



**NORTHWEST TERRITORIES
LEGISLATIVE ASSEMBLY**

5th Session

Day 29

12th Assembly

HANSARD

THURSDAY, MARCH 24, 1994

Pages 821 - 852

Page numbers reflect printed Hansard

The Honourable Jeannie Marie-Jewell, Speaker

MEMBERS PRESENT

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, Hon. John Pollard, Mr. Pudlat, Hon. John Todd, Mr. Whitford, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Jeannie Marie-Jewell):

Good afternoon. Item 2, Ministers' statements. Item 3, Members' statements. The honourable Member for Yellowknife Centre, Mr. Lewis.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Inaccurate Statistics On Alcohol Abuse In The NWT

MR. LEWIS:

Thank you very much, Madam Speaker. On Tuesday, I said I was alarmed to read a description of Yellowknife that appeared in a Cape Town, South Africa newspaper called Cape Argus, in February of this year. I said that what disturbed me the most was that the factual information that appeared in the article was supplied by the Government of the Northwest Territories, and that if public servants are going to provide information to anybody, they had better get their facts straight.

Madam Speaker, it's important to the morale of our public service that the record of this House presents a factual account of where the information came from with respect to this newspaper article. I'm told, Madam Speaker, that the information contained was not supplied by this government. It was provided by the executive director of Northern Addiction Services, and there has been no indication of where the executive director obtained the information that 80 per cent of northerners are addicted to alcohol and drugs. I made the wrong assumption, Madam Speaker, that Northern Addiction Services uses the same statistics as the Government of the Northwest Territories. However, I will be interested in hearing from the government what the true picture of addiction in the Northwest Territories really is, in response to a

question I asked the Minister this week. Thank you very much, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for North Slave, Mr. Zoe.

Member's Statement On Water And Sewer Subsidy Program

MR. ZOE:

Thank you, Madam Speaker. Today I would like to speak to the water and sewer subsidy program operated by the Department of Municipal and Community Affairs. This program, Madam Speaker, pays for some of the high costs of providing clean water, and appropriate sewage service in northern communities by subsidizing the rates paid by northerners. It costs a lot of money to provide clean water and proper sewage services in northern communities, money that can be hard to come by. This program is of great benefit to northern business as it enables the growth of the small business sector in the north, growth that might otherwise be stifled by high utility costs.

Madam Speaker, the subsidy program is also a boon to home ownership in the Northwest Territories. Mortgage payments and heating costs are already much higher in the north than in most of the country. The water and sewer subsidy program makes it a little easier for northerners to afford to buy their own homes. In fact, Madam Speaker, this is a very important program; so important that it is often the subject of rumours, rumours that the subsidy might be reduced and that northern home owners and business people might have to pay much more for their water and sewage services.

Because the water and sewer subsidy program is so important, the Members of this House trust that the government will always consult fully with House and with the municipalities of the Northwest Territories before considering any changes to the subsidy. Thank you.

MADAM SPEAKER:

Thank you. Item 3, Members' statements. The honourable Member for Kitikmeot, Mr. Ng.

Member's Statement On Privatization Of Government Services

MR. NG:

Thank you, Madam Speaker. Past governments and this government have planned and partially initiated privatization of the government services which were identified in order to streamline government functions by reducing operating costs and, of course, creating opportunities for business and individuals wishing to establish business. Examples I'm aware of in the Kitikmeot, over the years, are for vehicle maintenance, oil burner and plumbing, heating-related maintenance, some carpentry, painting and electrical-related services on a limited basis and the warehousing and supply of materials and goods. I'm also aware that the government has privatized the retail liquor outlets, the motor vehicle licensing, printing services and some POL delivery contracts.

Madam Speaker, I fully support the privatization of government services, as long as it creates business opportunities for individuals and supports existing businesses and reduces costs to the government. While these full or partial privatization initiatives have been ongoing over the years, I believe it's time to review all current contracts with the intent of expanding the contracts which have been successful in providing these partial services to the government.

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Our government must refocus their attention on privatization of government functions to reduce costs and to provide these business and employment opportunities for individuals in our communities. Mahsi cho.

MADAM SPEAKER:

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

Member's Statement On Legislative Assembly And Media's Annual Hockey Game

MR. GARGAN:

Thank you, Madam Speaker. Last night the MLA Sharks held their final hockey practice in preparation for tomorrow's big game. The team is ready to go and they look very hungry. In fact, "Jungle" Jim Antoine got a little too aggressive and took out our very own Joe "Bunny" Larocque. Passing very crisp, as five sticks were broken during practice trying to receive a

pass. Speed is also one of the team's assets. This year, Georgina "Skate-Like-The-Wind" Frankie, literally burned several grooves into the ice.

The team features four strong lines, including those led by James "Van Cleefe" Arvaluk, and Donnie "Teflon" Morin. Madam Speaker, since Mr. Morin has been on the Executive he has humbled himself, both on the Executive level and on the ice. News of the team has already reached the ears of the media. Concerned about what they were facing, a media spy was sent to watch a practice and was quickly evicted by Kelvin "The Enforcer" Ng. Dave "Scottie" Hamilton, the team's general manager, has spiffed up his wardrobe for this illustrious event.

The Sharks would like to remind their fans that game time is tomorrow at 2:00 pm in the community arena. Thank you, Madam Speaker.

---Applause

MADAM SPEAKER:

Thank you. Item 3, Members' statements. Item 4, returns to oral questions. The honourable Member for Keewatin Central, Mr. Todd.

ITEM 4: RETURNS TO ORAL QUESTIONS

Further Return To Question 359-12(5): Injured Workers' Access To Courts Following Appeals Process

HON. JOHN TODD:

Thank you, Madam Speaker. I have a return to an oral question asked by Mr. Ballantyne on March 23, 1994 regarding injured workers' access to courts, following the appeals process. The honourable Member for Yellowknife North asked me on March 23 what recourse was available to workers who have exhausted the appeals process for workers' compensation.

The Workers' Compensation Act is quite specific about such cases.

Section 7.9(1) of the act states: "Subject to sections 7.7 and 7.8, a decision of the appeals tribunal on an appeal is final and conclusive." Section 7.9(2) states: "A decision of the appeals tribunal may not be questioned or reviewed in any court."

The only exceptions would be:

1. Where the board considers that the appeals tribunal has failed to properly apply the policy established by the board or has failed to comply with the provisions of the act or the regulations (section 7.7). In this case, the board may direct the appeals tribunal to rehear the appeal and give fair and reasonable consideration to that policy and those provisions. In doing so, the board may stay a decision, ruling or order of the appeals tribunal pending a rehearing of the appeal.

2. The appeals tribunal may vary a decision made by it and may, on its own motion, rehear an appeal (section 7.8).

3. A judicial review may be sought by an appellant where it is felt that the appeals tribunal has, for example, failed to follow the rules of natural justice, fettered its discretion, or exceeded its authority. In such cases, the court may only direct that the appeal be reheard and under what parameters but cannot change the appeal decision itself.

MADAM SPEAKER:

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

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

HON. REBECCA MIKE:

This is a response to a question asked by Mr. Ng on March 22, 1994 regarding policy for over-accommodating staff under staff housing guidelines. While we do not have a policy for allocating staff housing, we do have guidelines. A copy of those guidelines was tabled yesterday. The guidelines provide for employees, at or above the regional superintendent level, to be assigned one bedroom larger than the size normally allocated based on employee's needs.

Further Return To Question 329-12(5): Guidelines For Allocation Of Staff Housing

I have another return, Madam Speaker, if I may. It is a return to oral question asked by Mr. Ng on March 18, 1994 regarding guidelines for allocation of staff housing. In allocating staff accommodations, the primary consideration is the number of bedrooms required for an employee's family.

Wherever possible, employees with large families are accommodated in units which have the most space. However, a larger unit costs more to rent. Because of this, employees are given a choice of a smaller unit if one is available.

MADAM SPEAKER:

Thank you. Item 4, returns to oral questions. The honourable Member for Mackenzie Delta, Mr. Nerysoo.

Return To Question 320-12(5): Advertising Re Consumer Affairs

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. This is a return to an oral question asked by Mr. Arvaluk on March 18, 1994 with regard to advertising in Consumer Affairs. Madam Speaker, Consumer and Corporate Affairs develops, produces and disseminates information to the public on consumer-related matters, as departmental resources permit. The division also assists consumers through conciliation and

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mediation in resolving complaints they may have with products or services purchased by them.

One way of disseminating information to the public is the development of tips sheets. Approximately 40 tips on various subjects of consumer interest, ranging from buying by mail to writing a complaint letter are available in English, Inuktitut and French. Should a situation arise that requires special attention, newspaper and radio interviews as well as CBC public service announcements are used. Production of a brochure entitled "Alert" covering a specific topic also allows the division to provide information to the public on time-sensitive issues.

A combination of these approaches was used most recently during an outbreak of telephone solicitations offering fabulous prizes in exchange for purchase of a small quantity of goods from southern telemarkets to residents of the Northwest Territories. A newsletter entitled "Northern Consumer" is produced and distributed every three months to over 600 subscribers, free of charge. The mailing list includes nursing stations, adult educators, schools, libraries, doctors offices, health clinics, and individuals in every community in the Northwest Territories. Northern Consumer deals with timely issues affecting the

consumer, such as recalls, product information and warnings of any potential disreputable marketers.

The issue of price gouging is one that has been a concern for many years. In remote areas of the Northwest Territories, as elsewhere, businesses generally set a price for goods that the market will bear. While this practice would appear to be insensitive to the unique needs of northern communities, the territorial government has no regulatory authority to control, or in any way affect, the prices of consumer products, with the exception of liquor, charged the merchants in the Northwest Territories.

However, as Minister, I am always prepared to offer my assistance in trying to resolve consumer issues that are brought to my attention. Madam Speaker, I will be sending the Member a package of consumer information produced by the division under a separate cover. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. Item 4, returns to oral questions. Item 5, oral questions. The honourable Member for North Slave, Mr. Zoe.

ITEM 5: ORAL QUESTIONS

Question 366-12(5): Increase To Water And Sewer Rates

MR. ZOE:

Mahsi, Madam Speaker. Madam Speaker, my question will be directed to the Minister responsible for Municipal and Community Affairs. As I mentioned in my Member's statement, the subsidized water and sewer rates have had a positive impact on our northern economy, helping both residents and small businesses.

Madam Speaker, I was disturbed to hear that a Cabinet decision has been made to substantially increase these rates. I would like to ask the Minister when this decision was made by Cabinet?

MADAM SPEAKER:

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

Return To Question 366-12(5): Increase To Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. The decision was to increase commercial rates, not necessarily residential rates, just commercial rates by a small amount and the decision was made earlier this month. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 366-12(5): Increase To Water And Sewer Rates

MR. ZOE:

Supplementary, Madam Speaker. Madam Speaker, it is my understanding it is a substantial increase. Could I ask the Minister what the new water and sewer rates will be? Thank you.

MADAM SPEAKER:

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

Further Return To Question 366-12(5): Increase To Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I don't have the information right at my fingertips, but, it is an increase which is based over a number of years. I would be willing to get the information for the Member. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 366-12(5): Increase To Water And Sewer Rates

MR. ZOE:

Supplementary, Madam Speaker. With regard to the new rates for the water and sewer subsidy program, when does the Minister anticipate that these new rates will come into effect? Thank you.

MADAM SPEAKER:

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

Further Return To Question 366-12(5): Increase To Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I believe the rates should be effective May 1, but I would have to check the decision paper again, Madam Speaker. Thank you.

MADAM SPEAKER:

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

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Question 367-12(5): Consultation Re Increase To Water And Sewer Rates

MR. NG:

Thank you, Madam Speaker. My question is again to the Minister of Municipal and Community Affairs in dealing with the water and sewage rates. The Cabinet has previously made commitments to consult with Members on the major issues which will affect their communities, and I certainly believe that this is one issue that falls under that category. I would like to ask the Minister what consultation he undertook with Members of this House before recommending this change to Cabinet.

MADAM SPEAKER:

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

Return To Question 367-12(5): Consultation Re Increase To Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I believe the consultation with regard to the water and sewer subsidy has been raised by a number of Members, and I believe the first time that the subsidy was mentioned was in the fall session, in October or November. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 367-12(5): Consultation Re Increase To Water And Sewer Rates

MR. NG:

Supplementary, Madam Speaker. I don't believe the Minister has answered the question. The question was, what consultation did he undertake with Members of this House prior to bringing this change of rates forward to Cabinet?

MADAM SPEAKER:

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

Further Return To Question 367-12(5): Consultation Re Increase To Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. With regard to this particular policy, when I became a Member of the Cabinet, I did not make any consultation but I understood consultation had been made by previous Members of this particular department. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 367-12(5): Consultation Re Increase To Water And Sewer Rates

MR. NG:

Supplementary, Madam Speaker. I would like to ask the Minister if he undertook any consultation with municipalities that will be affected by this rate change, prior to him bringing this forward to Cabinet. Thank you.

MADAM SPEAKER:

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

Further Return To Question 367-12(5): Consultation Re Increase To Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I, again, as a Minister, did not make consultation with the municipalities. Again, I would have to say that the way I understood

it, previous Ministers had made consultation with municipalities in the Northwest Territories. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Question 368-12(5): Reason For Increasing Water And Sewer Rates

MR. ARVALUK:

Thank you, Madam Speaker. The decision that the Minister indicated will potentially have serious negative impact in the current initiative to promote home ownership. By the way, Madam Speaker, my question is to the same Minister, Municipal and Community Affairs. The cost to own and maintain a home in the Northwest Territories is already very high, particularly in the smaller communities that I represent. The higher cost for water and sewer charges may be just enough to make home ownership out of reach for some individuals. Why did the Minister propose a change in the water and sewer rates knowing the negative effect it would have on encouraging the development of housing markets in smaller communities?

MADAM SPEAKER:

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

Return To Question 368-12(5): Reason For Increasing Water And Sewer Rates

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I would like to set the record straight, Madam Speaker. The changes that were made by Cabinet do not affect residents. They don't affect residential units or home owners in small communities. There are a couple of things that were done with this particular decision. With questions and discussions held by a number of Members in this House who represent cities, towns or villages, the department was asked to equalize the subsidy rate in cities, towns and villages, which, in effect, this decision did. However, the decision did not affect any residential units in any community. The only effect that this decision that was made by Cabinet earlier this month had, was a slight increase to commercial users in the communities. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Question 369-12(5): Reason For Carvers Owing Money To Revenue Canada

MR. PUDLAT:

(Translation) Thank you, Madam Speaker. I would like to thank the Minister of Finance with regard to dealing with the income tax payment and the request of the Baffin South residents.

This month, Cape Dorset people had a concern, especially the carvers. Usually they have to pay quite a bit of money to

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Revenue Canada. I would like to ask the Minister of Finance, why do they have to pay Revenue Canada when they do their taxes? There are a lot of carvers in Cape Dorset, and they are pretty concerned, when they do their taxes that they have to pay a huge amount of money to Revenue Canada. They would like to find out what the reasons are for paying the huge amounts back to Revenue Canada. Thank you.

MADAM SPEAKER:

Thank you. Minister of Finance, Mr. Pollard.

Return To Question 369-12(5): Reason For Carvers Owing Money To Revenue Canada

HON. JOHN POLLARD:

Thank you, Madam Speaker. Madam Speaker, one of the things that the federal Minister and I have been trying to do is get the tax people into the smaller communities in the Northwest Territories so that they can explain how the tax system works, why the rates are the way they are, what the deductibles are and so on. I'm hoping that as we progress through these community visits, the kind of question that I'm being asked right now will be answered directly to the community residents themselves. I'm only guessing, Madam Speaker, that they probably have to pay large, lump sum amounts simply because they may not have contributed throughout the year. I think that's one of the things that we'll be suggesting, is that there be some kind of arrangement made whereby they can pay throughout the year.

Why do they pay Revenue Canada, Madam Speaker? They pay Revenue Canada because under the Canadian tax system, everybody except Quebec works along with the Canadian government. We usually set our taxes in the Northwest Territories, Yukon or in the provinces, except Quebec, as a percentage of the federal tax. So the federal government levies an income tax on people. We levy an income tax as a percentage of the federal amount and the federal government collects it and remits it back to the provinces and the territories, Madam Speaker. Thank you.

MADAM SPEAKER:

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

Supplementary To Question 369-12(5): Reason For Carvers Owing Money To Revenue Canada

MR. PUDLAT:

(Translation) Thank you, Madam Speaker, and thank you, Mr. Minister, for your response. Can I assure my constituents who are concerned about this income tax? Will I be able to inform them that if you want to find out more about why you're paying that amount, would I be able to tell them that they have to enquire to Revenue Canada? Thank you.

MADAM SPEAKER:

Minister of Finance, Mr. Pollard.

Further Return To Question 369-12(5): Reason For Carvers Owing Money To Revenue Canada

HON. JOHN POLLARD:

Madam Speaker, I'm going from past experiences with Revenue Canada. If there's a fear in the community that they will be assessed large sums of money that they may not be able to pay at that particular time, it is not uncommon for Revenue Canada to work out some kind of payment program with people to give them some time to pay. So if there's a fear in communities that these people are going to go in there and say you owe us \$15,000 and you must pay right now -- and I can't speak for the federal Minister, but I can only say that they have been reasonable in the past and I would expect them to be reasonable in the future, Madam Speaker.

Madam Speaker, I believe the Member's constituency is going to be visited by the federal tax people during

the first week of April of this year. And, yes, those are the kinds of questions that they will be able to answer. They can provide information to the Member and to his constituents with regard to how much tax they should pay. I have also indicated to the federal Minister that he should be prepared to supply some information in syllabics so that people will be able to read it themselves. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Question 370-12(5): MACA Minister's Knowledge Of Government's Commitment To Consult

MR. GARGAN:

Thank you, Madam Speaker. Madam Speaker, I would like to direct my question to the Premier. It is with regard to the process of public consultation. During the Premier's pitch to become a public leader, she made several commitments with regard to consultation and she made another commitment during the time you were elected, Madam Speaker. She said that times are changing. When the government first started, it started on the basis of making decisions, but now the commitment is to consult with communities. I would like to ask the Premier whether or not that commitment was conveyed to the Minister of Municipal and Community Affairs with regard to the government's commitment to consult?

MADAM SPEAKER:

Thank you. Madam Premier.

Return To Question 370-12(5): MACA Minister's Knowledge Of Government's Commitment To Consult

HON. NELLIE COURNOYEA:

Madam Speaker, I assume this is a question regarding the water and sewage policy. Madam Speaker, what I have suggested to the Minister of Municipal and Community Affairs, is that he provide you with the consultation process that did take place over a number of years on this one issue. This has been a long standing issue that has come back to Cabinet several times and has been carried over a number of years.

There's been a great deal of community consultation and this process has taken place. But, it may be that

because it is an old subject, and it kept coming back, that the Members of this Legislative Assembly should be provided with the type of consultation that took place, when it took place, and how we came to this particular position. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Gargan.

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Supplementary To Question 370-12(5): MACA Minister's Knowledge Of Government's Commitment To Consult

MR. GARGAN:

Thank you, Madam Speaker. I'm not too sure whether my question should be addressed to the Premier, but I want to ask the Premier if this particular rent increase has gone through the Public Utilities Board? When there is a rate increase, does the PUB invite public participation to determine if the increases should take place?

MADAM SPEAKER:

Madam Premier.

Further Return To Question 370-12(5): MACA Minister's Knowledge Of Government's Commitment To Consult

HON. NELLIE COURNOYEA:

Madam Speaker, these decisions are not governed under the Public Utilities Act.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Gargan.

Supplementary To Question 370-12(5): MACA Minister's Knowledge Of Government's Commitment To Consult

MR. GARGAN:

So there is really nobody in existence right now then? I realize this is commercial, but there are a lot of businesses in my constituency that might be affected by this increase. Who should they go to if they don't agree with the rate increase?

MADAM SPEAKER:

Madam Premier.

Further Return To Question 370-12(5): MACA Minister's Knowledge Of Government's Commitment To Consult

HON. NELLIE COURNOYEA:

Madam Speaker, the issue is not necessarily relative to a rate increase. It is taking off some of the subsidy. It appears to be a rate increase, but it is taking away some of the subsidy that the government has provided over a number of years. I would think that if there are grave problems out there and Members want an additional briefing on exactly what the increases are going to mean, we would be prepared to do that. If there are grave problems with it out there, then I would think that the recourse would be through their MLAs and through this Legislative Assembly. That would be the proper way to go.

There were suggestions over a number of years to take away the subsidy quickly, but the new decisions have ensured that the subsidy will be phased in over a number of years. As well, after two years go by, we are suggesting that we do a review of it. It may be that once the Members have taken a look at the details of what is being proposed, they would feel much more able to judge whether those increases are fair or not fair. Thank you.

MADAM SPEAKER:

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

Question 371-12(5): Reason For Lack Of Consultation Re Rate Increases

MR. ZOE:

Thank you, Madam Speaker. I guess I will direct my question to the Premier. Madam Speaker, if this is an old, outstanding issue, as the Premier indicated earlier, then why didn't the Minister of Municipal and Community Affairs, through the consultation process that we've established, consult the Members prior to his department presenting the new proposal to Cabinet? Definitely, we weren't advised recently as to the initiative of the Minister of MACA. I would like to ask the Premier why haven't one of her Cabinet Ministers advised us accordingly, because we've already established that consultation process and it's an ongoing process. I would like to ask the Premier, why haven't one of her Ministers advised us accordingly? Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Return To Question 371-12(5): Reason For Lack Of Consultation Re Rate Increases

HON. NELLIE COURNOYEA:

Madam Speaker, just to once again restate that because the issue has been on the table to be dealt with for some time now, and I think only to be fair to the present Minister, there has been consultation. What I've suggested is that we provide you, tomorrow, with when the consultation took place and what has happened from the beginning to this date. The more important issue is that if the Members would wish, they could have a briefing at the end of today or as soon as possible to see exactly what is being proposed, and see if that is still not in keeping with good government. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Zoe.

Supplementary To Question 371-12(5): Reason For Lack Of Consultation Re Rate Increases

MR. ZOE:

Thank you. Supplementary, Madam Speaker. Madam Speaker, if I could ask the Premier if she could request from her Cabinet Minister if she could table the details of this increase of the rates. I understand it is specifically to the commercial rates. If she can provide us the details of the current rates versus the proposed rates that are going to be implemented, I think the Minister indicated on May 1. If she can provide this to the House. Thank you.

MADAM SPEAKER:

Thank you. Madam Premier.

Further Return To Question 371-12(5): Reason For Lack Of Consultation Re Rate Increases

HON. NELLIE COURNOYEA:

Madam Speaker, we would be pleased to provide those details, and we'll have a statement and as much information available as the Members wish. Thank you.

MADAM SPEAKER:

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

Question 372-12(5): Status Of Residential Rate Increases

MR. NINGARK:

Thank you, Madam Speaker. My question is directed to the honourable Minister of MACA. Madam Speaker, according to the information that we received this morning from our colleague who is in Iqaluit, from the regional perspective, the rates in municipal services -- that is water and sewer -- are going to be increasing in both the residential and commercial. The honourable Minister indicated in his response to my

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colleague, in this House, that they will not be increased in residential units. Could the Minister assure the House that there will be no increase in residential units? Thank you.

MADAM SPEAKER:

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

Return To Question 372-12(5): Status Of Residential Rate Increases

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. The decision of Cabinet and myself was that we were not going to touch any of the rates for residential units in any community. The only thing we were trying to do in the department was to equalize the subsidy that is transferred to the hamlets, and make it so that it's equal for tax-based municipalities, for example, Fort Smith. That's basically what this policy was trying to do, to equalize the subsidy for water and sewer in tax-based municipalities.

The reduction of subsidy to hamlets and municipalities was for commercial users only, not residential users. Thank you, Madam Speaker.

MADAM SPEAKER:

Supplementary, Mr. Ningark.

Supplementary To Question 372-12(5): Status Of Residential Rate Increases

MR. NINGARK:

Thank you, Madam Speaker. Supplementary to the same Minister. The Minister is saying that there will not be increases in residential units in the system. Is that the answer? Thank you.

MADAM SPEAKER:

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

Further Return To Question 372-12(5): Status Of Residential Rate Increases

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. That is correct.

MADAM SPEAKER:

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

Question 373-12(5): Criteria For Applying For Social Assistance

MR. PUDLAT:

(Translation) Thank you, Madam Speaker. I have a question for the Minister of Social Services. Yesterday, during committee of the whole, while we were discussing her department's budget, I had asked the question whether deductions from welfare payments for previous month's income was according to the departmental guidelines or policies. She replied in the affirmative, then added that it is also in the policy that those who wish to apply for welfare have to try to sell their belongings first, before applying for assistance, although the policy was not enforced. This answer was not clear from unedited Hansard, but I have reviewed the tapes made yesterday and she said it. So I would like to ask the Minister if it is true that according to their policy, the clients on welfare have to try to sell their belongings before applying for assistance. Is this according to their policy? Thank you, Madam Speaker.

MADAM SPEAKER:

Minister of Social Services, Ms. Mike.

Return To Question 373-12(5): Criteria For Applying For Social Assistance

HON. REBECCA MIKE:

(Translation) Thank you, Madam Speaker. I will be replying in English, as it was not clear in the unedited Hansard. If it's okay to the Member, that I can repeat this in English. (End of translation)

...committee of the whole in dealing with my department's budget, Madam Speaker, when Mr. Pudlat asked whether it was in fact true that we have a regulation stating that the amount earned has to be deducted when the recipient applies for social assistance. My reply was, in Inuktitut -- and this is my translation -- is that we do have a policy that is mandatory, and that it is applied whenever the social assistance recipients apply for assistance. The earned income is deducted according to our regulation and legislation.

I further added that we also have a regulation that states the recipient should try to sell any capital item they have before seeking social assistance. In recognizing the situations that we have in the north, it's unique and we have not been applying that because it doesn't make sense to be selling your capital assets that you use to supplement your daily food. Thank you.

MADAM SPEAKER:

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

Question 374-12(5): Impact Of Rate Increase On Commercially Owned Residential Units

MR. NG:

Thank you, Madam Speaker. My question is again to the Minister of Municipal and Community Affairs. He stated that the subsidy decrease, versus rate increase, I gather, is stated for commercial users, primarily, and not residential. I would like to clarify that. I would like to ask the Minister if it affects residential units that are owned by commercial businesses. Thank you.

MADAM SPEAKER:

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

Return To Question 374-12(5): Impact Of Rate Increase On Commercially Owned Residential Units

HON. SILAS ARNGNA'NAAQ:

I am not certain whether this would affect residences of small businesses. I don't believe so, but I would have to check on that and take his question as notice. Thank you.

MADAM SPEAKER:

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

Question 375-12(5): Basis Of Rate Increase

MR. GARGAN:

Thank you, Madam Speaker. Again, to the Minister of Municipal and Community Affairs with regard to his response to Mr. Ningark. In clarifying the subsidy, he used the term "equalizing" the subsidies, and if I understand the

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response, are we then looking at the rate increase based on something like social assistance? In other words, Madam Speaker, the subsidy would be based on a rate in different regions, as opposed to an increase of ten cents or 22 cents or 33 cents, whatever the rate is. It is not across the north, then? You are looking at different formulas for that subsidy.

MADAM SPEAKER:

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

Return To Question 375-12(5): Basis Of Rate Increase

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. The policy, as it stood before, was that municipalities were subsidized for the delivery and the services of the water and sewage programs to hamlets and not necessarily to tax-based municipalities. What the amendment to this policy will do is to subsidize municipalities which are tax-based, which means that tax-based municipalities will now be able to receive a subsidy for the delivery of their water and sewage programs, and it will be calculated by a formula. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 375-12(5): Basis Of Rate Increase

MR. GARGAN:

For clarification, then, we do have a formula that is used in order to determine that subsidy in the different regions, as opposed to one subsidy across the board, right across the north, then?

MADAM SPEAKER:

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

Further Return To Question 375-12(5): Basis Of Rate Increase

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. The formula which is used for the water and sewage program is part of the operations assistance policy, the formula which is used to calculate the operations assistance that each community will get. So the water and sewage formula would be only a small portion of a larger formula which is used to subsidize communities. I would be willing to provide the formula. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Question 376-12(5): Consultation With Business Community Re Rate Increase

MR. ZOE:

Thank you, Madam Speaker. My question will be directed to the same Minister, the Minister responsible for Municipal and Community Affairs. I would like to ask the Minister if the business community in the non-tax-based and also tax-based municipalities have been consulted with regard to the increase of the commercial rates.

MADAM SPEAKER:

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

Return To Question 376-12(5): Consultation With Business Community Re Rate Increase

HON. SILAS ARNGNA'NAAQ:

The decrease of subsidy, Madam Speaker, originally came as a result of fiscal restraint which this government was in a couple of years ago. This originated when the departments were asked to find ways of cutting their funds. This subsidy decrease will apply to all municipalities in the Northwest Territories, and, Madam Speaker, I do have the information, at this point, which is that there will be a slight reduction of .0005 cents per litre. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 376-12(5): Consultation With Business Community Re Rate Increase

MR. ZOE:

Madam Speaker, the honourable Member responsible for Municipal and Community Affairs did not answer my question. My question was, did he consult with the businesses at the community level prior to implementing these changes? Thank you.

MADAM SPEAKER:

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

Further Return To Question 376-12(5): Consultation With Business Community Re Rate Increase

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. When I took over this portfolio, I understood that there had been extensive consultation with the communities, and what I did was take a step which had not been taken by previous Ministers, which was to take it into Cabinet. The way I understood it, there was extensive consultation with communities across the Northwest Territories. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Supplementary To Question 376-12(5): Consultation With Business Community Re Rate Increase

MR. ZOE:

Madam Speaker, I am having a little bit of a difficult time. The honourable Member is indicating that he has consulted the community, so I assume that includes the businesses that are going to be affected by these proposed rates, but I also want to ask the Minister, has the department, prior to making these suggestions for changes, done a detailed analysis of the effects on businesses pertaining to these changes that are being proposed by the department? Have they done that type of work? Thank you.

MADAM SPEAKER:

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

Further Return To Question 376-12(5): Consultation With Business Community Re Rate Increase

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I assume that by saying communities I was saying that

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businesses were consulted. To what degree, I am not certain, but there was consultation made with communities. With the analysis, the department did make a detailed analysis of this decrease in the subsidy for commercial users. Thank you.

MADAM SPEAKER:

Thank you. Item 5, oral questions. Final supplementary, Mr. Zoe.

Supplementary To Question 376-12(5): Consultation With Business Community Re Rate Increase

MR. ZOE:

Thank you, Madam Speaker. If the department has done this analysis with regard to the effects on businesses, could I ask the Minister if he could provide to the House the results of the analysis that was conducted. The reason that I am saying that, Madam Speaker, is that, if we are going to decrease an amount of money to municipalities, that means municipalities themselves have to move in on the amount that is required for them to operate. The proposed changes being made by the government mean we're decreasing the subsidy on the commercial side, that means the municipalities have to pick up the balance of the revenues. That would mean that the water and sewer rates for commercial

users would have to be increased at the community level. That's why I wanted the Minister to provide us with the details of the analysis the department has done. Thank you.

MADAM SPEAKER:

Thank you. I just want to caution Members not to be repetitive. I believe this question was like one posed to the Premier. Although I will allow the Minister of MACA to reply to it, I just want to advise Members of this House that questions are to be posed once to the Ministers and that there shouldn't be similar questions posed by other Members on the same topic. Minister of Municipal and Community Affairs, Mr. Arngna'naaq.

Further Return To Question 376-12(5): Consultation With Business Community Re Rate Increase

HON. SILAS ARNGNA'NAAQ:

Thank you, Madam Speaker. I have no difficulty in providing the information to the Member. The only thing is, the analysis is based on what savings it will have for the territorial government, and not necessarily for municipalities. The municipalities vary in size and amount of funds they are able to acquire. In some cases, municipalities have a surplus in their water and sewage program, so it will depend on each municipality to decide whether they will increase the rates for commercial users.

With so many municipalities having surpluses, it shows to us that our subsidy rates for these municipalities is high. Thank you, Madam Speaker.

MADAM SPEAKER:

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

Question 377-12(5): GNWT Regulatory Authority To Control Prices Of Consumer Products

MR. ARVALUK:

Thank you, Madam Speaker. My question is to the Minister responsible for Consumer Affairs. His reply under returns to oral questions, created more questions, especially on the second page of his reply which says, "The

territorial government has no regulatory authority to control or in any way affect the prices of consumer products."

My question is, since there is no regulatory means to discourage price gouging, will the Minister consider introducing legislation or regulations with teeth, to investigate or find incidents of price gouging to give remote communities to share in an affordable and enjoyable life-style? Thank you.

MADAM SPEAKER:

Thank you. Minister of Municipal and Community Affairs. I apologize, the Minister of Consumer Affairs. I'm sorry, not consumer affairs, Safety and Public Services, which consumer affairs falls under. Mr. Nerysoo.

---Laughter

Return To Question 377-12(5): GNWT Regulatory Authority To Control Prices Of Consumer Products

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. I'm glad that you've given me more titles and responsibilities. Madam Speaker, I just want to say this to the honourable Member. In some of these cases, the jurisdiction does exist, but the authority rests in the hands of the federal government. What we need to do is advise those communities or individuals who are having problems in the area of price gouging to take the appropriate steps and to address the appropriate legislation and use the mechanisms. As I indicated to the honourable Member, we would be prepared to provide assistance to the honourable Member and his constituents -- and to other Members -- when they feel there is a need for us to intervene or to bring the concerns to the attention of the appropriate agency.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Arvaluk.

MR. ARVALUK:

Madam Speaker, I don't know if this should be a supplementary, but I did not hear him say yes or no to my question. That's what I wanted to hear.

MADAM SPEAKER:

Thank you. There's wasn't a question there, Mr. Arvaluk. It was basically a comment. Do you want to ask a question in your supplementary?

Supplementary To Question 377-12(5): GNWT
Regulatory Authority To Control Prices Of Consumer
Products

MR. ARVALUK:

Thank you, Madam Speaker. My question was, will the Minister consider introducing legislation to discourage price gouging? Thank you.

MADAM SPEAKER:

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

Further Return To Question 377-12(5): GNWT
Regulatory Authority To Control Prices Of Consumer
Products

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. I didn't indicate to the honourable Member that yes, I would, because there is the possibility that there is legislation in existence already within the jurisdiction of the federal government. The matter is whether or not that legislation is being applied. I indicated to the honourable Member that we would review the matter and if there's a situation where we

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could be of assistance to the honourable Member's constituency, we would be prepared to provide our assistance in accessing or providing advice to them, so we use the appropriate legislation.

There may not be a requirement to introduce legislation. If there is, then obviously we have to seriously consider that matter.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Arvaluk.

Supplementary To Question 377-12(5): GNWT
Regulatory Authority To Control Prices Of Consumer
Products

MR. ARVALUK:

Thank you, Madam Speaker. Would there be some kind of complement to the federal legislation that the Minister would consider, as the present system of being a watchdog for price gouging is not practicable. You can't really do it because federal legislation does

not give clear guidelines for what prices should be in small communities. My supplementary, Madam Speaker, is would he consider complementary and further information to protect the consumers? Thank you.

MADAM SPEAKER:

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

Further Return To Question 377-12(5): GNWT
Regulatory Authority To Control Prices Of Consumer
Products

HON. RICHARD NERYSOO:

I'll certainly consider the comments that have been made by the honourable Member and review whether there is any need for us to introduce legislation. If there is, we will consider it, but I would suggest that we review the matter prior to making any final decisions.

MADAM SPEAKER:

Thank you. The honourable Member for Natilikmiot, Mr. Ningark.

Question 378-12(5): Extension Of Runway For Gjoa Haven

MR. NINGARK:

Thank you, Madam Speaker. Madam Speaker, my question is for the honourable Minister of Transportation. According to my information, Madam Speaker, Ptarmigan Air is planning to start scheduled service to Gjoa Haven, Taloyoak, Holman Island and Pelly Bay during the coming summer. Also according to my information, the company anticipates a load restriction for Gjoa Haven as a result of the runway being too short. I know the community would want to have the full service of the airline. The company will be using the runway, the terminal building, air traffic control and so on, therefore, the community would want to have the full service of the company.

I want to ask the honourable Minister to assure me and this House that the extension of the runway will be constructed during this upcoming summer, in order to accommodate the needed service to that community. Thank you.

MADAM SPEAKER:

Thank you. Minister of Transportation, Mr. Todd.

Return To Question 378-12(5): Extension Of Runway For Gjoa Haven

HON. JOHN TODD:

Under the current capital planning process, Madam Speaker, I don't believe that dollars are being allocated to the expansion or improvement of the Gjoa Haven runway. However, there is money in the budget to improve the air terminal facility there. Given this new event and the fact that Ptarmigan Airways with its new Gulf Stream converted to passenger and freight, I will take the honourable Member's request under consideration and we will see if we can fit it somewhere into the capital process in the coming months. Thank you.

MADAM SPEAKER:

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

Question 379-12(5): Double Standard For Allocation Of Staff Housing

MR. NG:

Thank you, Madam Speaker. My question is directed to the Minister of Personnel. I thank her for providing the staff housing guidelines that she tabled a couple of days ago. The guidelines state that employees at or above a regional superintendent level are to be assigned one bedroom larger than the size normally allocated, based on the employee's needs. I can say that in the Kitikmeot, history has proven the matter of over accommodation of regional management staff to be the norm rather than the exception. I would like to ask the Minister why there are two standards for allocation of staff housing, which clearly favours senior government staff employees by allowing them to be over- accommodated? Thank you.

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

Return To Question 379-12(5): Double Standard For Allocation Of Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. My department informs me that this guideline has been in place for quite some time now. When I asked the same question to

my DM, one of the reasons that was given to me was in the past it has been used to lure credible employees to come to smaller communities from the southern market. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 379-12(5): Double Standard For Allocation Of Staff Housing

MR. NG:

Thank you, Madam Speaker. I would like to ask the Minister then why, if she recognizes the obvious favouritism towards senior government employees, she allows them to be over-accommodated? Thank you.

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

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Further Return To Question 379-12(5): Double Standard For Allocation Of Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. If this guideline was put in ten years ago, I don't consider it being a favouritism. It was put in to attract credible employees who we could not find in the north. However, I will work to try to change the guideline if that's how this House wants to see it. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Ng.

Supplementary To Question 379-12(5): Double Standard For Allocation Of Staff Housing

MR. NG:

Thank you. So the Minister has recognized, I take it from her answer, and committed to changing the guidelines to ensure fairness and equity. I would like to ask her, if that is the case, when she plans on making this change to the policy to ensure fairness to all employees, regardless of their ranking? Thank you.

MADAM SPEAKER:

Thank you. Minister of Personnel, Ms. Mike.

Further Return To Question 379-12(5): Double Standard For Allocation Of Staff Housing

HON. REBECCA MIKE:

Thank you, Madam Speaker. I do have weekly meetings with my DM. I will discuss it further with him. However, if it will mean that we will no longer be able to attract qualified senior staff for the regions, then we will have to give other considerations how best we can make the jobs, especially in remote areas, attractive to people who have qualifications to fill those positions we need in the regions. Thank you.

MADAM SPEAKER:

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

Question 380-12(5): Access Road In Chesterfield Inlet

MR. ARVALUK:

Thank you, Madam Speaker. My question is to the Minister of Transportation. I have talked to the Minister on several occasions, asking him questions regarding the need for an access road in Chesterfield Inlet to the fishing camp. I also asked him on several occasions in the House, if that can be considered or if it has been considered by the department. My question is, since it's been several years ago that I brought it up for the first time and I've been bringing it up subsequently, if he has analyzed that that kind of access road can be utilized for Chesterfield Inlet. Thank you.

MADAM SPEAKER:

Thank you. Minister of Transportation, Mr. Todd.

Return To Question 380-12(5): Access Road In Chesterfield Inlet

HON. JOHN TODD:

Thank you, Madam Speaker. We do have a program in place, as I said when my budget came before the House, and that's the access road program. It does have a limitation. The dollars for the current year are \$600,000; \$750,000 for the next year and \$1 million for the next year. These access roads are an initiative of the communities, and the honourable

Member has spoken to me on a number of occasions about this issue, and so have other municipalities. I have corresponded with these municipalities and asked them to give us a multi-year proposal showing where they would contribute and where we could contribute to the development of these small access roads. To date, we do not have the proposal for Chesterfield Inlet, but it is under discussion right now. Thank you.

MADAM SPEAKER:

Thank you. Supplementary, Mr. Arvaluk.

Supplementary To Question 380-12(5): Access Road In Chesterfield Inlet

MR. ARVALUK:

Thank you, Madam Speaker. The proposal will probably come forth, however, as he knows, the hamlet itself in the last couple of years has been in the recovery program. For those kinds of hamlets that are under the recovery program, or haven't recovered from the recovery program, what is the method of submitting a proposal if the municipality cannot afford what the Minister has just stated?

MADAM SPEAKER:

Thank you. Minister of Transportation, Mr. Todd.

Further Return To Question 380-12(5): Access Road In Chesterfield Inlet

HON. JOHN TODD:

I was going to say they don't get one. No...Let's go back to the policy for a moment because it's an important policy. The policy clearly indicates that it has to be a joint effort. I just want to stress again, we have limited dollars, as I said already. There are requests coming from all across the territories since this new policy came in place, and as we all know our good friend, Mr. Ningark from Natilikmiot, was instrumental in having it addressed.

We're not asking the municipalities for any cash or any direct monetary contribution. What we're suggesting is if they have some equipment, if we can get utilization of the equipment we would provide some dollars over a three or four year period to pay for the wages, to pay for some of the operation and maintenance of the vehicles, et cetera. So it's kind of a joint effort to develop access roads that would provide the people of Chesterfield Inlet, Arviat, et

cetera, with a road that's capable of taking a four-wheel drive truck or a Honda to go out to a fishing spot, tourist area, et cetera.

I think we can work it out with the municipality, even though they've been in some fiscal trouble. It just takes a little give and take and that's what we're in the process of doing with a number of municipalities. I will check on this particular request and get back to the honourable Member as to the current status of it. Thank you.

MADAM SPEAKER:

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

Question 381-12(5): Financial Assistance For Gifted Children

MR. WHITFORD:

Thank you, Madam Speaker. I would like to direct a question to the Minister responsible for Education. It's

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based on the same line of questioning that my friend, Mr. Allooloo, was leading up to yesterday. It deals with students who require some particular type of education that's not readily available in the Northwest Territories. I recognize the fact that we do have a good education system that goes from K to 12, that's comparable to anywhere else, but there are students who excel in some areas such as music, dancing and sports, who require extra training that they can't get here in the north because we don't have the facilities and are required to go south. All of the costs are borne by the parents. I wonder if the Minister, in the research he's going to be doing to answer Mr. Allooloo's question, would also have a look at those kinds of special needs students, so the parents can receive some assistance to help their children receive the special education they would need to be better citizens?

MADAM SPEAKER:

Thank you. Minister of Education, Mr. Nerysoo.

Return To Question 381-12(5): Financial Assistance For Gifted Children

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. I will indicate to the honourable Member that those long-term investment issues are under consideration and discussion in the discussion paper, Towards a Strategy to the Year 2010, and they can certainly be considered. However, I do want to raise one point with the honourable Member. The concerns that you have raised are of special concern. I don't want to be critical of the honourable Member for Amittuq, but the honourable Member raised a concern more specifically about parents making a choice of sending their students outside of the territories for secondary schooling, and not for special situations like the honourable Member has raised.

MADAM SPEAKER:

Thank you. Item 5, oral questions. The honourable Member for Deh Cho...Has it expired? Oh, I'm sorry, time has expired for oral questions. I thought we had two minutes left. Unfortunately, that is the current time, Mr. Gargan.

---Laughter

MR. GARGAN:

(Microphone turned off)

MADAM SPEAKER:

I thought the same thing. Item 6, written questions. Item 7, returns to written questions. Item 8, replies to opening address. Item 9, petitions. Item 10, reports of standing and special committees. The honourable Member for Deh Cho, Mr. Gargan.

ITEM 10: REPORTS OF STANDING AND SPECIAL COMMITTEES

Report On Bill 16

MR. GARGAN:

Thank you, Madam Speaker. Madam Speaker, the Standing Committee on Legislation met to begin its review of Bill 16, An Act to Amend the Arctic College Act. During our initial meeting to review this bill, it became apparent that this piece of legislation will require greater scrutiny. Many problems and concerns arose in our initial deliberations and the committee feels that more time will be required to review this amendment than the Fifth Session will permit.

Therefore, the committee would like to advise this Assembly that we will not complete our review of this bill before prorogation of the Fifth Session. The government may wish to reintroduce this bill in the Sixth Session in April, so an adequate review by this committee can be delivered during the session's adjournment. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. 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 Mackenzie Delta, Mr. Nerysoo.

ITEM 12: TABLING OF DOCUMENTS

HON. RICHARD NERYSOO:

Thank you, Madam Speaker. Madam Speaker, I wish to table the following document, Tabled Document 50-12(5), Responses to the Standing Committee on Agencies, Boards and Commissions Report on Arctic College, March 10, 1994. Madam Speaker, it is also translated into Inuktitut.

MADAM SPEAKER:

Thank you. Item 12, tabling of documents. Item 13, notices of motion. The honourable Member for Yellowknife Centre, Mr. Lewis.

ITEM 13: NOTICES OF MOTION

Motion 25-12(5): Appointments To The Advisory Committee On Social Housing

MR. LEWIS:

Madam Speaker, I give notice that on Monday, March 28, 1994, I will move the following motion.

I move, seconded by the honourable Member for North Slave, that, notwithstanding rule 88(2), the honourable Member for Iqaluit, Mr. Patterson, and the honourable Member for Yellowknife South, Mr. Whitford, be appointed as ordinary Members to the Advisory Committee on Social Housing.

MADAM SPEAKER:

Thank you. Item 13, notices of motion. Item 14, notices of motions for first reading of bills. Item 15, motions. Item 16, first reading of bills. The honourable Member for Hay River, Mr. Pollard.

ITEM 16: FIRST READING OF BILLS

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

HON. JOHN POLLARD:

Thank you, Madam Speaker. Madam Speaker, I move, seconded by the honourable Member for Nunakput, that Bill 18, Write-Off Of Debts Act, 1993-94, be read for the first time. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. The motion is in order. To the motion.

AN HON. MEMBER:

Question.

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MADAM SPEAKER:

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

---Carried

Bill 18 has had first reading. Item 16, first reading of bills. Item 17, second reading of bills. The honourable Member for Hay River.

ITEM 17: SECOND READING OF BILLS

HON. JOHN POLLARD:

Madam Speaker, I seek consent of the House to go to second reading of Bill 18, Write-Off Of Debts Act, 1993-94.

MADAM SPEAKER:

Thank you. The honourable Member is seeking unanimous consent to proceed with Bill 18. Are there any nays? There are no nays. Please proceed, Mr. Pollard.

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

HON. JOHN POLLARD:

Thank you, Madam Speaker. I thank the Members for their courtesy. Madam Speaker, I move, seconded by the honourable Member for Nunakput, that Bill 18, Write-Off Of Debts Act, 1993-94, be read for the second time. Madam Speaker, this bill authorizes the

write-off of debts under section 24 of the Financial Administration Act. Thank you, Madam Speaker.

MADAM SPEAKER:

Thank you. To the principle of the bill.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

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

---Carried

Bill 18 has had second reading and, accordingly, the bill stands referred to a committee. Item 17, second reading of bills. Item 18, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1994-95; Bill 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; and, Tabled Document 34-12(5), Tradition and Change, A Strategy for Renewable Resource Development in the NWT, February 1994, with Mr. Whitford in the chair.

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

CHAIRMAN (Mr. Whitford):

The committee will now come to order. What is the wish of the committee? The honourable Member for Natilikmiot, Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. We would like to deal with Bill 1, Appropriation Act, No. 2, 1994-95, specifically the Department of the Legislative Assembly, followed by the Power Corporation. If we're able to complete those two items, perhaps we can do Bill 9, Bill 11 and Bill 12. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ningark. Does the committee agree?

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. Whitford):

We have agreement that we begin with Bill 1 and Committee Report 2-12(5) and the first department we'll be looking at will be the Legislative Assembly, followed shortly thereafter by the Power Corporation. What are my instructions?

AN HON. MEMBER:

(Microphone turned off)

CHAIRMAN (Mr. Whitford):

There has been a request that we take a short break. We'll take a short break. The bells will sound when the break is concluded. Don't go too far.

---SHORT RECESS

CHAIRMAN (Mr. Whitford):

The committee will again come to order following our short break. The item on the table is the budget for the Legislative Assembly. It is Bill 1. For the information of the Members, it will be located in the main estimates book under 01-10. In the Standing Committee on Finance report, the information we are going to be dealing with is located on page 76. The Speaker is at the witness chair. Madam Speaker, are you prepared to present your

opening remarks to the committee?

Legislative Assembly Of The Northwest Territories

Introductory Remarks

MADAM SPEAKER:

Thank you, Mr. Chairman. Mr. Chairman, the proposed budget of the Legislative Assembly before you today has been prepared with the importance of accountability, restraint and efficiency in mind. The

Management and Services Board feels that the Legislative Assembly budget has to be prepared and presented to do what Members and the Standing Committee on Finance are constantly asking the Executive and departments to do, which is to expend funds in the most efficient manner.

Mr. Chairman, the budget before you today is presented differently than previous years. To ensure accountability and to enable us to measure performance and to provide value for money, the budget has been broken down to the five activities of:

- Office of the Speaker
- Office of the Clerk
- Expenditures on behalf of Members

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- Office of the Chief Electoral Officer
- Commissioner of Official Languages

The overall budget of the Assembly is reduced by 14 per cent with a 25 per cent reduction in other O and M and an increase of six per cent in salaries and wages. Mr. Chairman, as indicated last year by my predecessor, Mr. Ballantyne, the estimates presented represented operations out of two facilities. We have now been in the new building for seven months, and, due to the timing to submit our estimates to the FMB, we were required to forecast a number of items that were directly related to the running of this facility. I have to advise committee of the whole that a number of items contained in the budget before you today were estimated, as a number of contracts were not in place. The main area for this is under the task facilities management, and, when all contracts have been awarded, we will be coming forward with a supplementary request in 1994-95 to reflect the actual costs. As you are aware, the Management and Services Board recommends that there be a zero increase to all indemnities for the next fiscal year, and, in fact, Mr. Chairman, Bill 8 to give effect to the zero increase, has been given assent.

On the question of personnel management within the Legislative Assembly, I am pleased to report that the Clerk's office is undertaking a number of initiatives to review the present staff complement with a view to implementing cost-saving measures but still ensuring there is no reduction in the level of service provided to Members and to the general public. At the same time the estimates were prepared, Mr. Chairman, what is

being perceived as would be required to operate this facility will be different as we see how the operation unfolds. I am confident that we will be able to come in with a negative supp in person years due to initiatives such as half-time positions, educational leave and other areas that are of benefit, not only to the organization, but to our employees. As of January this year, of the 33 staff, 16 are under affirmative action classification which is 48.5 per cent. I have instructed the Clerk to increase and continue to apply this policy in future hires for the Legislative Assembly.

Mr. Chairman, I would now like to indicate a number of areas that are not reflected in this budget but have been subsequently approved by the Management and Services Board and will be coming before the House during the next fiscal year. An important element is public education, not only to visitors to the building, but in the education of our youth in schools and at colleges on our system of government. There is a component in the curriculum on the Legislative Assembly and government under the civics program of the Department of Education, Culture and Employment, but this does not reflect the current situation as it has not been updated for a number of years. An education program is in its final stages of being developed and will be piloted in Yellowknife and a couple of communities in the north. I have written to the Minister of Education, Culture and Employment seeking his department's support in this important initiative.

Mr. Chairman, there is another area of the budget that has caused some confusion and concern, that being the office of the Languages Commissioner. You will note that there is an increase in this task due to the number of legal opinions the Languages Commissioner feels have to be undertaken. The position of Languages Commissioner, according to the Official Languages Act, reports to the Legislative Assembly. The reporting relationship for the Languages Commissioner has never been established and she noted that in her annual report to the Assembly. If the Languages Commissioner's office is to continue to function, then there need to be clear reporting guidelines and accountability. The Management and Services Board will be looking at this over the next few months, and I note that the Assembly has referred the matter to the Standing Committee on Agencies, Boards and Commissions.

Mr. Chairman, before concluding, I am also pleased to advise that her majesty the Queen and His Royal Highness, the Duke of Edinburgh, will be visiting the Northwest Territories in August. The tentative plans

are for their majesties to visit Yellowknife to dedicate our Chamber and to participate in a cultural gathering of western aboriginal peoples. They will also visit Rankin Inlet as an historic recognition of Nunavut and depart Canada from Iqaluit. The Management and Services Board and the Cabinet agreed to extend the invitation to Her Majesty on the condition that the Secretary of State cover the majority of the costs. However, there will be a cost associated with this, but I can assure you that it will be kept to a minimum and full details will be provided when we bring forward the budget for approval later this year.

Mr. Chairman, that concludes my opening remarks and I would be prepared to entertain any questions of an overall nature or specific detail. I also ask the committee for concurrence to allow Mr. Hamilton, the Clerk of the Assembly, into the Chamber at the witness table. Thank you.

---Applause

CHAIRMAN (Mr. Whitford):

Now that the applause has died down, thank you, Madam Speaker, does the committee agree that Madam Speaker be assisted by the Clerk?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

The committee agrees. Sergeant-at-Arms, would you assist the witnesses? I shall move to the report of the Standing Committee on Finance. The Member from Nahendeh, Mr. Antoine.

Standing Committee on Finance Comments

Commissioner Of Official Languages

MR. ANTOINE:

Thank you, Mr. Chairman. On the Legislative Assembly and on the Commission of Official Languages, in her opening remarks to the committee, the Speaker noted that there is some confusion and concern regarding the reporting relationship between the Languages Commissioner and the Legislative Assembly. This relationship has never been clearly established, and the Languages Commissioner noted

this fact in her annual report to the Legislative Assembly.

Recommendation 24

The committee recommends that the Legislative Assembly establish an overall reporting relationship for the Languages

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Commissioner such that overall reporting is to the Assembly and financial reporting is through the Standing Committee on Finance. The committee further recommends that, in future, the Languages Commissioner should appear before the Standing Committee on Finance to defend her budget.

Education Program

The Speaker outlined, for the committee, the education program which is in the final stages of being developed. This program provides for public education for visitors to the Legislative Assembly, and also for our youth in schools and colleges to learn about our system of government. The committee would like to see sufficient resources allocated to the education program to allow the Speaker to introduce it in a number of communities throughout the territories.

Pages Program

Committee Members support the pages program that is currently being developed in the Clerk's office. The purpose of this program is to encourage MLAs to recruit more students from across the territories to serve as pages in the Legislative Assembly and become more aware of the political process.

Recommendation 25

The committee recommends that the Legislative Assembly complete the development of the pages' program and ensure that sufficient resources are allocated so that the program can be successfully implemented.

That, Mr. Chairman, concludes the report of the Standing Committee on Finance. I would like to make motions.

CHAIRMAN (Mr. Whitford):

Mr. Antoine, you were going to make motions.

MR. ANTOINE:

Thank you, Mr. Chairman.

Committee Motion 38-12(5): To Adopt
Recommendation 24, Carried

I move that the committee recommends that the Legislative Assembly establish an overall reporting relationship for the Languages Commissioner such that overall reporting is to the Assembly and financial reporting is to the Standing Committee on Finance. The committee further recommends that, in future, the Language Commissioner should appear before the Standing Committee on Finance to defend her budget. Mahsi, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

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

AN HON. MEMBER:

Question.

CHAIRMAN (Mr. Whitford):

Question has been called, but we lack a quorum. We will sound the bells until we have one.

Thank you. The committee is now back up to strength. We have a motion on the floor. The motion is in order. Question has been called. All those in favour? All those opposed? Motion is carried.

---Carried

Mr. Antoine.

Committee Motion 39-12(5): To Adopt
Recommendation 25, Carried

MR. ANTOINE:

Thank you, Mr. Chairman. I move that the committee recommends that the Legislative Assembly complete the development of the pages' program and ensure that sufficient resources are allocated so that the program can be successfully implemented. Mahsi.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. 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

That concludes the motions from the Standing Committee on Finance report. Now, I will entertain general comments. Does the committee agree that we go into detail?

SOME HON. MEMBERS:

Agreed.

---Agreed

Line By Line

Office Of The Clerk

CHAIRMAN (Mr. Whitford):

Office of the Clerk, total O and M, \$5.37 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

Office Of The Speaker

CHAIRMAN (Mr. Whitford):

Office of the Speaker, total O and M, \$154,000.

SOME HON. MEMBERS:

Agreed.

---Agreed

Expenditures On Behalf Of Members

CHAIRMAN (Mr. Whitford):

Expenditures on behalf of Members, total O and M, \$4.191 million.

SOME HON. MEMBERS:

Agreed.

---Agreed

Office Of The Chief Electoral Officer

CHAIRMAN (Mr. Whitford):

Office of the Chief Electoral Officer, total O and M, \$20,000.

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SOME HON. MEMBERS:

Agreed.

--Agreed

Commissioner Of Official Languages

CHAIRMAN (Mr. Whitford):

Commissioner of Official Languages, total O and M, \$353,000.

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Whitford):

Detail of work performed on behalf of third parties, total department, zero. Revenues, recoveries and transfer payments, this is an information item. Distribution of budget is an information item. Program summary, operations and maintenance, total O and M, \$10.088 million.

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Whitford):

Does the committee agree that we are concluded with this department?

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Whitford):

Thank you, Madam Speaker. On behalf of the committee, we would like to thank you and the witness for assisting us in the matter before the committee. Sergeant-at-Arms, would you escort the

witnesses out, please. Next on our list is the Power Corporation, which you will find in your book on page 16-12. Is the Premier prepared to present her opening remarks?

Northwest Territories Power Corporation

Introductory Remarks

HON. NELLIE COURNOYEA:

Thank you, Mr. Chairman. Mr. Chairman, while the Northwest Territories Power Corporation has been established as a crown corporation, every effort has been made to allow it to operate at arm's-length from usual government process as an independent, regulated utility. Today, the corporation is fully regulated and operates in competition with northern subsidiaries of Edmonton-based Canadian utilities.

Mr. Chairman, the 1994-95 O and M budget was approved by the corporation's board of directors on March 9, 1994. On March 14, 1994, Public Utilities Board (PUB) decision 2-94 was issued. This decision will result in revisions to the budget. The decision, including the 14 directives, has significant O and M and revenue impacts. For example, the board rejected the corporation's application for a 2 per cent general rate increase in the 1994-95 budget.

Mr. Chairman, on the positive side, as a result of PUB review and revision to the corporation's Phase I general rate application, it appears that the corporation, for the second consecutive year, will be at or near its approved rate of return. The effects of several Government of the Northwest Territories initiatives are beginning to impact on the corporation's projected revenue. This budget reflects a budget reduction of \$1 million in revenues due to the user-pay initiative.

As government domestic accounts are transferred to the employee's name, a reduced non-government domestic rate applies. However, as a consequence of this new responsibility for bill payment, customers are exercising demand side management (DSM) initiatives and are reducing consumption. The lower rate and reduced consumption results in a reduction in revenue for the corporation. As well, since the corporation is faced with added cost to the power subsidy program, the impact on the corporation is threefold. Depending on rate of implementation, this reduction in revenue could reach \$2 million in 1995.

Mr. Chairman, the corporation is in support of the user-pay initiative, and it is important to note that this and other proposals, while reducing GNWT expenses, simply shift the cost burden to the corporation and, by extension, to the electrical ratepayer.

Over the next two years, the change of up to 2,000 electrical hot water heaters to oil-fire heaters is expected to reduce revenue by approximately \$2.9 million. Again, the corporation supports this initiative and, through consultation and phased elimination, the impacts on corporation revenues can be reduced or spread over a period of time.

Mr. Chairman, since last appearing before this committee, the corporation has continued to deal with BHP and Kennecott for the supply of power to their properties in the north Slave. The corporation's agreement with the Dogrib Power Corporation continues. A tender closing for project construction took place in Yellowknife on March 14, 1994.

With respect to this government's privatization initiative, it is my expectation that an information item in support of the March 1993 Abbott proposal will be tabled in this Assembly prior to the April recess.

Mr. Chairman, those are the opening remarks that I have at this time.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier, for your opening remarks. Now I'll call upon the Standing Committee on Finance to present its report. The honourable Member for Kitikmeot.

Standing Committee On Finance Comments

MR. NG:

Thank you, Mr. Chairman. I'm pleased to present the report of the Standing Committee on Finance on the NWT Power Corporation. Since the Government of the Northwest Territories took over the Power Corporation, the corporation has improved greatly in every way, including service, responsiveness, and profitability. The most notable recent development was the signing of an agreement with the Dogrib Development Corporation to build new hydroelectric facilities. Such cooperation with local organizations and people will do nothing but good for the north.

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The committee would like to see results of the customer satisfaction survey that the corporation was to have undertaken. Given past complaints about the corporations' performance, we feel that the results of such a study would be of great benefit to the corporation's service record.

Committee Members also expressed a desire for the corporation to put more effort into exploring alternative energy sources. Any initiative which might bring down costs to consumers should be carefully investigated by the corporation. The Power Corporation is an important economic and social instrument that should continue to plan an important role serving the people of the north in cooperation with the Government of the Northwest Territories.

That concludes the report of the Standing Committee on Finance.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Does the Premier wish to bring any witnesses to the witness table?

HON. NELLIE COURNOYEA:

Yes, Mr. Chairman, I would.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Would the Sergeant-at-Arms be of assistance to you? Thank you. Madam Premier, for the benefit of the committee Members, would you introduce your witness to the committee?

HON. NELLIE COURNOYEA:

Mr. Chairman, appearing on behalf of the Northwest Territories Power Corporation is Mr. Leon Courneya, vice president of finance and chief financial officer. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Welcome, Mr. Courneya. General comments. The honourable Member for Yellowknife North, Mr. Ballantyne.

General Comments

MR. BALLANTYNE:

Thank you, Mr. Chairman. I have a few comments in the course of this department's budget. I have some questions I would be interested in having a response

to from the Minister. It is too bad Mr. Robertson is not here. I would like to give him credit for how far he has brought the corporation from the day, a number of years ago, we took it over from the federal government. We have come a long way from NCPC. Those of us who remember those days will remember the litany of complaints and problems that we all had with the federal crown corporation. We are not all the way there yet. There are still problems, but we have to give credit where credit is due. Mr. Robertson, the board of directors, and the staff of the Power Corporation deserve credit for the tremendous progress we have made over the last number of years.

The future looks very exciting for the Power Corporation. I think that the agreement with the Dogrib Nation was a major step forward for all of us, even though the project that we are trying to get financing for right now, their Cascades project, is a relatively small project. In the future, we can see the possibility of Yellowknife being almost totally supplied by hydroelectric power, and we also see some tremendous opportunities in the many areas north of Yellowknife. I think that people in Yellowknife and across the territories should recognize that, if we gain large new customers on our hydro system, it is going to benefit everybody, bring power rates down, stabilize power rates and make us more competitive in many ways. For people in Yellowknife, it is very much so. One of the big benefits, if ever this mining gets off the ground, will be that -- a direct benefit for the people of Yellowknife with their power rates in the long term. I see much potential. There has been talk over the years of having a power grid system here in the territories, the possibility of perhaps exporting power to Alberta. I would like to ask questions of that nature to the Minister when we get into details.

I have one concern. It is not really a big concern. I am generally fairly satisfied with the way the Power Corporation is operating at this point in time. I will ask this question when we get into details. As we get into a much more complex area, when we are dealing with big diamond mines and huge potential hydro-electric projects, I wonder if the management team of the Power Corporation is going to have to be augmented somehow. The team has done a good job up until now. I think it will have to be added to as we get into bigger and more complicated plays that are going to take a great deal of specific expertise, which we might or might not have now, but I will be asking the Minister some questions about that.

We have come a long way. I think it has been a generally good experience. I think that the fact that we bought the Power Corporation, the price we paid for the Power Corporation, all turned out to be a fairly good deal for the Government of the Northwest Territories. The future looks very bright. The Power Corporation has been a very effective medium for this government in order to undertake public policy. It has been a very effective medium to bring together regions of the Northwest Territories. It has been a very strong tool in our GNWT arsenal of positive tools that we have to serve the people of the Northwest Territories. With that, I will conclude my remarks, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

There weren't any questions in there, but if the Premier would like to respond, she can. If not, we will go into general comments. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I believe that the Member said that he would be following up with some specific questions, so I will wait until that point in time. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. General comments, Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. In recent years, there has been a pilot project whereby some communities have windmills powered by wind. I wonder if that was a project from the government or the corporation, if it in fact has been feasible. What was the outcome of this project? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ningark. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, the wind generation farm in Cambridge Bay was a venture between the Power Corporation and the federal government. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. The honourable Member for Natilikmiot, Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. Now we have established that there was, in fact, a pilot project going on. Was this feasible? What was the outcome? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ningark. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, there was a great deal of difficulty with trying to keep that operation alive. I would suggest that the representative from the Power Corporation, Mr. Courneya, probably would be able to answer that more specifically than I could. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you. Mr. Courneya.

MR. COURNEYA:

The project never really got out of the pilot stage. Power was generated and purchased by the Power Corporation, but there was a series of maintenance breakdowns that could not be rectified. Eventually, the windmills were dismantled.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. General comments. Mr. Gargan.

MR. GARGAN:

Thank you, Mr. Chairman. Regarding the direction that the Power Corporation is going in and the plans that are in place with regard to hydroelectric power, have you actually looked at the costs initiated with developing hydro power? If you are going to build a diesel operated station here in Yellowknife and if you were to build something in Snare Lake or somewhere in that area, the capital cost of hydro is much higher than it would cost to develop diesel generated power. Am I correct?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, the initial capital cost of putting in a hydro dam is more costly than providing a capital diesel plant. However, the cost assumptions on generation from hydro has always been known over a longer period of time to be more cost-efficient because once the facility is put in it doesn't lose its value. It's a very long-term capital investment. I believe that in all these new initiatives, or any initiative, the cost-benefit is worked out at the beginning. Also, because this is a fully regulated Power Corporation, it would have to go through the Public Utilities Board, as well, for them to assess the figures that the corporation has put forward in making these contractual deals in the long term to utilize hydro generation. So it does look like it's a big expense, but all the calculations are done before you would move ahead on any specific project. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Member for Deh Cho.

MR. GARGAN:

I appreciate that response. When you do make an investment such as that, the power consumption absorbs the cost of such development. I would think that the absorption of such a cost would probably be that you look at high power rates for maybe the 20 or 30 years. Is that the way you get a return for your investment?

Also, Mr. Chairman, whether the return on that investment on the power rate is right across the north, or is it designed that if Yellowknife is going to be getting the hydro power then they are going to be the ones who are going to absorb that cost?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, the premise that the Power Corporation operates under is a reasonable cost to the customer. In the issue of the one project we have before us, the Dogrib power project, the corporation has made a contractual arrangement with the Dogrib Power Corporation where they will be securing the capital to actually construct the project, and we would just be buying power over a long period of time. The Power Corporation, under regulation, would only be able to have such a deal if it's made reasonable power rates available to the customer. We can't sign

any kind of deal. There are certain questions that would have to be answered. If you wish, the vice-president can deal with that in a little more detail.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Mr. Courneya.

MR. COURNEYA:

Both our agreements with the Dogrib Power Corporation contain clauses that require the ultimate approval by the Public Utilities Board. During this process they have and will review the cost-benefit analysis for the project, as well as the impact on rates.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Member for Deh Cho, Mr. Gargan.

MR. GARGAN:

Mr. Chairman, at no time did I refer to the Dogrib Power Corporation. It's not my position to question this. I suppose it's the Member for Rae-Lac La Martre who would be questioning that if he chose to do so. I'm making reference to the fact that if you are going to be developing hydro power, then you have to look at it from a long period of return. I'm just suggesting regardless of whether you buy the power from the Dogrib Power Corporation or not, the fact still remains that the consumers are the ones who are going to absorb the cost over a long period of time. If that's the case, then what are we looking at for that kind of return?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

I just want to say that I was just using the Dogrib power project as an example. I realize that the Member's question was more global in its attempt, but because it's easier to have an example, I referred to it. I realize his question was more global.

In any project that is being developed which we buy power from, or if it was a project of NWTPC, during the period of time for amortization we would have to make sure that the rates to the customers were reasonable and were within what the regulatory regime would say was a fair and reasonable cost to

the consumer and a reasonable rate of return to the corporation. In the case of this particular issue, it's a 65 year agreement. Thank you.

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CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Member for Deh Cho.

MR. GARGAN:

Thank you, Mr. Chairman. I'm not too sure whether this is the appropriate time to ask, but with regard to the privatization I'm just wondering what are the...My concern is that with the 1999 deadline on division, are we looking at the Power Corporation from that political point of view to say that when Nunavut is created they would have their own Power Corporation over there, and in the west we are looking at a western company to take on that responsibility? Is that basically the kind of direction we're looking at? I would certainly hope that is the case.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, what we're dealing with is the Power Corporation's budget. What I plan to do is present a paper that would contain some of the detailed questions on how we are going to proceed. This would be available for full debate at another time. It would be a document that Members will have adequate time to absorb the information and ask those questions. However, it's really not connected with the present budget at this time. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. The chair recognized there is a difference between the two issues, what we are dealing with and the Member's line of questioning. I have been a little bit tolerant in order to get a full debate, but I shall caution the Members that we are dealing with the budget of the Power Corporation. In this case, it is an information item. There might be other avenues to deal with the issue of privatization. Mr. Gargan.

MR. GARGAN:

The Power Corporation used a large amount of capital to do a substantial study on the possibility of a

transmission line from Hay River to Yellowknife. How much did that cost?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. I shall direct that question to Mr. Courneya.

MR. COURNEYA:

The cost of that study was \$1.013 million.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Mr. Gargan.

MR. GARGAN:

How many aboriginal people have you hired in your Hay River district office, either as casual or permanent PYs?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. I'll direct that question to Mr. Courneya.

MR. COURNEYA:

I don't have the statistics with me for the aboriginal employment at the Hay River office. We follow the government's affirmative action program, and hire all qualified affirmative action candidates who apply for positions.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Mr. Gargan.

MR. GARGAN:

I realize the difficulty right now is with regard to qualifications. You hire so many qualified people that you really don't have any openings for people who are interested in that field, so they can be hired. There was a situation in my constituency where some students were interested, but I guess the preference would be for college or university students, as opposed to local people. I brought this up and the Minister responded by saying that overall, under affirmative action, there are about 31 per cent aboriginal people in the Power Corporation. But, that's everybody, including power plant operators and aboriginal people in the field.

If you were to get the statistics for the Power Corporation's headquarters, I don't think they have

anything to be proud about with their affirmative action program. I wanted to express that concern. And if they don't have the statistics, I would be interested in getting them. If you are looking at the overall operation, I can see a large percentage hired under the affirmative action program. But, I'm more interested in finding out what the numbers are in the headquarters.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I provided those statistics at one time. The Member is very correct. In the communities, we've been able to support and maintain affirmative action people who are there on their own merit because they do have the qualifications. The corporation fully realizes that the availability of candidates for the more technical positions could be greater, these trained candidates are in our education system. One of the things I expressed to the Member when he asked the question is that if there are any specific people who are interested, I talked to the chairman of the board and we would be interested in knowing about them, and maybe we could arrange career path development, or something that would help. These people are not coming forward. I don't know if we can say that the Power Corporation is at fault, I think we all have to take that responsibility.

I again offer that opening to the Member. If there is someone specific, who doesn't quite have the qualifications, but is interested, the chairman of the board has made a commitment. If we have those names, we will have a talk with them and try to get them in a program to bring them up to the technical standards that are required. I just want to make sure you know that the door is not closed. The door is open. I think we have to take that approach with this corporation because there are highly technical requirements for some of the jobs, particularly in engineering and for some of the positions in headquarters. Those positions are generally responsible for more than just the community, but for the overall operations.

I just want to make sure that invitation is open. If there is someone who is interested, we should take special interest in that individual, to try to help them along. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. The chair recognizes Mr. Gargan.

MR. GARGAN:

I used to work with NCPG at one time, and so did you, Mr. Chairman. A lot of the technical tasks that are referred to are out in the field, as opposed to what goes on in

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the offices. When the Minister refers to the technical work, I'm not too sure what is so technical about operating computers, giving out bills, et cetera. If this work is substantially technical, perhaps you might be able to enlighten me. I still recall working back then -- and I won't tell you the year -- doing banks, running transmission lines and everything else. To do those things was quite easy, once you knew the schematics, or the blueprints.

Perhaps the Minister might enlighten me on what is so technical about the operation in Hay River that it requires specialized training and career path direction. If my memory serves me correctly, the two individuals I referred to didn't get past the receptionist. They were discouraged from even considering filling out an application because they were told that the positions were highly technical and required college or university students, and not just students who just completed grade 12.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, when the Member was discussing this issue, I thought he was referring to the more senior positions in the corporation in Hay River. I'll just give you an example. The one affirmative action employee we have there got his position on his own merit. This person started off with the Power Corporation in Inuvik many, many years ago. Mr. Bill Bourque, who is an aboriginal person, is the superintendent for transmission and distribution. He has worked long and hard to get to where he is at today. It has taken him a great number of years to get the necessary qualifications to be able to run that particular department. We are talking about a very technical part of the program. If there are some difficulties with a secretary...I thought the Member was really talking about the more senior positions in the Power Corporation. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. General comments. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, the only point I am trying to make is that, right now, the people who are being hired are not aboriginal. It has to do with whether you know the people at headquarters. I was only trying to make that point.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

In November of 1993, there were 106 individuals who were eligible for affirmative action status out of the 262 employees. That is being categorized. It doesn't mean that they were hired because they were aboriginal or whatever it was. They were hired, but they fit in the category. Fifty-nine of those people were indigenous aboriginal employees. Like the Member said, many of these people are out in the field. Forty-four were indigenous non-aboriginal employees, that means long-term and non-aboriginal people. One of them was a resident disabled employee and two were resident women in a non-traditional occupation. The total affirmative action employees were 106. I recognize the Member's concern, but I think that if there was an issue and a situation where the Member feels that a person was not given due consideration, I would like to know about that. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. General comments. The honourable Member for Deh Cho, Mr. Gargan.

MR. GARGAN:

Just for the record, Mr. Chairman, I did write to the Premier about those two individuals.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Gargan. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I realize there were two individuals that the Member did write to me about, but the statement was a little bit more global. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. General comments. The honourable Member for Nahendeh, Mr. Antoine.

MR. ANTOINE:

Thank you, Mr. Chairman. The Power Corporation that I am aware of in my constituency, they use a great deal of diesel to drive their generators to produce energy and power to supply the electricity. Every year, I notice that there are a number of large trucks that come into the area to fill up their storage tanks and so forth in all of the communities. Why can't local companies provide that service? This diesel comes from a refinery in the south. Whether it is stored once or twice before it is used in the north -- so that it qualifies for buy north -- why can't a local company bid on it and move the fuel once from the refinery right to the storage facilities? That way, it will give opportunities for the smaller operators in the smaller communities to get involved in the delivery of fuel. We have small companies that are set up in the small communities that work with the fuel, just heating fuel and so forth. Small businesses are always looking to try to find different ways of improving their size and operations. Is this a possibility with the Power Corporation? I know that we have a buy north policy, but the product I am talking about originates in a refinery down south some place. This would give an opportunity for the companies to bid on this. I am saying this on behalf of the small businesses that want to get into this area.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, to my knowledge, all of the requirements for diesel fuel are put out to tender. I don't see that there would be a discrimination against anyone putting in a bid on the tender. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Mr. Antoine.

MR. ANTOINE:

Mr. Chairman, I am assuming that the NWT Power Corporation is an agency of the GNWT, so it has to adhere to the buy north policy. Does the fuel for the generators have to be in the north already before the corporation buys it, or can they bid on the fuel and truck it directly from the refineries? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Madam Premier.

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HON. NELLIE COURNOYEA:

Mr. Chairman, my understanding is that everything is put out to tender. What the corporation's responsibility is to the consumer, the customer, is to provide the most reasonable cost. As a result, the tender process is used to see if someone can come in at a lower price. I think Mr. Courneya can follow up on this, but to my understanding, where they get the product from really isn't in question, it is whether it is delivered at the most reasonable cost at the location it is needed.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Mr. Antoine.

MR. ANTOINE:

Thank you, Mr. Chairman. If a small company from Fort Liard, for example, could provide the same kind of product for a lesser price than anybody else, and put a bid in there, then they would be able to get it even though they get the fuel directly from a refinery? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Antoine. Madam Premier.

HON. NELLIE COURNOYEA:

I will ask Mr. Courneya if he can further detail generally what way these tenders are put out so that it will be more clear. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you. Mr. Courneya.

MR. COURNEYA:

We purchase fuel in a number of ways. In the northwestern Arctic, we purchase out of Norman

Wells without tendering under the agreement that the government has with the refinery there. We also purchase a great deal of our requirements through petroleum products division. We purchase for the Yellowknife operation and the South Slave operation directly ourselves. We tender that as one amount in order to get the best possible price by having the largest possible quantity.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. General comments. The chair recognizes the Member for Kitikmeot, Mr. Ng.

MR. NG:

Thank you, Mr. Chairman. I would like to ask, regarding the current staff housing policy the corporation has, and how that differentiates between the GNWT policy, if I could, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Courneya.

CHAIRMAN (Mr. Whitford):

Mr. Courneya.

MR. COURNEYA:

I'm not 100 per cent familiar with the government's staff housing policy, so I will give you the details of the corporations. We have a policy of selling staff housing in on road communities. We have started that and have sold two houses so far. We are in the process of selling three more. We are also in the process of increasing rents and utilities by 15 per cent a year, until the rents reach a market rate that is based on the market in the community if there is one, or on Yellowknife rates. Utilities will continue to be increased until the employee takes the utilities over into their own name. There are certain safeguards in the policy so that the cost of housing does not reach more than 25 per cent of the employee's monthly income.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Member for Kitikmeot.

MR. NG:

Thank you, Mr. Chairman. You mentioned on-road communities, is that applicable to off-road as well, or is there a different plan for the off-road communities? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Courneya.

MR. COURNEYA:

Off-road communities are being assessed on a community-by-community basis, depending on our needs in the community. One of the sales that has taken place was in an off-road community.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. General comments. Mr. Ng.

MR. NG:

Thank you, Mr. Chairman. For the off-road communities, are the increases involved there as well? You were mentioning that you were planning on increasing the rental costs by 15 per cent a year until it reaches market rates or Yellowknife rates, depending on whether there is a local market rate. Is that correct? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Courneya.

MR. COURNEYA:

Yes, the 15 per cent applies in all communities where we have staff housing, and starts September 1, 1994 for the rent. The utilities started September 1, 1993.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Mr. Ng.

MR. NG:

So under the policy or the guidelines that you have for your staff housing, are staff encouraged to purchase their units? Are there incentives in that to make it worthwhile for them?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Courneya.

MR. COURNEYA:

Yes, staff are encouraged. The house is first offered to the occupant at less than appraised value. If the occupant declines to purchase it, it is then offered within the corporation. If no one wants to purchase it, it would then be offered on the market.

CHAIRMAN (Mr. Whitford):

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

MR. NG:

Thank you, Mr. Chairman. You were saying offered on the market, you mean like privatizing it? Selling it off to anybody in the community who would be interested? Is that correct? A private developer per se, or another individual within the community who would be interested in that unit? I just wanted to get that clarified. Thank you.

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CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Courneya.

MR. COURNEYA:

Yes, that is correct. It would be offered for sale to the general public.

CHAIRMAN (Mr. Whitford):

The chair recognizes the Member for Kitikmeot, Mr. Ng.

MR. NG:

Thank you, Mr. Chairman. What would you do with the employee then, who would be the tenant in that unit?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Courneya.

MR. COURNEYA:

The employee would have to find other accommodation within the community.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Mr. Ng.

MR. NG:

Thank you, Mr. Chairman. What is the time frame for that where an employee would have a deadline for making a decision on whether they would wish to purchase their unit? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ng. Mr. Courneya.

MR. COURNEYA:

The policy is in effect. It will be implemented slowly. We've had discussions with the union on the implementation of the policy. The corporation does not have title to all of its housing units, so cannot at this time sell a lot of them even if we wanted to. So we are in the process of dealing with that problem. As we deal with the title issue, it will be phased in on a community-by-community basis.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. General comments. The chair will recognize Mr. Ningark, Member for Natilikmiot.

MR. NINGARK:

Just a very short question, Mr. Chairman. I'm wondering if the corporation has, in the recent past, increased the power rates or are they planning to increase the power rates in the near future. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ningark. Mr. Courneya.

MR. COURNEYA:

The last time the corporation increased the power rates was April 1, 1992. Rates increased six per cent across the board in all communities. We have no plans at this time for another increase, however the phase II filing that is currently under way with the Public Utilities Board is looking at the make up of rates. This may have the impact of increasing rates in some communities and decreasing rates in others after the review has taken place.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. The chair will now recognize the Member for Baffin South, Mr. Pudlat.

MR. PUDLAT:

(Translation) Thank you, Mr. Chairman. I have a question with regard to the corporation's staff housing. I would like to know if the staff housing is for sale or if the staff houses have been sold already. I know that you are able to buy staff housing. I would like to know, according your policy, how many units have been sold to date.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Pudlat. Mr. Courneya.

MR. COURNEYA:

To date, two units have been sold and three are in the process of sale. We have not had an across the board offering of units. One, because we do not have title of them all; and two, we are reviewing each community on its own to ensure that it's practical to do it in that community.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Member for Baffin South, Mr. Pudlat.

MR. PUDLAT:

(Translation) Thank you, Mr. Chairman. Where are the units that have been sold located? Are they in Yellowknife? Of the ones that have not been sold yet, where are they located? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Pudlat. Mr. Courneya.

MR. COURNEYA:

The two units that have been sold, one is in Fort Smith and one is in Resolute. There are three more in the process, all in Fort Smith.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. Mr. Pudlat.

MR. PUDLAT:

(Translation) Thank you, Mr. Chairman. I have a short question. The 15 per cent that's going to be realized is only for the staff of the Power Corporation, or could anyone buy those units using the 15 per cent lower rate? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Pudlat. Mr. Courneya.

MR. COURNEYA:

The rental rates are increasing 15 per cent to all employees. As we determine that the housing within a community can be sold, it is first offered to the employee in the unit then if they decline to purchase it, it would be offered to other corporation employees. If no one exercises the option to purchase it, it would then go to the general public in a tender process, and anyone could purchase it.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Courneya. The chair recognizes the Member for Yellowknife North, Mr. Ballantyne.

MR. BALLANTYNE:

Thank you, Mr. Chairman. My first question has to do with negotiations going on right now with the Dogrib Nation, as they try to put together a financial package so they can embark upon their hydro project. Perhaps the Minister could give us an update as to how those financial discussions are going. How close are we to a positive solution to the problems that have faced them?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ballantyne. Madam Premier.

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HON. NELLIE COURNOYEA:

Thank you, Mr. Chairman. The contractual arrangement that the Northwest Territories Power Corporation has with the Dogrib Power project has enabled, I believe, the financiers to look very favourably on the project. As well, when the bids came in, it appeared that rather than the \$30 million that was looked at as the outside price, the cost came in at about \$22.5 million as the amount that Dogrib Power would have to raise to do the project. Right now Dogrib Power is in negotiations to raise their equity. If the project can be constructed for a price between \$22 million and \$23 million, it would appear that there wouldn't be too much difficulty for them to raise their equity.

Once they raise their equity, my understanding is that the amount they would have to raise as a loan

wouldn't be very difficult. At this moment, I know that Dogrib Power is working very hard to make sure they can get the 15 per cent equity required to proceed. They are working with the Minister of Economic Development and the Canadian aboriginal development program, and are very close to raising the equity that is required. They've asked for a 60-day extension with the Northwest Territories Power Corporation so they can have the time to raise the equity. It appears that they are very close at this time.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Mr. Ballantyne.

MR. BALLANTYNE:

Thank you. I'm happy to hear that. That's one area where I've supported the Minister and the Power Corporation from the beginning. This project is a key to unlock hydro potential in the Northwest territories. I hope the Minister will keep us updated as to the progress of the negotiations.

My next question to the Minister is one that causes me some concern. If, for instance, a lot of things happen and we end up in a situation where mining companies have fairly large power demands, does the Minister feel that the corporation has, at hand, enough depth of technical and management expertise to handle the big, big projects that are on the horizon?

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ballantyne. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, if the Member is asking if we have them on staff, this discussion has taken place at the board of directors and also at the staff level. The general expertise that is required is contracted out, as the need arises, because it is very specialized. The energies are focused towards trying to determine, with the major players in this area, what their power needs are and how they can be supplied.

The Member is very well aware that many of these large projects require multi-megawatts of energy and the best and most sure energy is hydro. The Power Corporation has spent a great deal of time in assessing some of the sites that are within range of the areas that have the greatest potential. In a couple of areas where there is potential, the aboriginal groups have made it very clear that some particular areas are not to be developed and they would not

consent. Until such time as we can match the needs with the locations that are acceptable, the expertise will be contracted out as it is required.

It would be premature to hire staff people on a full-time basis when that expertise is available on a contractual basis. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Mr. Ballantyne.

MR. BALLANTYNE:

I know the Premier and I have a difference of opinion on a couple of matters here. The Premier knows that I'm very much against privatization at this particular time. But, I do see some advantages of joint-venturing with the private sector. The Premier knows that what has given me some concern over the years is that we really have two power companies operating in the Northwest Territories. NUL now distributes about 40 per cent of the power, something like that. The problem I see is two companies competing in a small market. The end result could be quite destructive, I think.

It's always been my very strong conviction that the Power Corporation and Northland Utilities should sit down and see if they can work out some positive working relationships. Northland Utilities also has access to tremendous expertise, because of their ties with Canadian Utilities. It seems it is a reality that they're here and it seems they want to stay here. There is quite a bit of northern ownership in that company and I've never seen the positive side of not being able to sit down and work something out between those two companies.

I see that there is a lot to be gained by Northland Utilities and the Power Corporation sitting down and talking about areas of expertise and how they can help each other. I think this could be done without privatization. I think you can have the best elements of privatization, as far as having those sort of relationships with the private sector, but still maintain control by not having to privatize. I would ask what the Minister's thoughts are about that and if there is any effort to have the Power Corporation and Northland Utilities to sit down to see if they could work out some of these areas.

I have a sense that, in the long term, unless that happens, I don't think it's going to be good for the Power Corporation, for Northland Utilities, but, more

importantly, for the people of the territories, if this sort of thing isn't worked out.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ballantyne. Madam Premier.

HON. NELLIE COURNOYEA:

I agree with the Member that we have to maintain the integrity of our investment. I think it is paramount, and I feel it is my responsibility how that is enhanced or protected. We have had a couple of meetings with Canadian Utilities recently, however they were very preliminary discussions. So those discussions are going to go on. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. The Member for Yellowknife North, Mr. Ballantyne.

MR. BALLANTYNE:

I am quite happy to hear that, because, it may turn out, at the end of the day, something can't be worked out. But I really think it's in everyone's interest that there is a real honest, earnest effort to try to work something out, and I think it is possible. I, for one, am going to be watching this very closely because I think it is so

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counterproductive to have these two companies competing over a very fragile, very small market. It makes no sense to me whatsoever. I will be following up on this with the Minister. I am glad to hear that the Minister said that she'll pursue that avenue, and I hope it is done quickly, done thoroughly and it's done with a view to coming up with something that is positive so that everybody wins. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Member for Yellowknife North, Mr. Ballantyne. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, the Government of the Northwest Territories have made a significant investment in moving the Power Corporation from a federal Crown to a territorial Crown, and we have to do everything we can to make sure that investment not be

deteriorated because of a lack of our efforts to make sure that investment retains its value and has an ability to grow. It is the intention of the Power Corporation to make sure that happens and that we take every step so that we don't neglect that responsibility. We realize we are at the throes of some great development that could very much enhance the economic well-being of many NWT residents, and we intend to take full advantage of that. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you. If the committee agrees, there are no further general comments. There is no clause by clause review of this matter. Does the committee agree? I am sorry, Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. Mr. Chairman, on an information item on page 16-13, I see there is revenue versus expenses. There is a projection of \$9 million of income to the corporation. I think that Mr. Courneya indicated that, in some communities, there may be some rate increases; in other communities, there may be some decreases. Given that there is a \$9 million surplus in the system, I would rather not see any increases in rates, but, perhaps, if there are decreases, then I would understand that. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Whitford):

Thank you, Member for Natilikmiot, Mr. Ningark. Madam Premier.

HON. NELLIE COURNOYEA:

In the rate review, I know we have had many discussions about the rates as they were set some time ago, and we don't really know why those rates were set. In the review, and if these things should change, the subsidy is still in place.

What I would like to say is that the corporation is a corporation that has to run with certain guidelines. They are allowed a certain rate of return. But, when you see the \$9 million, this amount is used for reinvestment or in building other plants, and if you don't have that bottom line, we don't build any new plants.

The Power Corporation is committed to trying not to raise the rates, but I can't assure him that that's necessarily possible all the time. But I think in the

rate structure review, some places may go down while other places go up, but the subsidy will still prevail on those particular realignments, and the changes that are there would not change the net outcome of the corporation's bottom line. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Member for Natilikmiot, Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. Again, on the information item budget of the corporation. It seems to me the corporation is very healthy. In 1993-94, there was a return, as the Premier puts it, of \$9 million. The 1994-95 proposed budget is expecting another \$9 million in net income. It seems to be very healthy, and I hope that the small communities in the eastern Arctic or even in the western Arctic, will not suffer as a result of the review. Thank you. That is it.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Ningark. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, that is not the intent. It was just something, an item, an issue that we committed to reviewing because there were a lot of questions on why and how rates were set and established at such a rate as they were in the individual communities, because, for every community, we have a different rate. So we committed to do that.

In some areas, when you look at \$9 million, it seems like a lot, but most of the power plants that are built in communities are in the range of \$5 million. Mind you, the plants that are put in the community last many, many years. I would like to get very excited about the \$9 million, but when we look at the cost of even replacing an engine or refurbishing an engine, \$9 million is not a lot of money.

As well, the Power Corporation is also asked to pay a dividend out of that net income, and I think the last dividend we have been requested to pay is over \$3 million. I think \$3.5 million, somewhere around there. So these are areas, these are chunks of money that come out very quickly, so I think that I would like to be excited but it gets expended very quickly. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. If the committee agrees, then, there is no further general comment on these two information items on 16-12 and 16-13. We will agree that this matter is now concluded.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Whitford):

Madam Premier, on behalf of the committee, I would ask Mr. Courneya to convey to the staff the compliments on a job well done. Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I just want to, at this time, thank Leon Courneya, who is no relative of mine, but his last name sounds the same.

---Laughter

I would like to say to the Members of the Legislative Assembly, that I appreciate a lot of the comments saying that we are doing a good job. We also recognize there is a way to go, but I want to make this statement that, getting to where we are has not come without a great deal of effort by the staff, by the chairman of the board and by the board members. They have

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put a great deal of time and attention to how we are to provide power generation to residents of the Northwest Territories in the most reasonable way we can. It hasn't come without a great deal of effort. I think the staff should be complimented on the work that they are doing and on the effort they have taken working with the aboriginal groups in making sure they get an equitable share and an equitable investment in what we are trying to accomplish. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Sergeant-at-Arms, would you see to their safe conduct out of the Chamber? What is the wish of the committee now that those two matters are concluded? Mr. Ningark.

MR. NINGARK:

Thank you, Mr. Chairman. According to the agreement that we have with the committee, we should proceed with Bill 9.

CHAIRMAN (Mr. Whitford):

All right. Bill 9 is in your green books.

Bill 9: An Act To Amend The Motor Vehicles Act

CHAIRMAN (Mr. Ningark):

Thank you. Bill 9, An Act to Amend the Motor Vehicles Act. I believe Mr. Todd is the Minister for this matter. Mr. Todd.

HON. JOHN TODD:

Thank you, Mr. Chairman. I do have a few opening remarks with respect to this bill. May I proceed?

CHAIRMAN (Mr. Ningark):

Yes, Mr. Todd. Proceed with your opening remarks.

Introductory Remarks

HON. JOHN TODD:

Mr. Chairman, Bill 9 is a minor amendment to change the present requirement under the Motor Vehicles Act from two licence plates on a vehicle to just one. As I understand it, the automotive industry has been lobbying the North American jurisdictions to move to the single plate system because newer, more fuel efficient aerodynamic body designs leave less and less room for a licence plate on the front.

---Laughter

I am sure they are talking about the car. At the same time, the Department of Transportation saw an opportunity to trim its licensing costs. The motor vehicles division began issuing single plates last year. In this amendment, we want to bring the law up to date with our current practices. I can tell the Members of the committee that the conversion to a single plate system has gone smoothly and we have not identified any problem areas that call for any more extensive amendments to the act. I hope the committee approves the new licensing system and agrees to the proposed amendments. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Todd. The chairman of the standing committee which reviewed the bill, would you like to make the committee's comments on the bill? Mr. Gargan.

Standing Committee On Legislation Comments

MR. GARGAN:

Thank you, Mr. Chairman. The Standing Committee on Legislation has had the opportunity to review Bill 9, An Act to Amend the Motor Vehicles Act. This bill amends the Motor Vehicles Act to allow for the use of a single licence plate. Enforcement officers in the Northwest Territories were consulted regarding possible enforcement difficulties that may arise from the issuance of a single licence plate. No problems are anticipated. Therefore, the committee agrees, with the amendment, to allow for the issuance of a single licence plate and sticker.

However, Mr. Chairman, the amendments to change the terminologies to single licence plates provided the committee with the opportunity to review section 48(2) of the current legislation. The clause states that a person must keep the licence plate that is attached to the motor vehicle free of dirt and obstacles. Some Members of the committee held the view that, given the extreme condition of highways in the Northwest Territories, this legislation was too rigid and could cause undue hardship to vehicle owners. It would require vehicle owners to continuously keep their licence plate free of dirt, snow or other obstacles in the north where extreme conditions on highways prevail. Members also felt that the legislation left vehicle operators at the mercy of possible overzealous enforcement officers. To address this issue, the committee proposed an amendment to clause 24 of Bill 9 to insert the word "reasonable" in front of the words "free of dirt". The committee felt that this amendment would allow for the enforcement flexibility. The department suggested that deleting the words "free of dirt and obstruction" and substituting "is legible" would be more in line with the proposed purpose of section 48(2) of the current legislation.

Lengthy debate occurred over the proposed amendment, in my absence, to clause 24 of the bill. It was decided that the clause, as originally stated in the bill, would prevail as a satisfactory compromise between the committee and the Minister, who could not be reached. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. Do you wish to bring in witnesses, Mr. Minister, for the review of Bill 9?

HON. JOHN TODD:

Yes, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Do we have the concurrence of the committee that the Minister can bring in witnesses?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Proceed, Sergeant-at-Arms, to escort the witnesses to the table. Thank you, Mr. Minister. For the record, will you introduce the witness to the committee?

HON. JOHN TODD:

Thank you, Mr. Chairman. On my immediate right is Mr. Gamble, who is the deputy minister of Transportation responsible for this act.

CHAIRMAN (Mr. Ningark):

Thank you. Welcome to the committee. General comments. Clause by clause.

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SOME HON. MEMBERS:

Agreed.

---Agreed

Clause By Clause

CHAIRMAN (Mr. Ningark):

We have been reviewing Bill 9, An Act to Amend the Motor Vehicles Act. Clause 1.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 2.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 3.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 4.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 5.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Gargan.

MR. GARGAN:

Under clause 5, Mr. Chairman, with regard to licence plates, I would like to ask the Minister whether or not there is a problem with regard to these new types of cameras that are supposed to take pictures of violators when they are coming as opposed to traffic going away. Have you addressed that issue?

CHAIRMAN (Mr. Ningark):

Mr. Minister.

HON. JOHN TODD:

I am advised by Mr. Gamble that we are not using them and we don't intend to use them in the future.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 5.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 6.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 7.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 8.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 9.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 10.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 11.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 12.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Clause 13.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 14.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 15.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Clause 16.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 17.

SOME HON. MEMBERS:

Agreed.

---Agreed

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CHAIRMAN (Mr. Ningark): Clause 18, on page four.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 19.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 20.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 21.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 22.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. On page five, clause 23.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 24. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, was it agreed that there wouldn't be amendments to section 48(2)? It remains the same, right?

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Transportation.

HON. JOHN TODD:

I felt that it was a compromise leaving it the way it was. That's why we left it the way it was. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Gargan.

MR. GARGAN:

The compromise was from "reasonably free of dirt and obstacles" to "legible?"

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

It was my understanding, and I agreed, to leave the legislation the way it was. That's what we agreed to at the meeting, and that's what we brought forward. Thank you.

CHAIRMAN (Mr. Ningark):

Mr. Whitford.

MR. WHITFORD:

Under this section, I recall that a considerable amount of debate took place. Yes, there was a proposal to make an amendment that would perhaps change the way this clause read when it came to the responsibility of the vehicle owner to ensure that the licence plate was visible. The way that it read was that it had to be free of dirt and obstruction. This could mean anything. An obstruction or dirt could mean several bugs on your plate, or the ball on your bumper.

Some of the Members were concerned that it could be interpreted -- as it was referred to in the opening statement -- by overzealous police officers and highway patrol officers who wanted to apply strict conformity to this requirement. The highways in the Northwest Territories are improving and will improve in the future to the point where we wouldn't experience the problem we are having today. Anyone who travels the highway between here and Rae during the summer construction period knows all too well that, within half a mile on that highway, the entire back end of the vehicle is totally obscured by mud because of the way they water the roads and they types of conditions that the roads are in. This applies to other dirt highways.

Technically, the driver would be at fault if a police officer checked and there was mud and dirt on the licence plate. Members were concerned with that. In the winter time, we know all too well that the big trucks coming in are covered with snow in the back, as a result of the shape of these trucks. What we were saying is that the word "reasonable" would give them an opportunity to say that the conditions were such that they couldn't see the plate at that time. But, if they were stopped, they could clear it off. They normally do this whenever they stop, and good truckers stop every so often to check their lights and check whatever else they check. They clean these things off. But we know that in a very short period of time again, the condition would apply. That's what we were concerned about.

All I'm going to ask is that we get assurance from the Minister that this will not be interpreted in a strict way, the words "dirt and obstruction." I think that's what the biggest concern was with the trucking industry and with the people using the highways frequently -- was that if there is a little bit of dirt on it, the licence will be deemed obscured by dirt. A ticket could be given. I recognize the fact that the deputy Minister has said that it has never been a problem in the past,

but that doesn't necessarily mean it isn't not going to be a problem in the future.

To assure the Members and the constituents who are concerned, can we get some interpretation or assurance that this is not going to be a problem in the future? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Whitford. I can hear you loud and clear.

---Laughter

Mr. Minister.

HON. JOHN TODD:

Thank you, Mr. Chairman. Yes, you have my assurances that we'll continue to interpret the act as we have done in the past. As the deputy Minister said in the

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Standing Committee on Legislation meeting, there have been no problems to date. That's why we reached the compromise of leaving the act the way it was. Yes, yes, yes. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 24.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Gargan.

MR. GARGAN:

Mr. Chairman, I recognize that if you're on the highway and the conditions are so that your plates are covered, then it might be reasonable for the officer or the driver to clean the plates to have it free of dirt and obstacles. But, if it goes to the courts, how would the legal interpreter interpret this section?

If, at that time, the conditions are such that you cannot control the amount of dirt or obstacles on your plate, then I would think you would have to interpret

the case according to the law. That means I would be guilty of the offence under this section, right? There would be no two ways about it.

CHAIRMAN (Mr. Ningark):

Law clerk.

LAW CLERK (Ms. MacPherson):

Thank you, Mr. Chairman. Mr. Gargan is correct. If your licence plate was dirty, under this section you would be prohibited from operating your vehicle. There is a very narrow defence of impossibility of compliance with the law in extreme circumstances. It is a very, very narrow defence, that would be difficult for the average driver to invoke. For example, a snowstorm, a mud storm or getting a lot of mud on your licence plate wouldn't be sufficient to raise this defence, because you could always stop every ten miles to clean it up.

Mr. Gargan is correct, the way the section is currently worded, you would have to have a clean licence plate.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 24 of the act.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 25.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 26.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Qujannamiik. Clause 27.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 28.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 29.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 30.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 31.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 32. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 33. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 34.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Clause 35.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Arvaluk.

MR. ARVALUK:

In clause 35, it says "the Commissioner on the recommendation of the Minister may make regulations." Can the regulation then indicate, respecting that uncontrollable dust or snowstorm or anything like that, can this fit into clause 35?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. JOHN TODD:

No, I don't think so. I would have to get a legal opinion, I guess. I am not a lawyer.

CHAIRMAN (Mr. Ningark):

Mr. Arvaluk, do you want the Law Clerk to try and interpret your question? Law Clerk.

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LAW CLERK (Ms. MacPherson):

Thank you, Mr. Chairman. No, the section on regulations doesn't give that authority to the

Commissioner on the recommendation of the Minister, so without that specific authority, you couldn't make that type of regulation, and I see Mr. Todd's legal counsel agreeing with me, as well.

CHAIRMAN (Mr. Ningark):

Thank you very much. Mr. Arvaluk.

MR. ARVALUK:

Mr. Chairman, my concern is like Mr. Gargan's. It is January or February. You are coming from Fort Providence going to Rae-Edzo. That area could get pretty wicked in the winter-time. You are having problem enough trying to keep your windshield wipers working and trying to prevent your doors from freezing and your radiator area is freezing up, and because of the storm, it is sort of melting and freezing at the same time when you are driving -- how do you get any kind of sympathy in front of the court for the person who was charged for having a dirty license plate?

CHAIRMAN (Mr. Ningark):

Thank you. I believe that is directed to the Law Clerk. Ms. MacPherson.

LAW CLERK (Ms. MacPherson):

Thank you, Mr. Chairman. I think Mr. Arvaluk was basically expressing some frustration with this issue and wasn't requesting a legal opinion. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Clause 35. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

The bill as a whole.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Mr. Gargan.

MR. GARGAN:

Mr. Chairman, just for the record, I realize that there are a lot of Members missing from the House to deal with the issue. I also realize that there are a lot of communities in which they don't have paved streets. Practically all of them don't. For those communities, I would like to say that this does pose maybe an unfair advantage. If you are looking at it, I guess, from the point of law, and you say that, having paved streets in Yellowknife lets the people there not to worry about dirty plates. But all the other communities that do have that are at a disadvantage. For the record, I would like to say that, if by chance, you are parked in front of the Bay and the RCMP says to you, your licence plate is dirty, clean them, you have no choice but to do it. But it puts you at a disadvantage because you don't have soap and water that you carry around with you, nor is the Bay going to provide that service. Also, Mr. Chairman, in a year's time, I use up about 80,000 kilometres, so that is a lot of wiping I would have to do in order to not break this section of the Motor Vehicles Act. So I think the Minister should be aware that keeping this section as it is puts a lot of people at a disadvantage, if they ever use that section. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. I, too, need sympathy in my community. My highway is only about two miles long.

---Laughter

Bill as a whole.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Does the committee agree to Bill 9.

SOME HON. MEMBERS:

Agreed.

---Agreed

Bill 9 is now ready for third reading. Thank you very much.

---Applause

I would like to thank the honourable Mr. Todd and his witness, Mr. Gamble, for appearing before the committee. Thank you.

Should we move on to Bill 11, An Act to Amend the Safety Act? Mr. Nerysoo, as the Minister responsible for this bill, do you have any opening remarks? Mr. Minister.

Bill 11: An Act To Amend The Safety Act

Introductory Remarks

HON. RICHARD NERYSOO:

Thank you, Mr. Chairman. I am pleased, Mr. Chairman, to make a few opening remarks with regard to this particular legislation amending the Safety Act.

In revising our structure of maximum fines, we have taken into consideration the trend of increasing fines elsewhere in Canada, because we did not wish employers, especially employers from outside the Northwest Territories who are working here, to think that a markedly lower system of fines here is an open invitation to defy territorial legislation.

As we know somewhat from the complaints voiced by the business community on our WCB rates, sometimes contractors from the south ignore NWT safety standards and end up with accident rates which result in across the board higher premiums being assessed for the industry which are paid for by NWT companies.

Mr. Chairman, under the current Safety Act in the Northwest Territories, there are three levels of offences: First, offences committed by employers; second, offences committed by employees or persons connected with an operation; and third, offences committed by individuals who condoned other offences.

For the first type of offence, where employers have committed offenses, the present maximum fine is \$10,000. In this bill, we propose to increase the maximum to \$500,000.

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For the second type of offence, where offences are committed by employees or persons connected with

an operation, the present maximum fine is \$1,000, and we propose to increase that to \$50,000.

For the third type of offence, where offences are condoned by others, we propose to increase the present maximum fine from \$500 to \$25,000.

Mr. Chairman, the levels of fines created by legislation will not be the highest in Canada, nor the lowest. We have looked long and hard at the types of occupational health and safety offences that are committed in the Northwest Territories and are pleased that our vigorous compliance program usually result in offenders being caught and corrected before we have to use our last resort, and that is prosecution. By increasing the maximum levels of fines, we will add one more very significant tool to encourage compliance with our occupational health and safety legislation. The increases to the maximum fines which can be levied for offences under the Safety Act and regulations will also support the initiatives of the Workers' Compensation Board aimed at encouraging the prevention of accidents. Many groups have expressed concerns to the Workers' Compensation Board that fines under the Safety Act are too low to be an effective deterrent.

Mr. Chairman, I would be happy to answer any questions that you and the committee Members might have. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Does the chairman of the Standing Committee on Legislation have any introductory remarks? Mr. Gargan.

Standing Committee On Legislation Comments

MR. GARGAN:

Thank you, Mr. Chairman. The Standing Committee on Legislation has reviewed Bill 11, An Act to Amend the Safety Act. The bill amends the act to increase the maximum level of fines under the act. The committee is aware that it is rare that a judge would award the maximum fine on conviction. However, the committee does agree that the higher fine may act as a deterrent to potential offenders. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Gargan. Would the Minister like to bring in a witness or witnesses? Mr. Minister.

HON. RICHARD NERYSOO:

Mr. Chairman, I don't think it's necessary.

CHAIRMAN (Mr. Ningark):

Does the committee agree that we go into general comments on the bill? Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. The floor is now open for general comments on Bill 11.

SOME HON. MEMBERS:

Clause by clause.

Clause By Clause

CHAIRMAN (Mr. Ningark):

Clause by clause. Bill 11, An Act to Amend the Safety Act. Clause 1. Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 2.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 3.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 4.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Clause 5.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Bill as a whole.

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Does the committee agree that Bill 11 is ready for third reading?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. I thank you, Mr. Minister. What is the wish of the committee? Mr. Ng.

MR. NG:

I move we report progress, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. There is a motion on the floor to report progress and the motion is not debatable. We don't have a quorum.

Thank you. There is a motion on the floor to report progress and the motion is not debatable. All those in favour of the motion to report progress, please signify. All those opposed? The motion is carried.

---Carried

I will rise and report progress. Thank you.

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MADAM SPEAKER:

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

ITEM 19: REPORT OF COMMITTEE OF THE WHOLE

CHAIRMAN (Mr. Ningark):

Thank you, Madam Speaker. Your committee has been considering Bills 1, 9 and 11 and Committee Report 2-12(5), and wishes to report progress with two motions being adopted, and that Bills 9 and 11 are ready for third reading. Madam Speaker, I move that the report of the committee of the whole be concurred with. Thank you.

MADAM SPEAKER:

Thank you. Is there a seconder for the motion? The honourable Member for Mackenzie Delta. Your motion is in order. To the motion.

AN HON. MEMBER:

Question.

MADAM SPEAKER:

Question has been called. All those in favour? All those opposed? Madam Premier, you can sit here all evening if you wish. Motion is carried.

---Carried

Item 20, third reading of bills. The honourable Member for Mackenzie Delta.

HON. RICHARD NERYSOO:

No, Madam Speaker, I was going to ask for a point of order to return, quickly, to item 3, if I could, please.

MADAM SPEAKER:

That's not a point of order. The honourable Member is seeking unanimous consent to return to item 3, Members' statements. Are there any nays? There are no nays. Proceed, Mr. Nerysoo.

REVERT BACK TO ITEM 3: MEMBERS'
STATEMENTS

Member's Statement On Success Of Junior Mens'
Curling Team

HON. RICHARD NERYSOO:

Madam Speaker, for your information, I wanted to pass on to my colleagues that we received a call from our colleague, Mr. Fred Koe, with regard to his son's success. The Koe rink, the Northwest Territories/Yukon rink, has eight wins and three losses. Because of last year's standing, the Northwest Territories team gets to play and is the number one placed team in Canada. The Koe team is tied with Alberta and Quebec, however, Alberta and Quebec are playing on Friday night, and the Koe rink will play the winner of the Friday night game. The game is on Saturday at 1:30 pm, Nova Scotia time, 10:30 am our time and the game will be on CBC TV.

All Members cheer the team on. Thank you very much.

SOME HON. MEMBERS:

Hear, hear.

--Applause

MADAM SPEAKER:

Thank you. Item 20, third reading of bills. Mr. Clerk, orders of the day.

ITEM 21: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Madam Speaker, there will be a meeting of the Management and Services Board immediately after adjournment, which will be followed by a meeting of the Special Joint Committee on Division. Orders of the Day for Friday, March 25, 1994.

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Oral Questions
6. Written Questions

7. Returns to Written Questions
 8. Replies to Opening Address
 9. Petitions
 10. Reports of Standing and Special Committees
 11. Reports of Committees on the Review of Bills
 12. Tabling of Documents
 13. Notices of Motion
 14. Notices of Motions for First Reading of Bills
 15. Motions
 16. First Reading of Bills
 - Bill 19, An Act to Amend the Tobacco Tax Act
 - Bill 20, Income Tax Act, No. 2
 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 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
- Page 852
- 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
 - Bill 9, An Act to Amend the Motor Vehicles Act
 - Bill 11, An Act to Amend the Safety Act
21. Orders of the Day

MADAM SPEAKER:

Thank you. By the authority given to the chair by Motion 22-12(5), sitting hours for tomorrow, Friday, March 25, will be from 9:00 am to 12:00 noon. Therefore, this House stands adjourned until 9:00 am, Friday, March 25, 1994. Thank you.

---ADJOURNMENT