from my initial meetings with the department staff, I have advised them to prepare a proposal that would be submitted to the Cabinet for consideration with regard to responding to the additional requirements in order for us to provide services in every region in the Northwest Territories.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 251-12(5): Fire And Safety Inspections In Kitikmeot Region

MR. NG:

Madam Speaker, I would like to ask the Minister then, under his plans, what is a tentative time frame for establishing positions in the Kitikmeot? Thank you.

MADAM SPEAKER:

Thank you. Minister of Safety and Public Services, Mr. Nerysoo.

Further Return To Question 251-12(5): Fire And Safety Inspections In Kitikmeot Region

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. We have not completed the plans yet. As I indicated, I had initial meetings with the department staff, and advised them that they should prepare the appropriate documentation for me to take to Cabinet. I have not received the documentation, to date, on that particular issue, except to suggest that I have advised them to do that.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 251-12(5): Fire And Safety Inspections In Kitikmeot Region

MR. NG:

Thank you, Madam Speaker. I would like to ask the Minister when he expects to receive these plans from his staff. Thank you.

MADAM SPEAKER:

Minister of Safety and Public Services, Mr. Nerysoo.

Further Return To Question 251-12(5): Fire And Safety Inspections In Kitikmeot Region

HON. RICHARD NERYSOO:

Thank you. I'm hoping to receive those documents before the end of March because we're dealing with a number of other matters as part of that overall proposal. We're dealing with the issue of mine safety officers and safety officers, generally. So, it's an overall package that we're looking at.

MADAM SPEAKER:

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

Question 252-12(5): Alternatives To Home Boarding Program

MR. GARGAN:

Thank you, Madam Speaker. My question is to the Minister of Education. Given that the responses to questions asked last week when the Minister affirmed the fact that if parents wish their children to attend school and be accommodated by the home boarding program, can the Minister tell me what the government plans to do about children who wish to take advantage of superior educational opportunities in Yellowknife after the Yellowknife Education District No. 1 opts out of the home boarding program in two years?

MADAM SPEAKER:

Minister of Education, Mr. Nerysoo.

Return To Question 252-12(5): Alternatives To Home Boarding Program

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. The whole issue of the Yellowknife Education District No. 1 opting out of home boarding has not been concluded. That is one of the matters that is to be discussed with regard to the transfer of Sir John to Yellowknife Education District No. 1. It is a matter for discussion, therefore, I can't suggest to you that the position that has been taken is going to be the position after negotiations are complete.

MADAM SPEAKER:

Thank you. Item 5, oral questions. Supplementary, Mr. Gargan.

Supplementary To Question 252-12(5): Alternatives To Home Boarding Program

MR. GARGAN:

Thank you, Madam Speaker. We all know that in this day and age money does not grow on trees. Can the

Page 474

Minister tell me what we are going to do with the overflow of children if we cannot build high schools in the communities fast enough?

MADAM SPEAKER:

Thank you. Minister of Education, Mr. Nerysoo.

Further Return To Question 252-12(5): Alternatives To Home Boarding Program

HON. RICHARD NERYSOO:

Madam Speaker, it's interesting that the Minister asked the question because I have already advised the Members of this House of the requirements for capital resources in order for us to keep up with the ongoing requirements to date. I indicated to Members of this House, in our capital budget presentation, there was a requirement for \$16 million this year to keep up with the needs. There would be an ongoing requirement over the next five years of \$6 million, for a total of \$46 million. I advised Members of that requirement in this House. I know there is a requirement. I don't know what else I have to say to the honourable Members as to how we deal with that issue, but one of the matters that has to be dealt with seriously is the question of priority. What are the priorities of capital? That is the issue, and I've advised Members of this House already of those capital requirements.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Gargan.

Supplementary To Question 252-12(5): Alternatives To Home Boarding Program

MR. GARGAN:

Thank you, Madam Speaker. Again, to the Minister of Education. Since he has targeted a certain amount of

capital dollars to the regions, I realize that in Fort Providence there is a requirement of about \$3 million to \$4 million to renovate or rebuild sections of the school that were built back in 1960, 1959 or 1958. Is it still the Minister's intention to give first preference to the regional high schools as opposed to local schools?

MADAM SPEAKER:

Minister of Education, Mr. Nerysoo.

Further Return To Question 252-12(5): Alternatives To Home Boarding Program

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. No, the whole matter of priorities is really based on what the needs are that have been identified by the boards in working with them, and responding to the ongoing, primary schooling needs so that we can get students to high school. So that is the basis on which we're trying to work this whole matter to resolve the concern the honourable Member is raising.

MADAM SPEAKER:

Thank you. The time frame for oral questions has lapsed.

I want to bring to the attention of the House, a letter that has been circulated to all Members from the Member for Deh Cho, who earlier wanted me to recognize officials from Revenue Canada. It's been a long standing practice of the chair to recognize only elected officials and former Members in this House. However, it is a Member's prerogative to recognize any individual if they wish, and this is done through a Member's statement. I advised the Member for Deh Cho of this option, which he chose not to use.

I would like to quote from the letter. "I asked Madam Speaker to recognize Mr. Ron Quinn, chief of public affairs for Revenue Canada; Tina VanFraassan, Randy Mann, also from Revenue Canada; who are sitting in the gallery today. Unfortunately, the Speaker has her own preference of those who she wishes to recognize."

The letter circulated has been reviewed and I find it very offensive towards the chair. Therefore, I request the Member for Deh Cho to apologize for stating such unwarranted comments. Member for Deh Cho.

MR. GARGAN:

Madam Speaker, the letter that I wrote to all the Members was to indicate, prior to going into the House, that I requested you to recognize certain individuals from Revenue Canada. I was also of the opinion that the Speaker's chair is supposed to be impartial in passing judgement on what the requests of the Members are. It was based on that, that I had requested that of you, but you chose not to recognize them. I don't know why I should be the one who is apologizing for something I've requested of you.

MADAM SPEAKER:

Mr. Gargan, I view it that you are questioning the chair. I am asking you to apologize. Are you willing to apologize to the House?

MR. GARGAN:

No, I'm not going to.

Naming Of Member By Speaker

MADAM SPEAKER:

Unfortunately, Mr. Gargan, according to our rules, I request that you remove yourself from the House and be suspended for the rest of the day. Thank you.

Item 6, written questions. Item 7, returns to written questions. Mr. Clerk.

ITEM 7: RETURNS TO WRITTEN QUESTIONS

Return To Written Question 7-12(5): Employment In NWT Mines

CLERK OF THE HOUSE (Mr. Hamilton):

Madam Speaker, Return to Written Question 7-12(5), asked by Mr. Pudlat, to the Minister of Energy, Mines and Petroleum Resources, concerning employment in NWT mines.

1. During the last half of 1993, 59 per cent of employees at NWT mines were northerners and 10.2 to 10.5 per cent of employees were aboriginal workers. The breakdown is as follows:

Mine, Nanisivik; total, 205; northern employees, 125; aboriginal employees, 40; percentage aboriginal, 19.5; mine, Lupin; total, 385; northern employees, 53; aboriginal employees, 53; percentage aboriginal, 13.8; mine, Polaris; total, 275; northern employees, 95; aboriginal employees, 27; percentage aboriginal 9.8; mine, Treminco; total, 15; northern employees,

15; aboriginal employees, 0; percentage aboriginal, 0.0; mine, Giant; total, 220; northern employees, 220; aboriginal

Page 475

employees, 12; percentage aboriginal, 5.4; mine, Con; total, 348; northern employees, 348; aboriginal employees, 15 to 20; percentage aboriginal, 4.3 to 5.8. Totals: total, 1448; northern employees, 856; aboriginal employees, 147 to 152; percentage aboriginal, 10.2 to 10.5.

2. Staff at Energy, Mines and Petroleum Resources wrote to each mine requesting information on the turnover rates for northern residents and aboriginal employees and will be following up with a phone call. Responses have not been received at this time. It is not known whether all or any of the mines will be able to provide this information.

3. There are examples available of the earlier benefits agreement for the Colomac Mines (1989) and the agreement for Nanisivik. There are many other examples of benefits agreements in other jurisdictions in Canada and the provisions of these agreements are synthesized in "Aboriginal Communities/ Mineral Companies/ Governments Working Together: A Summary of Socio-Economic Agreements." I will provide copies of these publications to all Members.

MADAM SPEAKER:

Thank you. Item 8, replies to opening address. Point of order, Mr. Pudluk.

Point Of Order

MR. PUDLUK:

Madam Speaker, that question was asked by me, Mr. Pudluk, not Pudlat. Thank you.

MADAM SPEAKER:

Thank you. Item 8, replies to opening address. Item 9, petitions. Item 10, reports of standing and special committees. Item 11, reports of committees on the review of bills. The honourable Member for Nahendeh, Mr. Antoine.

ITEM 11: REPORTS OF COMMITTEES ON THE REVIEW OF BILLS

Report On Bill 8

MR. ANTOINE:

Madam Speaker, I wish to report to the Assembly that the Standing Committee on Finance has reviewed Bill 8, An Act to Amend the Legislative Assembly and Executive Council Act and wishes to report that Bill 8 is now ready for committee of the whole. Mahsi.

MADAM SPEAKER:

Thank you. Item 11, reports of committees on the review of bills. Pursuant to rule 70(5), Bill 8 is ordered into committee of the whole. Item 12, tabling of documents. The honourable Member for Mackenzie Delta, Mr. Nerysoo.

ITEM 12: TABLING OF DOCUMENTS

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. I wish to table the following document, Tabled Document 33-12(5), from page 857 from the unedited Hansard, the Member's statement that was made by Mr. Dent criticizing me for my absence from this House during this past week.

Madam Speaker, I also have, from the unedited Hansard, pages 364, 365 and 366, a Minister's statement that I made on Wednesday, February 16, advising the House of the national meeting on income security reform. I ask Members to note specifically page 365, paragraph three, regarding the schedule of meetings. Madam Speaker, it indicates, "Further, a series of ministerial meetings have been scheduled. The first will be a meeting of education and labour market Ministers held at the end of February to explore the school to work transition, to discuss the national apprenticeship program and to consider additional training initiatives for our workforce." Madam Speaker, I just wanted to note that I do not want to make it difficult for this House, but I had already advised the honourable Members.

MADAM SPEAKER:

Thank you. Item 12, tabling of documents. The House will recess for 15 minutes.

---SHORT RECESS

MADAM SPEAKER:

Item 13, notices of motion. The honourable Member for Yellowknife South, Mr. Whitford.

ITEM 13: NOTICES OF MOTION

Motion 20-12(5): Condemnation Of The Continuation Of The Cruise Missile Testing

MR. WHITFORD:

Madam Speaker, I give notice that on Friday, March 4, I will move the following motion.

I move, seconded by the honourable Member for Nahendeh, that this Legislative Assembly reiterate its demands that the agreement with the United States of America covering low level testing of the cruise missiles in the Northwest Territories be cancelled;

And further, that the Premier communicate this Legislature's displeasure to the Minister of National Defence;

And furthermore, that the Premier request the Minister of National Defence to appear before this Legislative Assembly to hear directly the concerns of the people of the Northwest Territories on this issue.

Madam Speaker, at the appropriate time, I will be seeking unanimous consent to deal with my motion today.

MADAM SPEAKER:

Thank you. Item 13, notices of motion. Item 14, notices of motions for first reading of bills. Item 15, motions. The honourable Member for Yellowknife South, Mr. Whitford.

ITEM 15: MOTIONS

MR. WHITFORD:

Madam Speaker, I seek unanimous consent to deal with my motion on the condemnation of the continuation of the cruise missile testing that I gave notice of earlier today.

MADAM SPEAKER:

Thank you. The honourable Member for Yellowknife South is seeking unanimous consent to waive the rules to address Motion 20-12(5) today. Are there any nays? There are no nays. Please proceed, Mr. Whitford.

Page 476

Motion 20-12(5): Condemnation Of The Continuation Of The Cruise Missile Testing, Carried

MR. WHITFORD:

Thank you, colleagues, thank you, Madam Speaker.

WHEREAS, this Legislature has, on numerous occasions, passed resolutions condemning the testing of cruise missiles in the western NWT;

AND WHEREAS, the people of the NWT have never been consulted on this important issue;

AND WHEREAS, the major aboriginal organizations and other groups have expressed their opposition to continued testing;

AND WHEREAS, by virtue of the disintegration of the Soviet Union, the cold war justification for these tests no longer exists;

NOW THEREFORE I MOVE, seconded by the honourable Member for Nahendeh, that this Legislative Assembly reiterate its demands that the agreement with the United States of America covering low level testing of the cruise missiles in the Northwest Territories be cancelled;

AND FURTHER, that the Premier communicate this Legislature's displeasure to the Minister of National Defence;

AND FURTHERMORE, that the Premier request the Minister of National Defences on this issue.

MADAM SPEAKER:

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 unanimously.

---Carried

---Applause

Item 15, motions. Item 16, first reading of bills. Item 17, second reading of bills. Item 18, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1994-95; Bill 3, An Act to Amend the Cities, Towns and Villages Act; Bill 4, An Act to Amend the Hamlets Act; Bill 7, Personal Property Security Act; Bill 13, Supplementary

Appropriation Act, No. 3, 1993-94; 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; and, Tabled Document 11-12(5), First Annual Report of the Languages Commissioner of the NWT for the Year 1992-93, with Mr. Ningark in the chair.

ITEM 18: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

CHAIRMAN (Mr. Ningark):

Thank you. The committee will now come to order. What is the wish of the committee? Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I would like to recommend to the committee that we, first of all, consider Bill 7 and then Bill 13 and, if we happen to get through those two, that we continue on with bills 3 and 4.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Dent. Do we have the concurrence of this committee that we deal with Bill 7, Bill 13, and bills 3 and 4, in that order?

SOME HON. MEMBERS:

Agreed.

--Agreed

Bill 7: Personal Property Security Act

CHAIRMAN (Mr. Ningark):

Thank you. We have Bill 7, the Personal Property Security Act. The appropriate Minister for the particular act is Mr. Kakfwi. Mr. Kakfwi, do you have any opening remarks?

Introductory Remarks

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. As part of a program of major commercial law reforms, a draft Personal Property Security Act was released to the public and specifically circulated to the legal profession, financial institutions and consumer groups for their input. After considering responses which were received and similar legislation which, by then, had been introduced

in Saskatchewan, an updated version of the bill was tabled last spring. The bill which has now been introduced includes a number of changes from the tabled bill.

In this respect, the favourable response of the Standing Committee on Legislation should be acknowledged. In fact, the input from the committee and its advisors was invaluable in the final preparation of the bill before introduction. Also, as suggested in the committee's first report on the tabled bill, a summary of the bill in Inuktitut has now been provided. For the benefit of those Members who were not in attendance at the initial meeting of the Standing Committee on Legislation or the meeting of the standing committee this past Saturday, the purpose of this bill is to replace existing laws with a comprehensive and modern set of rules for lenders and borrowers.

While this bill will not actively promote economic development, it will establish a proper foundation for commercial and consumer lending activities by removing obstacles, creating greater certainty and striking a more fair balance between purchasers, borrowers and lenders. Implementation of the bill will include replacing the present manual registration system with a computer-based system of recording. Right now, it takes approximately a half hour to manually search the name of borrowers to identify those which match the name being searched. A computer-based system will now take seconds to complete a search.

Computerization of the registration system will also allow for the possibility of decentralizing some services which are now available only in Yellowknife. In fact, one of the most significant benefits of passing the act at this time is that it will be much less costly to deal with when dividing the Northwest Territories than with the present manual system. In order for

Page 477

lenders and borrowers to be in the same position after the creation of Nunavut as before, it would now be necessary to duplicate the thousands of manual records in existence at the time. If this act is passed, the cost of duplicating the system will be minimal since it is relatively inexpensive to reproduce a computer data base. Most importantly, both territories would have modern legislation similar to the rest of Canada.

This initiative has prompted only positive feedback. Document registry staff frequently receive calls from either those who are surprised that we do not yet have a Personal Property Security Act in place or enquiries as to when it will be in force. It should be noted that the model act upon which this bill is based was adopted in British Columbia and Alberta in 1990 and has been introduced or passed in New Brunswick, Saskatchewan or Manitoba within the past year.

The proposed bill is lengthy and complex, but no more so than the present law in this area. The present law is set out in a number of very old acts and a great many complex judicial decisions. The system of registration is established by the Document Registry Act, and there is a duplication of registration requirements for certain companies in the Companies Act. Transactions must now be classified by type, for example, as chattel mortgages or conditional sales contracts, even if there is little or no practical difference between the two types of agreements. Rules for registration of priorities vary according to the type of transaction, usually for no apparent reason, and there is often uncertainty with respect to the rights of each lender on default when property is the subject of more than one type of transaction.

In short, the law has evolved in a most unsystematic fashion and has not accommodated changes in consumer and commercial lending practices. This act would replace the present laws and registries with one set of rules and a single registry. Specifically, the act will result in the following improvements:

1. It will no longer be necessary to classify each transaction, as the general term "security agreement" is applied to all transactions which create a security interest;
2. A single set of priority rules will govern all types of security interest, resulting in greater certainty for all parties involved. These rules also establish a fair balance between the interests of borrowers, lenders, secured lenders, unsecured lenders and purchasers;
3. The rights and remedies of secured lenders which apply in the case of default by a borrower are comprehensively set out in the act;
4. The duplication of registration requirements under the Companies Act will be eliminated;

5. As already noted, the computerized registration system will eliminate the time-consuming searches and the delay in receiving search results;

6. With respect to certain goods which can be described by serial number -- automobiles, for example -- it will be possible to conduct searches against a serial number. This is a service which is very frequently requested but which is not possible now because the registry is set up only for searches according to the borrower's name;

7. Since lenders can choose their own term of registration, it will be rare that they will be required to renew the registration;

8. The amount of information available on a search certificate will be much greater than in the present registration system, but the more detailed financial information contained in the agreement between the parties will no longer be available to those who do not have a legitimate interest in the information; and,

9. Delays in the lending process can be reduced by registering a notice of an interest before the security agreement is signed.

Those are the good points of this act. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. In accordance with the practice of the committee of the whole, I believe we have a Member from the Standing Committee on Legislation to do the introductory remarks. Mr. Lewis.

MR. LEWIS:

Right. Thanks very much, Mr. Chairman. I believe OMC agreed that we should proceed with bills today, so, although I haven't discussed this with Mr. Gargan, I am sure he would want us to proceed with them.

CHAIRMAN (Mr. Ningark):

Proceed.

Standing Committee On Legislation Comments

MR. LEWIS:

Thank you, Mr. Chairman. The Standing Committee on Legislation met to review Bill 7, the Personal Property Security Act, on February 26, 1994. The

committee thanks the Minister of Justice and his officials from the Department of Justice for presenting this bill and responding to the questions of the Members.

This bill establishes a new scheme of commercial law to regulate all transactions which create a security interest in personal property. Personal property includes all assets other than land. The proposed act regulates all levels of financing transactions of this kind, ranging from loans for the purchase of a snowmobile to large business transactions involving the financing of mining or oil drilling equipment.

The bill establishes a single registry system. People would be able to check the registry to determine whether other creditors have an interest in the property before entering into an agreement. This registry would be computerized, and telephone searches would be available from communities outside of Yellowknife.

The bill also sets out a single set of rules governing situations of default. In general, the rules provide more protection to debtors than is currently provided under existing law.

Personal property security legislation is in place in most Canadian jurisdictions. Legislative uniformity in this area should simplify securing financing for business debtors with

Page 478

assets outside the Northwest Territories and assist businesses in obtaining financing from other jurisdictions.

The standing committee agrees with the principles of this legislation and supports the bill.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Lewis, on behalf of the Standing Committee on Legislation. Now we have opening general comments. If the honourable Minister wishes to bring in the witnesses, with the concurrence of the House, he may do so. Are we agreed that Mr. Minister will bring in the witnesses? Can you hear me? Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Thank you very much. The Sergeant-at-Arms will please escort the witnesses. Thank you. Mr. Minister, for the record, please introduce your witnesses to the committee of the whole.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. I have with me Diane Buckland, the legislative counsel from Justice, and Mr. Gary MacDougall who is the director of legal registries, also with the Department of Justice.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Moving along, the floor is open for general comments from the membership of the committee of the whole. Any general comments? Mr. Ballantyne.

General Comments

MR. BALLANTYNE:

Just to make some very general comments. Over the past number of years, there has been a lot of work done by the Department of Justice in the whole area of corporation and business law. During the last 20 years, in many ways, our laws have really not served us very well and it has really been a disincentive to attracting business to the north. Also, I feel, in a lot of ways it has prevented us from being competitive with other jurisdictions. If we are to thrive in the 1990s, it is very important that our business laws are as good, if not better, than laws in other parts of the country to help facilitate business. So, I want to commend the Minister in making this an important priority in the department. I know there is some more legislation which will be coming in the future. With these two bills, the Partnership Act and the Personal Property Security Act, I think he has demonstrated that he intends to make the Northwest Territories very competitive from a business point of view. With that general comment, I support the direction in which the department is moving. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Ballantyne. Mr. Koe.

MR. KOE:

I just wanted to say a few comments on the bill itself. It is a very large, complicated bill. I, too, agree with my colleague from Yellowknife North. It is timely that

we deal with many of our outdated acts. We talked about corporations, securities, registration and a great deal of reference to other corporate business and what businesses or corporations carry out, but I know we are not dealing with the Northwest Territories Corporation Act. Is that under review, too, to be changed sometime?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. STEPHEN KAKFWI:

Yes, Mr. Chairman. There is some drafting under way.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Koe.

MR. KOE:

Thank you, Mr. Chairman. What time frame are you looking at in the new Northwest Territories Corporations Act?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, we do, periodically, assess what we are able to complete in the time we have. The Member knows we are on the last leg of our political lifespan for this particular session. There are certain pieces of legislation that will take priority over others. It is my understanding that the drafting for new legislation in that area has started. It will probably take about a year before we have something that could be circulated for comment and consultation, so anything substantial probably won't happen. Final draft legislation won't be able to be put before Cabinet and then to SCOF, for instance, until early in the life of the next legislature. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. The honourable Member for Inuvik.

MR. KOE:

This new bill is very complicated and lengthy. It is going to establish new systems for registration of transactions involving security interests. It is to

replace the systems that are set out in the assignment of Book Debts Act; Bills of Sale Act; Conditional Sales Act; Corporation Securities Registration Act and Document Registry Act. If this bill is passed and comes into effect, what happens to the acts that I just mentioned? Do they have to be repealed somewhere, do they continue with the clauses in them or does this act replace those other acts?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, I think, in the last part of this legislative proposal it sets out that all of those pieces of legislation will be repealed. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Thank you. Can the Minister, then, tell me in some plain and simple language why we should approve this act?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, I follow script on items of business like this because it is not really my forte, so to speak. The opening comments I gave is about as simple as I can get it on largely technical, commercial drafting legislative language. I usually defer to the professionals who sit with me

Page 479

because, in my language, there is no clear way to say these things. It is very legal. It is not my language, so to speak, so I am not certain what else I can suggest to the Member. It is a language of a different profession from mine. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Can the Minister ask one of his staff, then, to tell us? I know we have heard the script. The script was very complicated, too. That is why I asked the question, for people out there who ask why would we approve this bill. We need some terms that laymen can understand.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister, you can assign the response for one of your witnesses.

HON. STEPHEN KAKFWI:

Mr. Chairman, it has been pointed out and recognized by not only ourselves, but members of the public, who find difficulty with our broad range of what is considered to be outdated legislation. The fact that almost all other jurisdictions in Canada have adopted legislation that is similar to this, which is what we are proposing, I think reflects that. In simple language, I believe that making these types of services in government available by computerizing it is a large argument in its favour. The days when we write manually, by hand or typing into large ledgers, the type of information that we are obliged to keep, has to end. The year 1994 is a very good year to end it. Because the type of information that we are obliged to keep for lenders and borrowers is manual, it is not available to be accessed from Inuvik, Iqaluit, Rankin Inlet, Norman Wells or any of the communities. You largely have to ask somebody by phone or by letter to go and do searches for you in the courthouse where these documents are kept.

One of the points we make in our presentation is that we think we can decentralize this service by making it available through networking with the regional offices and just through accessing it on the government's computer system. Checking the status of an automobile or other equipment through serial numbers is, again, something that would greatly expedite business for many people. I think it will help people do business much faster by checking for all the borrowers and lenders who have interests in certain things, such as ski-doo's, automobiles and trucks, by just tapping a serial number into a computer. Those are the simple ones. I guess there are more technical ones than those. As to what kicks out on a computer screen is another one.

As I understand it, right now it is all kept in one place for a manual system for all the details you want to know about certain items. A computer system, I think, will restrict access. It will contain all the information

you want about certain items of business interest, but it would not allow everybody to access all the financial information. There is quick, easy access, but there is a way to restrict it, as well. That is the point I made in my opening comments.

I said we're setting up one act so it's comprehensive, one set of rules to govern all the different interests that require some element of security for the parties involved. It simplifies it, it makes it comprehensive and we catch up to the rest of Canada. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. If we really believe in Shakespeare, the bill wouldn't even be here. Mr. Zoe, general comments.

MR. ZOE:

Thank you, Mr. Chairman. I notice that the Minister indicated all the good points. One of the questions is, in terms of registering all this activity of businesses and individuals, is there going to be costs implemented through this bill to individuals who register? Is there a cost associated? The requirement is that people have to register all their debts and loans and it is going to be computerized. That's the intent of the bill.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, Mr. MacDougall will answer that question.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. MacDougall.

MR. MACDOUGALL:

Thank you, Mr. Chairman. There are fees prescribed, at present, for registration for all the types of documents under the various acts that are referred to that will be repealed by this act. Certainly, under the new act, there will be fees required for the registration of those documents. The exact amount of each fee is certainly not something that has been determined as of yet. It is not anticipated that it will be substantially out of line with the current amounts. There may be increases because of the ongoing costs of running a

computer system, but they wouldn't be out of proportion to the current fees.

It is the type of thing that the Minister noted, where when you're searching and it takes half an hour to do it manually, it doesn't take a lot to persuade you to pay a little bit more to obtain it immediately without putting in that half hour's effort. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Zoe.

MR. ZOE:

I'll be supporting the bill because it is streamlining the current system by repealing all the other acts and so that it can be computerized. But another question I would like to ask is with regard to the confidentiality of registration. Can anyone have direct access to all the information that is registered here? Is that the intent? For businesses that register all their loans and assets. How would that work? Can anybody from the street go into our government office and ask, can I get a computer print of this individual or this company and find out about who they owe and so forth? Is there any restriction in that area?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, I have asked Mr. MacDougall if he would tell us how this is being accessed now, through the manual system, and how it will be accessed through the proposed computer system.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. MacDougall.

MR. MACDOUGALL:

The existing system contains no limits on accessing the information. The information that is recorded

Page 480

now is the entire agreement, at least at the time they entered into the agreement, between the parties. As a result, it sets out all the financial details, the amount that's intended to be borrowed, repayment schedules, all of the financial details as well as the goods that are collateral under the agreement. That information is

available to anyone who comes to the office and requests photocopies of any of those documents.

Under the system this act would put in place, the information that is entered into the registry system is still fully accessible by all members of the public, but the only information that is entered in is the information really essential to begin to make a decision in terms of financing. That is essentially the name of the parties and a brief description of whatever the collateral may be for the particular loan. There isn't a provision to typically note how much is intended to be borrowed, merely that some amount is intended to be borrowed and the collateral which is the security for that loan.

It is only the key information that would be available directly through the computer system. It would be a more broad-based availability. It wouldn't be something that would be available necessarily only in Yellowknife, but it cuts it down to the essential information necessary to be known. Once the prospective lender has identified that the collateral they would intend to take as security is included on a particular statement, they would then have to go to the person they are proposing to lend the money to and have them obtain directly from the other party complete financial details. So, essentially, apart from law enforcement officials and a few narrow exceptions, it is typically just the borrower who is, under the act, entitled to request the complete details from the person they originally borrowed the money from of what may remain owing and what the terms of the agreement are.

It strikes a more proper balance between the information that is necessary to be able to make an informed decision when lending money and doesn't violate the privacy of the individual by revealing to anybody who is interested in all financial information.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. The reason I said if we really believe in Shakespeare the bill wouldn't be necessary, is because Shakespeare said neither borrower nor a lender be. Okay? Shall we go clause by clause?

SOME HON. MEMBERS:

Agreed.

---Agreed

Clause By Clause

CHAIRMAN (Mr. Ningark):

Clause 1.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 2.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 3.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 4.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 5.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 6.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 7.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 8.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 9.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 9.1.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 10.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 11.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 12.

SOME HON. MEMBERS:

Agreed.

Page 481

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 13.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 14.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 15.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 16.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 17.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 18.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 19. Part three, clause 19. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 20.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 21.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 22.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 23.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 24.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 25.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 26.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 27.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 28.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 29.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 30.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 31.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 32.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 33.

SOME HON. MEMBERS:

Agreed.

---Agreed

Page 482

CHAIRMAN (Mr. Ningark): Clause 34.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

If I fall asleep, bear with me. Clause 34. Mr. Koe.

MR. KOE:

Thank you. I would like some clarification on clause 34.11. What does it mean?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. MacDougall will answer.

CHAIRMAN (Mr. Ningark):

Go ahead, Mr. MacDougall.

MR. MACDOUGALL:

Thank you. It's probably easiest to understand this provision by drawing an analogy to builders' liens. People are familiar with the fact that the construction industry, when building a home, has a lien on the property for the work and the materials that they put into that particular building, in priority to other lenders and to perhaps the home owner. This is really the same sort of thing where it's giving a priority to those things which contributed to, effectively the growth or the improvement of the particular collateral. That's really the essence of this. So if somebody has lent money to someone to provide food for animals which contributes to their growth, then it gives them a higher priority than one who otherwise has a security interest in those animals.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 34. Mr. Koe.

MR. KOE:

Is there a definition of "perfected security"? I don't see it in the definitions. I'm just wondering what "perfected security" means.

CHAIRMAN (Mr. Ningark):

Clause 34. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, I think we will have to go back to clause 19 to deal with "perfected security interests." Mr. MacDougall will talk about the three types.

CHAIRMAN (Mr. Ningark):

Thank you. Do we have the concurrence of the committee to go back to clause 19? Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. MacDougall.

MR. MACDOUGALL:

The concept of perfection is tied into quite a number of sections, beginning with 19, which begins by saying that it's perfected when it attaches, which is essentially when the agreement between the parties is in existence. Then, any of the other steps taken by the following sections are taken.

Simplistically, I can say that in the following sections there are three methods identified for perfecting when there is an agreement that exists. One of them is possession of the collateral. The other is registration. The third method is there are a number of instances in which there is temporary perfection provided which is essentially a grace period, typically 15 days, during which time it would be necessary to perfect by either possession or registration of the collateral. The concept is one that's interwoven through all of the priority sections, so it's difficult to summarize much more simply than that.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe, are you satisfied with the response?

MR. KOE:

(Microphone turned off)

CHAIRMAN (Mr. Ningark):

Thank you. Now to go back to clause 34. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 35 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 36 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 37.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Clause 37.1.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 38.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 39.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 40 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 41.

Page 483

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 42.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Merci. Clause 43 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 44.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 45.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 46.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 47.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 48 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 49.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Clause 50.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Are we half way? Clause 51.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 52 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 53.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 54.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Part five of the act, Clause 51.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Pardon me. Clause 54. That was my mistake. I stand corrected. Clause 56.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 57.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 58.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Koe.

MR. KOE:

Thank you. On clause 58.9(d), under seizures where a sheriff makes a seizure, "in the case of property in the form of goods, affix to the goods a sticker in the prescribed form." I noticed that term "prescribed form" in other clauses here in this section. Where is "prescribed form" defined?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member is referring to the bottom of page 72. Mr. Minister.

HON. STEPHEN KAKFWI:

When we were reading the numbered clauses, we didn't hear 55, so I just wanted to check and make sure you had read 55. If you did, we should make it certain.

CHAIRMAN (Mr. Ningark):

Mr. Minister, I said 51 and then I corrected myself. It was actually supposed to be 55 and said 51. I went back and I said 55. For the record, if I didn't, it is clause 55. Agreed?

Page 484

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Thank you, Mr. Chairman. I will have Mr. MacDougall answer the question.

CHAIRMAN (Mr. Ningark):

Mr. MacDougall.

MR. MACDOUGALL:

"Prescribed" as it is used throughout the act, refers to prescribed by regulations. In one of these later sections, there are regulation-making powers for many of the administrative details of the operation of the act, the establishment of forms, these and various other details of the operation. "Prescribed" here would be prescribed by regulation.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 58. Mr. Koe.

MR. KOE:

A slight clarification on the same clause, 9, 58-9, subsection 11 and 12, where it says, if a sheriff wants to secure a private dwelling, the sheriff has authority from the Supreme Court to break open a door and clause 12 says, "a person so doing will ensure that the building is properly secured." Am I reading that verbatim? Does that mean what it says, that a sheriff can break open a door of a private house and secure it somehow if they say they rescind or neglect to pay their mortgage and the bank wants to take their house?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister, does the current situation of the country allow this?

HON. STEPHEN KAKFWI:

Mr. Chairman, as I understand it, this part of the legislation only reflects what already exists in law for the sheriff to do in the Seizures Act. These are carried out usually under orders of a judge. We are not creating new powers here.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Just for clarification, it can only happen with a Supreme Court order.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

I am advised that if it is for a dwelling house, you need a court order, but not for a place of business.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 58. Agreed?

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 58.1. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Whitford.

MR. WHITFORD:

Thank you, Mr. Chairman. I was curious about the definition of a "mobile home" under 58.1(1). It says that mobile home means, under subsection (a), "a vacation trailer." It goes on to list other things. I wonder why vacation trailers are considered to be mobile homes. It is stretching it a bit that this would be used as a permanent residence to, as it says here, provide accommodations, but that is only on a temporary basis. It would be stretching the imagination a bit to consider that to be a mobile home in the terms that one understands what a mobile home is. I just wonder why it was included in that and not something more in line with a recreational vehicle or some term like that. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I am sure there is a legal definition for this. Mr. Minister.

MS. BUCKLAND:

Thank you, Mr. Chairman. This provision captures vacation trailer to make sure that it is dealt with more carefully than another vehicle. For instance, because it is possible that someone may be living in it and using it as a temporary residence or even as a full-time residence. Clause 58.1 allows you to seize

mobile homes, but under stricter requirements than what are required to seize a car, for instance. It is just to safeguard anything where someone might be living in it. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Section 58.1. Mr. Whitford.

MR. WHITFORD:

Thank you, Mr. Chairman. Yes, by the way I understand it. It says they are either on wheels or being towed or carried. That means a camper as well. I hardly think that would come under the same provisions as a mobile home where you have to have certain protections for occupants more so than something that is fairly tangible like a truck or snowmobile or four wheeler. This, I believe, from what I read here, would include the slide-on camper on the back of a truck. It doesn't designate as to what size either, because they come in a variety of sizes, very small ones that just occupy the back of a truck only suitable for hunting or short vacation to the very large ones. Nonetheless, they are still slide-on recreational purposes primarily.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Ms. Buckland will elaborate.

CHAIRMAN (Mr. Ningark):

Thank you. Ms. Buckland, go ahead.

MS. BUCKLAND:

Thank you, Mr. Chairman. In reading subsection 2, I think it makes it somewhat clearer. I apologize for not making it clearer before. Subsection 2 says that where a mobile home is seized, the special provisions prevail, if the mobile home is occupied by the debtor or any other person and fails to give it up willingly. So, if you had a vacation trailer and if it was unoccupied, you could seize it as you would a car. If you had a vacation trailer or anything on wheels, as you describe, Mr. Whitford, and if someone was occupying it, then you would have to use the special provisions. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Clause 58.1 is agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Clause 59.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Arvaluk.

MR. ARVALUK:

Thank you, Mr. Chairman. On Clause 59(2)(b), "the satisfaction of the obligations secured by the security interest of the secured party disposing of the collateral," -- I wonder what that means -- "...and any surplus shall be dealt with in accordance with section 60." What I am understanding here is that the collateral owner or debtor may share some of the surplus. However, I do not see anywhere that the debtor could be or should be protected so that the collateral is not resold under value, except...I don't know. We seize your mobile home -- I will use Tony's scenario here -- that you bought for \$10,000. You owe \$4,000, so we seize your mobile home. However, the best offer we could get was \$400, so you see, therefore, you still owe us \$3,600. There is nothing for the debtor that he gets a fair shake out of that collateral, unless I am misreading that completely. The simplest part is there but the other side is not there.

CHAIRMAN (Mr. Ningark):

Thank you. On the liability, Mr. Minister. You can assign the response to one of your witnesses at your discretion. Go ahead.

HON. STEPHEN KAKFWI:

Mr. Chairman, I understand that, for instance, when goods are seized, there is a process for disposal, and it is not uncommon -- though I can't say that it is

common practice -- to sell things for what may be considered less than their value, their book value. But, I think everybody knows it when goods will probably be seized. The people who have originally purchased them have some recourse to try to fend off the people that seek to seize it. The best way is to sell it in advance, get a good dollar for it and that way you are in control. If not, then another process kicks in, but the people who have the lien or the security interest in the item also have an interest in getting a good dollar return. It is unfortunate when items have to be seized because all parties usually suffer as a result.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Aivilik, Mr. Arvaluk.

MR. ARVALUK:

Mr. Chairman, I will try to be very clear here. What I am getting at here is that if the collateral is seized by the secured party and it may be disposed of through auction, that does not guarantee that it could be sold at book value. I guess my question is, is there any way that it can be properly, independently assessed, other than by the secured party, before it is disposed of for the purpose of liquidating it to pay for the original debt?

CHAIRMAN (Mr. Ningark):

Thank you. Perhaps, Mr. Minister, you or one of your witnesses could respond to Mr. Arvaluk's question. Mr. Minister. The clock is ticking here, Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. Chairman, Mr. MacDougall will address the question.

CHAIRMAN (Mr. Ningark):

Mr. MacDougall.

MR. MACDOUGALL:

Thank you, Mr. Chairman. Section 65, subsection 3, provides a positive obligation on any of the parties to exercise any of the rights or duties or obligations.

CHAIRMAN (Mr. Ningark):

Mr. MacDougall, we haven't gone to that clause yet. Are you referring to clause or section? Go ahead. I am told that you can answer. Go ahead. Continue.

MR. MACDOUGALL:

The section creates a duty to act in a commercially reasonable manner. The enforcement of whether that has been done is dealt with in other sections where there is recourse to the courts if that is not done, but the obligation to act commercially reasonably and to not sell something under value is primarily from that particular provision and then the enforcement in a number of the other provisions.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Arvaluk.

MR. ARVALUK:

What you are saying is that if a person has a \$100,000 boat, the boat has been seized, the collateral was a \$50,000 cottage, and apparently, over a ten year period when the boat was not yet paid for, the soil has not been favourable or has rotted the foundations, the bank cannot turn around and say your cottage is no longer a \$50,000 cottage, it is only a \$10,000 cottage, because we have neglected to inspect the soil and it is rotted. Is that what subsection 65 will tell me?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. STEPHEN KAKFWI:

Mr. MacDougall will try to answer that question.

CHAIRMAN (Mr. Ningark):

Mr. MacDougall.

MR. MACDOUGALL:

The commercially reasonable standard will be something that will apply to essentially all of the actions of the parties. One of those will be to maintain the collateral and to not devalue it during the course of still using the collateral when you are the borrower. So this section has a very broad application that is simply saying that you must be reasonable. You can't do something that wouldn't meet a standard that other people would consider reasonable in the circumstances.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 59. Mr. Arvaluk.

MR. ARVALUK:

In this case, will the borrower be a party to assessing what is a reasonable value for the collateral once the collateral has been seized?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Justice, Mr. Kakfwi.

Page 486

HON. STEPHEN KAKFWI:

Ms. Buckland will answer that question.

CHAIRMAN (Mr. Ningark):

I have Ms. Buckland and also Mr. Pollard. Mr. Pollard, did you have your hand up earlier? I guess he was trying to signal one of the pages. Ms. Buckland.

MS. BUCKLAND:

Thank you, Mr. Chairman. No, the debtor or the borrower would not have a say in assessing the value of the goods. However, the debtor is given notice of the sale before it happens and, in most circumstances, is given the chance to redeem the goods. In other words, in some circumstances, he is allowed to make any back payments and reinstate the security agreement to get it going again. Then he gets possession of the collateral back or he can pay out the whole price himself and get the collateral back. I hope that assists. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Member for Aivilik.

MR. ARVALUK:

I have never seen anything like this in the Northwest Territories but I have seen it in other jurisdictions. In Ottawa, a person bought a car for \$3,000 or \$4,000. He couldn't pay for it for a couple of months and it was taken away. I was president of ITC at the time and he asked me if I could help him. He said he agreed to give his car back but they said he still owed them money because they could only sell it for \$800. Would this type of thing happen, when the secured party did not try hard enough and as a result the

debtor still continues to owe after the collateral has been sold?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Justice. Do you people want to take a break? Just kidding. Ms. Buckland.

MS. BUCKLAND:

Thank you, Mr. Chairman. In a situation like this when the collateral is sold, any difference between the amount owing and the value received for the collateral will still be owing by the debtor. If, however, the debtor felt that the price that was obtained was unfair, he could go to court and the court may very well agree with him and reduce the amount owing. These are always really difficult circumstances and there is always going to be someone who loses, unfortunately. But, the court is always there if you feel you've been mistreated. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you. Clause 59.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 60.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 61.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 62.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 63.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 64.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 65.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 66.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 67.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 68.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 69.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 70.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 71.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 72.

SOME HON. MEMBERS:

Agreed.

Page 487

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 73.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 74.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 75.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 76.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 77.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 78.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 79.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 80.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 81.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 82.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 83.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 84.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 85.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 86.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 87.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 88.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 89.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 90.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Clause 91.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

The bill as a whole.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Does the committee agree that Bill 7 is ready for third reading?

SOME HON. MEMBERS:

Agreed.

---Agreed

Page 488

CHAIRMAN (Mr. Whitford): Bill 7 is now ready for third reading. Mr. Minister, on behalf of the committee, I would like to thank you and your witnesses for appearing before us to assist us with this bill. Mahsi.

Bill 13: Supplementary Appropriation Act, No. 3, 1993-94

According to the wishes of the committee of the whole, the next item on the list is Bill 13. In your green books, Bill 13 is Supplementary Appropriation Act, No. 3, 1993-94. Is the Minister responsible prepared to introduce the bill? Mr. Pollard.

Introductory Remarks

HON. JOHN POLLARD:

Thank you, Mr. Chairman. Mr. Chairman, Supplementary Appropriation Act, No. 3, 1993-94 requests additional appropriation authority of \$9.893 million. If approved by the Legislative Assembly, this appropriation will bring our 1993-94 deficit position to around \$23 million, Mr. Chairman. That is shown in the 1993-94 revised forecast column of the revenue and expenditure summary in the 1994/95 main estimates.

Mr. Chairman, this supplementary appropriation includes a further \$2.799 million for projected deficiencies in the social assistance program. This is in addition to the \$2.4 million already approved in Supplementary Appropriation Act, No. 2, last November. There is also provision in this supplementary appropriation for an additional \$2.233 million for the Department of Justice. Mr. Chairman,

this includes \$1 million for corrections and \$623,000 for legal aid. Funding is also included for courts and coroner services.

Mr. Chairman, on the capital side, the Department of Transportation received a special warrant of \$1 million in January to acquire and complete the unfinished Igloolik air terminal building.

Mr. Chairman, as we proceed to review Supplementary Appropriation Act, No. 3, in detail, you will note that there are one-time expenditures and there are others which are due to forced growth which are liable to continue after this year. Where this is the case, Mr. Chairman, we will rely on our supplementary reserves in 1994-95. Mr. Chairman, this will require a very stringent approach to the consideration of supplementary requests next year.

Mr. Chairman, I am now prepared to review the details of the supplementary funding requests and either answer Members' questions or refer them to the Minister responsible. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you very much, Minister Pollard. I will ask the Chairman of the Standing Committee on Finance if they have any remarks. Mr. Antoine.

Standing Committee On Finance Comments

MR. ANTOINE:

Thank you, Mr. Chairman. The Standing Committee on Finance reviewed Bill 13, Supplementary Appropriation Act, No. 3, 1993-94. At its meeting in Yellowknife on February 9, 12, and March 2, 1994, the committee was pleased that the chairman of the Financial Management Board and his staff were available to answer questions at the required time. This supplementary appropriation is for \$8.388 million in operation and maintenance and \$1.505 million in capital spending, for a total of \$9.893 million or about one per cent of the total 1993-94 budget.

Most of the items are quite straightforward. However, some of the items raised issues which concerned the standing committee and which may be raised by standing committee Members here in committee of the whole. These issues include poor forecasting by some departments, the issuing of special warrants to cover expenses previously incurred, responsibility for costs related to land claims and poor monitoring of negotiated contracts.

On the other hand, the standing committee is glad to see the implementation of the community policing pilot project. We feel that such programs will be of great benefit in providing northerners with an effective system of community-based justice.

The standing committee also supports and encourages the proposal for divisional boards of education to be directly responsible for the management of utilities and expenditures. This will be an important step in encouraging boards and all government agencies to use energy wisely. The standing committee is encouraged that this request for supplementary funding is, comparatively speaking, as small as it is. This may suggest that the government is improving its planning and budgeting process. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Member for Nahendeh. Would the Minister like an opportunity to bring in witnesses to assist him in the matter before the committee?

HON. JOHN POLLARD:

If I might, Mr. Chairman, and then I would request permission to move to the witness table. Thank you.

CHAIRMAN (Mr. Whitford):

Permission granted. Does the committee agree?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Minister of Finance, would you introduce your witness to the committee?

HON. JOHN POLLARD:

Thank you, Mr. Chairman. The gentleman that I have with me is Mr. Lew Voytilla, who is the secretary to the Financial Management Board. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you very much. Mr. Voytilla, welcome to the committee. You are no stranger to this committee, I am sure. General comments on Bill 13. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

AN HON. MEMBER:

Clause by clause.

Page 489

Clause By Clause

Department Of Executive

CHAIRMAN (Mr. Whitford):

Clause by clause is requested. We will begin on page six, Executive, operations and maintenance, not previously authorized, human resource management, \$500,000. Mr. Koe.

MR. KOE:

I am curious about the program to look at travel. There was a travel agent, office or monitor which was supposed to be set up. This says a transfer of administration was delayed. How long was the delay and why?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Mr. Pollard.

HON. JOHN POLLARD:

Mr. Chairman, on page six, regarding the \$500,000, we had intended to transfer the responsibility for employee medical travel from, as it was then, Personnel, now the Financial Management Board Secretariat, to the Department of Health. The Department of Health was unable to accept that transfer in this fiscal year because of work that they were doing in decentralization to Inuvik and Rankin Inlet. In this fiscal year it won't be transferred. It will be transferred in the next fiscal year, beginning April 1 of this year, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Pollard. The chair recognizes Mr. Koe.

MR. KOE:

What I am hearing is because the Department of Health couldn't implement a recommendation made, it is costing this government \$500,000.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Mr. Pollard.

HON. JOHN POLLARD:

No, Mr. Chairman. We transferred the administration to the Department of Health in this fiscal year by recommendation. They were unable to accept the transfer and handle the issue in this particular fiscal year. We anticipated that we would get a net savings of \$400,000 out of this particular transfer because the Department of Health is already handling medical travel for other people in the Northwest Territories aside from employees. We were unable to make the transfer this year, so we were unable to get that savings. We are replacing the money. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Pollard. The chair will now recognize Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I think Mr. Koe has just raised the point that I wanted to bring up. It is typical when we hear or see a transfer and there is a cost involved, usually there is a negative amount somewhere else in the supp to recognize the transfer. The negative supp that we find is on page 12 and it is only \$100,000. I was going to point out the \$400,000 difference. I think it has already been dealt with.

CHAIRMAN (Mr. Whitford):

Thank you. It has been duly noted by the Minister. Mr. Koe.

MR. KOE:

This is for clarification again. A decision that was made by Cabinet, which was to save us money, is now costing us \$400,000. Is that correct?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, we anticipated that there would be a savings of \$400,000 making this move across to the

Department of Health. We removed \$400,000 from Personnel's budget in anticipation of the savings we would get by moving it to Health. The move did not take place and now we're replacing the money we had originally taken out of their budget. So, it is not costing us over and above what has been happening historically. In anticipation of savings, we reduced their budget and we're merely replacing it. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Mr. Koe.

MR. KOE:

So what do we consider that? Opportunity costs lost or is it just another cost of decentralizing?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, we believe the savings are still there, we just won't get them in this fiscal year. We will try to get them in the next fiscal year but we still think the efficiency is there in moving this responsibility over. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Mr. Koe.

MR. KOE:

So what savings are anticipated in this fiscal year and upcoming years?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, we're back at status quo this year so there won't be any savings in the fiscal year we're dealing with, but we do anticipate that we will be able to achieve these efficiencies in future years. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. General comments. Human resource management, \$500,000. Mr. Alloo.

MR. ALLOOLOO:

Thank you, Mr. Chairman. The Minister is saying that the government forecasted a \$400,000 savings by decentralizing two regional centres. Was there a negative supp for \$400,000 out of the Personnel department?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Allooloo. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, if I indicated to the committee that it was a savings through decentralization, then I'm in error. This was a transfer of the administration of medical travel for our employees that was going to occur between Personnel and Health. The reason that Health was not able to handle the transfer this year is because they were busy with the decentralization to Rankin and Inuvik. We did not see a supp in this House for this amount of money because it was taken directly out of the budget at the OPPLAN.

Page 490

That's where the reduction occurred, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Whitford):

Human resource management, \$500,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Total department, \$500,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Personnel

CHAIRMAN (Mr. Whitford):

Personnel, operations and maintenance, staffing, special warrant, \$372,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Not previously authorized, \$90,000. Mr. Koe then Mr. Dent.

MR. KOE:

Mr. Dent had his hand up first.

CHAIRMAN (Mr. Whitford):

Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. At the Standing Committee on Finance review of the detail of this supp, we were given to understand that the special warrant for \$372,000 actually represented work that had been under way since last June. The question was posed to the Minister, at that time how does this special warrant coming after the fact fit with the FAA. He had undertaken to have that information available to us during committee of the whole. I was wondering if we could perhaps get an answer to the question right now.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Dent. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, at the beginning of this project we really didn't know what it was going to cost. We didn't know what the appraisals were going to cost and we weren't able to forecast it. The other issue was we were hoping that we would be able to fund this from within. It turns out that we weren't able to do that and we issued a special warrant on January 11. We had hoped that we would be able to fund this from within. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I think we had all understood at the Standing Committee on Finance

meeting that they had hoped to fund it from within but they found they were unable to. The question was, are there any implications under the Financial Administration Act for providing funding for an expense which has been ongoing for six months prior to the funding being allocated for it?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Dent. Minister Pollard.

HON. JOHN POLLARD:

I understand the question and I can understand the concern, Mr. Chairman. As soon as we became aware that we were not going to be able to fund this from within, FMB was asked to take the appropriate action which was by then getting to be fairly urgent and we did it by way of special warrant. It might seem as if we might have bent the rules a little bit, but we believe we acted in good faith, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Just a comment. It is hard for me to understand why it would take six months to recognize that you are going to be \$372,000 short. I don't really have a question. That's just a comment. I guess I'm disappointed in what would appear to be a lack of financial control.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Dent. The chair recognizes Mr. Koe.

MR. KOE:

Thank you. Am I to understand that on January 11, a decision was made to set up a task force of 2.5 PYs to implement the housing strategy? Is that when the decision was made?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, the staff were there already. It was just that on January 11, we recognized the 2.5 PYs, funded them \$169,000 in salary and wages and \$203,000 in O and M, for a total of \$372,000 because

the departments weren't able to handle it from within their appropriations. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. The chair recognizes Mr. Koe.

MR. KOE:

When was the special team set up to implement the strategy?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

They were there most of the fiscal year. I think it was June that they started looking at the disposition of the houses, what it would take for appraisals, how many houses had to be looked at and what the process would have to be, Mr. Chairman. So they were there for the best part of the fiscal year.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Mr. Koe.

MR. KOE:

It strikes me as odd that we set up a process or a strategy where we're supposed to save money and it's a case where it is costing us more money. I'm just wondering out loud how this has happened. The strategy has been around now for a couple of years, I believe, and it went to

Page 491

implementation. It is only now, as Mr. Dent mentioned, that we are starting to recognize the actual costs. How much more is it going to cost us in the long run?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, this program will generate for us in excess of \$14 million this year. We're hoping for \$17.4 million in this fiscal year and another \$9.45 million in 1994-95. That doesn't include the \$1.5 million that we are going to save from DPW because

we're no longer maintaining those units. I realize that \$372,000 is a lot of money, but I think the return to us by disposing of assets, getting people into their own homes and getting us some cost-savings in other areas of the government is probably worth it, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Mr. Koe.

MR. KOE:

So most of the numbers that you mentioned are one-time savings from the sale of the units, or one-time revenue generating projects, which is again the sale of the units. That's where you get the hard cash. They are nice numbers, but the ongoing savings...I'm just wondering what the impact is. Again, we can come up with the numbers that you have and you stated, but there's another cost that doesn't seem to be taken into consideration. This is the cost on the staff, the morale, the mental costs. Some of the other costs that nobody has seemed to come up with yet is what's the impact on the staff in the communities? How many are going to be left after this whole strategy is in place? There are a lot of morale problems, a lot of unrest. In the communities where houses are going up for sale, a lot of staff don't know whether to buy or not because they don't know if they're going to have a job. This is causing a lot of concern. I'm just thinking out loud as to what the overall cost and impact is going to be on services to our residents.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, it's certainly not our intention to cause staff problems. They are a valuable resources of the Government of the Northwest Territories. I don't think we've said, in anything that I know about, that we are going to reduce the number of staff. We're certainly not trying to force people to buy these units. We are offering to those people who are interested in purchasing a unit, but we're certainly not forcing them. At least I'm not aware of any situation where we're making it stressful for them if they don't buy, or saying to them they'll lose their jobs or anything like that. If there is unrest about losing jobs and so on, I'd like to hear more about it because we certainly don't want to

send that message to our employees. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. We're on page seven. Personnel, operations and maintenance, special warrant, \$372,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Not previously authorized, \$90,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Total department, \$372,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Not previously authorized, \$90,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Justice

CHAIRMAN (Mr. Whitford):

Justice, operations and maintenance, not previously authorized, directorate, \$220,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Mr. Koe.

MR. KOE:

Who authorizes a coroner's inquest on fatalities?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Fatalities inquiries, Mr. Pollard.

HON. JOHN POLLARD:

Mr. Chairman, there are coroners across the Northwest Territories and they are administered to by the chief coroner. Coroners may order inquests themselves. They may do it in consultation with people in the community. They may do it in consultation with people in the community and the chief coroner, or the chief coroner may suggest this is an area where this should be dealt with by way of inquest. There are a number of things that can happen there, Mr. Chairman. It is generally the local coroner who makes that kind of decision. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Minister Pollard. Directorate. Mr. Koe.

MR. KOE:

So has the number of fatalities increased over the years to warrant an increase in the budget, or it is because we have more coroners out there that's causing the increase in the budget?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Koe. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, over the years, in 1990 there were 108 coroners' cases; in 1991, there were 110 coroners' cases; in 1992, 147 coroners' cases; and, in 1993, 131 coroners' cases. Respectively, in those four years, the number of autopsies went from 12, 29, 54 and then back down to 46. Mr. Chairman, it's not the coroner's call on whether it's

Page 492

a coroner's case if that's clearly laid down in law and when people such as the RCMP or people in a hospital, under certain conditions, have knowledge of

a fatality that comes under the Coroner's Act then they have to notify a coroner. It's not something that can be driven by a coroner, as you well know, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Pollard. Directorate, \$220,000 not previously authorized.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Police services, \$140,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Legal aid, \$623,000. Mr. Patterson.

MR. PATTERSON:

Mr. Chairman, thank you. Being on the Standing Committee on Finance, I was able to receive the report from the executive director of the Northwest Territories Legal Aid, through the Minister of Justice, about the steps the board is taking to implement the recommendations of Strength at Two Levels, the Legal Services Board's task force on legal aid, the Department of Justice's legal aid action plan and The Justice House report on gender equality. I think that good progress is being made by this new executive director and the board. So I am quite satisfied with the progress.

There is just one comment I would like to make before we approve this. That is, in my opinion, it should be a priority that the Department of Justice consult with the Law Society and prepare a new legal aid tariff which would specify what is known as "A" priority limitations, in contrast to the present after the fact taxation system of billing. I think this would simplify the review of accounts. I think there is nothing wrong with establishing ceilings in advance on certain kinds of work, and I think that that would also result in cost-savings. I would just like to put those comments on

the record, Mr. Chairman. I know that work is being considered. In my view, it should be given a priority. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Legal aid, \$323,000.

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Whitford):

Mr. Koe.

MR. KOE:

It is not \$323,000.

CHAIRMAN (Mr. Whitford):

I am going to ask Mr. Ningark to come back here. I have a sore eye and it is not focusing properly.

CHAIRMAN (Mr. Ningark):

Thank you. Justice, operations and maintenance, legal aid, not previously authorized, \$623,000.

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Registries and court services, not previously authorized, \$250,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Koe.

MR. KOE:

Thank you. I am curious about the court services for the Giant Mine offences. I thought that many of these costs were to be recovered from the federal

government. Was any of this \$250,000 being recovered, or requested to be recovered, from the federal government or is it a loss to this government?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Pollard.

HON. JOHN POLLARD:

Mr. Chairman, I don't believe that we can recover these costs. The costs include casual staff for court security of \$30,000; security equipment; court security, \$6,000; facility rentals, because the other space is not large enough, \$14,000, travel for witnesses and jurors, \$120,000; juror fees, which is a legal requirement, \$50,000; and, witness' fees, legal requirement again, \$30,000. Unless the Minister of Justice has more information, I don't believe we can recover these funds from the federal government, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Registries and court services. Mr. Koe.

MR. KOE:

This raises a point. The reason for holding court is because of the Giant Mine strike, which is a labour dispute which is supposedly a federal jurisdiction. We have no responsibility or could not intervene in that, yet here we are stuck with a cost of now trying to put Justice to work in terms of holding court and paying the costs. Something is not balancing here. That is why I raised the question.

CHAIRMAN (Mr. Ningark):

Thank you. Minister Pollard.

HON. JOHN POLLARD:

Mr. Chairman, Mr. Koe is correct. The federal government is responsible for the labour laws in the Northwest Territories. The strike was obviously their jurisdiction, but when a crime is committed in our jurisdiction and it is able to be brought before our court or the Supreme Court, we become responsible for the costs of that court regardless of why the crime was committed, what was happening around that particular time for that crime to be committed or what it was connected to. We bear those court costs because the infractions that are alleged took place in our jurisdiction. Consequently, it has to be dealt with separately from any other labour-related matter that

the federal government may be involved in. Thank you, Mr. Chairman.

Page 493

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

How much is related to this issue? How much has been recovered from the federal government for the whole Giant Mine strike? There is a huge cost incurred for the police strike force. Have we recovered any monies from the federal government that were incurred by this government?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, I believe the amount that is in dispute at the present time is around \$2 million. We maintain that it is the federal government's responsibility. They maintain that it is our responsibility. We are still hassling back and forth with them on that issue. It is around \$2 million, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Inuvik.

MR. KOE:

What is this government doing to try to resolve this issue of jurisdiction on labour in terms of mine strikes?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, I believe that it is either going to be or has been referred to arbitration. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Registries and court services, \$250,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Corrections, \$1 million. Mr. Koe.

MR. KOE:

Is the \$1 million in increase for inmates in the NWT, inmates out of the NWT or a combination of both?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, it is all within the Northwest Territories. I believe that it refers to YCC, South Mackenzie, Baffin, TWCC, River Ridge, Hay River and Iqaluit. It is to cover a base deficit in corrections in permanent salaries, \$300,000; casual wages of \$600,000; and, other O & M of \$100,000. The actual budget of corrections, under which this is going, consists of \$17.068 million, which is 86.5 per cent of their budget in custody and supervision; community justice of \$1.837 million, which is 9.3 per cent of their budget; and, administration of \$825,000, which is 4.2 per cent of their budget.

Mr. Chairman, in the past, the department has been able to cover some of these extra costs from the community justice budget by moving money around inside the department, but with the community justice program becoming a greater focus and becoming much more to the forefront, we can no longer ignore the fact that there is a base deficiency in this

department. That is why we are recommending this amount of money. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Corrections. Mr. Koe.

MR. KOE:

Will there be a corresponding increase in the O and M budget that we are dealing with now? We haven't dealt with the Department of Justice, but will the numbers that you just mentioned be reflected in the new budget to adjust this base deficiency?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, the department is conducting a base review of institutional permanent and casual PY budget requirements. We hope that will be completed by June 30, certainly by the end of July for this fiscal year coming up. Then, we will get a better idea of what is required in the department. We will be able to make either a base adjustment or further supp funding out of our supp reserves to the department. I should point out that the department can't forecast the number of inmates that it will have in a particular year. Sometimes, it is busy and sometimes it is not so busy. We expect some things to go up and down. By the time we get this base deficiency review done, we will be in better shape to make recommendations to FMB, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Corrections. Mr. Koe.

MR. KOE:

The brief definition here is for increased salaries and wages associated with custody and supervision. The Minister's comments indicate that there has been a base deficiency in the budget. Is this increase due to the increase in the number of inmates in the past year or is it strictly because of the base deficiency?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, this supp request is a result of a deficiency that has been growing over the last couple of years and it has a lot to do with guard to inmate ratios. As the inmate numbers climb, they require extra guards. When a guard is sick and they have to call someone else in, then their overtime rates go up. When they have to cover for other special reasons, then they have to call people back in and they need more casuals, et cetera. It is a problem. We have recognized that it has been a problem for the last couple of years. We are moving this fiscal year to address that problem and we'll be looking at a better plan, hopefully by June 30, on how to address it further next year. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Corrections. Mr. Koe.

MR. KOE:

So this review, is it part of an overall corrections strategy that you're going to have done by June 30, 1994?

CHAIRMAN (Mr. Ningark):

Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, I have been advised in this particular instance that they're conducting a base review of institutional permanent and casual PY budget requirements. I would have to defer to the Minister of Justice to see if this is

Page 494

part of a larger assessment of the department. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Minister of Justice, do you have a point of clarification on this?

HON. STEPHEN KAKFWI:

Just to say that yes, it is part of a larger assessment of need. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Koe.

MR. KOE:

Sorry, I didn't hear that.

CHAIRMAN (Mr. Ningark):

Mr. Minister, for the benefit of Mr. Koe, the Member for Inuvik, will you state again what you responded to my question? Thank you.

HON. STEPHEN KAKFWI:

Now that the Member is plugged in, I will just confirm what Mr. Pollard was suggesting. Yes, it is part of a larger assessment we're doing.

CHAIRMAN (Mr. Ningark):

Thank you. I have Mr. Dent on the list. Mr. Dent.

Motion To Extend Hours, Carried

MR. DENT:

Mr. Chairman, I move that we extend hours to conclude this item.

CHAIRMAN (Mr. Ningark):

Thank you. Do we have agreement of the committee that we will sit here until we conclude this particular item?

SOME HON. MEMBERS:

Agreed.

---Agreed

AN HON. MEMBER:

(Microphone turned off)

CHAIRMAN (Mr. Ningark):

We're not voting here. We don't need a quorum. Was there a motion here? Okay. Pardon me, it's been a long day. The motion is in order. To the motion.

AN HON. MEMBER:

Question.

CHAIRMAN (Mr. Ningark):

Question has been called. All those in favour of sitting here until we conclude the item? All those opposed? Motion is carried.

---Carried

We have to move along. Corrections, not previously authorized, \$1 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Total department, not previously authorized, \$2.233 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Transportation

CHAIRMAN (Mr. Ningark):

Thank you. Next page. Transportation, operations and maintenance, Arctic airports. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. I understand that the request for proposals for training courses for Baker Lake closed on February 8 and we were expecting to hear about who got the award. I was wondering if the Minister can advise us who has been awarded the contract to develop the courses?

CHAIRMAN (Mr. Ningark):

Qujannamiik. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, the Minister of Transportation has that information, if you would go to him. Thank you.

CHAIRMAN (Mr. Ningark):

Minister of Transportation, the friend of Baker Lake, Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. This was in relation to the curriculum development, I believe. It was Arctic College in conjunction with Avery, Cooper and Company, the Yellowknife firm.

CHAIRMAN (Mr. Ningark):

Thank you. Transportation, operations and maintenance, Arctic airports, not previously authorized, \$97,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Total department, \$97,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Renewable Resources

CHAIRMAN (Mr. Ningark):

Thank you. Page 10, Renewable Resources, operations and maintenance, wildlife management, not previously authorized, \$220,000. I have Mr. Ng.

MR. NG:

Thank you, Mr. Chairman. I have a question in relation to the cost of Inuvialuit participation in the committees of \$125,000. Being a Member of the Standing Committee on Finance, I have some information on it. It was reviewed earlier today. In 1988-89, the Cabinet directed the Department of Renewable Resources to finance the Inuvialuit participation on these committees. That was in 1988. It was supposed to be temporary until the federal government assumed the responsibilities for financing this. It has been ongoing now for five years. What is the status of it becoming funded by the federal government instead of our government?

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, the problem still hasn't been resolved, but the department is bringing an options paper to Cabinet in the next two weeks on how to resolve this

Page 495

particular issue that has been going on for several years now. The department is responding and bringing forward an options paper. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ng.

MR. NG:

Is this options paper to have the federal government assume these responsibilities or will it be that our government will take on the ongoing responsibilities for this? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. JOHN POLLARD:

I don't know the number of options that the department will suggest to us and I really don't know what Cabinet will decide. So, I can't prejudge the options paper or Cabinet, not having seen the paper. I'll have to say that, unless Mr. Kakfwi has more to add, I wait with bated breath for their options paper, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Minister Kakfwi, do you have any more to offer to the Member for Kitikmeot? Mr. Kakfwi. I will recognize the Minister of Justice. Just a minute, who is going to respond to this one? Renewable Resources, operations and maintenance, wildlife management, not previously authorized, \$220,000. I believe Mr. Kakfwi was to enhance what Mr. Pollard stated. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Mr. Chairman, the \$125,000 that we are asking for is an item that has been under dispute for some time. This is under the final agreement. It is not clear that the federal government is the party responsible for providing money so that the Inuvialuit will participate in the committee set up under the final agreement. The federal government has refused to provide funding until the final agreement is amended. Because there is no agreement, the federal government has not provided funding. We have provided funding for some time now on the understanding that, at some time or other, the Inuvialuit and the federal government will agree on a suitable amendment. That will mean the federal government in paying these costs. So far, we have been looking at a way to resolve this issue so we, as one party, have no role in the amendment process of the final agreement. If that is what the Member is asking, I have asked the department to look at some options for myself and perhaps to bring to the Minister of Finance and Cabinet a way to try to resolve the issue. It has been ongoing for some time, but that hasn't been finalized yet, whatever options may be available to us.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Kakfwi. Mr. Ng.

MR. NG:

If it isn't going to be satisfactorily resolved by the federal government assuming responsibility, is your department's initiative going to continue funding this?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Kakfwi.

HON. STEPHEN KAKFWI:

Mr. Chairman, this type of situation, because we have been in it for a long time, it is not political to say all of a sudden that we are no longer going to provide it, but we are going to try to address that option because it has to be resolved. As long as we provide the funds, there is no incentive on the two parties who are the only parties who can make the amendments to the act. I simply brought it to the attention of the other Ministers. We will be discussing it in Cabinet in the next while as to what, if anything, we can do to try to resolve this issue. My understanding right now is that we are not going to suddenly withdraw our role as we are playing it right now, but we will consider it in the long term.

CHAIRMAN (Mr. Ningark):

Thank you. I feel that, since we are the third party in the agreement process, we have the Migratory Act within the country, we are the central agency within the jurisdiction of Inuvialuit, surely, somehow, we have to pay for something. Renewable Resources, operations and maintenance, wildlife management, not previously authorized, \$220,000. Agreed? Mr. Zoe.

MR. ZOE:

On that same issue my colleague from Kitikmeot is raising, Mr. Chairman, my question would be to the Minister of Finance. We understand that the Department of Renewable Resources will be taking a look at options which are available to them but, as the Minister of Finance, what is he doing in this regard, particularly when we are in a bad time of fiscal restraint right now. I wonder if the Minister of Finance has taken any measures at this time to address this particular issue.

CHAIRMAN (Mr. Ningark):

Thank you. Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, I think that is the purpose of asking the Department of Renewable Resources to come forward with an options paper to give FMB and Cabinet some ideas of how this could be, because paying out the \$125,000 a year, which is clearly the responsibility of the federal government, is somewhat distressing to us. As Mr. Kakfwi says, there are some problems with the agreement that have to be worked out. I am hoping that Mr. Kakfwi will come forward with an options paper that will set out, in no uncertain terms, how we can go about not having to pay for the \$125,000 and make the federal government do that and, at the same time, honour the agreement between these two parties. If we are successful in doing that, then I would be most anxious to try and go back over the last five years and try and get those funds back that we paid out on behalf of the federal government. I am waiting on the options paper, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Wildlife management, not previously authorized, \$220,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Total department, \$220,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Municipal And Community Affairs

CHAIRMAN (Mr. Ningark):

Page 11, Municipal and Community Affairs, operations and maintenance, community

Page 496

works and community planning, special warrants, \$251,000. Mr. Koe.

MR. KOE:

I am curious. Here is an instance of the community, which is coming off the high temperature hot water

system and, again, it is a process that is supposed to save money. To me, this indicates somewhere that there is a lack of planning if we are approving a supp estimate to a program that is supposed to save us money. It is costing us another \$251,000. What kind of planning went into this withdrawal of hot water from one building and then all the costs are now put on to another building? I am curious as to the planning that went on in Iqaluit in this regard.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, there was quite a bit of planning that went on, but I think in December 1991, there was a major user of high temperature hot water who put in their own boilers and got off the system. I think that threw a wrench into the works. There were increased costs to the remainder of the people who were using that particular system. It was ascertained, after some hassling back and forth with the town of Iqaluit, that we were, although not clearly legally liable, for the most part, we were liable. This is a one-time cost to reimburse the town for those particular expenditures, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Community works and capital planning. Mr. Koe.

MR. KOE:

It is of concern to me. I've been on record that I'm concerned about the similar potential impact in the town of Inuvik. All the major buildings are planning to come off a hot water temperature system and I'll go on record now that if the plan happens the way it is in the five year capital plan, the last building to be on the system is going to be the existing hospital. So, four or five years down the road, they will get stuck with all the costs of the hot water system. That's why I raised the issue of planning and coordination between all government departments and all the people are on the current system. It has to be coordinated so that one government department doesn't get stung with a huge bill and comes forward with a supp to cover the costs. That's why I raised the issue. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Yes, that is a point that you like to make. There is no question. Mr. Minister, I think you wanted to respond.

HON. JOHN POLLARD:

Mr. Chairman, I've heard Mr. Koe mention this in committee, personally, and also on the floor of this House. When we look at this \$250,000, I think he's pointing out a lesson to us and I'm taking notice of what he's saying. I will recommend to Madam Premier that she establish a lead department and that the lead department put together a strategy, in conjunction with the people who are the users in the town of Inuvik, for an orderly leading off of that system so that we don't run into this problem. I take the Member's comments and will make recommendations to Madam Premier.

CHAIRMAN (Mr. Ningark):

Thank you. I'm sure the honourable Member for Inuvik is very pleased with your

answer. Community works and capital planning, special warrants, \$251,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Municipal operations and assessment, not previously authorized, \$635,000. Mr. Koe.

MR. KOE:

Is this increase in new private residential housing units due to an increase in new construction by private owners or is it because of the GNWT housing strategy?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister.

HON. JOHN POLLARD:

Mr. Chairman, I'm sure there were some private units that came on the market regardless, but for the most part this was the HAP units that came on. It was a volume increase of some \$245,000. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Inuvik.

MR. KOE:

Again, it indicates to me that somewhere there is a lack of planning and coordination between departments. There is one department that is constructing houses and providing money for houses and there's another department that puts the lots up in the residential areas and also provides the water and sewer. They don't seem to be able to plan from year to year in terms of these increases. The point I'm making is I'm concerned about the planning and coordination between the departments so that we don't get supplementary estimates like this in the future. It should have been caught in the overall strategy and development of private housing in the north.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, there are a number of formulas that are used in government for costing out impacts and so on and so forth. In this instance, we don't have anything of that nature. I think departments are out there trying to deliver housing and so on and I think they do as well as they can in reporting back to us what the impact is going to be. But, there always has to be some adjustment at the end. I understand what the Member is saying. It would be nice if we lived in a world where we could forecast exactly the kinds of changes that are going to occur. As much as we try, we are not perfect, Mr. Chairman. I will endeavour to be better at it in the future but, at the present time, it's not a fine art. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Inuvik.

MR. KOE:

One final point so I can put my plug in for the home owner property tax rebate. I'm sure if that was increased to \$400, this supp would have been double because the number of home owners that would have purchased or built their own homes would have increased. Thank you.

---Applause

Page 497

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Finance.

HON. JOHN POLLARD:

Mr. Chairman, when we reduced the rebate from \$400 to \$300, we didn't notice a lot of people putting their houses on the market to sell them because they couldn't afford them any more. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Municipal operations and assessment, not previously authorized, \$635,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Total department, special warrants, \$251,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Total department, not previously authorized, \$635,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Health

CHAIRMAN (Mr. Ningark):

Thank you. Thank you very much, indeed. Page 12. Health, operations and maintenance, administration, not previously authorized, negative \$100,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

There is no money there anyway. Total department, negative \$100,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

Department of Social Services

CHAIRMAN (Mr. Ningark):

Thank you. Page 13, Social Services, operations and maintenance, community and family support services, \$2.799 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Total department, \$2.799 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Education, Culture And Employment

CHAIRMAN (Mr. Ningark):

Thank you, very much. Page 14, Education, Culture and Employment, operations and maintenance, advanced education, not previously authorized, negative \$203,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Schools, special warrants, \$1.394 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. A lot of money. Not previously authorized, \$100,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Qujannamiik. Merci. Total department, not previously authorized, negative \$103,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Total department, special warrants, \$1.394 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

Legislative Assembly

CHAIRMAN (Mr. Ningark):

Thank you. Legislative Assembly, capital, Legislative Assembly, special warrants, \$22,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

This is not \$22 million, it's \$22,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Total department, \$22,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Page 498

Department Of Personnel

CHAIRMAN (Mr. Ningark):

Thank you. Page 16, Personnel, capital, staffing, special warrants, \$162,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Total department, \$162,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Department Of Transportation

CHAIRMAN (Mr. Ningark):

Thank you. Page 17, Transportation, capital, Arctic airports, special warrants, \$1 million. Mr. Koe.

MR. KOE:

What was the final cost of that airport terminal in Igloodik?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN POLLARD:

Mr. Chairman, there was an analysis done by the Department of Public Works that showed there was virtually no difference between the cost to build the facility, which is \$1.083 million versus the original deal that we had, which was to lease the facility at \$1.079 million. There was a difference of around \$4,000, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Is this money carried over from previous years? Is that why it is in the supps?

CHAIRMAN (Mr. Ningark):

Transportation. Mr. Minister.

HON. JOHN POLLARD:

Sorry, Mr. Chairman. The plan was that we would lease this building over time and that would have cost us the \$1.079 million. Unfortunately, the company that was constructing the building had some problems. They came to us and said that they were having problems. We were able to work out a one-time cost of \$1.083 million which, over time, would have been the \$1.079 million and get the project finished. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Arctic airports, \$1 million. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. That was a special warrant. Arctic airports, not previously authorized, \$960,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Pardon Me. \$96,000, not previously authorized.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

I am thinking about my apartment. Transportation planning, special warrants, \$225,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Total department, special warrants, \$1.225 million. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Total department, not previously authorized, \$96,000. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Do the Members agree that we concluded the details?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

And the bill?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Are you ready for clause by clause? This is Bill 13, Supplementary Appropriation Act, No. 3, 1993-94.

SOME HON. MEMBERS:

Agreed.

---Agreed

Clause By Clause

CHAIRMAN (Mr. Ningark):

Clause 1.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 2.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 3.

Page 499

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 4.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 5.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 6.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 7.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 8.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Schedule, page three, part one, vote 2 capital, total capital, \$1.505 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Part two, vote 1 operations and maintenance, total operations and maintenance, \$8.388 million. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Total supplementary appropriation in parts 1 and 2, \$9.893 million. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Now, bill as a whole. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Does the committee agree that Bill 13 is now ready for third reading?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you very much. What is the wish of the committee? Mr. Dent.

MR. DENT:

It is up to you.

CHAIRMAN (Mr. Ningark):

Since we have passed 6:00, and I am tired, I will rise to report progress and I would like to thank the witnesses. Thank you.

MADAM SPEAKER:

Item 19, report of committee of the whole. The honourable Member for Natilikmiot, Mr. Ningark.

ITEM 19: REPORT OF COMMITTEE OF THE WHOLE

CHAIRMAN (Mr. Ningark):

Thank you, Madam Speaker. Your committee has been considering Bill 7 and Bill 13, and would like to report progress. Bill 7 and 13 are ready for third reading. Madam Speaker, I move that the report of the committee of the whole be concurred with. Thank you.

MADAM SPEAKER:

Thank you. Is there a seconder for the motion? The honourable Member for Inuvik, Mr. Koe. 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

MADAM SPEAKER:

Item 20, third reading of bills. The honourable Member for Hay River, Mr. Pollard.

HON. JOHN POLLARD:

Thank you, Madam Speaker. I seek consent to request third reading of Bill 13. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. The honourable Member is seeking consent to give third reading to Bill 13. Are there any nays? There are no nays. Please proceed, Mr. Pollard.

ITEM 20: THIRD READING OF BILLS

Bill 13: Supplementary Appropriation Act, No. 3, 1993-94

HON. JOHN POLLARD:

Thank you, Madam Speaker. I thank the Members. I move, seconded by the honourable Member for Tu Nedhe, that Bill 13, Supplementary Appropriation Act, No. 3, 1993-94, be read for the third time. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. The motion is in order. All those in favour? All those opposed? Motion is carried.

---Carried

Page 500

MADAM SPEAKER:

Bill 13 has had third reading. Third reading of bills, the honourable Member for Kivallivik, Mr. Arngna'naaq.

Bill 2: An Act to Amend the Charter Communities Act

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I move, seconded by the honourable Member for Mackenzie Delta, that Bill 2, An Act to Amend the Charter Communities Act, be read for the third time.

MADAM SPEAKER:

Thank you.

---Applause

MADAM SPEAKER:

The motion is in order. All those in favour? All those opposed? Motion is carried.

---Carried

MADAM SPEAKER:

Bill 2 has had third reading. Third reading of bills, the honourable Member for Sahtu, Mr. Kakfwi.

Bill 5: An Act To Amend The Partnership Act

HON. STEPHEN KAKFWI:

Thank you, Madam Speaker. I move, seconded by the honourable Member for Hay River, that Bill 5, An Act to Amend the Partnership Act, be read for the third time.

MADAM SPEAKER:

Thank you. The motion is in order. All those in favour? All those opposed? Motion is carried.

---Carried

MADAM SPEAKER:

Bill 5 has had third reading. Item 20, third reading of bills, the honourable Member for Keewatin Central, Mr. Todd.

Bill 6: An Act To Amend The Workers' Compensation Act

HON. JOHN TODD:

Thank you. I move, seconded by the honourable Member for Mackenzie Delta, that Bill 6, An Act to Amend the Workers' Compensation Act, be read for the third time.

---Applause

MADAM SPEAKER:

Thank you. 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 unanimously.

---Carried

MADAM SPEAKER:

Bill 6 has had third reading. Item 20, third reading of bills. Item 21, Mr. Clerk, orders of the day.

ITEM 21: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Madam Speaker, there will be a Caucus briefing tomorrow morning at 9:00 am. There will be a meeting of the Ordinary Members' Caucus at 10:30 and of the Nunavut Caucus at 12:00 noon. Orders of the day for Thursday, March 3, 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
 - Motion 17-12(5), Amendment to the Terms of Reference and Appointments to the Special Joint Committee on Division
 - Motion 18-12(5), Extended Adjournment
 - Motion 19-12(5), Suspension of European Fur Import Regulation
 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
 - Bill 3, An Act to Amend the Cities, Towns and Villages Act
 - Bill 4, An Act to Amend the Hamlets Act
 - Committee Report 2-12(5), Review of the 1994-95 Main Estimates
- Page 501
- 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 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
 - Bill 7, Personal Property Security Act

21. Orders of the Day

MADAM SPEAKER:

Thank you, Mr. Clerk. This House stands adjourned until Thursday, March 3, 1994, at 1:30 pm.

--ADJOURNMENT