

# NORTHWEST TERRITORIES LEGISLATIVE ASSEMBLY

**5th Session** 

Day **27** 

12<sup>th</sup> Assembly

## **HANSARD**

**TUESDAY, MARCH 22, 1994** 

Pages 753 - 788

Page numbers reflect printed Hansard

The Honourable Jeannie Marie-Jewell, Speaker

## MEMBERS PRESENT

Mr. Allooloo, Mr. Antoine, Hon. Silas Arngna'naaq, Mr. Arvaluk, Mr. Ballantyne, Hon. Nellie Cournoyea, Mr. Gargan, 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, Hon. John Todd, Mr. Whitford

ITEM 1: PRAYER

---Prayer

## MADAM SPEAKER (Hon. Jeannie Marie-Jewell):

Good afternoon. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Kitikmeot, Mr. Ng.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Congratulating Candidates In NTI And KIA Elections

## MR. NG:

Thank you, Madam Speaker. On behalf of all Kitikmeot residents, I wish to congratulate Mr. Jose Kusugak on his election to the presidency of Nunavut Tunngavik Inc. I'm sure he will work diligently and cooperatively with his new colleagues, members of NIC, the regional associations, the Nunavut Caucus, and all other organizations towards fulfilling his duties as NTI president.

Madam Speaker, I also wish to advise Members that the Kitikmeot Inuit Association also held elections yesterday. Inuit in Kitikmeot elected Mr. Pat Lyall as the new vice-president, Mrs. Millie Evalik as secretary-treasurer, Mrs. Clara O'Gorman as the Cambridge Bay director and Mr. Adam Tootalik as the Taloyoak director. I know these individuals will contribute significantly to the overall future success of KIA and their endeavours to represent the Inuit of Kitikmeot.

Finally, I also wish to congratulate the five unsuccessful candidates in the NTI election and the 21 unsuccessful candidates in the KIA election. Their participation gave voters the freedom of choice during yesterday's elections. Madam Speaker, I ask you to join me in congratulating all candidates in yesterday's NTI and KIA elections. Thank you.

## ---Applause

## MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Natilikmiot, Mr. Ningark.

Member's Statement On Congratulating Candidates In KIA And NTI Elections

## MR. NINGARK:

Thank you, Madam Speaker. I would also like to echo what my colleague from the Kitikmeot already said. I would like to congratulate from the bottom of my heart the successful candidates who were elected at the KIA election held March 21, 1994: Pat Lyall, vice president-elect from Taloyoak, which is my riding; Adam Tootalik, director-elect also from Taloyoak; Millie Evalik, secretary treasurer-elect from Cambridge Bay; and, Clara O'Gorman, director-elect from Cambridge Bay. I know the newly-elected members of the Kitikmeot Inuit Association will do well and work to the benefit of all the people of the Kitikmeot.

Again, Madam Speaker, congratulations go to the people I have already mentioned. I would also like to congratulate those unsuccessful candidates and Jose Kusugak, now the president of Nunavut Tunngavik Inc., formerly from Repulse Bay. I know Mr. Kusugak will do a good job for the people of Nunavut. Thank you.

---Applause

## MADAM SPEAKER:

Thank you. The honourable Member for Baffin South, Mr. Pudlat.

Member's Statement On Congratulations To Candidates In NTI Election

## MR. PUDLAT:

(Translation) Thank you, Madam Speaker. Along with my colleagues representing Nunavut, I would also like to congratulate the candidates. Their responsibility to prepare the people of Nunavut is going to be very difficult and I would like to thank the previous president who prepared the way towards Nunavut, as well as James Eetoolook, the vice-president, who has helped pave the way towards Nunavut. I would like to congratulate all the people of Nunavut for having come this far. I would like to

thank the previous president as well as the unsuccessful candidates. Even though they did not win the presidency, they will still be required to assist the president-elect along the way to Nunavut. Thank you, Madam Speaker.

## **MADAM SPEAKER:**

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

Member's Statement On Writer's News Agency Article On Yellowknife

## MR. LEWIS:

Thank you, Madam Speaker. On the weekend, I was shown an article that appeared in a paper in Cape Town, South Africa last month. It is about the city of Yellowknife. I was rather alarmed to read the description which appeared there and which was attributed to the Writers' News Agency, which people know is the recognized agency for good, factual reporting.

The article described Yellowknife as a riotous town with a night life that was unmatched anywhere in the world, that there were

## Page 754

fights all over the place, that there was one local bar where fighting was part of the local entertainment. The article goes on to say that 80 per cent of the people in the Northwest Territories are addicted to alcohol or drugs.

Having listened to the comments yesterday about violence and the kind of society we have, it bothers me somewhat that here we are finding reputable news agencies spreading information throughout the world, which may have some glimmer of truth to it, but really is not based on fact. What bothers me most is that the factual information that appeared in this article was supplied by the Government of the Northwest Territories and there are individual people who were given credit for this particular information, which I don't believe is statistically accurate.

So, Madam Speaker, it concerns me that if public servants are going to provide information to anybody, they had better be sure that they've got their facts right. Thank you.

## MADAM SPEAKER:

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

Member's Statement On Beaver Tail Jamboree And Aboriginal Week

## MR. ANTOINE:

Thank you, Madam Speaker. I just wanted to bring to the attention of the Legislative Assembly that over the weekend I was back in my home community of Fort Simpson and they had their annual Beaver Tail Jamboree, their spring carnival. It was good to get back into community celebration and spending a few days, getting back into the grass roots involvement of the people. It was very, very enjoyable.

The thing that I wanted to mention is that the student council in Fort Simpson have declared this week aboriginal week. It started off with a feast on Sunday, with different speakers. It was a very successful feast. The whole gym and school were full of people from the community and from other communities. Later on that evening, there was a drum dance that was put together with some drummers from Fort Simpson and other communities. It was a really good event that happened over the weekend with the beginning of aboriginal week in recognition of last year being the year of Indigenous People declared by the United Nations. Nothing happened as a result of that, so this year the students decided to have a week dedicated for aboriginal recognition in Fort Simpson and the region. So I would like to recognize them today. Mahsi.

---Applause

## MADAM SPEAKER:

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

Member's Statement On The Third Nunavut Trade Show In Iqaluit

## MR. PATTERSON:

Thank you, Madam Speaker. I am pleased to inform this House that the third Nunavut trade show will begin this evening in Iqaluit with a three-day business conference. For the trade show on the weekend, there are 69 booths now registered including delegates from most Baffin communities, other parts of the Northwest Territories and also numerous companies from Ottawa, Montreal and Toronto. Very topical subjects for the business conference occurring

this week are: effective customer service; how to prepare a business plan; finding and keeping the best employees; government assistance for new businesses; and, what computers can do for you.

The Baffin Chamber of Commerce annual general meeting will take place on Wednesday night.

Thursday night will feature the opening of the new NorthwesTel building. Friday night, a highlight, a keynote address by the Honourable John Todd. I want to thank Mr. Todd for taking the trouble from his busy schedule to attend this meeting. I would also like to publicly thank him for his help and that of his department in assisting the Baffin Chamber of Commerce, who are sponsoring this show, to purchase the booth materials for use in future trade shows and other events.

Saturday night there will be a service auction. I should tell Members I will be leaving tomorrow to attend this event. My services will be on the block at the auction. I am hoping there will be a higher bid than 25 cents. Later that night, in lieu of a prominent politician, the organizers inform me they have arranged for a comedian from Yuk Yuks to provide a colour commentary.

Madam Speaker, this promises to be a very exciting event. Between 800 and 1,200 people are expected to visit the trade show on the weekend. There are at least 150 people who will be in town for the event. At the trade show itself, there will be door prizes and draws. This promises to be a fabulous event. The best Nunavut trade show ever. 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 Reasons For Privatization Of Power Corporation

## MR. BALLANTYNE:

Thank you, Madam Speaker. Madam Speaker, today I would like to make a few comments about the Power Corporation. The Government Leader has indicated that she will introduce a discussion paper in the House. I have some concerns and I would like to put them on the record.

There are normally not that many reasons why one privatizes a Power Corporation, but those that there are, I think probably follow in this pattern. Either that the government-run organization is inefficient. If that is the case here, then we want to hear about it because we certainly have to deal with that. Another reason is that a government or Power Corporation tries to gain management experience and access to capital by selling the corporation or a majority share to a large utility company. The third reason is that a government needs to sell off its assets to pay out an accumulated debt, which I don't think is the case here. The fourth reason are ideological reasons. This government has never been an illogical government. It has always been a government that is practical and tries to solve problems.

#### Page 755

I will tell you my concerns right now about the timing of the concept of privatization. When division is looming, the Power Corporation is a very viable asset. There is going to be some discussion between east and west as to how that asset will be apportioned in the long term. I am also sure that the next Nunavut government would like to make the decision as to what they want to do with their Power Corporation.

Secondly, the Power Corporation has been a very useful tool, public policy. The example is the Dogrib Power Corporation, which eventually will supply power to the city of Yellowknife and hopefully if mining does take off, will eventually supply power to the mining areas. So it is a tremendous tool for the GNWT to unify the regions of the territories. We have precious few of those in these changing times.

I also think we should wait until the formula financing agreement has been finalized and the cost of division has been agreed to. If we don't, any money that comes into our coffers will either be quickly spent on a multitude of projects or will be quickly discounted by the federal government in their negotiations with the Finance Minister.

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

## **MADAM SPEAKER:**

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

## MR. BALLANTYNE:

Thank you, Madam Speaker. I think also it would make some sense to wait until the constitutional discussions in the west have reached some sort of conclusion. Right now, the political landscape is very uncertain. I don't think this is the best time to go forward with this type of initiative.

I am also a little bit surprised because there has been very little public pressure that I am aware of to privatize the corporation. There has been none that I am aware of from this side of the House. In fact, I think it has been clear by most of the MLAs that there is not a lot of enthusiasm for privatization of the Power Corporation at this particular time. We believe, and we have said many times, there are many important priorities facing this government and we don't think, at this point in time, that it is appropriate to take the time and energy it will take to privatize the corporation.

In conclusion, Madam Speaker, I, along with other Members and the public, are looking forward to this discussion paper on privatization. We are interested, and I am sure the public is interested, in the way the government is bringing forward this initiative at this time. I guess most importantly, we are very interested in the government's concept of exactly how they feel this will help the people of the Northwest Territories. Thank you, Madam Speaker.

---Applause

## **MADAM SPEAKER:**

Thank you. Item 3, Members' statements. Item 4, returns to oral questions. The honourable Member for Baffin Central, Ms. Mike.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question 322-12(5): Policy For Advertising In Southern Newspapers

## HON. REBECCA MIKE:

Thank you, Madam Speaker. I have a return to an oral question asked by Mr. Whitford on March 18, 1994 regarding a policy for advertising in southern newspapers.

The Department of Personnel is committed to hiring north and the affirmative action policy. Advertising outside the Northwest Territories is only undertaken when:

- 1. Advertising in the NWT has failed to attract qualified applicants; or,
- 2. The required qualifications are not readily available in the NWT.

When previous attempts to fill vacancies in the specific area are unsuccessful, Personnel will advertise north and south simultaneously. Such was the case of a transportation planner, recently advertised in the Toronto Globe and Mail. This position requires a degree in transportation planning, engineering of a related discipline with five years of experience in the areas of transportation planning, design, construction, operations and program development. This level of education and experience is not readily available in the north. The position is classified at pay level 29 and is not a junior level position. In keeping with the affirmative action policy and the government's northern hire philosophy, all northern applicants are given priority consideration. Thank you, Madam Speaker.

## **MADAM SPEAKER:**

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

ITEM 5: ORAL QUESTIONS

Question 345-12(5): Percentage Of NWT Residents Addicted To Alcohol And Drugs

## MR. LEWIS:

Thank you, Madam Speaker. I would like to ask the Minister of Social Services, could she tell me what percentage of the people of the Northwest Territories are addicted to alcohol or drugs?

## **MADAM SPEAKER:**

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

#### HON. REBECCA MIKE:

Thank you, Madam Speaker. I don't know the exact percentage of the population who are addicted to drugs and alcohol. I will have to take his question as notice. Thank you.

## **MADAM SPEAKER:**

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

Question 346-12(5): Signing Authority For Regional Transportation Superintendents

#### MR. PATTERSON:

Thank you, Madam Speaker. I think I've given credit to the Minister of Economic Development and

Page 756

Tourism for the enhanced signing authority given to superintendents of his department in the regions, since he became Minister. Something that I think has worked very effectively to promote flexible economic development in the regions. I'd like to ask the same Minister, in his capacity as Minister of Transportation, has he been able to extend the same increased signing authority to the new superintendents who are now in place in the regions in the Department of Transportation? Thank you.

#### MADAM SPEAKER:

Thank you. Minister of Transportation, Mr. Todd.

Return To Question 346-12(5): Signing Authority For Regional Transportation Superintendents

## HON. JOHN TODD:

Thank you, Madam Speaker. At the present time, the superintendents of Transportation, I believe, have \$100,000 signing authority. However, I am working with the department right now to develop a paper for Cabinet approval to increase that. Thank you.

## MADAM SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 346-12(5): Signing Authority For Regional Transportation Superintendents

## MR. PATTERSON:

Thank you, Madam Speaker. I wouldn't want to trivialize the \$100,000 signing authority, it is a substantial amount of money. But I would like to ask the Minister, given the large size of transportation contracts and the cost of transportation infrastructure, what does the Minister feel is a more appropriate level of signing authority for those regional superintendents to effectively do their job beyond the present \$100,000 ceiling? Thank you.

## MADAM SPEAKER:

Thank you. Minister of Transportation, Mr. Todd.

Further Return To Question 346-12(5): Signing Authority For Regional Transportation Superintendents

## HON. JOHN TODD:

My guess would be -- and again, we are reviewing it, because we're looking at the airport contracts, for example, in the municipalities, and we haven't defined it clearly yet -- it would be somewhere in the range of \$250,000, similar to what we're doing with the superintendents of Economic Development and Tourism. I would caution the Member, though, in saying this as I have not brought this issue before Cabinet at this time, but it is my intention to do it shortly. Thank you.

#### MADAM SPEAKER:

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

Question 347-12(5): Status Of Construction Of Trout Lake School

## MR. ANTOINE:

Mahsi, Madam Speaker. Last Friday, I asked the Minister responsible for Public Works and Services a question with regard to the community office and school that was built in Trout Lake. He replied that they did an excellent job and they did bring the building in at a reasonable cost. I would like the Minister to tell the House what he means by reasonable cost. First of all, was this a negotiated contract? I will follow up after that. Thank you.

#### MADAM SPEAKER:

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

Return To Question 347-12(5): Status Of Construction Of Trout Lake School

## HON. DON MORIN:

Thank you, Madam Speaker. The project that the Member is referring to, the Trout Lake facility, was construction management by the Department of Public Works. The construction costs of that facility came in at \$2,131.07 per square metre. That,

compared to the square meter cost in Yellowknife which is \$1,711 per square meter. In all construction costs the department uses a multiplier of 1.4. That's the multiplier acceptable to Trout Lake. So that ends up coming in at \$2,395 per square metre. This project came in an approximately 11 per cent under the estimated budget. Thank you.

## **MADAM SPEAKER:**

Thank you. Supplementary, Mr. Antoine.

Supplementary To Question 347-12(5): Status Of Construction Of Trout Lake School

## MR. ANTOINE:

Thank you, Madam Speaker. The Minister responsible indicated that this project was not a negotiated contract, but it was a construction management. Can he explain to the House what he means by construction management? Thank you.

#### MADAM SPEAKER:

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

Further Return To Question 347-12(5): Status Of Construction Of Trout Lake School

#### HON, DON MORIN:

Thank you, Madam Speaker. In this case, the community of Trout Lake and the Member requested a special approach to the construction of this building. Public Works and Services went into the community, met with the community and developed a project management. We hired the actual manager for the project, but all the work was done by the community members except for a few of the trades. They did negotiate with the community and the band to supply labour. So it's a mixture of both, and it was very successful. We usually use this approach when there is a lack of management expertise in the community, at the first stage. Thank you.

## MADAM SPEAKER:

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

Question 348-12(5): Policy For Over Accommodating Staff Under Staff Housing Guidelines

## MR. NG:

Thank you, Madam Speaker. My question is directed to the Minister of Personnel. Last week, I asked her some questions regarding the guidelines for staff housing allocations. I would like to ask her, at this time, are senior management staff in the regions allowed to be over- accommodated based on her department's current guidelines

Page 757

with the staff housing policy? Thank you.

## **MADAM SPEAKER:**

Thank you. Minister of Personnel, Ms. Mike.

Return To Question 348-12(5): Policy For Over-Accommodating Staff Under Staff Housing Guidelines

## HON. REBECCA MIKE:

Thank you, Madam Speaker. If the honourable Member for Kitikmeot can bear with me, I have a document that I am going to be tabling, later in the House, on the location of staff housing. To answer your question on the senior employees being overaccommodated, it's not the policy of Personnel to over-accommodate staff. Thank you.

## **MADAM SPEAKER:**

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

Supplementary To Question 348-12(5): Policy For Over- Accommodating Staff Under Staff Housing Guidelines

#### MR. NG:

If it's not a policy of the department, is it a policy of the government to over-accommodate senior staff? Thank you.

## **MADAM SPEAKER:**

Thank you. Minister of Personnel, Ms. Mike.

#### **HON. REBECCA MIKE:**

Thank you, Madam Speaker. I will take the question as notice.

## **MADAM SPEAKER:**

Thank you. Item 5, oral questions. Item 6, written questions. Item 7, returns to written questions. Mr. Clerk.

## ITEM 7: RETURNS TO WRITTEN QUESTIONS

Return To Written Question 17-12(5): Award Of Clean-up Contract For CORE Campsites - North Warning System

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

Madam Speaker, return to Written Question 17-12(5) asked by Mr. Patterson to the Minister of Renewable Resources concerning the award of clean-up contracts for CORE campsites - north warning system.

Laval Fortin Limited of Quebec has recently been awarded a contract to operate the federal CORE campsites during 1994 which will house construction workers at north warning sites in the Baffin region. The Department of Renewable Resources is not aware of any convictions or other legal actions relating to environmental damage for work undertaken by this company on Baffin Island.

Return To Written Question 18-12(5): Information on Each Business Taken Over By The NWT Development Corporation

Return to Written Question 18-12(5) asked by Mr. Lewis to the Minister of Economic Development and Tourism and the NWT Development Corporation concerning businesses taken over by the NWT Development Corporation.

The following majority owned Development Corporation companies acquired the assets and/or assumed operating responsibilities of existing operations:

1. Northern Forest Projects Ltd. (Hay River) was established by the Development Corporation. It is a forest products management company contracting for the supply of logs, milling of logs and sale of lumber. However, some of the rolling stock assets of that company were transferred to it from #933261, and more than half of its revenues originate from logs milled by #933261. #933261 Ltd, is a contract milling company located in Hay River and owns all of the milling assets of the former Patterson Enterprises Ltd.

Northern Forest Products is responsible for arranging for the sales of lumber produced by \$933261 (the Hay River mill).

It is expected that \$933261 in 1994 will produce about four to five million board feet of lumber, and it is expected that this company and Northern Forest Products will both enjoy small profits.

In 1994, these two companies will fund 25 full and part-time positions, and will likely expend some \$1.590 million on the payment of wages to NWT residents and the purchase of goods and services from NWT businesses.

2. Great Slave Lake Forest Products Ltd is based in Fort Resolution and is a contract lumber milling company. The Development Corporation entered into an agreement with Nuni Ye Forest Products that resulted in the transfer of the assets of Nuni Ye to Great Slave Lake Forest Products Ltd. Nuni Ye had been dormant for approximately eight years at the time.

Northern Forest Products will sell all of the lumber milled by this company.

It is expected that Great Slave Lake Forest Products in 1994 will produce 2.5 to 3.5 million board feet of lumber, and it is expected that this company will likely break even.

Fifteen to 20 full and part-time positions will be funded directly by the company in 1994, and the company will likely expend some \$821,000 on the payment of wages to NWT residents and the purchase of goods and services from NWT businesses.

3. #913044 (Fort McPherson Tent and Canvas Shop Ltd) was an Economic Development and Tourism (ED&T) managed enterprise prior to its transfer to the Development Corporation.

The company operates a small craft outlet and produced a variety of manufactured fabric products. It is forecasting production of 500 tents, 4,600 bags, 250 miscellaneous fabric products and some custom work (example, boat covers) in 1994. Arctic Canada Arts and Crafts Wholesale is the majority wholesale customer of this business.

This company is not forecasted to generate a profit in 1994.

In 1994, it is expected that this company will fund 22 full and part-time positions and will likely expend some \$560,000 on the payment of wages to NWT residents and

Page 758

the purchase of goods and services from NWT businesses.

4. Cumberland Sound Fisheries transferred its fish plant processing facilities to Pangnirtung Fisheries Ltd. at the time of the incorporation of Pangnirtung Fisheries.

Pangnirtung fisheries buy char from a variety of Baffin Island communities and turbot caught through the ice near Pangnirtung. It is expected that the plant will produce 300,000 to 400,000 pounds of finished turbot products and 25,000 to 40,000 pounds of Arctic char products in 1994. In addition, Pangnirtung Fisheries is involved in discussions that may result in the processing of summer caught turbot on a pilot project basis this year. It is not likely that more than 55,000 pounds of finished product would result from such a test project. This company is not forecasted to generate a profit in 1994.

Arctic Canada Foods arranges for the sale of virtually all of Pangnirtung Fisheries products.

In 1994, it is expected that this company will fund 37 full and part-time positions, and will likely expend some \$1.630 million on the payment of wages to the NWT residents and the purchase of goods and services from NWT businesses. This includes payments to some 100 fishermen.

5. Nahanni Butte General Store Ltd was an ED&T managed enterprise prior to its transfer to the Development Corporation. It is the only store in the community and sells a range of fresh products and dry goods to community residents. In addition, it provides a taxi service for community residents to other nearby communities and also operates a small water taxi service. This company is not forecasted to generate a profit in 1994.

In 1994, it is expected that this company will fund five full and part-time positions, and will likely expend some \$230,000 on the payment of wages to NWT residents and the purchase of goods and services from NWT businesses.

6. Acho Dene Native Crafts Ltd was an ED&T managed enterprise prior to its transfer to the Development Corporation. It generates a retail arts and crafts outlet and will purchase about 1,280 birch bark products and 830 moose hide products in 1994. This company is not forecasted to generate a profit this year.

The major wholesale buyer of its products is Arctic Canada Arts and Crafts Wholesale.

In 1994, it is expected that this company will fund three full and part-time positions and will likely expend some \$210,000 on the payments of wages to NWT residents and the purchase of goods and services from NWT businesses. This includes payments to approximately 42 cottage workers.

7. Rae Lakes General Store Ltd was an ED&T managed enterprise prior to its transfer to the Development Corporation. It is the only store in the community and sells a range of fresh products and dry goods to community residents. This company will likely break even or generate a small profit in 1994.

In 1994, it is expected that this company will fund six full and part-time positions and will likely expend some \$377,000 on the payment of wages to NWT residents and the purchase of goods and services from NWT businesses.

8. The Cambridge Bay HTA transferred its meat processing operation to Kitikmeot Foods Ltd. It is expected that in 1994, Kitikmeot Foods will produce 55,000 pounds of caribou and muskox products and 14,000 pounds of fish products. This company is not forecasted to generate a profit in 1994.

Arctic Canada Foods arranges for the majority of the sales of Kitikmeot Foods products.

In 1994, it is expected that this company will fund 12 full and part-time positions and will likely expend some \$258,000 on the payment of wages to NWT residents and the purchase of goods and services from NWT businesses. This includes payments to some 4 fishermen and hunters. The volume of production and the benefits generated by this company will rise somewhat if the current negotiations for the purchase of 200 to 300 muskox carcasses from Holman are successfully concluded.

It should also be noted that the Cambridge Co-op has agreed in principle to transfer its fish processing operations to Kitikmeot Foods. If this transaction is

completed, then in 1994 it is expected that there will be an additional \$530,000 of payments of wages to NWT residents and the purchases of goods and services from NWT businesses. These additional payments would include payments to some 20 additional fishermen.

9. Keewatin Meat and Fish Ltd acquired the fish processing operations in Rankin Inlet that were managed by ED&T as an enterprise. On takeover of the fish operations, steps were taken to broaden the product lines to include meat and fish from all Keewatin communities. The majority product of Keewatin Meat and Fish since its takeover is processed caribou.

It is expected that in 1994, Keewatin Meat and Fish will produce 69,600 pounds of caribou and 42,000 pounds of fish products. This company is not forecasted to generate a profit in 1994.

Arctic Canada Foods arranges for the majority of the sales of Keewatin Meat and Fish products.

In 1994, it is expected that this company will fund 25 full and part-time positions and will likely expend some \$280,000 on the payment of wages to NWT residents and the purchase of goods and services from NWT businesses. This includes payments to some 66 fishermen and hunters.

## Page 759

10. Uqqurmiut Arts and Crafts (1993) Ltd recently began operating the Uqqurmiut Centre. The major products of the centre are tapestries, prints, signage and woolen products. In addition, the operation runs a small arts and crafts retail outlet.

Arctic Canada Arts and Crafts Wholesale will arrange for the sale of some of the Uqqurmiut products in 1994, and the balance will be sold by Uqqurmiut Arts and Crafts Ltd.

In 1994, it is expected that this company will fund 25 full and part-time positions and will likely expend some \$580,000 on the payments of wages to NWT residents and the purchase of goods and services from NWT businesses. This includes payments to some 35 cottage workers.

Return To Written Question 19-12(5): Operating Guidelines For The NWT Development Corporation

Return to Written Question 19-12(5) asked by Mr. Patterson to the Minister of Economic Development

and Tourism and the NWT Development Corporation concerning the operating guidelines for the NWT Development Corporation concerning the operating guidelines for the NWT Development Corporation.

The objectives, mandate, terms of reference and policy guidelines for the NWT Development Corporation are contained in the Northwest Territories Development Corporation Act, by-law No. 1, the existing corporate plan, the investment guidelines and a public hand-out describing the operations and objectives of the NWT Development Corporation. These documents have been provided under separate cover to the honourable Member.

#### **MADAM SPEAKER:**

Thank you. Item 8, replies to opening address. Item 9, petitions. Mr. Clerk. Item 10, reports of standing and special committees. Item 11, reports of committees on the review of bills. Item 12, tabling of documents. The honourable Member for Baffin Central, Ms. Mike.

ITEM 12: TABLING OF DOCUMENTS

## **HON. REBECCA MIKE:**

Thank you, Madam Speaker. I wish to table the following document. Tabled Document 47-12(5), guidelines for allocating staff accommodation.

#### MADAM SPEAKER:

Item 12, tabling of documents. Mr. Clerk.

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

Madam Speaker, pursuant to rule 57(10), I wish to table Tabled Document 48-12(5), a response to Petition 5-12(5), presented by Mr. Dent and responded to by the Premier, concerning summary of specific recommendations, Special Committee on Health and Social Services.

#### **MADAM SPEAKER:**

Thank you. Item 12, tabling of documents. Item 13, notices of motion. Item 14, notices of motions for first reading of bills. The honourable Member for Hay River, Mr. Pollard.

ITEM 14: NOTICES OF MOTIONS

FOR FIRST READING OF BILLS

Bill 18: Write-Off Of Debts Act. 1993-94

## HON. JOHN POLLARD:

Thank you, Madam Speaker. Good afternoon. Madam Speaker, I give notice that on Thursday, March 24, 1994, I shall move that Bill 18, Write-Off Of Debts Act, 1993-94, be read for the first time. Thank you, Madam Speaker.

#### MADAM SPEAKER:

Thank you. Item 14, notices of motions for first reading of bills. The honourable Member for Hay River, Mr. Pollard.

Bill 19: An Act To Amend The Tobacco Tax Act

## HON. JOHN POLLARD:

Thank you, Madam Speaker. Madam Speaker, I give notice that on Thursday, March 24, 1994, I shall move that Bill 19, An Act To Amend The Tobacco Tax Act, be read for the first time. Thank you, Madam Speaker.

## **MADAM SPEAKER:**

Thank you. Item 14, notices of motions for first reading of bills. Item 15, motions. Recognizing that the honourable Member for Deh Cho, Mr. Gargan, is not in the House, Motion 23-12(5) will drop from the order paper. 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; Committee Report 2-12(5), Report of the Review of the 1994-95 Main Estimates; Tabled Document 1-12(5), Towards an NWT Mineral Strategy; Tabled Document 2-12(5), Building and Learning Strategy; Tabled Document 34-12(5), Tradition and Change, A Strategy for Renewable Resource Development in the NWT, February 1994, with Mr. Lewis in the chair.

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

## CHAIRMAN (Mr. Lewis):

I would like to call the committee to order. What is the wish of the committee? Mr. Ningark.

## MR. NINGARK:

Thank you. I would like to suggest, Mr. Chairman, that we do the Department of Economic Development

and Tourism and, if we're able to conclude that, Energy, Mines and Petroleum Resources. Following that, we would like to deal with the Workers' Compensation Board, in that order. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, very much, Mr. Ningark. Are we agreed?

## SOME HON. MEMBERS:

Agreed.

---Agreed

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

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

#### CHAIRMAN (Mr. Lewis):

The Minister for Economic Development and Tourism, do you have any opening remarks

Page 760

for the committee?

Department Of Economic Development And Tourism

Introductory Remarks

#### HON. JOHN TODD:

Thank you, Mr. Chairman. To carry out with the department's mandate in the 1994-95 fiscal year, the government has budgeted just over \$34 million, that's an eight per cent increase over last year's budget as a result of forced growth. Of this amount, 86 per cent is targeted directly to programs and program delivery, and 14 per cent is allocated to general management and program support.

As I've indicated on other occasions, in order to effectively meet the needs of the residents of the Northwest Territories and to get more for each dollar spent, the department has reorganized and streamlined. New management techniques have been introduced, funding application procedures have been simplified, divisions performing similar functions have been consolidated, and program implementation and decision-making responsibilities have been decentralized to the regions.

Departmental activities must be linked to the best economic opportunities at the local and regional levels. To this end, the Standing Committee on Finance has recommended that the department provide economic planning leadership and support to communities and regions, as required. We are responding to this recommendation. Staff are meeting with local councils, regional organizations and business groups to review the current initiatives and to seek advice and recommendations on future activities. Formal planning exercises will be undertaken in all regions during the coming fiscal year. In addition, more emphasis is being placed on cost-benefit analyses to help identify the best opportunities and to ensure we are getting the most for our money.

The department is continuing on the course established in the 1990 economic strategy. Emphasis on the development of small business as a means of job creation will continue. Every community has highly-skilled individuals in traditional pursuits: hunting, fishing and the production of arts and crafts. People with these skills tend to live in communities where opportunities for employment are few. The department, as well as the Northwest Territories Development Corporation will continue to focus on these sectors of the economy, in order to generate employment and create income opportunities where they are most needed.

Efforts to increase the level of self-sufficiency of NWT residents will continue for the development of food production capacity and by encouraging the development of the service businesses to meet the needs of residents and to cater to tourists. By using northern firms and products, we will be keeping our money circulating in the northern economy. We will continue to encourage the sustainable commercial harvest of muskox, caribou and fish and to undertake marketing initiatives for Arctic foods.

To support these initiatives, and on the advice of Members of this House, work has been initiated towards a policy on the use of northern foods in government institutions. Food represents a significant portion of the NWT's imports. In addition to developing the Arctic foods sector, agricultural growth will also be encouraged. To guide the development of the industry, an agricultural development policy will be developed.

Tourists are another renewable resource that must be nurtured. Generally speaking, tourists are an ideal resource. They leave behind their money and they take home only memories, pictures and souvenirs. Tourists do little to damage the environment or the

cultures. They come to see. We must have attractions and potential visitors must know about them. A new tourist marketing strategy has been finalized and will be implemented in the coming fiscal year.

Marketing activities will be fine tuned to help us compete in this highly competitive market and also recognize the differences between tourist products in Nunavut and in the west. We have different products to sell in each area and to better promote these products, we will develop distinct marketing activities for each part of the Northwest Territories.

With respect to parks, at the request of the Standing Committee on Finance, work on a parks policy has been undertaken to provide direction for future park development. In addition, in response to the committee, the department has started to look at the cost-benefits of parks development. As work on the parks policy is proceeding, maintenance and renovation work on already existing parks will be carried out. A management plan has been developed for facilities already approved and some long-range planning will be undertaken, but no new parks will be approved.

The market for NWT-produced art is soft because of the recession. International marketing efforts are needed to offset this lack of growth in the domestic economy. To promote NWT arts and crafts, the department will publish new promotional booklets and will work closely with the NWT Development Corporation to develop projects to encourage the production of quality craft products, the development of markets, and the establishment of effective distribution networks. Marketing plans for Europe and the United States have been developed. The department has established the wholesalers support program to assist with exporting initiatives and will organize wholesaler meetings to better coordinate plans.

The business development fund was designed to meet the needs of more sophisticated small businesses in the Northwest Territories. To meet the needs of very small businesses, the department has designed a new program to assist the little guy who wishes to start up or expand a micro-business. The new

## Page 761

grants to small business policy recognizes the significant contributions that micro-businesses make

to community economies. The program is specifically designed for artists, crafts people and commercial renewable resource harvesters.

Business opportunities have to be taken up when they arise or they will be lost. In order to speed up the funding process, applications are now being considered in regional offices as opposed to being sent to Yellowknife for review. Regional superintendents have authority to approve business development fund contributions up to \$250,000.

#### ---Applause

Thank you, thank you, thank you. Changes have also been made by the Business Credit Corporation to improve services to clients requesting loans. Loans up to \$200,000 can now be approved at the regional level.

## AN HON. MEMBER:

Hear, hear.

## HON. JOHN TODD:

This means that most applications for funding assistance can be approved and processed in the regions. Regional staff are more knowledgeable of the local economic environment and have a better understanding of local aspirations and needs. With these changes, clients can expect a much quicker response to their applications for financial assistance.

The Standing Committee on Finance has expressed some reservations with the decentralization of authority to the regional level. I can assure this House that measures are being taken to give regional staff the tools required to meet the new responsibilities. Person years and associated funding is being transferred to regional offices from headquarters. In addition, training will be provided to the staff to ensure that clients are served in a professional and expert manner.

As the department's new senior management committee includes all regional superintendents, I am confident that the programs and policies will be administered with more consistency across the territories and with greater accountability than has been the case in the past.

In conclusion, Mr. Chairman, we are responding to the directions of this House and to the concerns raised by the business community, and we expect to see further improvements in the coming year. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Todd. I was asked by a Member to recognize two members who were in the gallery, but who have now left and did not want to interrupt Mr. Todd in the middle of his presentation. They were John Amagoalik, chief commissioner of the Nunavut Implementation Commission, and Simon Awa, executive director of the Nunavut Implementation Commission. I am sure we would all like to welcome them and appreciate their visit to our Assembly building.

#### ---Applause

Mr. Antoine from the Standing Committee on Finance.

Standing Committee On Finance Comments

#### MR. ANTOINE:

Thank you, Mr. Chairman. On behalf of the Standing Committee on Finance, we have a statement here in response to Economic Development and Tourism. The Department of Economic Development and Tourism has long had a reputation of being overly bureaucratic and centralized. This has caused frustration in the northern business community. However, recent movements by the department have started to reverse that trend, which the committee sees as a positive sign. Recent changes to devolve authority should go a long way to making the department and its programs more accessible to northerners.

#### Devolution

However, with this devolution of authority comes risk. Now that the regional superintendents and regional planners have greater granting and lending authority, they will require training and support to wield that authority in the most effective manner. With devolved decision-making comes a greater need to ensure adequate training of the ED&T staff in the communities and to ensure more consistency and accountability in the application of the department's policies. Committee Members will be watching to see that the mechanisms required to ensure proper accountability are being implemented.

Further, the granting of more responsibility and authority to individual ED&T employees in the communities could create new stresses in their

relationship with community members. With a significant change in the role that the employees play in the community, will come a shift in how that individual is perceived in the community. With fewer "levels of appeal", the role that the employee plays in making opportunities available to community members becomes even more critical. Increasing an employee's responsibility and authority could become a major problem in communities where the employee has not earned the respect and trust of community members

While the department said that decision-making has been devolved, the committee did not see a corresponding shift of support resources to the regions. Regional employees will undoubtedly require supplementary resources in order to carry out additional responsibilities. Committee Members would like to see this issue addressed by the department.

#### **Small Business Ventures**

Committee Members feel strongly that the support of small business ventures is a key element in developing a strong economy in the Northwest Territories. Government support of and investment in small businesses or "cottage" industries will produce more jobs per dollar and will greatly enhance a more equitable distribution of economic opportunities throughout the territories.

The department should make every effort to demonstrate their appreciation for and understanding of the role of small business in our economy, especially in job creation. The development and support of small business ventures, particularly aboriginal businesses, should be encouraged everywhere in the territories, including the larger centres. Current policies tend to discriminate against aboriginal

## Page 762

individuals who live in larger centres. This unintended discrimination is based on the assumption that larger centres provide more opportunities for business development. However, the department should recognize and address the fact that need and opportunity should be assessed on an individual basis and not on the size or classification of the community.

Members suggested that the department take an active role in assisting communities to develop specific capabilities - for example, various forms of

arts and crafts - and to identify appropriate marketing opportunities. Small business ventures that require a consumer market larger than what currently exists in their home community should be provided assistance to identify and assess viable marketing opportunities in other communities or regions.

## **Tourism Zones**

One of the committee's major concerns was about the effectiveness of tourism zone concepts. There is a perception that planning and decision-making in some of the zones is dominated by a few individuals from larger communities and by tourism operators, many of whom reside outside the territories. Smaller communities in a given zone are not heard or taken into account. The committee feels that it could be appropriate for the department to make funding to the various zones' associations contingent upon the guarantee of appropriate representation from all communities within each tourism zone.

#### Recommendation 7

The committee recommends that the Department of Economic Development and Tourism consider ways to encourage adequate representation of all communities within a tourism zone in its zone association.

#### Secondment

One specific issue which brought concern to the committee was that of a long-term secondment of a GNWT employee in Rankin Inlet to Piruqsaijit. This secondment was...

## AN HON. MEMBER:

(Microphone turned off)

## MR. ANTOINE:

Yes, that's exactly what I said.

## ---Laughter

This secondment was continued over a number of years at the government's expense. However, the current policy regarding secondment clearly states that the receiving organization usually pays the full costs associated with the secondment. This is from the Human Resource Manual, section 1407, page two.

## Recommendation 8

With reference to Piruqsaijit, the committee recommends that the Department of Economic Development and Tourism provide a complete justification for the continuation of this secondment and an assessment of compliance with government policy. This report should be provided to the Standing Committee on Finance prior to the review of the Department of Economic Development and Tourism's budget in committee of the whole.

Committee Members believe that the idea of seconding a trained government employee to a new business for a short period of time has merit. If the government wishes to continue this practice of promoting secondment, then policies and guidelines should be in place to ensure that equal opportunities exist across the territories.

#### Recommendation 9

The committee recommends that the Department of Economic Development and Tourism consider and develop a policy for secondment of government employees in new business ventures and provide the Standing Committee on Finance with a draft policy by May 31, 1994.

## **NWT** Development Corporation

The Minister responsible for the Development Corporation made it very clear that the top priority for the corporation is job creation. The committee fully supports this position and encourages the Development Corporation to continue to create as many jobs as possible for northerners.

Committee Members feel that the Development Corporation can enhance its performance in job creation by focusing on identifying and supporting small business opportunities. To date, the Development Corporation has supported the development of a few large initiatives in a few regions and communities. While the Development Corporation has \$6 million in capital in place for the fiscal year 1994-95, only about \$600,000 of this amount has not been committed to ongoing projects. Most of the large projects are concentrated in one region. There is concern about this approach creating economic disparity among regions and communities.

In addition, the committee feels that by adopting a strategy to focus on small business opportunities, the Development Corporation can be more cost-effective. The cost per job created will be reduced and the opportunities for individuals increased.

#### Recommendation 10

That concludes the Standing Committee on Finance report, Mr. Chairman. Shall I get right into the motions?

## CHAIRMAN (Mr. Lewis):

Mr. Antoine, that concludes your report. Is the committee ready to go into motions?

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

Page 763

## CHAIRMAN (Mr. Lewis):

Mr. Antoine.

Committee Motion 28-12(5): To Adopt Recommendation 7, Carried

#### MR. ANTOINE:

I move that the committee recommends that the Department of Economic Development and Tourism consider ways to encourage adequate representation of all communities within a tourism zone in the zone association.

## CHAIRMAN (Mr. Lewis):

The motion is in order. To the motion.

## AN HON. MEMBER:

Question.

## CHAIRMAN (Mr. Lewis):

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

---Carried

Mr. Antoine.

Committee Motion 29-12(5): To Adopt Recommendation 8, Carried

## MR. ANTOINE:

Thank you. I move that the committee recommends that, with reference to Piruqsaijit, the Department of

Economic Development and Tourism provide a complete justification for the continuation of this secondment and an assessment of compliance with government policy. This report should be provided to the Standing Committee on Finance prior to the review of the Department of Economic Development and Tourism's budget in committee of the whole.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. The motion is in order. To the motion.

## AN HON. MEMBER:

Question.

## CHAIRMAN (Mr. Lewis):

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

#### ---Carried

Committee Motion 30-12(5): To Adopt Recommendation 9, Carried

## MR. ANTOINE:

Thank you, Mr. Chairman. I move that the committee recommends that the Department of Economic Development and Tourism consider and develop a policy for secondment of government employees in new business ventures and provide the Standing Committee on Finance with a draft policy by May 31, 1994.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. The motion is in order. To the motion.

#### AN HON. MEMBER:

Question.

## CHAIRMAN (Mr. Lewis):

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

## ---Carried

Mr. Antoine.

Committee Motion 31-12(5): To Adopt Recommendation 10, Carried

## MR. ANTOINE:

Thank you, Mr. Chairman. I move that the committee recommends that the Development Corporation focus on smaller ventures, and on a wider distribution of its limited resources, thereby ensuring a more equitable distribution of economic support and job creation across the NWT. The committee recommends, further, that the corporation present a plan, which incorporates this recommendation, with its 1995-96 capital estimates. Mahsi.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. The motion is in order. To the motion.

#### AN HON. MEMBER:

Question.

## CHAIRMAN (Mr. Lewis):

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

#### ---Carried

That concludes the report of the Standing Committee on Finance and also the motions. We're on page 17-11, program summary, of the main estimates. General comments. Mr. Ningark.

General Comments

## MR. NINGARK:

Thank you, Mr. Chairman. Mr. Chairman, we in the Natilikmiot region, consisting of Pelly Bay, Gjoa Haven and Taloyoak, have had problems trying to retain economic development officers. They have a habit of only staying a couple of years in Taloyoak. I'm not saying this is the fault of the previous Ministers or the present Minister. I don't know what the problem is. Maybe the job is not attractive enough, I don't know.

The Kitikmeot Inuit Association, together with CEDOs has a plan to administer and manage the economic development officer position and the PY in Taloyoak. A formal request was made to the honourable Minister of Economic Development. I was very privileged to be at that meeting. The Minister has indicated to me that, if this is the wish of the members of that community, that he would comply. I know the KIA and CEDOs have worked very, very hard. They

have put a tremendous amount of time and effort into this plan. I know it will work because this is coming from the community and the hamlet council of that community has also given their support to the initiative. The incentive is coming from the community and I know the Minister is in support of this initiative.

Mr. Chairman, I hope, at some time in the future, once we deal with the matter in Taloyoak, that we will finally be able to get an economic development officer for my community of Pelly Bay. There was request made about a year ago. I think there was a misunderstanding. People thought I was not supporting the community of Pelly Bay to get an economic development officer PY in that community.

Mr. Chairman, I know the regional superintendent, Mr. John McGrath, has worked very hard for that region, but he does not

## Page 764

have all the resources and means to do the things he wanted to do and what the people want. But, hopefully, with this new initiative in Taloyoak, we will be able to help the community and the individual who lives in that area to develop some ways and means to get economic activity finally going in that side of the Kitikmeot region.

I know Mr. Kelvin Ng, my colleague, is in support of whatever economic development we can initiate in that region. I'm very thankful for that, he is a Member I can work with. It is very comfortable to work with Mr. Kelvin Ng. The only difference we have is that there are too many government departments and programs in his area. I hope some of those will be transferring to part of my area. I know he and I can work over that some day soon.

Mr. Chairman, Gjoa Haven is in the process of starting a community development corporation. We all know that the community development corporation's priority is to hire and train local people. We know that the money stays in the community whenever there is a community economic development corporation initiated by the community.

I also have one in Taloyoak who want to start up their own community development by renting office space and some accommodation to the government staff. In most small communities, the only means of income coming to the community is usually the staff of this jurisdiction. I hope that the Minister will be sensitive to the people who want to start a community

development corporation in any given area, especially when the community has a proposal to provide office space to government staff within the community. I know the system. The government is in the process of getting rid of all the government staff houses, and I hope, given that, they will also want to rent office space from the community development corporation.

In conclusion, I know that the Minister has lived in the eastern Arctic for many years and he has been a proponent of community development corporations, community hire and government buying from the community. I know he has worked very hard since taking over the portfolio as the Economic Development and Tourism Minister, and I know he will continue to do that. I have every confidence in the Minister. Thank you very much, Mr. Chairman.

#### CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Ningark. We are on page 17-11. It is your call if you want to have any witnesses to help you, Mr. Todd, but we are on general comments. Would you like to?

#### HON. JOHN TODD:

It may be appropriate, if it is okay with the ordinary Members, that I ask Mr. Bailey to come forward.

## CHAIRMAN (Mr. Lewis):

Mr. Todd would like to have Mr. Bailey as staff at the witness table. Agreed?

## SOME HON. MEMBERS:

Agreed.

---Agreed

## CHAIRMAN (Mr. Lewis):

Sergeant-at-Arms, would you help the witness to the table, please? Thank you. For the record, then, identify the gentleman to your right, please, for us.

## HON. JOHN TODD:

Thank you, Mr. Chairman. On my immediate right is Mr. Roland Bailey who is the deputy minister of Economic Development and Tourism. Thank you.

## CHAIRMAN (Mr. Lewis):

Mr. Ningark made some general comments. Would you like to respond to his comments?

## HON. JOHN TODD:

No, not at this time.

## CHAIRMAN (Mr. Lewis):

General comments. Mr. Patterson.

#### MR. PATTERSON:

Mr. Chairman, I will start off with the good things, as I usually do. I just want to reiterate, because I have close dealings with the superintendent and some staff members of the department in Baffin, which is headquartered in my riding, that the significant breakthrough made by Mr. Todd, with the full support of his deputy, I know, in devolving authority to the regions has made an enormous impact, I believe, on the morale of regional staff. I have said before in this House that it seemed like they had to get permission from Yellowknife to go to the bathroom in Baffin in the past, and now it is completely different.

I know a bit about the dynamics of government organizations. I suspect there was a touch of reluctance on the part of some of the able bureaucrats in headquarters in the department about this change, and they will be closely monitoring the situation.

But I want to say that it has given a new lease on life, in my view, to the staff in my region, and it has given my constituents and others in the Baffin region a real ability to get things done with less delay. So I want to commend the department again for this change. I think it's working well, and I sense some new energy and enthusiasm in the department that is very positive.

Sure, there are some down sides and some areas that have to be watched, with this change. I endorse the standing committee's observation that adequate support needs to be provided to the regional staff so the superintendents and others can undertake these new responsibilities. The Minister may have a comment on that. I know this is a new change and there may be some realignments still required to provide that support.

I have also noted the concern that, in some regions, staff may be marching to a little different drum than the constituents and the MLAs. I think that is a problem that is easily dealt with. In my opinion and my experience, the quickest way to deal with a problem of that kind is to approach Mr. Todd or Mr. Bailey or the particular staff member in question. I

have found they have been responsive to MLAs' concerns, and I don't think that's a situation that Mr. Todd would knowingly neglect if an official was not responding appropriately to the political winds blowing in a constituency. So I think that is undoubtedly a danger, or I think it is a problem that can be addressed.

I want to say, without being too lavish in my praise, that, in my view, the superintendent and staff in the Baffin region have the confidence of myself and, by and large, of the people who have to deal with them. It is sometimes a tough job because there are limits on dollars and programs, but I think they have good credibility and good relations with the department in the region.

## Page 765

I am pleased that Qikiqtaaluk Corporation and Kakivak Association have now got a very much improved and close working relationship with the department in the region. I think this is critical as we plan the implementation of Nunavut and the development initiatives that will flow from the land claims.

I also want to commend the department for having made it possible for the establishment of a regional economic planning position in the Baffin. I think that, with the Baffin MLAs and mayors, we are now working actively with the Baffin Region Inuit Association and Qikiqtaaluk Corporation and other concerned agencies to develop a Baffin economic strategy. It will be made in Baffin, it will be appropriate to the region, it's off and running and will lead to, I am sure, the best utilization of resources in the region.

So all of these are good things, and I don't need to reiterate my support for tourism and parks. I am glad it's staying in the department, and I am very excited about the development of the Auyuittuq Park, which borders on my riding and that of Mr. Pudlat and has already had measurable economic benefits to both constituencies, perhaps, particularly, the community of Lake Harbour. I welcome the cost-benefit analysis that the Minister has proposed to undertake. I think it will give us measurable evidence that an investment in parks is an investment in jobs and economic opportunities in our region, at least.

I want to say that I was a bit concerned about the Minister's assertion that there's a freeze on new park development, if I understood him correctly. I hope

that won't prevent some orderly planning to be done in the region, because I think that where communities come up with good ideas for park development I wouldn't want to see the department say they won't get supported. Tourism is on the move in Baffin, and I'm sure it's our priority. It may not be a priority in other regions, I don't want to speak for other regions. But in the Baffin, I think our recent leadership meeting in January, affirmed this. Tourism is a priority in the whole region and I would hope that the department will respond by supporting communities that have ideas for parks.

There is one developing in my constituency, in the fabulous Patsialluq region on south Frobisher Bay, a natural opportunity to fishing, skiing, snowmobiling, hiking, naturalists, and the Inuit of the outpost camp in that region have begun to form a venture and have begun to talk about tourism development. I would hope that the department would be able to respond and give them support to carry that idea further.

Now, Mr. Chairman, I turn to a difficult issue, but I do want to raise it and I want to raise it in an open fashion. With due respect to the success that we've had in the fishery in Baffin, particularly in Pangnirtung, and the priority that the department has given through the Development Corporation and through the departmental officials, I still want to say that I think we should take a good look at the Pangnirtung fishery to see what lessons we can learn as we plan to develop other fisheries in the Baffin region and in other regions of the Northwest Territories. I've talked already in this House about the dangers of over subsidizing and over capitalizing. I'm not going to jump to the conclusion that this is the case in Pangnirtung, but I think we should take a close look at the situation and decide for ourselves whether government support has been appropriate to the kind of small scale, in-shore, small business development that we want to encourage in the region.

Since I see Ms. Mike is squirming a little bit, I'll pose some questions that I think we should all want to have answered. I want to assure the Member and her constituents, that I want to see a policy-based discussed occur about how the Development Corporation -- which is quite new -- provides assistance to communities, and how the Development Corporation's policies ensure that there will be a long-term viability in the fishery.

I have a few questions and I'll save them for the detail, Mr. Chairman, but I have a few questions about things like market disruption which is an issue with a

constituent company which feels that in some areas they have been unfairly competed with through Development Corporation dollars. I would like to ask some questions about the adequacy of the resource and whether we may have, perhaps, been premature in investing heavy capital facilities on a fishery that I understand is still exploratory, without knowing that there is a long-term sustainable harvest available in that fishery.

Mr. Chairman, I have these questions and I'm going to ask them in as open-minded a way as I can. I would also like to say that I think it would be appropriate for some MLAs to take a look at the Pangnirtung fishery. I talked to Johnny Mike, the chairman of the Pangnirtung Fisheries, and he has invited me to go and see for myself. I've known him for many years and I know many of the people involved in that fishery, so I'm going to take him up on that offer with, I'm sure, the support of the Member for Baffin Central, to take a look and see for myself because we all want this to work. We want it to be a success. We want it to be viable. We want there to be competition in the fishery in the Baffin region. We want it to be a success. So, it's in that spirit, Mr. Chairman, that I'll be asking some questions. And hopefully, later on this spring, paying a visit to the Pangnirtung fishery to look at the new plant and to look at the whole situation with a view to seeing what lessons we can learn, what's been done right, perhaps what we might want to do differently in future as we develop the fishery in the Keewatin and the Kitikmeot and other parts of Baffin.

So I hope no one will feel threatened by these enquiries. They are intended to be constructive, and intended to promote a viable fishery, rather than one that's doomed to government subsidy forever and ultimate failure. That's my concern, Mr. Chairman. Thank you very much.

## CHAIRMAN (Mr. Lewis):

Thank you very much, Mr. Patterson. Those were general comments on page 17-11. Anybody else for general comments? Mr. Pudlat.

## MR. PUDLAT:

(Translation) Thank you, Mr. Chairman. First of all, I would like to thank the Minister of Economic Development. We have worked very well with him with regard to economic development in my region, especially in Cape Dorset and Lake Harbour. I would

like to thank him very much, and commend him as a Minister that he has helped us in my region very well.

Dennis stated earlier, the Baffin fisheries are concerned. I have also visited them with regard to economic development in my region. I have seen a lot of very good initiatives started by the

## Page 766

Economic Development people. But, there are some concerns with the fact that if there are too many government subsidies at one time, it might come down. But at this time, it's moving along smoothly.

As well, I have heard about this concern in Iqaluit. But I haven't heard people expressing concern in Lake Harbour or Cape Dorset. They are trying to get some control over economic development prospects in their region, too. I know that other communities are interested in developing fisheries. That's the first part I would like to commend the Minister of Economic Development for that purpose.

We already know in the past that the communities were not aware of what was possible in the way of economic development in their region. Now, people are starting to realize that they are capable of making their own viable economy in their own region. The fact that people are aware -- in every community I'm sure there is not an economic development officer -but people seem to be more enthusiastic towards the possibilities in their own region. For that purpose, I would like the Minister of Economic Development and Tourism to tell me if there are economic development officers in every region. That helps out in making people realize they are capable of independent planning on economic development issues. Maybe it is not so much of a concern in larger communities, but in smaller communities having jobs and economic possibilities is a concern. The education part of economic development possibilities is very important in smaller communities so they can start depending on their own resources and know how to operate a business viably and to operate industries in a viable fashion. People who are working for themselves, the cottage industry part of the economy, as well as working on tourism and training host communities where there are parks.

In Pangnirtung, there has been a visitors' centre for a long time. Could we possibly find out how we can acquire a visitors' centre the same way Pangnirtung has? This is with regard to my own region. Have you made any plans to set up a visitors' centre? Do we

have to have cooperation from other communities to have a visitors' centre in our region? Not necessarily the same way other communities have them, but have them made for local parks areas where people visit and have information available to them in the region. I am probably talking too much. Those are some of the areas I would like to have answers to. I haven't read all of the economic development possibilities. Are there other things we can look forward to in our region for economic development purposes? Not just the tourism aspect, but the educational part of the development. Is there anything being planned for the communities or the public on how they can acquire applications for funding from different sources? Can there be a public education program? Thank you, Mr. Chairman.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Pudlat. Mr. Todd.

## HON. JOHN TODD:

On the two issues of the visitors' centre and parks facilities, I want to assure the honourable Member that there is a significant amount of money being spent on park development. As part of our overall strategy of developing this park, there will be some kind of visitors' centre/parks facility in that area. The department is working on that as part of their overall plan in terms of developing this park. I am pleased to hear that it has been very successful in attracting people into the area.

On the concern about our ability to advise the public of our programs, we are going to move forward on a much more aggressive campaign in the communities, specifically with respect to the fact that we have increased the regional authority. I know we have said that and people are tired of hearing that, but we have moved that regional authority out there. As part of moving that authority, there is also going to be a campaign to advise the community-at-large, small businesses, et cetera, about the new programs. That should help in letting people know, in the honourable Member's riding, about what is available for small and large businesses. Thank you.

## CHAIRMAN (Mr. Lewis):

General comments. Can we go into detail? Agreed?

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

Line By Line

Directorate

## CHAIRMAN (Mr. Lewis):

Page 17-12, directorate, \$2.869 million, O and M. Agreed?

## SOME HON. MEMBERS:

Agreed.

---Agreed

Policy And Planning

## CHAIRMAN (Mr. Lewis):

Policy and planning, \$678,000, O and M.

## SOME HON. MEMBERS:

Agreed.

---Agreed

## CHAIRMAN (Mr. Lewis):

Mr. Patterson.

## MR. PATTERSON:

Mr. Chairman, I am not sure if this is the place to ask this, but could I get an idea of where his planning is going with regard to tanneries and the processing of fur in the Northwest Territories? It has been talked about for years. This Minister is a man of action. Can we get a feeling for the plans in that field?

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

## HON. JOHN TODD:

Thank you, Mr. Chairman. My colleague knows there were some problems with the tannery in Broughton Island. I think it was environmental concerns and serious ones. We are addressing those. Hopefully, we will solve those problems very soon. We did put a small micro-tannery into the community of Whale Cove. It was done for under \$50,000 because we managed to find an old building. There is some

development taking place in the west in North Slave. There has been some review done with respect to the

## Page 767

possibility of a tannery in the Inuvik area because of the muskrats and the fur there. I am a strong proponent of trying to get greater utilization out of resources that, historically, we have only used for domestic consumption. I think, provided we do these things carefully, that they are environmentally sound, we can increase the dollars or the economic components to our renewable resources. It is a priority of the department. It is part and parcel of what we are doing, for example, with the caribou in the meat processing plants. We are trying to utilize the skins.

I have said it many times, if you look back, historically, we only got one hit with the caribou. It was used for domestic consumption by hunters and people in the communities. Now we are getting four. We are paying the hunter for shooting the caribou, we process it in a plant, we take the skin and put it in a tanner, then we take the tanned skin and put it in an arts and crafts facility. That is four hits that we haven't had before. It is part of an integrated plan to get greater utilization of a renewable resource. It is a priority. But we have to be extremely careful that we do this in an environmentally sound way.

## CHAIRMAN (Mr. Lewis):

Mr. Patterson.

## MR. PATTERSON:

Thank you, Mr. Chairman. Mr. Chairman, there is a lot of concern about the anti-fur sentiments in Europe. It is a very difficult battle that we have faced for some years. I know there is a project initiated by the private sector in Pangnirtung to sell seal leather to Japan. I think there is a sizable number of seal pelts being harvested in Pangnirtung for sale to Japan. I would like to ask the Minister his views on, with or without a European ban on leg hold trapped fur, which we all hope won't happen.

Setting aside that major European issue, I would like to ask the Minister, is there not another market in Asia where -- I understand from my visit to Japan -- there seems to be a much more positive attitude towards the harvest of renewable resources, marine mammals and the use of not just meat and body parts, but leather and fur? Has this department looked into the

Asian market, or will the department be looking into that market for seal leather and other marine products, apart from whether we win or lose battles in Europe? Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Patterson. Mr. Todd.

## HON. JOHN TODD:

Thank you, Mr. Chairman. There is the old saying, great minds think alike -- of course, the come back is fools seldom differ -- and I believe there is a market in Asia. I've spent some time there myself when I was in private life. We are going to be having discussions with the Newfoundland government about what they are doing with respect to seals, for example. I think there is a tremendous effort under way by former Ministers of Renewable Resources and present Ministers at the European level but, quite frankly, there has been very little effort done with regard to the Asian market.

We are moving forward on that initiative, to take a look at what opportunities may unfold. Madam Premier has indicated that, in discussions with the Premier from BC, he has offered that we tag on to some of their trade commissions. They are very active in the Asian marketplace, particularly in Hong Kong and Japan. I'm optimistic. At least from the Department of Economic Development's perspective, I think we'll be able to shift some of the commercial focus -- and I stress commercial focus, because that's our role -- to those markets. In an effort to try to save money and time, we're going to try to work in cooperation with both the Newfoundland government and the Government of BC, who already have experience in that area. Hopefully, we'll be able to move quickly with a strategy.

As we all know, in Toronto there was a Globe and Mail two-page ad about -- am I allowed to use the word? -- seal penises. It was a coincidence that I sat with Mr. Wells, the Premier from Newfoundland, who of course, I admire and we were talking about the whole issue. Basically, his position was he has 30,000 people unemployed and he has to find a way to get greater uses from renewable resources. I view renewable resources in exactly the same way. We've simply got to get more economic benefits from them. They are resources, particularly the seals in the eastern Arctic, that have historically been very beneficial to our harvesters.

There will be a shift. We will explore the commercial potential for renewable resources, whether it is muskox from Banks Island, seals from Broughton Island, or wherever. Hopefully, in the coming three or four months, we will have some indication if there are any opportunities in the Asia area. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you. Mr. Patterson.

## MR. PATTERSON:

I would just like to simply say, Mr. Chairman, that I'm delighted to hear of the Minister's commitments to move in this area. It has my full support and I think that this is an area where we can get positive results in a huge and growing Asian economy. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Patterson. We are still on policy and planning, page 17-13. Mr. Ng, did you want to say something?

#### MR. NG:

Thank you, Mr. Chairman. Just a general question regarding economic planning and analysis. I understand that the department has economic analysts in each region except for the Kitikmeot. Is that correct? I just want to get some clarification on the status of those positions.

#### CHAIRMAN (Mr. Lewis):

Mr. Todd.

## HON. JOHN TODD:

If it is okay, I will ask Mr. Bailey to answer that question. He's involved in the reorganization of the department on an intimate level.

## CHAIRMAN (Mr. Lewis):

Mr. Bailey.

#### MR. BAILEY:

As a result of the reorganization, some of the bigger regions will be positioning economic planners. Inuvik, for example, is going to take one of their positions and turn it into a planning position. Baffin is going to do that. The other position that we are transferring out to the regions will be application assessors. As part of the reorganization, we're increasing the staffing

component in the planning unit at headquarters and we'll have three planners here, two that will travel to the regions and work with the regions.

## CHAIRMAN (Mr. Lewis):

Thank you. Mr. Ng.

Page 768

## MR. NG:

With the decentralization of some of the decisionmaking out to the regions -- and theoretically, that makes it more accessible for clients to access programs which will in turn generate increased workload, program demands, funding applications and that type of thing -- wouldn't you see the need to have these positions out in the regions? Is that the longterm goal?

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

## HON. JOHN TODD:

We are already transferring seven PYs out to the regions from headquarters to provide the support that Mr. Antoine spoke about, as it relates to new spending authorities. Like everybody else, there is a limitation of our resources and I understand we only have three positions. At this time, there is no plan to transfer these positions out to the regions.

However, we are developing regional planning strategies with the communities and with the regions. We are funding them and we are using, in some cases, consultants and some people in-house. Thank you.

## CHAIRMAN (Mr. Lewis):

Anybody else? We are on page 17-13. Mr. Patterson.

## MR. PATTERSON:

Just one other matter, Mr. Chairman. I would like to ask the Minister if he or his staff have had a chance to consider the whole question of developing programs or policies to support film-making ventures in the Northwest Territories, as do most other provinces and the Yukon? Has some work been done on that or will the Minister undertake to examine this important opportunity for the Northwest Territories? Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Patterson. Mr. Todd.

## HON. JOHN TODD:

The simple answer is no, we have no policy in place. I agree with the honourable Member, there have been a number of instances lately and a few in the past, particularly in the Member's riding, where there has been a great deal of film making. We're told that in the latest exercise that is going on in Yellowknife for Frostfire, that they're going to leave close to \$675,000 spent in the Northwest Territories. We provided them with some financial assistance, somewhere between \$50,000 to \$75,000, I believe. That is a good return for investment, in my opinion.

We're encouraged with this development and we're going to take a hard look at it, but there is nothing in place at the present time. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Minister. Are you finished, Mr. Patterson?

## MR. PATTERSON:

Yes, thank you.

## CHAIRMAN (Mr. Lewis):

Anybody else? Mr. Allooloo.

## MR. ALLOOLOO:

Thank you, Mr. Chairman. I believe under policy and planning, the department was trying to promote Inuit carving in Japan, which I took part in on behalf of the Minister about a year ago. How is that project going in Japan? Thank you.

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

#### HON. JOHN TODD:

It doesn't really come under that category, but I can answer the question. Right now, we're working a lot more closely with the cooperative movement, in relationship to the arts and crafts. I guess I could categorize the development as being stable. In other words, there has been no growth in it at this time. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Arvaluk.

## MR. ARVALUK:

Thank you, Mr. Chairman. I don't know if this question belongs under policy and planning. If not, you can redirect me, Mr. Chairman. The Rankin Inlet meat plant was extremely impressed with the quality of the caribou meat that was being bought from Coral Harbour. They request another 400 carcasses. However, my concern is that the top dollar they are paying for this -- if a specific kind of caribou meat, I think, is \$30 for a full caribou, dressed. The hunters feel that this is rather cheap considering that you have to use about 10 gallons of gas to get some caribou, and the average load is usually about four or five caribou. That doesn't really pay for the trip itself, considering that ammunition and everything else has to be bought. Is there a plan to increase the payment that is made to the hunter? I know that the HTA is helpless in determining as to what they could buy the caribou for because the actual buyers, like the meat plant or the government have to set the price. Is there a plan to make it a more reasonable return for the hunter?

Secondly, is there a plan to increase the quota of commercial harvest in Coral Harbour in order to stabilize the population growth of the Southampton Island caribou?

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Arvaluk. Mr. Todd.

## HON. JOHN TODD:

The gathering of caribou on Southampton Island and the quota, of course, is established by Renewable Resources in discussion with us. This is an organized hunt because the population of the caribou have become, I believe, too large. I stand to be corrected, but I believe that's it.

I'm not aware of any movement to increase the quota at this time. However, Renewable Resources does work very closely with us on the issue.

With respect to the cost and the price that is being paid, there is no plan, at this time, to increase any additional per pound or per carcass cost. I should stress that this hunt is heavily subsidized through the EDA, and that the NWT Development Corporation purchases the meat for the fish plant or the meat

plant. They determine the costs. To some extent, it's market driven because of the cost of the end product they have to sell in the stores. As far as I'm aware, in discussions with Mr. Leonard, the chairman, there is no intent to increase the price, at this time, of the caribou that is currently purchased. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Arvaluk.

#### MR. ARVALUK:

Thank you, Mr. Chairman. Is there a market being devolved right now for Coral Harbour/ Southampton Island caribou to be marketed beyond Rankin Inlet? At every

Page 769

session where I mingle with people in Yellowknife, for example, and I've been in some other places too like Hay River, Fort Smith and Inuvik which are larger centres than we have. I notice that when you participate in the hunting trip in Yellowknife, for example, you consider yourself to be fairly discriminatory about what kind of caribou you hunt. Very seldom, I see fairly healthy, fat caribou around here. In most cases it's not the fault of the hunter, but in the normal circumstances most of the caribou here are not fat. I notice that when I bring some from Coral Harbour, the whole carcass is gone in 15 minutes because they like it so much here. Is there any plan to market -- at least to promote -- the fact that caribou from Southampton Island is normally like this? They are one of the disease-free herds that have been studied by Renewable Resources. Is there anything going on beyond the Rankin Inlet meat market?

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Arvaluk. Mr. Todd.

## HON. JOHN TODD:

No, there is no deliberate strategy to market Coral Harbour caribou versus the Qamanirjuaq herd or Whale Cove. I think we had a unique opportunity, and I hope we will continue to be able to harvest a great deal of caribou in the particular area with the cooperation of Renewable Resources and the hunters' and trappers' association in Coral Harbour. Financially, what it amounts to, that's where the focus is. We're still utilizing some caribou, for example, out of Baker Lake and out of Whale Cove and, I believe, even Rankin. But, the fact that we had, I believe it

was somewhere in the range of 2,000, it was a unique opportunity because the herd had, in the eyes of Renewable Resources, increased to the point where it was endangering the quality of the herd. So that's how this came about. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Arvaluk.

#### MR. ARVALUK:

My final question would be, why has the market not been driven? Is that politically motivated so that the other regions could participate in that thing, or is it scientific?

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

## **HON. JOHN TODD:**

It's in a spirit of fairness more than anything else. I think we have to give the same opportunity for the Baker Lake herd there for the hunters and trappers of Chesterfield Inlet, Whale Cove, et cetera. Again, I say to you that we have a unique situation which we're very fortunate in having, in Coral Harbour. That's why there is a large number of animals coming out of there, versus Arviat or Chesterfield or Baker Lake. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Arvaluk.

## MR. ARVALUK:

Mr. Chairman, I cannot believe this. A fair opportunity to economic reasons, if we would have noticed that...And we can only look at last year's capital budget of how many millions of dollars spent in Rankin Inlet and hardly anything anywhere else in the Keewatin. Now we are talking about fair opportunity for all the communities. Let's not be hypocritical.

Mr. Chairman, I'm just trying to understand that Renewable Resources is stating that unless you start killing 2,000 caribou on Southampton Island, you are going to run out of food for the caribou and, in turn, a disaster is going to be repeated that happened on Coats Island. It's a scientific fact. Why did Renewable Resources and Economic Development jointly try to match that need to kill 2,000 caribou and market it because it's one of the healthiest caribou in

the NWT, and absolutely marketable because the fat is never less than an inch or inch and a half, even in the wintertime? I want to know that, Mr. Chairman.

## CHAIRMAN (Mr. Lewis):

Thanks, Mr. Arvaluk. Mr. Todd. Madam Premier, what is the issue that you're raising?

## HON. NELLIE COURNOYEA:

I have a concern regarding the issue of the Member calling the Minister hypocritical. I think it would be only fair to ask him to withdraw the comment.

## CHAIRMAN (Mr. Lewis):

My recollection of the comment was let us not be hypocritical. Those were the words that were used, but I will check Hansard tomorrow and see if that was, in fact, the case. Mr. Todd.

## HON. JOHN TODD:

Well I've been called many things in my life but hypocrite isn't one of them. Anyway, I don't know what the Member is trying to get at. We are already accessing 2,000 caribou out of the Coral Harbour area. I think we're meeting the needs of his community. What I was saying was, we're just utilizing some caribou from -- I believe it's 50 we took from the hunters and trappers in Whale Cove, 75 from Baker Lake. It has no serious impact on our ability to take the caribou in Coral Harbour. We take all the meat we can get because I'm told we have an excellent product and it's doing very well in the marketplace. So, I want to assure the honourable Member that we will take all the caribou we can get out of Coral Harbour. That's the important issue here. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Arvaluk, have you finished?

## MR. ARVALUK:

Thank you, Mr. Chairman, for correcting me. I was not calling Mr. Todd anything. I was talking about this responsible Legislative Assembly regarding the fair distribution of economic opportunities. Thank you.

## CHAIRMAN (Mr. Lewis):

I said I will check it tomorrow. Okay, anybody else then on this item, policy and planning, 17-13? Mr. Antoine.

## MR. ANTOINE:

Thank you, Mr. Chairman. On this activity, on policy and planning, there is a numbered section in there and it has to do with human resources, and this planning function administers the affirmative action for the department as well as the in-service training program. The Standing Committee on Finance position that I read in the beginning of this session was that, with regard to added authority and lending authority to superintendents in the regions, we stressed the fact that these people need additional training to carry out the work at the same time as additional resources. The Minister had indicated in earlier questioning that there are going to be additional resources going into the regions. I would like to ask him what type of in-service training does the department plan to provide to the superintendents because of their added responsibilities and authorities? Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. Mr. Todd.

Page 770

## HON. JOHN TODD:

If I may, Mr. Chairman, I would like to ask Mr. Bailey - I know some of the steps that have taken place, but he knows all the steps that have taken place with respect to the increased resources and the training that is required, so, if I may, I would like to pass it to Mr. Bailey.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Bailey.

## MR. BAILEY:

With respect to the reorganization and the training requirements that we recognized that we would need, there were some immediate needs that we recognized, and we are in the process right now, for example, of developing, with FBDB, a new credit manual for all of our officers. The superintendents are the primary contact in the regions so they will be handling most of that.

With respect to our whole human resource need, we are in the process of developing a human resource strategy because, in the past, the superintendents undertook what headquarters told them to do, and we are in the process now of identifying the training needs of all of our staff, starting at the EDO level and going all the way through to my position. We are going to make sure that we fast-track that, and it's on stream now so we hope to have it off this spring so that we can start putting the superintendents, credit officers and all of the regional staff into programs where they are fully aware of what skills they need and we get the skills that they require so that they can do the job that they have to do.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Bailey. Mr. Antoine.

## MR. ANTOINE:

I understand that the added authority to the superintendents just happened recently, since January or maybe February, so it is just fairly new. I think it is a good move. I think that they required that authority many years ago, but, unfortunately, it is only now that it has come about. We know that some of the superintendents need additional training and additional authority because of their added responsibility, and I think that it has to be done immediately and before he gets bogged down between now and the time the training takes place. I would like to ask the Minister if the added authority is in place now, and if it is, have the superintendents used that added authority at this point? Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. Mr. Todd.

## HON. JOHN TODD:

I know this is a concern of a number of the Members. I think, when you give people increased responsibilities, you also increase the risks, so let's say that up front. I personally feel that we have to take some risk. If we are not prepared to take some risk then there will be a tendency for us not to make decisions. I recognize what the Member is saying. It is important. We are trying to fast-track and bring up to speed, if you want, the superintendents in particular at this time. I am hopeful that the superintendents will then take their responsibility, which we gave to them in late December or early January, and move forward on it in meeting the needs of the constituency.

I was asked this question in the House, I believe, last week. I have only personally spoken to two superintendents - the one in my own riding, Mr. Olah, and Ms. Trumper in Baffin Island. I am told by both of them, because it is an important initiative for me that this thing work, that it is working and that they are making the decisions with the authority that we have given them. I can't speak for the other regions personally, but perhaps Mr. Bailey could.

## CHAIRMAN (Mr. Lewis):

Okay, Mr. Bailey.

## MR. BAILEY:

I can't speak for the level of authority that is being undertaken in each region, but it is being utilized in the regions. If there is a problem at a regional level with that application, for example, that the regional superintendent is uncomfortable with it -- then at headquarters of BCC, for example, there used to be three staff members there. We have increased the staff component there to eight. We now have an east lending officer and a west lending officer. If a superintendent in a region feels fairly comfortable with an application, but is not totally satisfied, they can get a hold of Yellowknife and get a second opinion. The decision is still the superintendent's decision, but there is a second opinion that they can check with. So it is being used.

#### CHAIRMAN (Mr. Lewis):

Thank you, Mr. Bailey. Mr. Antoine.

## MR. ANTOINE:

Mr. Chairman, on the other parts of the responsibility of this task, under human resources, affirmative action. Any time there is a vacancy in the department, especially in the communities at the level of superintendent or maybe assistant superintendent, there seems to be a lack of aboriginal people in that area. Part of the affirmative action policy is to try to get native northerners involved in this area, and there seems to be a lack of that going on, not only in this department but in other departments, too.

I know that there are people out there in the different departments and specifically in this department, that desire to be at that level in this department, but for one reason or another, through the application and through the screening and through the interviews and so forth, they get weeded out, many times because they don't have the experience in management or so

forth. But if they are never given the opportunity to be in management positions, they will always be weeded out of these types of positions.

I would like to ask the Minister if his department is willing to look at some of the positions at the superintendent and assistant superintendent levels where they could make it into a term position, and, at the same time, have a training position for some of these people that I just mentioned? Has the department looked at that possibility of trying to meet the affirmative action policy by introducing training positions at the superintendent and assistant superintendent levels? Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. Mr. Todd.

#### HON. JOHN TODD:

Thank you, Mr. Chairman. The short answer is that we need to address that issue, and the honourable Member did address it with me a month or so ago. Mr. Bailey knows it is important that we get aboriginal northerners into the management team. We are trying to work on a strategy right now. I think it goes right across the departmental boundaries and it is an issue I have raised -- and I don't know if it is proper for me to talk about -- in Cabinet, that we need to get more northerners, and particularly

## Page 771

aboriginal northerners into the government.

Just for the record, we haven't done that well, but at the present time, we have 41 aboriginal northerners in the department, which is roughly about 27 per cent. I certainly recognize the importance, and so does the deputy, of getting northerners and aboriginal northerners in the management team. Hopefully, we'll have a strategy in place very, very soon. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. We are on the item policy and planning. Total O and M, \$678,000.

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

Tourism And Parks

## CHAIRMAN (Mr. Lewis):

Page 17-14, tourism and parks. Total O and M, \$8.008 million. Mr. Gargan.

## MR. GARGAN:

Mr. Chairman, I don't know if this is the category, but do we have anything with regard to the protection of our water sheds? I wonder if we need to have a government policy regarding the protection of lakes and so on. I don't know if I'm on the right track, Mr. Chairman.

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

## **HON. JOHN TODD:**

I'm not trying to pass the buck, as they say, but we don't have the responsibility for that. I believe it lies with Renewable Resources. Perhaps the honourable Member could address it at that time, because I'm not familiar with the responsibilities in that field. Thank you.

## CHAIRMAN (Mr. Lewis):

Tourism and parks, total O and M, \$8.008 million. Mr. Antoine.

## MR. ANTOINE:

Thank you. How is the department organized under tourism and parks? Do they have a committee or group within the department that looks at tourism, specifically? Do you have superintendents assigned to look at tourism as a whole? Do you have something like that?

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

#### HON. JOHN TODD:

Mr. Bailey advised me that there is now a committee of superintendents to ensure we get a regional perspective as to what kinds of policies and development of new parks we want to move forward on. Thank you.

## CHAIRMAN (Mr. Lewis):

Mr. Antoine.

## MR. ANTOINE:

Can the Minister tell us who is heading this committee and can he elaborate on the reason for the committee, its authority and objectives? Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Antoine. Mr. Todd.

## HON. JOHN TODD:

If it is okay with the committee, I would like to ask Mr. Bailey to answer that question.

## CHAIRMAN (Mr. Lewis):

It is fine with the committee, I'm sure. Mr. Bailey.

#### MR. BAILEY:

With respect to the new management process we have in the department now, we have structured committees for all of our sectors, and the tourism sector is no different. Tourism is different from parks. We have a parks committee also, although it is made up of the same members, it is just chaired by different persons.

The committee is co-chaired. We have a western chair, who is John Sheehan and an eastern chair, who is Katherine Trumper. The committee is mandated to look at the ways that the department markets tourism. The problems we had in the past, and we had a lot of complaints about, is we were spending our budget primarily on generic advertising. We would have a picture of an iceberg, or a picture of a river and nothing else. Last year, we went to product-specific advertising where we took sectors of the tourism economy and advertised those specifically. We also have an 1-800 number, which we contract out. We provide 1-800 number service across the north out of Yellowknife and we have the Explorers' Guide.

But, none of the money was reaching the regional level where superintendents could interact with operators in the region and spend their money more effectively. So, we struck this committee with regional superintendents involved in it. The regional superintendents look at all the regional input from all the superintendents, look at what type of issues they would like to undertake, allocate a budget to each of the seven regions out of our total budget, and they can undertake activities at a regional level that have

impact on them. As the Minister just stated, that creates a regional perspective to what we are doing.

That committee makes recommendations to the management team, and says this is how we should be spending our \$1.7 million in advertising, based on the impact and the cost-benefit to the client base and to the communities.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Bailey. Mr. Antoine.

#### MR. ANTOINE:

I didn't realize this is how the department has been developing. Tourism being quite important for my constituency, I would like to know what kind of interaction or direction this committee takes with regard to, for example, Nahanni Ram Tours Association? Thank you.

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

## HON. JOHN TODD:

It is my understanding that the superintendent communicates with a group like the Nahanni Ram Tours Association and asks the for their input, what kind of support they require, whether it is going to trade shows or part of the co-marketing strategy, et cetera. We're transferring some of those fiscal authorities out there, not just the lending and not just the grants, we are also saying here are the programs. We were always driving in the centre and we were not necessarily reflective of the regional needs.

This process that is now in place will hopefully help in two ways. First, the superintendent will have a responsibility to get out there and discuss matters with the industry at large. Second, the industry will also be able to say to the

#### Page 772

superintendent that they have a responsibility to talk to us to make sure that our needs and interests are reflected in the fiscal money available to market tourism development.

Speaking personally, from one who has been in Mr. Antoine's riding, there is nothing more majestic than the Nahanni area.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Mr. Antoine.

## MR. ANTOINE:

I'm trying to get this figured out. Last year, a number of times, I approached the Minister about Trout Lake. This lake has seven different species of fish that you can catch just about any time of the year. Everybody here is welcome to come fish with me next summer.

## ---Laughter

The community has its own lodge and they've been trying to get it going. There doesn't seem to be any support at all from the department. What I wanted to see was the department going in there and working with the community. I brought this up last spring. I wanted the department to go in and help them organize so this winter they could go out to the trade shows and see if they could solicit people to go fishing.

The fishermen who go out plan way ahead of time. Once they've made up their mind now, one month before fishing season starts is not going to do it. So, this year, more or less, is shot again. What I wanted to see happen with the department and the community never did materialize. I wanted to see at least one thing happen in each of the communities with regard to tourism with the department. That is not happening and I'm very disappointed. I would like to ask the Minister if he could talk to his people responsible in my constituency to see what they can do about this situation in Trout Lake. Thank you.

## CHAIRMAN (Mr. Lewis):

Mr. Todd.

## HON. JOHN TODD:

I will have to look into that situation. I thought it was dealt with. I apologize if it hasn't been. I want to assure the honourable Member that it will be. I will give him a full report by early next week.

One thing I do want to point out though, is this new regional authority that I keep coming back to will ensure -- in my opinion, anyway and the opinion of the department -- significant community input that simply wasn't there before. Just by design, it has to. I'm told by Mr. Bailey that Mr. Borelli, who is from Liard, I believe, did recently go on a marketing sales trip and has come back with a significant amount of

sales because of that trip. I don't know whether that would have happened under the old system, it might have. But, under the new system, it definitely happens. That's what I'm trying to say.

On the larger issue, I think it's important for the industry now to make sure the superintendent knows they are there. The superintendent has to do likewise. On the issue of Trout Lake, I was there myself and there is no question it is a beautiful part of the country. There's an enterprising group of young people there. They're even growing potatoes. I'm disappointed if nothing has happened. I'll talk to Mr. Bailey today and see if we can get a plan in place to assist those people there. Thank you.

## CHAIRMAN (Mr. Lewis):

Thank you, Mr. Todd. Is this item concluded? Tourism and parks, total O and M, \$8.008 million.

## SOME HON. MEMBERS:

Agreed.

---Agreed

## CHAIRMAN (Mr. Lewis):

Before we go onto the next item, I would like to get a feel from the committee on whether they would like to have a short break now?

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Lewis):

Okay, we'll have a 15 minute break and we'll come back to business development after the break.

---SHORT RECESS

**Business Development** 

## CHAIRMAN (Mr. Whitford):

The committee will come back to order after a short break. We are on page 17-15, total O & M, \$12.738 million. Agreed?

## SOME HON. MEMBERS:

Agreed.

---Agreed

**Economic Development Agreement** 

## CHAIRMAN (Mr. Whitford):

Economic development agreement, total O & M, \$8.443 million. Agreed?

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

Finance And Administration

## CHAIRMAN (Mr. Whitford):

Finance and administration, total O & M, \$1.524 million. Agreed?

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Detail of grants and contributions. Mr. Antoine.

## MR. ANTOINE:

Mr. Chairman, the Standing Committee on Finance is looking at this one. I did make a comment about the Piruqsaijit Development Corporation. I believe Mr. Ng has a statement on that. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. The chair will now recognize the honourable Member for Kitikmeot, Mr. Ng.

## MR. NG:

Thank you, Mr. Chairman. Regarding that secondment under grants and contributions, the Minister, when

## Page 773

he appeared before the Standing Committee on Finance, advised us that the secondment would be finished off in one year after the refinancing of a significant amount of assets was completed with the development corporations. In the justification that was provided to the committee recently, the indication

there was that it would continue on for two more years. I would like to get that clarified before we proceed, Mr. Chairman. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

#### HON. JOHN TODD:

The request from Piruqsaijit was for a two year secondment. In recognition of the Standing Committee on Finance's concerns at the time, I believe I said that I would go back to the Piruqsaijit group and the consortium of the presidents and seek their support for consideration of a one year secondment. I haven't had any response from them to date, but it is certainly my intent to talk to them and see if it is possible. If it is not possible, what provisions they can make to provide some of the fiscal cost of this position? I am not evading the issue, I just haven't had the opportunity to talk to them because I have been in House most of the time. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. The honourable Member for Kitikmeot, Mr. Ng.

## MR. NG:

Thank you, Mr. Chairman. In our SCOF report, Members of the committee recognize the value of having a government employee being trained by working with the private business interest and that type of thing. But, we are concerned whether there are currently policies in place for that, and if it is an ongoing practice of the government in this type of situation. I would like to ask the Minister what his department's position is on that. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

## HON. JOHN TODD:

We don't have a specific policy that relates to secondments, to be quite frank. However, we were asked to develop one as a department. I recognize the Standing Committee on Finance's concerns about this particular secondment, which has been ongoing for some time. I will do the best that I can with my abilities to meet their resolution. Hopefully, after discussing with the presidents of the proxy group, we

will come to a satisfactory conclusion that the Standing Committee on Finance will support.

On my understanding, secondments have been going for a long time. Different groups, over the years, have applied for secondment. The Premier knows about the new policy more than I do, but we have no problem with secondments provided the fiscal cost of these secondments are paid by the particular group that seconds the position. In this case, it is a little different and I have already said that. We are trying to follow the approach that the Premier outlined to us earlier.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Ng.

#### MR. NG:

Thank you, Mr. Chairman. Have these types of secondments happened with other businesses or is this a unique case within his department? Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

## HON. JOHN TODD:

Other secondments have taken place in the past. I understood our colleague, Mr. Koe, for example, when he was with the Department of Economic Development, was seconded. I think other people have been seconded to the Metis Development Corporation and to other groups. I don't know whether common practice is the appropriate term, but secondments certainly happen. Right now, Nunavut Tunngavik has asked for some secondment positions with respect to the land claim and to support the need for implementing their land claim agreement. A precedent has been established.

#### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Ng.

## MR. NG:

I can realize that secondments with the Nunavut Tunngavik and that type of thing are municipal corporations and generally the public interest groups have been done in the past but, specifically, my question is relating to private businesses, if there have been secondments of government employees specifically to private businesses in the past. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

## **HON. JOHN TODD:**

I think this is a unique situation that came about a number of years ago. I don't believe there are other secondments.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Antoine.

#### MR. ANTOINE:

With regard to the concern with the secondment with this development corporation, the Minister knows that the Standing Committee on Finance raised that during our review in January. Subsequently, we received correspondence from the Minister explaining the situation. Our concern is that it is government policy now that any secondment for government employees to corporations is that the corporation pick up the total cost of this individual, for salary, benefits and everything, but this is only one case that is presently going on. I know that it is a position of one person that has been paid for here by the government for this development corporation. What exactly does this person do for the Development Corporation?

#### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Minister Todd.

## HON. JOHN TODD:

He administers all their financial programs and is currently training a replacement. He was instrumental in putting together some of their joint venture proposals. He is a jack of all trades, I suppose, in terms of the responsibility of the development corporations, but mostly his strengths are in the fiscal financial side. Over the last number of years, he has been a key individual in the acceleration of the assets of the development corporations in the region. We would like to see that secondment carried on so we can

Page 774

complete the training of his replacement and to provide security to the banks in terms of the financing of some of their investments. Thank you.

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

Thank you, Minister Todd. Member for Nahendeh.

#### MR. ANTOINE:

Thank you, Mr. Chairman. Why would the Development Corporation allow themselves to become so dependent on one person, when it was always intended to be just a temporary arrangement? I understand that this started back in 1989, 1990, perhaps quite a few years ago. Every year, the government has been funding this position. I have no problem with it except for the fact that, if it happens to one corporation because of fairness and equity, it should happen to other corporations, as well. I know there are different groups out there that certainly would welcome an additional \$100,000 from the government in the form of a secondment to help their businesses. In the west, we have some band councils that require a lot of help. This type of secondment would certainly help them along the way to development. Just to allow it for one group, I don't see that as fair.

I would like to ask the department, why has the corporation become so dependent on this one person? Are there other staff in the Development Corporation who could do this kind of work? I'm curious to find out these things. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Minister Todd.

## HON. JOHN TODD:

I was requested by the Development Corporation to seek an extension to this secondment. I agreed to do it on the basis of the arguments they presented to me. I said right from the beginning that this is unique. Perhaps some people see it as unfair in terms of equity, but it was what was requested from the Development Corporation, based on the arguments they presented to me.

We provide a great deal of other financial support to other organizations that are not directly related to secondment. That's about all I can say about it. In terms of the dependency on him, I'm not in a position to answer that. You would have to ask them directly. My understanding is, they finally found someone with

the fiscal skills they think they need. They are training that person at this time and they are optimistic that person will be able to take over within a year. I certainly hope so. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Mr. Antoine.

## MR. ANTOINE:

Just a final question. The justification for continuing the secondment provided by the Minister in his correspondence and today is that the corporation could not afford to bear the costs of an administrator. I guess this is the person's position. Why is this the case after five years? Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Minister Todd.

## HON. JOHN TODD:

I'm told that they are rich in their assets, there are certain opportunities that came to them and they've had significant fiscal growth. In their cash flow projections, it will be another two years before they can afford to invest in that. Five or ten years down the road, most of these investments were made by Inuit people for their children and they were structured accordingly. That's what I was told. It is just a cash flow problem, basically, based on the assets they have. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you. The honourable Member for Kitikmeot, Mr. Ng.

## MR. NG:

Further to the justification that the Minister provided regarding the secondment, it says that the Keewatin Development Corporation needs to grow to a size of \$50 million in real estate for prerequisite to realize their necessary fees of \$250,000, which is five per cent of the \$50 million. I would like to ask the Minister how that amount was determined?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

## **HON. JOHN TODD:**

How was the amount determined?

## CHAIRMAN (Mr. Whitford):

Did you wish a clarification on that, Minister Todd?

## HON. JOHN TODD:

Yes.

## CHAIRMAN (Mr. Whitford):

The chair recognizes Mr. Ng, again.

#### MR. NG:

Why is the amount of \$250,000 the amount that has to be generated by the corporation? Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd, does that help?

## HON. JOHN TODD:

Probably that is what they have determined to the be cost of a chief executive officer or a vice-president of finance to run a \$50 million corporation. I think that's it

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. The chair recognizes Mr. Ng.

#### MR. NG:

Thank you, Mr. Chairman. In the justification it also says that, to date, the Development Corporation has \$32 million worth of assets, which is a fairly significant amount of assets for any company in the north. Why would the department have to continue to support this venture when there are other entities out there that require support that don't have any asset base at all? Thank you.

#### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

## HON. JOHN TODD:

I was requested to do it by the presidents of the Development Corporations. There are a significant amount of assets in the hands of 100 Inuit families. I felt it was important to maintain the financial security of this operation and it wasn't done to the detriment of any other group. Thank you.

## CHAIRMAN (Mr. Whitford):

Mr. Ng.

Page 775

## MR. NG:

Mr. Chairman, a final question to the Minister. The justification indicates that financial institutions have been assured that Mr. Graham will continue to be seconded for the next two years. I would like to ask him why this assurance was given, given that our budget process only allows for approvals on a yearly basis?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Minister Todd.

#### HON. JOHN TODD:

When you are refinancing with banks, as Mr. Ng knows full well, you need to demonstrate to the banks that you have solid fiscal management in place. I believe this is what this is all about.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Further comments? Mr. Arvaluk

## MR. ARVALUK:

Thank you, Mr. Chairman. The Minister told the standing committee that two people were being trained to take over Mr. Graham's position. The justification stated that there were two involved in CEO training. How many people were being trained to take over? One or two? Did both of them leave?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Arvaluk. Minister Todd.

## HON. JOHN TODD:

I'm told that they've just recruited a new trainee, and they're confident that this trainee will stay with the job and will meet the fiscal requirements. We're optimistic that we can conclude that as quickly as possible so that this secondment can be over and done with. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Member for Aivilik.

## MR. ARVALUK:

How much did you spend in succession training? Were people trained with no commitment to work for the organization after they were finished?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Arvaluk. Minister Todd.

#### HON. JOHN TODD:

My understanding is the training was done internally, but with Piruqsaijit funding and is being done that way. Thank you.

#### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Any further comments? Mr. Arvaluk.

#### MR. ARVALUK:

Do you have any information about why succession plans weren't developed and implemented earlier, instead of so late in the period?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Arvaluk. Minister Todd.

## HON. JOHN TODD:

I can merely speculate, Mr. Chairman. My speculation would be that they were on a fast-track growth pattern in terms of their asset base and they were too busy reorganizing and trying to put financial packages together, that there wasn't sufficient time to do the training. That is purely speculative. I would have to ask them directly. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Mr. Arvaluk.

## MR. ARVALUK:

Mr. Minister stated a little bit earlier that the training succession strategy is planned again for the next year and a half. I understand that Mr. Graham is essential to assist in developing and implementing this strategy. Why will it take so long to formulate and implement a new training succession strategy?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Arvaluk. Minister Todd.

## HON. JOHN TODD:

It is a very important position. It administers, as I said, to all the private development corporations in the region, and it is there. Our outside estimation is that it will take two years to do the training. I have spoken with Mr. Graham directly, however, I have to talk to the presidents of the associated development corporations. I have asked for a meeting with them as soon as the session finishes to see if we can speed up this process and move quickly to see the secondment concluded.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Any further comment, Mr. Arvaluk?

#### MR. ARVALUK:

Thank you, Mr. Chairman. My last comment is that it is more of an individual program. Why is the completion of the Kiguti program dependent on the continued secondment of Mr. Graham?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Arvaluk. Minister Todd.

## HON. JOHN TODD:

Piruqsaijit is providing the consultative and administrative support to the dental clinic program, Kiguti, which is owned and operated by northerners, for now. His expertise in fiscal management is important to that operation to make sure that it gets off on a sound fiscal footing. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Member from Kitikmeot.

## MR. NG:

Thank you, Mr. Chairman. I think that the Minister has recognized the concerns that have been brought forward by the Members of the Standing Committee on Finance. I would like to end the discussion by proposing a motion on behalf of the Standing Committee on Finance and some comments on this matter, if you will allow me, Mr. Chairman.

Standing Committee On Finance Comments

The Standing Committee on Finance has very serious concerns about continuing the secondment of a

government employee to Piruqsaijit. The 1994-95 fiscal year is the sixth year in which the government has supported this organization through secondment. Total expenditures on this item will reach \$579,000 at the end of the 1994-95 fiscal year. Given the organization's extreme dependence on this individual and the fact that funding will be required very soon, the Standing Committee on Finance is reluctantly prepared to recommend approval of this budget item for the fiscal year 1994-95, currently under review. However, the committee is not prepared to support continuing this arrangement into the 1995-

## Page 776

96 fiscal year. Members feel that it is imperative that this corporation become self-sufficient and cease to rely on government support. Therefore, Mr. Chairman, the Standing Committee on Finance is making the following motion.

Committee Motion 32-12(5): To Implement A Strategy To Terminate Piruqsaijit Secondment By End of 1994-95 Fiscal Year, Carried

Therefore I move that the committee recommends that the Department of Economic Development and Tourism develop and implement a strategy to terminate the Piruqsaijit secondment by the end of the 1994-95 fiscal year. The committee further recommends that the Minister provide this strategy to the Standing Committee on Finance by August 1, 1993.

## CHAIRMAN (Mr. Whitford):

Thank you.

## AN HON. MEMBER:

(Microphone turned off)

## CHAIRMAN (Mr. Whitford):

That is correct. Thank you, Mr. Ng. It should read August 1, 1994. We have a motion on the floor. The motion is in order.

## AN HON. MEMBER:

Question.

## CHAIRMAN (Mr. Whitford):

Question has been called, but we need a quorum. We have nine to vote. We need four more. We will sound the bells.

Thank you, Members. The motion is, I move that the committee recommends that the Department of Economic Development and Tourism develop and implement a strategy to terminate the Piruqsaijit secondment by the end of the 1994-95 fiscal year. The committee further recommends that the Minister provide this strategy to the Standing Committee on Finance by August 1, 1994.

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

---Carried

Line By Line

## CHAIRMAN (Mr. Whitford):

We are on page 17-18, detail of grants and contributions, grants, \$350,000.

#### SOME HON. MEMBERS:

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Contributions. It's information. On page 17-20, details of grants and contributions, contributions, \$14,000, I'm sorry, \$14.029 million.

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Grants and contributions. Mr. Patterson.

## MR. PATTERSON:

Yes, have we got to the Development Corporation, Mr. Chairman? I have a few questions.

## CHAIRMAN (Mr. Whitford):

Yes, Mr. Patterson. Economic development. We'll do this fast. It is on page 17-20, details of grants and contributions, and then there is a list of the grants,

then the contributions of \$14.029 million, which was agreed to. Yes, Mr. Patterson, Member for Igaluit.

#### MR. PATTERSON:

I would like to ask a few questions about the Development Corporation. Okay, Mr. Chairman, there are quite a number of questions, and I have given quite a list to the Minister, Mr. Chairman, but I would just like to ask a few here now, and, hopefully, I can get answers to my other questions from the Minister and also from a visit I hope to make to Pangnirtung myself.

Mr. Chairman, one real irritating issue from my constituent, which, by the way, is a northern-owned, northern-operated company based in Iqaluit which has not sought heavy government support, but does also want to participate in the development of the fishery and compete against the Development Corporation funded enterprise in Pangnirtung. My constituent has raised one concern I think the Minister is aware of. The company, Imavik, says that, although Imavik is a dealer for insulated boxes used by the fishermen to bring the product from the floe edge, and although the fishermen in previous years took responsibility for purchasing those boxes themselves -- which tends to be the way the industry works in Canada, fishermen are responsible for their own equipment -- last year, a decision was made by Pangnirtung Fisheries, the government-supported company, that they would purchase some 125 insulated fibreglass fish boxes, which they bought and shipped from southern Canada, I am told, at a cost of some \$500 a box or around \$60,000. That is not a small investment for a struggling small business like my constituent. The concern, Mr. Chairman, is that my constituent says that fishermen were informed at a community meeting first that they could use the new fish boxes and sell to whomever they choose, but after the fact, the management of Pangnirtung Fisheries, the Development Corporation-funded corporation, told the fishermen that they could only sell their fish to the one company. They would not be allowed to use these taxpayer-funded fish boxes to sell to my constituent's buyers. Are these facts correct, as they have been described to me? If so, do they illustrate market disruption by a governmentfunded enterprise? Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Member for Iqaluit. Minister Todd.

## HON. JOHN TODD:

I view a northern society as we are all wards of the state one way or the other, whether it is in direct subsidies or whether it is utilization of charter aircraft with government expenditures, I suppose. Mr. Chairman, the Member is correct about the boxes that were supplied to the fishermen. The fishermen were told to bring the fish to Pangnirtung Fisheries Ltd or the fish plant.

### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Member for Iqaluit.

### MR. PATTERSON:

Mr. Chairman, my constituent company complains that, with this kind of competition and competitive

### Page 777

advantage from the Development Corporation-funded enterprise, it is getting difficult, if not impossible, to make a living and to get access to the product, even though I am told fishermen in the community would sell to whomever would buy, if they felt they had some freedom. Would the Minister be willing to use his good offices with the Development Corporation, to try to solve this problem?

I must say that I am quite satisfied that efforts have been made to solve the problem directly with Pangnirtung Fisheries Ltd and through working with the regional department in Baffin and also through working with the Development Corporation president for many months now. There is a whole series of letters. I have a copy of a letter that was written to the Premier about this matter to indicate the level of frustration of my constituents.

In the interest of competition and the free market, would the Minister use his good offices to try to find a way to solve this problem? I don't know what the solution is. In the scheme of things, it is a minor issue, but it is affecting the viability of my constituent's company. Would the Minister be willing to try to help solve this problem? Thank you.

#### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

### **HON. JOHN TODD:**

Yes.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Patterson.

### MR. PATTERSON:

Thank you, Mr. Chairman. That is a very satisfactory answer. Mr. Chairman, another question I would like to ask has to do with the future of the broader policy issue surrounding this fishery. As I understand it, this fishery is under a Department of Fisheries and Oceans exploratory licence only. As I understand it, DFO has not been able, to date, to determine a quota, which would allow sustainable harvest without affecting fish stocks in the future. Since this quota has apparently not been allocated by the Department of Fisheries and Oceans, on what basis was the decision made to proceed with a several million dollar, high technology and high volume fish plant without knowing for sure that there is an identifiable, licensed stock available for ongoing production requirements of this high volume plant?

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

### HON. JOHN TODD:

I think in the early stages in 1990 or 1991, this fishery was defined as an exploratory fishery. Again, I stand to be corrected, but I believe it is now defined as a fishery and the quota is actually allocated by the Department of Fisheries and Oceans. This is just to put it all in perspective here for my honourable colleague, we have gone from 30 jobs in 1990 and 1991 to now 151 in seasonal, part-time and permanent jobs. We are proceeding with a fish plant that meets the employment needs of the fishermen. I don't know whether that answers the question, but that is my answer.

# CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Member for Iqaluit.

## MR. PATTERSON:

Thank you, Mr. Chairman. I appreciate that information. I think that it would be useful if the department could reveal the details of the DFO fishing licence because there is certainly an impression that it is only an exploratory licence. I would be interested in getting that information.

Another question has to do with fair competition. There is an EDA subcommittee on fisheries in the Baffin. I understand that Pangnirtung Fisheries, the Development Corporation funded community corporation, has a representative on that EDA subcommittee. This has helped them get generous support from the EDA as well as from the Development Corporation. I would like to ask the Minister's opinion. Since there is at least one other enterprise that is trying to compete in this field, is it fair that the government should appoint a representative of one company on the granting board, the subcommittee, and yet not another competing private corporation to be represented on that same board?

# CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd, your opinion if you please.

### HON. JOHN TODD:

Yes, I believe it is fair.

## CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Patterson.

#### MR. PATTERSON:

If I am correct that the weight of the government funding is being used to compete quite aggressively against the small corporation, how is the small private corporation, which doesn't have representation on the EDA fishery subcommittee, supposed to get access to some of these programs and funds on a fair basis, without representation on the subcommittee and with representatives from the Pangnirtung fishery who may not be entirely sympathetic to their request for assistance?

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

#### HON. JOHN TODD:

Let me assure the Member that as long as I'm the Minister of Economic Development, the ownership of the eastern Arctic fisheries will not be on the EDA subcommittee. Let's get this record straight. First of all, there are two ownerships that Mr. Patterson is talking about. One is Mr. McCormick who lives in Pangnirtung who has not insulted the Department of Economic Development and the superintendent, but has actually threatened them.

Secondly, the other partner is Mr. Mahoney from Air Baffin, whose primary source of income is in the charter business. I'm talking about the livelihood here of 121 Inuit families in Pangnirtung. That's where I'm placing the emphasis at this time. Mr. Mahoney and Mr. McCormick can apply for any other grants, any other lending, like anybody else in the Northwest Territories. As far as I'm concerned, the majority of people who are active in the fishery have a greater interest than the minority. Mr. McCormick will not be on any committee of my department that I run at this time. If that's unacceptable to the Member, then we're going to have to agree to disagree.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Member for Igaluit.

Page 778

### MR. PATTERSON:

Mr. Chairman, I've tried to make it very clear to the Minister in my private discussions on this matter and also in my statements in the Legislature that if we degenerate -- if I may use that term -- to creating issues out of personality conflicts and use that as a smoke screen to avoid the fundamental policy issues, then I'm being lured into a trap that I don't want to participate in. I'm aware there are players, passions and politics in the fishery. What I want to understand, Mr. Chairman, is does the Minister support competition and small business growth in the Baffin fishery?

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

### HON. JOHN TODD:

This Minister has supported small business all his life and will continue to support small business, we've demonstrated that, we'll continue to demonstrate it. What I'm saying is, there is a large group of people who are active in the fishery and who I have a responsibility for. The NWT Development Corporation's policy was developed while the honourable Member was in the Cabinet. I inherited it. It is not our intent to drive Mr. Mahoney out of the fishery. But, Mr. Mahoney has never talked to me. He chose to write to the Premier, that's his choice. I've had no discussions with Mr. Mahoney. None.

Our job is to ensure that jobs are created through the fishery. That's the principle of the Development

Corporation. That's what I've been told, that's what I've read, that's what is in the policy. That's what we're doing. If it is to the detriment of Mr. Mahoney, then he should work that out at a local level.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Member for Iqaluit, Mr. Patterson.

#### MR. PATTERSON:

Mr. Chairman, my constituent -- who I have never named, by the way, nor do I think it necessary to do so -- has made massive efforts to resolve this problem at the local level. He has also made a great number of efforts to get the Development Corporation to lend its good offices through its president, to solving this problem. I've got a pile of correspondence, newspaper articles and petitions that show

the amount of effort that has gone into resolving this problem. And it has got nowhere.

The Development Corporation says go to the Pangnirtung Fisheries board. The Pangnirtung Fisheries board defers the meeting, delays the meeting, turns down the request, or makes personal attacks on the proponents. I think this is a matter of policy and I think it is something that the Minister should be dealing with. If he is willing to meet with my constituent and discuss it, I know my constituent would be delighted.

My earlier question was, will the Minister try to deal with this problem with the fish boxes. I got a positive answer, but I'm finding an attitude of defensiveness on the part of the Minister, Mr. Chairman. All I'm asking for is fairness for a small business in my constituency. I believe there is room for competition in the fishery and so does the chairman of Pangnirtung Fisheries board, Johnny Mike. He told me that himself. But, if the policies of the Development Corporation appear to be working against a level playing field in Pangnirtung, then I think the Minister should be concerned. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

# HON. JOHN TODD:

I give up. Of course, in some ways they are. It is a subsidized policy for the creation of jobs. It is clear.

There's no myth out there. That's what it's all about. And if, by some stroke of luck, by genius, whatever, it can be viable -- and that's an objective we're all trying to achieve -- it will. But, it is clear in the policy that we will subsidize the capital, we will subsidize the jobs, we will try to reduce the subsidies by running the operations more efficiently, getting more stocks, doing this and doing that. There is no myth here. It is clear. In some ways, I suppose, there is no level playing field when it comes to this particular instance.

### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Member for Iqaluit, Mr. Patterson.

#### MR. PATTERSON:

Mr. Chairman, there seems to be a lot of problems with the new fish plant. I understand the foundation has collapsed. I understand it is sited far away from the water. I understand there have been some significant cost overruns on the Development Corporation contract, which was awarded to a Quebec company, by the way. I wonder if the Minister could give us a picture of some of these cost overruns and tell us who has borne and will bear responsibility for the overruns that were caused by the technical problems I understand they are having in completing the plant?

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

### **HON. JOHN TODD:**

I'm not technically qualified to tell you whether the thing was built right or wrong. All I can do is give the Member an update, which I will do early next week in the House.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Any further comments on this matter? Mr. Patterson.

## MR. PATTERSON:

I would just like to clarify any suggestion that I'm against the creation of jobs in Pangnirtung. I'm for the creation of jobs there, but I don't want the fishery to be so heavily subsidized that it will eventually go the way of the Newfoundland fishery, Mr. Chairman. Those are the only comments I will make today. I have many other questions. There are ways of

getting answers to them. One of the best ways is probably to go to Pangnirtung and see the operation for myself. Thank you.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

#### HON. JOHN TODD:

Maybe we need a full debate in the House about the issue Mr. Patterson is raising, about what is the position of the MLAs as it relates to Development Corporation operations. Maybe that is the debate here. Because, what I now hear him saying is that he doesn't want these jobs to be subsidized. That is what the policies that are in place say. Would he prefer that we didn't subsidize the jobs and everybody was left to be on welfare? I don't want to start an argument here, but let's get a debate going in the House. Let's see what Mr. Ng thinks, let's see what Mr. Antoine thinks. If the majority of people feel that way, then we'll stop doing it.

#### Page 779

But, it is my understanding that we have the mandate to subsidize capital, to subsidize jobs, where we are creating employment opportunities for people in Level II and III communities, where there is a desperate, desperate level of unemployment. Here is a unique opportunity to do that in a fishery that we never had up until 1990. We've got a minor problem which can be resolved and we are having an argumentative debate about it in the House. So maybe we should be debating the bigger issue and let's see where the honourable Members stand on this Development Corporation position and policy. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Todd. I am sure that will be taken up in - I think he was expressing a caution, perhaps, not so much of an argumentative position. Mr. Patterson.

### MR. PATTERSON:

No, Mr. Chairman, I really don't want to start a debate, because, as I said in the House the other day, I was on Cabinet when some major moves were made to start this very important fishery in Pangnirtung, and I am proud of that. I think the only question, Mr. Chairman, and it is a philosophical question, is the extent of the subsidy and whether, if we are overgenerous, we may be threatening the long-term financial viability of our fishery. The only issue, in my

mind, is whether the Development Corporation is being overly generous with its funds and whether it spends its money in ways that promote northern preference and northern business and whether it uses its financial muscle in predatory practices against private operators who don't have the benefit of strong financial support. I didn't say I was against subsidies. I said that the issue, I think, is the extent of the subsidy and the extent of the capitalization. I was warned by an experienced Maritime Minister that one of the fatal mistakes made in the Newfoundland fishery was over-capitalization. I am not saying that's happened in Pangnirtung, but I think that we should dare to ask the question and not be seen as the enemies of local employment if we ask such questions. Thank you, Mr. Chairman.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

### HON. JOHN TODD:

It is clear in the policy that we are allowed to subsidize jobs up to \$10,000 per person. It is clear. There is no debate. It is clear. The only debate is, do you wish to continue that and do you wish to continue the capitalization? It is abundantly clear. So the issue has to be, at least in Mr. Patterson's eyes when he says, what is the degree of subsidization? The mandate and policy I have which are in writing, is to subsidize up to \$10,000 a job. Is that satisfactory? Is that predatory? That has to be opened for debate. I don't know. All I know is, in 1994, there are 151 people working in that fishery. Now, that is what I thought my job was. So it is clear what the subsidies are, very clear. I think the debate has to be, is that fair? I think that is the issue that has been raised here and I am prepared to debate that, but let's get everybody in the House because that affects other people's regions.

### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Patterson, then we will recognize Mr. Allooloo.

#### MR. PATTERSON:

I will look forward to a solution of the fish box problem which is going to allow my small, struggling corporate constituent to survive in the fishery business with money invested from his own pocket. Maybe we can take that as a first step, take a look at the Pangnirtung Fishery, and if it leads to a debate about the policies

and the mandate of the Development Corporation, then so be it. But I am wanting to take this one step at a time, and my first concern is the fish boxes and I am pleased that the Minister is going to tackle this problem. In his business-like way, I am sure he will find a solution. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Minister Todd.

### HON. JOHN TODD:

Now, wait a minute. This is an important issue to me, okay. It was the honourable Member who talked about policy, not me. I am suggesting to you that the policies are there. If we are going to debate the larger issue, then let's debate it with everybody in the House. That is all I am saying. If we have a minor problem with fish boxes, then why the...Pardon me. If we have a minor problem with fish boxes, we will resolve that issue.

### ---Applause

# CHAIRMAN (Mr. Whitford):

Thank you, I am sure there will be room after the budget's completed to get into some debate. The chair will now recognize Mr. Allooloo.

### MR. ALLOOLOO:

Thank you, Mr. Chairman. I listened, with interest, to the two Members, one Minister, one MLA. It has been an interesting discussion. Mr. Chairman, isn't it true - I might be asking the wrong Minister - that the Pangnirtung fishery for turbot, which has been around 100,000 pounds per year, has been given a licence by the Minister of Fisheries to the Inuit and it's not for Pangnirtung. It could be fished out of Iqaluit; it could be fished out of Pond Inlet; or it could be fished out of Rankin Inlet, as long as it does not exceed 100,000 pounds. Pangnirtung itself has not been licensed to do that fishery. That was my understanding. Is that still true? Thank you.

# CHAIRMAN (Mr. Whitford):

Thank you, Mr. Allooloo. Minister Todd.

## HON. JOHN TODD:

Again, I stand to be corrected, but in my discussions with Mr. Mike, who is the president of the Pangnirtung Fishery, he did relate it in the same way as Mr.

Allooloo currently spoke to it. He saw it as part of a quota given to aboriginal people and he saw it as part of what he perceived as, perhaps, a right. Now, in terms of clearly defining whether it was given under those circumstances, I would have to look into it. I don't have the legalities of it. I don't know definitively if that's how it was done but it's certainly perceived that way, yes.

### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. Mr. Allooloo.

## MR. ALLOOLOO:

Mr. Chairman, yes, I would be interested to know. If the Minister does not have that information now, then I would be happy if he could provide it in the future. My understanding, Mr. Chairman, was that, due to lack of scientific information by Fisheries and Oceans, they were reluctant to

### Page 780

license a certain area. To get around that, they said, okay, we'll give you 100,000 pounds. They call it an Eskimo licence that was for the zone "O" and maybe part of "B". Mr. Chairman, I would encourage the Minister to see if that fishery could be developed and keep asking the DFO to do some initial assessment so that other allocations could be made for both exploratory and establishing quotas. That is all I have to say. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Allooloo. Minister Todd.

### HON. JOHN TODD:

I must apologize. I appreciate what the honourable Member said, and I am encouraged by what he said. I will look into it and get it more clearly understood by myself as it relates to why this licence was given and who it was. It would certainly solve a lot of the debate. Thank you.

# CHAIRMAN (Mr. Whitford):

Thank you, Mr. Todd. Any further comments on this page? Details in contributions, contributions, \$14.029 million.

# **SOME HON. MEMBERS:**

Agreed.

---Agreed

# CHAIRMAN (Mr. Whitford):

Grants and contributions, \$14.379 million.

### **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Detail of work performed on behalf of third parties, total department, \$36,000.

### **SOME HON. MEMBERS:**

Agreed.

---Agreed

### CHAIRMAN (Mr. Whitford):

Program summary on page 17-11, total O and M, \$34.26 million.

### **SOME HON. MEMBERS:**

Agreed.

---Agreed

### CHAIRMAN (Mr. Whitford):

Does the committee agree that the Department of Economic Development and Tourism main estimates are concluded?

# AN HON. MEMBER:

Fish boxes.

## CHAIRMAN (Mr. Whitford):

Except for the fish boxes. Okay, I think there was an okay on that already. Minister Todd.

# HON. JOHN TODD:

Thank you very much, Mr. Chairman. I do want to say to the Standing Committee on Finance, I do appreciate the compromise reached on the Piruqsaijit issue. I recognize that it is an important one, and I will work diligently with the presidents of the development corporations in the Keewatin to see if we can reach an early solution.

On my emotional outburst, I apologize. It is just that I thought we had reached an agreement, but I stand down. I apologize. We will reach an agreement on the boxes, I promise.

### CHAIRMAN (Mr. Whitford):

Thank you. So, I can inform the Clerk to put the boxing gloves away until a later date. This matter is concluded. On behalf of the committee, I would like to thank the witness who assisted Mr. Todd in this matter. I believe we are going to move on now to another department with the same Minister. What is the wish of the committee? Mr. Ningark.

#### MR. NINGARK:

Yes, Mr. Chairman. I suggest we go with the next one on the list. It is Energy, Mines and Petroleum Resources, with Mr. Todd in the chair.

Department Of Energy, Mines And Petroleum Resources

## CHAIRMAN (Mr. Whitford):

Thank you, Member for Natilikmiot. The committee agrees. Is the Minister prepared to have his opening remarks? Mr. Todd.

Introductory Remarks

#### HON. JOHN TODD:

Thank you, Mr. Chairman. The department's 1994-95 proposed budget is virtually unchanged from 1993-94. There is a net reduction of \$84,000 resulting from restraint initiatives.

The department is proposing to increase its emphasis on minerals. This is in response to increased activity. Funds are available because of the general lack of oil and gas activity.

The minerals initiatives program represents a large portion of the department's budget. This is a five year program which is funded under the Canada/NWT economic development agreement. Seventy per cent of the expenditures from the minerals initiative program are recovered from the federal government.

Mineral exploration activity has increased significantly over the past year, and is expected to continue for the foreseeable future. Two companies have bulk sampling programs under way for diamonds. A determination that there are one or more economic diamond deposits could be made later this year. BHP recently submitted a project description for its NWT diamonds project, which sets out an aggressive schedule for a very large-scale operation.

Although Metall Mining has put its work for the development of the Izok Lake base metals project on hold, a number of other projects are in an advanced exploration stage. A conservative projection would be that five new mines will open up in the NWT over the next ten years.

Oil and gas activity has been declining in recent years due to low prices, lack of exploration success and the lack of exploration rights issuances in the Mackenzie Valley. Exploration rights should, however, be issued in the Gwich'in and Sahtu regions in 1994, now that the land claims have been settled.

As a result of preparatory work conducted over the past several

## Page 781

years, the department is in a good position to implement oil and gas and minerals management programs. However, an agreement to transfer these responsibilities from Canada has yet to be finalized.

The devolution of responsibilities for oil and gas and minerals from the Government of Canada to the GNWT is a matter of highest priority. The magnitude of the impacts of impending mineral development on the economic future of the Northwest Territories makes it imperative that these agreements be finalized as soon as possible. Without the tools to manage these industries through provincial-type authorities, this government will continue to have little control over the non-renewable resource industries and will realize no fiscal benefits from mining and oil and gas activity.

Responsibilities for public programs related to energy conservation were transferred from the Department of Government Services and Public Works in August 1992. The department is now responsible for the promotion of energy awareness and for providing energy management advice to all energy users in the NWT, other than those whose energy costs are paid for by the Department of Government Services and Public Works.

As a result of this transfer, the department has integrated energy policy and programs under a single division. These organizational changes have enhanced the GNWT's ability to respond more effectively to increased demands for energy conservation information, advice and services.

Thank you, Mr. Chairman.

### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. The representative from the Standing Committee on Finance, are you prepared to make your presentation? The chair recognizes Mr. Ballantyne.

Standing Committee On Finance Comments

## MR. BALLANTYNE:

Thank you, Mr. Chairman. The Department of Energy, Mines and Petroleum Resources can have a significant role in developing the economy of the north. We encourage the department to work closely with other departments, especially Economic Development and Tourism, Transportation and the NWT Power Corporation. Such cooperation could lead to a number of promising developments which could provide employment and other benefits to northerners.

The committee strongly supports the department's efforts in trying to finalize devolution of responsibility for minerals and oil and gas from the federal government. Members urge the department to recognize the importance of involving aboriginal groups, at various stages of claims, treaty negotiations and settlement, in the finalization of this devolution.

The committee notes that the department has been working on this particular aspect of devolution for about the last seven years. In addition, committee Members have been concerned that federal bureaucrats have not expressed a strong will to complete these negotiations. On the other hand, the committee was encouraged to hear the following comments made by the new Prime Minister in his address to our Legislative Assembly on November 17, 1993.

"I would just like to tell you that we will talk about the problems, one by one. We have to carry on with the job of determining the territorial creation of Nunavut and the development of the constitutions. We will have to work in collaboration with the people who will

be developing the constitution. I will talk to you about the need to finish the transfer of responsibilities to the territorial government at a pace determined by you. It will take some time and we don't want to impose anything on you."

Recommendation 17

The committee recommends that the Department of Energy, Mines and Petroleum Resources, involve concerned aboriginal groups and finalize the devolution of responsibility for minerals and oil and gas from the federal government.

Committee Members feel that the "package" approach for negotiation with the federal government may help here, and that this department and concerned aboriginal organizations should be active participants in the continuing development of the "package" and its accompanying short and mid-term negotiating strategy.

As well, the committee encourages the department to continue development of a short-term strategy for maximizing benefits to northerners from...

### CHAIRMAN (Mr. Whitford):

Thank you. Apparently, there is a problem with translation. Perhaps, you are speaking a bit too fast, Mr. Ballantyne. Could you please slow down a bit?

#### MR. BALLANTYNE:

Thank you. I have two sick children at home, so I am trying to finish this.

As well, the committee encourages the department to continue development of a short-term strategy for maximizing benefits to northerners from upcoming mineral development, until such time as the minerals accord is completed. With promising diamond and zinc finds north of Yellowknife, there could be much economic benefit to the north. By working with other departments and communities, this department could help find ways to encourage new mines to hire northerners, involve more northerners in prospecting, or to trigger and support new infrastructure developments such as hydro development and a transportation corridor to Coppermine.

Mr. Chairman, that concludes the report of the Standing Committee on Finance.

Committee Motion 33-12(5): To Adopt Recommendation 17, Carried

I move that the committee recommends that the Department of Energy, Mines and Petroleum Resources, involve concerned aboriginal groups and finalize the devolution of responsibility for minerals and oil and gas from the federal government.

Thank you, Mr. Chairman.

### CHAIRMAN (Mr. Whitford):

Thank you, Member for Yellowknife North, Mr. Ballantyne. We have a motion on the floor. The motion is in order. To the motion.

Page 782

### AN HON. MEMBER:

Question.

## CHAIRMAN (Mr. Whitford):

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

---Carried

---Applause

Page 16-09, Energy, Mines and Petroleum Resources, program summary, general comments. Do we wish the Minister to take the witness chair with his witnesses?

### SOME HON. MEMBERS:

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Mr. Minister, are you prepared to take the witness chair?

# HON. JOHN TODD:

Sorry, yes, I was having a casual conversation with my colleague about fish boxes.

---Laughter

Yes, Mr. Chairman, sorry.

## CHAIRMAN (Mr. Whitford):

I understand that you were attempting to bury the hatchet with Mr. Patterson. Would you take the

witness chair, please. Thank you, Sergeant-at-Arms, for escorting the witnesses to the table. Mr. Minister, would you introduce your witness to the committee.

### HON. JOHN TODD:

Thank you, Mr. Chairman. On my immediate right is Mr. Nicholls, the deputy minister of Energy, Mines and Petroleum Resources. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you. General comments. Member for Kitikmeot, Mr. Ng.

**General Comments** 

#### MR. NG:

Thank you, Mr. Chairman. Just a quick question. What is the status of the minerals strategy that we have been anxiously awaiting in this Assembly? Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Minister.

## **HON. JOHN TODD:**

It is at the printer right now, and hopefully we'll be able to table it next week. Thank you.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. General comments. Member for Nahendeh.

#### MR. ANTOINE:

Thank you, Mr. Chairman. From the time the Standing Committee on Finance completed their report until now, there have been some developments with the northern accord. The Minister earlier this session made a Minister's statement regarding a trip he made to Ottawa when he met with the Minister of Energy and other Ministers about the northern accord. The Minister indicated to us that the Minister of Indian Affairs and Northern Development has more or less committed himself to negotiate the northern accord.

I would like to ask the Minister, what does he mean by the Minister of Indian and Northern Affairs agreeing to negotiate this northern accord? Does it mean that there are negotiations currently taking place now or negotiations are going to start? If so, what kind of time frame are we looking at for conclusion of the northern accord? Has any agreement been reached with the Minister of Indian and Northern Affairs? Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Minister Todd.

#### HON. JOHN TODD:

As the honourable Member stated, we did reach an understanding, if you want, with the Honourable Ron Irwin that we will move forward on the transfer of oil and gas and mineral responsibilities. We have an agreement that bureaucrats will discuss the process for it. I think it would be fair to say that our colleague, Mr. Irwin, stressed that we had to do a significant amount of work with the aboriginal groups, whether it is First Nations, as in Treaty 8, or with claimant groups, like the Sahtu and the Gwich'in.

I assured him, as I've assured this House on a number of occasions, that it is our intention to have significant discussions with the aboriginal people with respect to an accord and with the others who are involved as well. There are no negotiations currently under way, we are working out -- my favourite word -- a process. We're feeling out where people sit politically on this issue.

I recognize that this could be a very controversial issue. However, I feel very strongly that our financial viability would be enhanced if we had an accord that protects the interests of all northerners with respect to mineral and oil and gas devolution. Discussions are under way, at a very preliminary stage, with some of the aboriginal groups. Mr. Nicholls will be discussing the process with Mr. Rayner at that level. I will keep this House and all those people who want to be up to date on the developments as we move forward. Because, this is a very, very delicate issue.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. General comments. Does the committee agree that we go item by item?

### **SOME HON. MEMBERS:**

Agreed.

---Agreed

Line By Line

Energy, Mines And Petroleum Resources

### CHAIRMAN (Mr. Whitford):

Energy, Mines and Petroleum Resources, page 16-10, total O and M, \$4.777 million.

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Details of grants and contributions. Contributions, \$1.169 million.

### SOME HON. MEMBERS:

Agreed.

Page 783

---Agreed

# CHAIRMAN (Mr. Whitford):

Grants and contributions, \$1.169 million.

#### **SOME HON. MEMBERS:**

Agreed.

---Agreed

### CHAIRMAN (Mr. Whitford):

Information item, NWT Power Corporation. Detail of work performed on behalf of third parties. Total department, \$38,000.

# **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Program summary, total O and M. Mr. Gargan.

### MR. GARGAN:

A review was done on the issue of privatizing the Power Corporation. What is the status on that?

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Mr. Minister.

### HON. JOHN TODD:

I am not responsible for that. I should indicate to the honourable Member and colleagues that because I have responsibility for the Public Utilities Board, we have reached an agreement where we don't deal with the NWT Power Corporation situation as we have done in the past, because it could be perhaps viewed as a conflict. That question has to be posed to the Minister responsible, the Premier.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Is that okay, Mr. Gargan? Will you ask the Minister at another time? Mr. Gargan.

#### MR. GARGAN:

Who is it?

### AN HON, MEMBER:

The Premier.

### MR. GARGAN:

Oh, okay. I just wanted to find out from the Premier what the status is with regard to privatization? I haven't heard anything about the privatization of the NWT Power Corporation. Is that still the direction this government is going?

# CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Perhaps this should be discussed at another time. However, in this instance, I will allow the question to be posed to the Premier. We are going to be dealing with the Power Corporation a little later. Premier Cournoyea.

### **HON. NELLIE COURNOYEA:**

Mr. Chairman, the plan is, there will be a discussion paper on the merits of the privatization of the Power Corporation. The issue and the background will be presented in the report and the report will be presented to the Legislative Assembly for discussion. The Power Corporation budget is up and hopefully I'll have it by that time so the whole issue of privatization will be on the floor of this Assembly.

### CHAIRMAN (Mr. Whitford):

Thank you, Premier. Program summary, total O and M, \$4.777 million. Agreed?

### **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Does the committee agree that Energy, Mines and Petroleum Resources are concluded?

### SOME HON. MEMBERS:

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Minister Todd, on behalf of the committee, I would like to thank you and your witness for assisting us on this matter. You are now free to go until we get the next department. The wish of the committee is that we move on to the Workers' Compensation Board?

#### SOME HON. MEMBERS:

Agreed.

---Agreed

Workers' Compensation Board

### CHAIRMAN (Mr. Whitford):

We have agreement. I will ascertain that the Minister is prepared to give us his opening remarks. Minister responsible for the Workers' Compensation Board, Mr. Todd.

Introductory Remarks

# HON. JOHN TODD:

Thank you, Mr. Chairman. I am pleased to present to this Assembly the 1994 operations and maintenance budget for the Workers' Compensation Board.

The Workers' Compensation Board has produced a responsible, balanced budget for 1994, and has done so without increasing rates charged to employers or reducing benefits paid to injured workers. This budget sets out spending of just over \$30 million, and projects a small surplus of less than \$100,000.

We all know that the board had a financially difficult year in 1992. Throughout 1993, the board members and their staff worked to ensure that the programs being offered were cost-effective.

The board undertook three major financial initiatives in 1993. The first was establishing our own NWT impairment rating schedule to determine the percentage of physical impairment from permanent disability. This change away from the AMA guidelines was made to reduce subjectivity and increase fairness and equity between claimants.

The second was refocusing the rehabilitation program to effectively assist injured workers to return to work. The largest portion of rehabilitation costs are not paid directly to claimants, but to third parties like clinics, therapists and educators. The WCB insists on receiving value for money in these programs, and on programs being appropriate and effective for the worker involved.

The third initiative was adopting a funding strategy that will

Page 784

return the WCB to a fully-funded position by the end of 1994.

These efforts have resulted in a 13.4 per cent reduction in the overall operating budget, from \$35.738 million in 1993 to \$30.950 million in 1994.

Seven new staff positions were created, several of which replace services previously purchased from outside sources. These new positions increase the WCB's ability to meet stakeholder needs, without increasing overall costs.

Some of the initiatives that will increase costs, or introduce new costs are the WCB's affirmative action and official languages plans, which are in accordance with this government's own initiatives. The WCB's three year corporate plan, tabled during the last session, also indicated a number of cost items, including consideration of an early intervention approach to claims management, the development of a fraud prevention strategy, staff training to improve client services and increased communications with stakeholders.

The board is still considering changes to the classification system, introduction of a merit and surcharge program and enhanced safety education programs. These changes will not impact the budget until 1995.

You will also see an increase in appeals tribunal costs. The appeals tribunal commissioners have temporarily assumed an increased workload to deal with the backlog of appeals. These additional tribunal costs are not expected to continue.

The WCB is funded by assessments paid by employers. It is important that the trust of those employers be maintained, and that injured workers be protected and served cost-effectively. This budget has been prepared to that end.

Thank you, Mr. Chairman.

### CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. The Standing Committee on Finance has a report. The person who will present that will be Mr. Patterson.

Standing Committee On Finance Comments

#### MR. PATTERSON:

Thank you, Mr. Chairman. The Standing Committee on Finance is generally satisfied with the direction the board has taken recently. Recent initiatives such as an affirmative action plan, consideration of a merit rebate/surcharge policy, and a refocussing of the rehabilitation program show that the board is improving greatly in service to their clients and in their own management.

Committee Members would like to see the board move a little more quickly on some items. While the affirmative action plan seems to have promise, we wonder when it will be implemented. Also, since the adoption of the new physical impairment rates in July 1993, the committee would like to see the board perform a quick evaluation now of the effect of those rates, as well as conducting a complete evaluation after one year.

Approaches such as the early intervention policy, and gearing the rehabilitation program towards getting workers back to work, are to be applauded. Committee Members feel that the quicker a worker is back to work, the better their self-esteem and attitude will be.

The committee is concerned about high accident rates in the mining and construction industries. While more safety inspectors would help lower these rates, as we discussed under Safety and Public Services, we feel the board should provide further incentive for these industries to improve by implementing a merit

rebate/surcharge policy. Committee Members believe that the time is past for merely talking about such a policy, and that it should be implemented as soon as possible. I have a motion to present on that at the conclusion of this narrative, Mr. Chairman.

The committee is also concerned that the board's costs are quite high. While we recognize that this board has an important mandate, and that things have improved recently, the committee would still like to see the board continue to work towards minimizing costs. As for the backlog of claims in the appeals process, committee members approve of the plan to clear the backlog, and hope that the board will be able to better control its costs once those cases are dealt with

Committee Members are encouraged by the board's recent progress. Although there has been some negative publicity towards the board lately, we wonder how true a reflection that publicity is of the attitude of most of the board's clients. The committee encourages the board to act quickly when responding to legitimate complaints, and to continue with the improvements that have been implemented to date.

I have one motion to now propose, Mr. Chairman.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. Would you read the motion, please?

Committee Motion 34-12(5): To Adopt Recommendation 35, Carried

I move that the committee recommends that the Workers' Compensation Board develop and implement a strategy for providing rebates or surcharges to employers based on their safety records, and the safety records in their industry, by August 1, 1994.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Patterson. The motion is in order. To the motion.

### AN HON. MEMBER:

Question.

# CHAIRMAN (Mr. Whitford):

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

### ---Carried

### ---Applause

Before we begin general comments, would the Minister be prepared to take the witness table with whatever resources he will require?

#### HON. JOHN TODD:

Thank you, Mr. Chairman. I would.

# CHAIRMAN (Mr. Whitford):

Thank you, Mr. Minister. Would

Page 785

you be so kind as to introduce your witnesses to the committee?

## HON. JOHN TODD:

Thank you very much, Mr. Chairman. On my immediate right is Ms. Dorothy Chattel who is the director of finance, and on my immediate left is Mr. Gilmour who is the chairman of the board. Thank you.

# CHAIRMAN (Mr. Whitford):

Welcome to the committee of the whole, Ms. Chattel and Mr. Gilmour. General comments on WCB located in 08-16. Mr. Gargan.

**General Comments** 

### MR. GARGAN:

Thank you, Mr. Chairman. Mr. Chairman, I think it was this fall that I heard a statement with regard to the amount of compensation that we have been paying off and that the compensation package has gone over. We are paying more than we are receiving, right? What is the situation with that right now?

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Mr. Minister.

### HON. JOHN TODD:

I wonder if I could ask Mr. Gilmour to give us an update on the fiscal position of the WCB. Is that okay?

### MR. GILMOUR:

Thank you, Mr. Chairman. The honourable Member is correct that, in fact, at the end of 1992, the board had an operating deficit of approximately \$8.3 million and was unfunded to the tune of around \$900,000. The projections we are looking at now, at the end of 1993, we should have a balanced budget, and we are looking for 1994 to be fully funded once again. So we have turned around dramatically,

we think, in a period of a year, the financial position of the board. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gilmour. The Member for Deh Cho.

### MR. GARGAN:

Thank you, Mr. Chairman. You don't anticipate an increase in YMIR, then.

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Minister Todd.

#### HON. JOHN TODD:

No, there is no anticipation that there will be a request for increase in YMIR at this time. Thank you.

## CHAIRMAN (Mr. Whitford):

Thank you. Member for Deh Cho.

#### MR. GARGAN:

Yes, Mr. Chairman, with regard to the Workers' Compensation Board itself, is it this board that also determines compensation for hunters and trappers?

### CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Minister Todd.

#### HON. JOHN TODD:

We develop the criteria for compensation based upon the amendments to the act that you worked very closely on. It is funded through Renewable Resources. We administer it on behalf of Renewable Resources based upon the new criteria that is going to be set. Thank you.

# CHAIRMAN (Mr. Whitford):

Thank you, Minister Todd. General comments. If there are no further comments, then, does the committee agree that this matter is concluded?

## **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

We have general agreement. I would like to, on behalf of the committee, say thank you to the witnesses and the Minister for assisting us in the deliberation of this matter. Mr. Todd, you look like you want to say something.

### HON. JOHN TODD:

No, I wouldn't dare. Thank you very much, Mr. Chairman.

---Laughter

# CHAIRMAN (Mr. Whitford):

Thank you. What is the wish of the committee? Mr. Arvaluk.

### MR. ARVALUK:

Mr. Chairman, with the committee, I recommend that we go to the Department of Personnel.

# CHAIRMAN (Mr. Whitford):

Does the committee agree?

# **SOME HON. MEMBERS:**

Agreed.

---Agreed

## CHAIRMAN (Mr. Whitford):

Mr. Antoine.

### MR. ANTOINE:

Can we have just a short break? We have to get some documents organized here.

### CHAIRMAN (Mr. Whitford):

The committee will take a short, five minute break, and when we return, Mr. Lewis will reopen.

### ---SHORT RECESS

Chairman's Ruling

### CHAIRMAN (Mr. Lewis):

I would like to call the committee back to order. Before we go into any further business, I would like to rule on a point made by the Premier earlier this afternoon. In response to Mr. Arvaluk's statement, "Let us not be hypocritical about this," when referring to the lost opportunity to use caribou in the Coral Harbour area, Ms. Cournoyea asked that the Member withdraw the word hypocritical.

I said I would examine the Hansard tomorrow, but we'll deal with the matter today. I note that Mr. Arvaluk did not call Mr. Todd a hypocrite and did not call him hypocritical. His comment was of a general nature, cautioning how such matters should be dealt with. Members should note, however, that the use of the word hypocritical can be misleading and can cause concern. I would urge Members to be cautious in using it.

What is the wish of the committee? Mr. Antoine.

Page 786

### MR. ANTOINE:

Thank you, Mr. Chairman. I would like to move that we report progress.

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

There is a motion to report progress, which is not debatable. The motion is in order. To the motion.

#### AN HON. MEMBER:

Question.

### CHAIRMAN (Mr. Lewis):

Question has been called, but we don't have enough people. We will ring the bell to see if we can get some numbers.

There is a motion on the floor. To the motion.

### AN HON. MEMBER:

Question.

### CHAIRMAN (Mr. Lewis):

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

---Carried

I will rise and report progress.

## **MADAM SPEAKER:**

I call the House back to order. Item 19, report of committee of the whole. The honourable Member for Yellowknife Centre, Mr. Lewis.

ITEM 19: REPORT OF COMMITTEE OF THE WHOLE

### CHAIRMAN (Mr. Lewis):

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

#### MADAM SPEAKER:

Thank you. Is there a seconder for the motion? It is seconded by the honourable Member for Amittuq, Mr. Allooloo. The motion is in order. To the motion.

#### AN HON. MEMBER:

Question.

### **MADAM SPEAKER:**

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

---Carried

Item 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 is a meeting of the Nunavut Caucus immediately after adjournment this evening. There are meetings tomorrow at 9:00 am of the Standing Committee on Finance, at 10:30 of the Ordinary Members' Caucus and at 12:00 noon of the Management and Services Board. Orders of the day for Wednesday, March 23, 1994.

- 1. Prayer
- 2. Ministers' Statements
- 3. Members' Statements
- 4. Returns to Oral Questions
- 5. Oral Questions
- 6. Written Questions
- Returns to Written Questions
- 8. Replies to Opening Address
- 9. Petitions
- 10. Reports of Standing and Special Committees
- 11. Reports of Committees on the Review of Bills
- 12. Tabling of Documents
- 13. Notices of Motion
- 14. Notices of Motions for First Reading of Bills
- 15. Motions
- 16. First Reading of Bills
  - Bill 16, An Act to Amend The Arctic College

Act

- 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 9, An Act to Amend the Motor Vehicles Act
  - Bill 11, An Act to Amend the Safety Act
  - Bill 12, An Act to Amend the Wildlife Act
- Bill 15, An Act to Amend the Income Tax

Act

- Bill 17, Loan Authorization Act, 1994-95
- Committee Report 2-12(5), Review of the 1994-95 Main Estimates

- Minister's Statement 5-12(5), Session Business
- Tabled Document 1-12(5), Towards an NWT Mineral Strategy
- Tabled Document 2-12(5), Building and Learning Strategy
- Tabled Document 34-12(5), Tradition and Change, A Strategy for Renewable Resource Development in the NWT, February 1994
- 19. Report of Committee of the Whole
- 20. Third Reading of Bills

Page 787

21. Orders of the Day

# MADAM SPEAKER:

Thank you. This House stands adjourned until Wednesday, March 23, 1994, at 1:30 pm.

---ADJOURNMENT