

MONDAY, APRIL 3, 1995

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MEMBERS PRESENT

Mr. Allooloo, Mr. Antoine, Mr. Ballantyne, Hon. Nellie Cournoyea, Mr. Dent, Hon. Samuel Gargan, Hon. Stephen Kakfwi, Mr. Koe, Mr. Lewis, Mrs. Marie-Jewell, Ms. Mike, Hon. Don Morin, Hon. Richard Nerysoo, Hon. Kelvin Ng, Mr. Ningark, Mr. Patterson, Mr. Pudlat, Mr. Pudluk, Mr. Whitford, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Samuel Gargan):

Good afternoon. I hope Members had a good weekend. Orders of the day. Item 2, Ministers' statements.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 56-12(7): Ministers Absent From The House

HON. NELLIE COURNOYEA:

Mr. Speaker, I wish to advise Members that the Honourable Silas Arngna'naaq will be absent from the House today to tour the Trap Research Facility in Vegreville, Alberta. The Honourable John Todd's return from Iqaluit has been delayed and he will also be absent from the House today. Thank you.

MR. SPEAKER:

Thank you. Item 2, Ministers' statements. Item 3, Members' statements. Mr. Koe.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Commissioner's Award For Public Service Recipient, Mr. Edward Lenny

MR. KOE:

Mahsi, Mr. Speaker. Mr. Speaker, today I would like to acknowledge a recipient of the Commissioner's award. On Friday evening in Inuvik, the Commissioner was in Inuvik and presented Mr. Edward Lenny with the Commissioner's award for public service at the highest level. Mr. Lenny is a

resident of the Mackenzie Delta area and currently lives in Inuvik. He's a businessman. The award was given to him for his contributions to the development of cultural traditions in the western Arctic. He's very instrumental in developing the traditional Inuvialuit games, northern games as we call them. He's been involved in this for many, many years. He's also very involved in organizing traditional feasts and dances and any other events that happen in the region.

Today, there was a press release issued from the Commissioner's office. The award was presented to him on Friday night and I would like to congratulate Mr. Lenny on receiving the award and take this opportunity to acknowledge his accomplishments. Mahsi cho.

---Applause

MR. SPEAKER:

Thank you, Mr. Koe. Item 3, Members' statements. Mr. Lewis.

Member's Statement On MLA Vs Media Hockey Game

MR. LEWIS:

Thank you, Mr. Speaker. Friday was a big day for MLAs and I've written a poem about the efforts of Members on the ice on that day. I'm sure that, although it's Monday and this is lighthearted, I'd be forgiven by my constituents and I don't think they would be urged to recall me for using my two and a half minutes on this statement:

On Friday, all Members know, we battled again our ancient foe, Our Sharks lined up at centre ice against those timid media mice.

In minutes it was four to one, we had those rodents on the run, Slick to pass, quick on the puck, the lead was due to skill, not luck.

But just as often in this House, Mighty Man becomes Minnie Mouse, The lead was slowly washed away by what was called the secret play.

"What secret play?" asked Speaker Sam, I see nothing weird from where I am." I see nothing at all," said Tough Guy Fred, "In fact, for a minute, I thought I was dead."

"That goes for me too," said defenceman Morin, "that sweat was a drop, but now she's just pouring." "What

killed me," said Alloo in distress, "Was that weird player in the purple dress."

"I think I know," said Kelvin Ng, "exactly how we lost our sting, the media's using all the stuff we leak so they haven't made us mad this week."

"I'm fitness strong," said gentleman Jim, "but after period two, I sure felt grim." "Me too," said Silas from Kivallivik, "I felt good at the start, but I soon fell sick."

When Kakfwi arrived, the score was tied, but no Shark felt his fish was fried, With Stephen on the Shark attack, we thought we'd soon get that lead back.

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With moves like Gretzky and a wicked shot, we heard he was a demon in the slot,

---Laughter

---Applause

MR. SPEAKER:

Thank you, Mr. Lewis. item 3, Members' statements. Mr. Ningark.

Member's Statement On Hardship Caused To Northerners From High Gasoline Prices

MR. NINGARK:

Thank you, Mr. Speaker. Mr. Speaker, the Canadian Charter of Rights and Freedoms recognizes that the citizens of Canada have a right to pursue the gaining of a livelihood in any province in Canada. The mobility rights guarantee that one is able to move to any province or territory from any other without hindrance and look for work there, Mr. Speaker. Mobility rights also give all Canadian citizens and permanent residents the right to live and seek employment anywhere in Canada, Mr. Speaker. We are grateful for all the rights and privileges in the country that we enjoy every day in our lives.

Perhaps, Mr. Speaker, there are a few Canadians who are not able to enjoy such freedoms and privileges to move and seek employment in the country. For one thing, Mr. Speaker, the high cost of gasoline in our country, especially in the remote communities of the NWT, limit the people who make their livelihood from the land, by hunting and also, Mr. Speaker, the industry has been ruined by other

people who we call animal rights activists. Mr. Speaker, if we talk about equality in the country, then we should make the price of gasoline equal throughout the country. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER:

Thank you. Item 3, Members' statements. Ms. Mike.

Member's Statement On Recognition Of Pages From Pangnirtung

MS. MIKE:

Good afternoon, Mr. Speaker. It is with pleasure that I stand to let the House know that I have a constituent here, Vera Evic from Pangnirtung, who will be a Page until Friday. I don't see her here, but Julie Alikatuktuk is also a Page. Both of these students are from grade 10 and were chosen by their class to come here to work for us this week. Thank you, Mr. Speaker. But had all this been a media plan, ---Applause

MR. SPEAKER:

Thank you. Item 3, Members' statements. Mr. Whitford. And so we came to sudden death, Member's Statement On Canadian Championship Dog Derby Breathless they stood as the women began, **MR. WHITFORD:** Thank you, Mr. Speaker. Today I rise to congratulate Raymond Beck of Hay River, the 1995 winner of the Canadian Championship Dog Derby held over the weekend in Yellowknife. Mr. Speaker, I spoke in my last Member's statement about the Dog Derby and how important it was to the sport of dog racing; a tradition that goes back in the history of the territories. This is the 40th year it has been run. It is always nice to see northern sports won by northern athletes. This is an instance where the family Beck is showing up well in the performance of this sport. There were no fewer than five Becks racing in this race finishing in the first, third, fifth, seventh and ninth positions.

When I look back in history, the Becks go back a long way in the sport of dog racing, back to 1957 when Ray Beck Sr., father of Raymond Beck, won seven times altogether. Of course, Grant and Richard Beck have taken two and three championships in a row. This year, we were well attended. We had people from the United States, British Columbia and across the territories. We had a very special guest this year, a lady racer, Monique Bene from France who raced and came in eighth place.

To all of the racers and the handlers who presented this sport to us in spite of the conditions that we face, I would like to offer them a very hardy congratulations, particularly to the Beck family for their valuable contribution to the sport of dog racing, not only here in the Northwest Territories and Canada, but internationally as well.

AN HON. MEMBER:

Hear, hear.

---Applause

MR. SPEAKER:

Thank you. Item 3, Members' statements. Mr. Pudluk.

Member's Statement On Northern Quebec Residents Relocated To High Arctic

MR. PUDLUK:

(Translation) Thank you, Mr. Speaker. I rise today to congratulate ... Back in 1953, the federal government relocated people from northern Quebec to the High Arctic, to Resolute Bay and Grise Fiord. These people who were relocated have been under hardships since they were moved. They weren't sure why they were moved up there and nobody would explain it to them. Their emotions were hurt and some of them were physically hurt.

Since 1953, they have gone through much pain. I would like to congratulate Ron Irwin, DIAND Minister, that he can publicly say that they made a mistake in relocating the people up to the High Arctic and that he can say that he is sorry for moving

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them to another place without fully explaining to them why. The pain that these people have gone through is finally being recognized. We are happy that the federal government can apologize and finally realize that they made a mistake in the first place by relocating them to Resolute Bay and Grise Fiord.

I would like to thank the people who participated, especially Makivik Corporation. They worked very hard, especially Zebede Nungark. I seek unanimous consent to complete my statement.

MR. SPEAKER:

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

MR. PUDLUK:

(Translation) Thank you, colleagues. Zebede Nungark from Makivik, I would like to thank personally. They worked really hard to push the federal government and for them to admit that they made a mistake in relocating these people. Many people know that it was the mistake of the federal government, but they couldn't apologize. When those people were relocated to the High Arctic, they were sent in the fall. They were sent up by ships. There were no buildings to go in. They had to stay in tents for the whole winter without any equipment. They haven't been in that part of the north where it is dark 24 hours a day and they had to live in tents for the whole winter.

I am sure we all realize that they went through very difficult times. I don't think anybody can live in a tent for the whole winter. Some of them stayed in igloos for the whole winter. This was the very first time that they had to stay in complete darkness for 24 hours. For many of them, it was difficult. They had never been up there. A lot of them are still alive today. Even though some of them are no longer around, we want to thank those people because they went through very difficult times. Mr. Speaker, I wanted to rise to mention something about this. Thank you for giving me an opportunity,

---Applause

MR. SPEAKER:

Thank you, Mr. Pudluk. Item 3, Members' statements. Ms. Cournoyea.

Member's Statement On Congratulating Aboriginal Achievement Award Recipients

HON. NELLIE COURNOYEA: Mr. Speaker, I would like to bring to the attention of Members that on the second occasion of the aboriginal achievement awards ceremony in Vancouver this weekend, out of 13 recipients, three were Northwest Territories born and raised. They were honoured at the celebration for medicine, Dr. Noah Carpenter; in the field of business achievement, Frank Hansen; and the honour's degree for life-long achievement went to Keriojuak Ashevak. Thank you.

---Applause

MR. SPEAKER:

Members' statements. Mr. Patterson.

Member's Statement On Hon. Perrin Beatty's Appointment As President Of CBC

MR. PATTERSON:

Thank you, Mr. Speaker. I rise today to congratulate the Honourable Perrin Beatty as the new president of CBC. In addition to the many years of experience Mr. Beatty will bring to this very challenging job, as an MP in the House of Commons and as Minister of many portfolios, including Minister of Communications, I am confident that Mr. Beatty will not overlook the importance of the Canadian Broadcasting Corporation to the north because I think of Mr. Beatty as a friend of the north. He is well-travelled in the north having travelled here often, not out of obligation, but out of a genuine interest, curiosity and affection for our part of the world.

For example, when Mr. Beatty was Solicitor General responsible for the RCMP, he went out of his way to find out what it was like to travel in the north by flying from Iqaluit to Pangnirtung, Clyde River, Resolute Bay, Grise Fiord and several Kitikmeot communities en route to Yellowknife in an RCMP twin otter. While in Resolute Bay, he took the trouble to meet with every special constable in the Northwest Territories. He could have travelled by Challenger jet, but instead he chose to take the long, slow route in a twin otter so he could really find out what travel up here is like so that he could visit and land in smaller communities.

Later, when he was Minister of Defence, through his good offices, the closure of the armed forces base in Inuvik was turned into at least a partly good news event when Mr. Beatty agreed to the transfer of buildings, including bed sheets, pots and pans in the student residence, for \$1, allowing the then Aurora Campus of Arctic College to be established to serve the Inuvik region.

Mr. Speaker, I know there are financial restraints facing the CBC, but I'm confident that Mr. Beatty's knowledge of the north through the nature and quality of his previous visits will allow him to understand that there are no daily newspapers in the NWT --our CBC North radio is the daily newspaper of the north --that CBC is the only television broadcaster in the north producing programs in aboriginal languages which has a public mandate; that current affairs reports on CBC Radio and Television are especially vital in our

part of Canada where few people can read or write even if they had access to newspapers. So I'm confident, even as we face cutbacks of up to 25 per cent in the CBC in the coming year, Mr. Beatty will want to preserve our northern broadcasting system as much as possible and will remain a friend of the north. Thank you.

---Applause

MR. SPEAKER:

Thank you, Mr. Patterson. Item 3, Members' statements. Mr. Antoine.

Member's Statement On Deh Cho Divisional Board Of Education

MR. ANTOINE:

Mahsi, Mr. Speaker. Today I would like to take the opportunity to talk about the Deh Cho Divisional Board of Education. Until April 1 of 1990, Mr. Speaker, education in the Deh Cho region was managed and administered by the Department of Education out of Yellowknife. Since then, Mr. Speaker, the Deh Cho Divisional Board of Education has been

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very noticeable in the region. The region is represented on the board by Wrigley, Jean Marie River, Trout Lake, Fort Liard, Nahanni Butte, Fort Providence and Fort Simpson, with consideration given to Kakisa.

Mr. Speaker, the board, in its efforts to provide the best possible learning environment for the people of Deh Cho, has been very aggressive and at the same time cautious with their limited resources. In 1993, grades 10, 11 and 12 students had to leave the region to continue their education. Since then, students can now attend school in Fort Simpson and receive their high school diploma without leaving the region.

Mr. Speaker, as enrolment in high school programs increases, the demand for student care also increases. As a result, residences were built and ready in the 1993-94 school year. Since the school program has been offered in the Deh Cho region, there have been 23 graduates. This May, we will see 16 more toss their caps into the air. Also, Mr. Speaker, the Deh Cho Divisional Board of Education has been successful in getting the community teacher

education program. This program will be offered in Fort Simpson and in Fort Providence.

(Translation) Mr. Speaker, my time has lapsed and I would appreciate it if the Members would agree with me continuing to finish what I'm talking about.

MR. SPEAKER:

Mr. Antoine is seeking unanimous consent to conclude his statement. Are there any nays? There are no nays. Continue, Mr. Antoine.

MR. ANTOINE:

In the board's latest efforts to achieve autonomy, the attempts were being made to assume total responsibility of capital projects in the Deh Cho region. One such project was the renovation and addition to the Deh Gah Elementary/Secondary School in the Deh Cho region.

Mr. Speaker, education must be given priority in their endeavours to build and maintain the best learning environment for our children and those wishing to continue their education. The GNWT must also be consistent with their assistance as well. Mahsi, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 3, Members' statements. Item 4, returns to oral questions. Ms. Cournoyea.

ITEM 4: RETURNS TO ORAL QUESTIONS

Further Return To Question 317-12(7): Status Of Consultant Hired After Forest Fire Management Review

HON. NELLIE COURNOYEA:

Mr. Speaker, I have a return to an oral question asked by Mrs. Marie-Jewell on March 28th regarding the consultant hired after forest fire management review.

Mr. Speaker, the consultant hired in November 1994 was Foulger Aviation Services Inc. A copy of the terms of reference for this contract will be tabled at the appropriate time.

Return To Question 324-12(7): Plan Of Action Re Mackenzie Regional Health Board

I have another return to an oral question, Mr. Speaker, if I may proceed. It's an oral question asked

by Mr. Zoe on March 27th, the plan of action - Mackenzie Regional Health Board. Mr. Speaker, the department is exploring the possibility of a health board for both the Deh Cho and Dogrib areas. Discussions are under way with the Dogrib Divisional Board of Education on an interesting proposal which could result in a new governance structure for the Dogrib region. A form of social council would have responsibility for all programs in the social envelope including Health and Social Services, Education, Culture and Employment, and community justice within the Department of Justice. This combined board of management for all social programs was suggested by the Dogrib Divisional Board of Education as a way of dealing with increased costs and as a way of providing one board with responsibility for those programs which have the greatest social impact on the community.

Mr. Speaker, discussions are under way with the Deh Cho Tribal Council about the establishment of a health board for the Deh Cho region. A meeting is planned for mid-April in the Deh Cho to explore the project in more detail. The Tribal Council has been informed that the department would like to see a model similar to that being discussed for the Dogrib region. I am confident that we can come up with a solution to this problem by the fall of 1995. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 4, returns to oral questions. Mr. Nerysoo.

Further Return To Question 320-12(7): Selection Of Consultants Used By ECE

HON. RICHARD NERYSOO:

Thank you, Mr. Speaker. This is a return to an oral question asked by Mr. Patterson on March 27, 1995 with regard to selection of consultants used by the Department of Education, Culture and Employment.

The department has entered into 32 consulting contracts since April 1, 1994, two of which were awarded to Avery Cooper Consulting. These two contracts were for a review of the interpreter/translator program and the evaluation of school/student accommodation services. Thank you.

MR. SPEAKER:

Thank you. Item 4, returns to oral questions. Item 5, recognition of visitors in the gallery. Mr. Whitford.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

MR. WHITFORD:

Thank you, Mr. Speaker, colleagues. I'm pleased to recognize in the gallery, Ms. Monique Bene, author of children's books. She is from Le Celle sur Morin, France. Perhaps we can also call her an adventurer by taking up the challenge of dog racing in order to be able to write stories dealing with the sport of dog racing. A sample of her book is called, "Reve de Loup." That means dream of the wolf. It's a children's story about dog racing.

Also, Mr. Speaker, while I'm standing, I'd also like to pay recognition to Grant Beck.

MR. SPEAKER:

Mr. Whitford, you have half a minute, but your time is up. So, do you want unanimous consent? Mr. Whitford.

AN HON. MEMBER:

En Francais.

MR. WHITFORD:

Merci, Monsieur Presidente.

---Laughter

Yes, I would like unanimous consent to recognize two other visitors.

MR. SPEAKER:

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

MR. WHITFORD:

Thank you, colleagues. I would like to also recognize Grant Beck, Carol Perkison and Dave Dempsey, all involved in the active sport of dog racing in the Northwest Territories.

---Applause

MR. SPEAKER:

Item 5, recognition of visitors in the gallery. Item 6, oral questions. Mr. Koe.

ITEM 6: ORAL QUESTIONS

Question 378-12(7): Review Of Pay Scales For Dental Therapists And Public Health Nurses

MR. KOE:

Mahsi, Mr. Speaker. I have a question for the Minister of Health. In February 1994, Mr. Ballantyne and I asked questions about the review of pay scales for dental therapists and public health nurses. Both groups were involved in a transfer of health services from the federal government to this government and these groups were led to believe that there would be a review of their pay levels and probably some reclassification.

In February 1994, the then Minister of Health, Mr. Pollard, stated that he would review these issues and report back to this House by June or July of 1994. Mr. Speaker, it is now March 1995 and I'm not aware of what has been done to resolve these issues. So my question to the Minister of Health is what is the status of the review of the classification and pay rates of dental therapists and public health nurses?

MR. SPEAKER:

Minister of Health and Social Services, Ms. Cournoyea.

Return To Question 378-12(7): Review Of Pay Scales For Dental Therapists And Public Health Nurses

HON. NELLIE COURNOYEA:

Mr. Speaker, I would like to be more specific in my reply to the honourable Member. However, since there are collective agreement negotiations going on, I don't think it's the proper time to discuss any detail of the review, although I would like to let the Member know that we've done considerable work on those two particular positions. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 378-12(7): Review Of Pay Scales For Dental Therapists And Public Health Nurses

MR. KOE:

Can I ask the Minister, through supplementary, what time frame she is looking at to review this, especially the issue of dental therapists?

MR. SPEAKER:

Ms. Cournoyea.

Further Return To Question 378-12(7): Review Of Pay Scales For Dental Therapists And Public Health Nurses

HON. NELLIE COURNOYEA:

Mr. Speaker, I've been advised that once a collective agreement has been signed off, the department can conclude the work on the two professions the Member has asked about. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Koe.

Supplementary To Question 378-12(7): Review Of Pay Scales For Dental Therapists And Public Health Nurses

MR. KOE:

May I ask the Minister, then, what is the status of the collective agreement negotiations? When is this supposedly going to be resolved?

MR. SPEAKER:

Ms. Cournoyea.

HON. NELLIE COURNOYEA:

Mr. Speaker, I will have to take that question as notice.

MR. SPEAKER:

The question has been taken as notice. Item 6, oral questions. Mrs. Marie-Jewell.

Question 379-12(7): Housing Policy Re Compassionate Grounds

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allow a family member to stay with a senior throughout their grieving period or throughout their

illness and not be penalized for having to pay rent for that particular period. Thank you.

MR. SPEAKER:

Minister responsible for the Housing Corporation, Mr. Morin.

Return To Question 379-12(7): Housing Policy Re Compassionate Grounds

HON. DON MORIN:

Thank you, Mr. Speaker. Yes, we can consider that. Thank you.

MR. SPEAKER:

Item 6, oral questions. Mr. Patterson.

Question 380-12(7): GNWT Employees' Notice Re Lease Termination

MR. PATTERSON:

Thank you, Mr. Speaker. My question is for the Minister of Personnel. Mr. Speaker, I usually try to give notice of questions to Ministers, but today I haven't given the Minister any notice of this because of the way my constituents were treated. In the past month, several of my constituents, who are employees of the GNWT, were given notice in the form of a note posted on their door on March 3rd saying they had to be out of the premises on March 31st because the lease had terminated. I would like to ask the Minister of Personnel, is that a fair way to treat an employee? Thank you.

MR. SPEAKER:

Minister of Personnel, Ms. Cournoyea.

HON. NELLIE COURNOYEA:

Mr. Speaker, I'm not knowledgeable of that circumstance so I'll take the question as notice and check into it. Thank you.

MR. SPEAKER:

Thank you. The question has been taken as notice. Item 6, oral questions. Mrs. Marie-Jewell.

Question 381-12(7): Transfer Of DPW Maintenance Staff

MRS. MARIE-JEWELL:

Thank you, Mr. Speaker. Mr. Speaker, we all know that it is the plan of the Housing Corporation to take over staff housing for the government, which was a departmental responsibility of Personnel. I would like to ask the Minister of DPM since a lot of DPW staff have taken the responsibility of looking after staff housing in the past, is there a plan to transfer DPW staff to the Housing Corporation? I would like to ask the Minister of DPW what he plans to do with the staff who have had the responsibility for maintenance of staff housing. What will happen to the staff of DPW? Thank you.

MR. SPEAKER:

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

Return To Question 381-12(7): Transfer Of DPW Maintenance Staff

HON. DON MORIN:

Thank you, Mr. Speaker. We have transferred the responsibility of the administration of staff housing to the Housing Corporation. We're also looking at the best vehicle for maintenance of staff units as well as maintenance of government buildings in our communities, how to get the best system in place to maintain all of the capital infrastructure. We are working on that now and how we can accomplish that should be known by June. It may vary in different communities; it depends on the community on which way we can solve the problem the best. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mrs. Marie- Jewell.

Supplementary To Question 381-12(7): Transfer Of DPW Maintenance Staff

MRS. MARIE-JEWELL:

Just for clarification, Mr. Speaker, is it fair to say that, in addition to the many responsibilities of the housing authorities in the communities for maintenance of public housing, the responsibilities of DPW staff may be transferred to the housing authorities to ensure that maintenance of staff housing can be addressed, which has been transferred over to the Housing Corporation? Thank you.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 381-12(7): Transfer Of DPW Maintenance Staff

HON. DON MORIN:

Thank you, Mr. Speaker. We plan on working with the community and the staff to see which will be the best way to handle the situation. For example, in some communities, there are two or three maintenance people from the housing authority and they may or may not be union people. Then you have one or two maintenance people from DPW who are union. So we have to look at how we can mix this all together, serve the community the best and still treat our employees properly. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Ningark.

Question 382-12(7): Solution To High Gasoline Cost In Eastern Arctic

MR. NINGARK:

Thank you, Mr. Speaker. My question is directed to the Minister of Public Works and Services. This is subsequent to my Member's statement regarding the high cost of gasoline. In the eastern Arctic, the rate of dependency on welfare is very high. The suicide rate among the Inuit people is the highest next to Dene and others in the country, Mr. Speaker.

The trapping industry is virtually destroyed by animal rights activists, but there are people who are dependent upon trapping and hunting, Mr. Speaker. We spend a substantial amount of money in trying to deal with health problems in the country, especially in this particular jurisdiction. Too much free time can be very difficult for young people, Mr. Speaker. Hunting is healthy. Country food is no substitute, Mr. Speaker, for canned food that we buy in stores. What is the honourable Minister doing to try to solve the problem of the high cost of gasoline in the eastern Arctic? Thank you.

MR. SPEAKER:

Minister of Public Works and Services, Mr. Morin.

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Return To Question 382-12(7): Solution To High Gasoline Cost In Eastern Arctic

HON. DON MORIN:

Thank you, Mr. Speaker. At the present time, we are finishing a review of all the petroleum products and cross-subsidy in the Northwest Territories. Hopefully, in the very near future, I will be able to take a paper to Cabinet and try to get some recommendations on how we are going to restructure the pricing of fuel and gasoline in all of our communities that are off-highway and serviced by POL.

Right now, the subsidy is based on the price of fuel in the community and the price of delivering that gas. We were instructed to look at all the costs that surround keeping the liquid in the community as well. So we have to look at the capital costs and come up with a price structure and a subsidized program that does make sense. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Supplementary, Mr. Ningark.

Supplementary To Question 382-12(7): Solution To High Gasoline Cost In Eastern Arctic

MR. NINGARK:

Thank you, Mr. Speaker. As the Premier is aware and my colleague from the Kitikmeot region, Mr. Ng, is aware, almost every meeting we have attended with the Kitikmeot Regional Council, there is an outcry from the delegates because of the high cost of gasoline. Mr. Speaker, how soon will the honourable Minister bring the matter before Cabinet?

MR. SPEAKER:

Mr. Morin.

Further Return To Question 382-12(7): Solution To High Gasoline Cost In Eastern Arctic

HON. DON MORIN:

Thank you, Mr. Speaker. Fairly soon my department will be briefing me on this issue. Then I will speak to Members about it and then take it to Cabinet. Hopefully, we will get it done by June. I would just like to assure the Member, as well as other Members of this House, that we wouldn't make any drastic changes to anything until we consult with Members. Thank you.

MR. SPEAKER:

Thank you. Item 6, oral questions. Supplementary, Mr. Ningark.

Supplementary To Question 382-12(7): Solution To High Gasoline Cost In Eastern Arctic

MR. NINGARK:

Thank you, Mr. Speaker. Will the honourable Minister assure me that he will bring the matter to Cabinet by June? Thank you.

MR. SPEAKER:

Mr. Morin.

Further Return To Question 382-12(7): Solution To High Gasoline Cost In Eastern Arctic

HON. DON MORIN:

Thank you, Mr. Speaker. Yes, I will assure the Member that we will deal with it by June. Thank you.

---Applause

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Patterson.

Question 383-12(7): Availability Of Consultant's Report Re Takeover Of POL Facilities

MR. PATTERSON:

Thank you, Mr. Speaker. My question is to the Minister of Public Works and Services. Mr. Speaker, I was heartened to hear the Minister state in reply to Mr. Ningark that he would be involving Members in possible changes to the POL system in the Northwest Territories. I have written the Minister about this. I understand that a consultant was commissioned by the department to review various options associated with the takeover of MOT POL facilities in Iqaluit. I would like to ask the Minister if he would be willing to make that consultant's report available to me. Thank you.

MR. SPEAKER:

Minister of Public Works and Services, Mr. Morin.

Return To Question 383-12(7): Availability Of Consultant's Report Re Takeover Of POL Facilities

HON. DON MORIN:

Thank you, Mr. Speaker. I would like it made available to myself first. So once I get a chance to see it, I will talk to the Member about it. Thank you, Mr. Speaker.

MR. PATTERSON:

So that means you have to read it.

MR. SPEAKER:

Item 6, oral questions. Mr. Ningark.

Question 384-12(7): Delays In Receipt Of Old Age Pension Cheques

MR. NINGARK:

Thank you, Mr. Speaker. My question is directed to the honourable Minister of Health and Social Services. About two years ago, I brought the matter before this House regarding the delays in old age pension cheques. Again, this year I brought the matter before the Minister. From the community of Gjoa Haven, I have received correspondence dated March 29, 1995 of the same matter. People are not receiving pension cheques on time, Mr. Speaker. My question is has the honourable Minister communicated with his counterparts regarding the matter? Thank you.

MR. SPEAKER:

Minister of Health and Social Services, Ms. Cournoyea.

Return To Question 384-12(7): Delays In Receipt Of Old Age Pension Cheques

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MR. SPEAKER:

Thank you. Supplementary, Mr. Ningark.

Supplementary To Question 384-12(7): Delays In Receipt Of Old Age Pension Cheques

MR. NINGARK:

Thank you, Mr. Speaker. Perhaps the federal government is incapable of meeting the deadline to bring the elders' pension cheques to the elders on time, Mr. Speaker. Perhaps, Mr. Speaker, the honourable Minister can communicate with her federal counterparts and offer them the alternative and have this jurisdiction issue the cheques to the residents of the NWT. Thank you.

MR. SPEAKER:

Ms. Cournoyea.

Further Return To Question 384-12(7): Delays In Receipt Of Old Age Pension Cheques

HON. NELLIE COURNOYEA:

Mr. Speaker, I don't know if that is possible. It is a federal program offered all across the provincial jurisdictions. There will be a meeting of Health and Social Services Ministers soon and some discussions will be how do you apply the overall standards to the various jurisdictions. This isn't on the agenda, however, I will commit to continue to follow up with the federal government to look at better ways of making sure that the pension cheques arrive on time. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Ballantyne.

Question 385-12(7): Update On Polar Continental Shelf Project

MR. BALLANTYNE:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier and it is regarding the polar continental shelf project. As Members are aware, the polar continental shelf project has gone on for many years and the federal government, through Natural Resources Canada, provide logistical support to an amazing number of scientific experiments and projects in the Northwest Territories. I think it's probably time for an update from the government on exactly how much money has been spent on this project, what sort of input our government has into the experimental projects that go on and how we're able to access the information that has been collected over the years. If I could ask if the Minister could provide this House with an update on the activity of the polar continental shelf project.

MR. SPEAKER:

Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Speaker, I can do that, but I can't do it on my feet. I understand part of the program. I know very well, particularly in Tuktoyaktuk, that they operated very, very independently from the community, very independently from anyone in the Northwest Territories. However, it was seen as a research centre that was valuable to the Northwest Territories. I will

commit to provide an update to this House. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Patterson.

Question 386-12(7): Monitoring Impact Of Federal Budget On NWT

MR. PATTERSON:

Thank you, Mr. Speaker. My question is for the Premier. Mr. Speaker, it seems that every day there are new revelations about just how the new federal budget will impact on the people of the Northwest Territories. We're getting bits and pieces of information from here and there. I'd like to ask the Premier, does this government have a method of monitoring the impact of federal budget decisions on the Northwest Territories? Thank you.

MR. SPEAKER:

Madam Premier.

Return To Question 386-12(7): Monitoring Impact Of Federal Budget On NWT

HON. NELLIE COURNOYEA:

Mr. Speaker, as I've expressed to the House on several occasions, I expect that the various departments and the Ministers would try to follow through on the specific programs that relate to the function of their department, or attached functions or are complementary to the functions of the department. The Minister of Finance has set up an internal team to try to monitor, under the Department of Finance, just exactly what those cuts will be. As the Member, from his experience, will know, sometimes it's very difficult to get immediate response because it appears the direction is to cut, but then the departments in the federal regime are left to make those cuts. Sometimes they don't know until later where they're going to meet their budget allocations.

So we're trying to very hard to keep track of what is going on within the department and with overall planning in the Department of Finance. That's one of the reasons Mr. Pollard is in Ottawa right now, because he had an indication that the community futures program may be on the block and that if we didn't very quickly make representation; that we stood to lose it. So, it's looked at overall and monitored by the Minister of Finance. However, each program

department tries to zero in on what is relative to their job functions. That's the way we're handling it now. When we have indicators that there's a problem, we try to get down to deal with the federal Minister responsible as soon as possible. That's how we're dealing with it right at the moment. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Supplementary, Mr. Patterson.

Supplementary To Question 386-12(7): Monitoring Impact Of Federal Budget On NWT

MR. PATTERSON:

Thank you, Mr. Speaker. I would like to thank the Premier for that informative answer. I was speaking earlier today about my concern about cutbacks to the CBC in the north. I understand that CBC North is facing possible cutbacks of 25 per cent in the coming year, after having pared its administration to the bone in previous years. I would like to ask the Premier, which Minister or department within our government would be responsible for monitoring cutbacks in the CBC and perhaps representing the concerns of the Northwest Territories if cuts should affect us? **MR. SPEAKER:** Thank you. Item 6, oral questions. Mr. **MR. SPEAKER:** Madam Premier.

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Further Return To Question 386-12(7): Monitoring Impact Of Federal Budget On NWT

HON. NELLIE COURNOYEA:

Mr. Speaker, I've been trying to find out exactly what is happening in the CBC and how it has been affecting us. I know there has been some concern expressed, particularly in the central Arctic that has been promised some facilities and operation money. There is quite a bit of worry in the regional operations so the Minister of Education, Culture and Employment and I are both very concerned about whether those cuts will happen. It would be myself, primarily, and then the Minister of Education, Culture and Employment who are dealing with this.

MR. SPEAKER:

Thank you. Item 6, oral questions. Mr. Pudlat.

Question 387-12(7): Northern Versus Southern Food Costs

MR. PUDLAT:

(Translation) Thank you, Mr. Speaker. I have a question for the Minister of Health and Social Services. In the eastern Arctic, we all know that food prices are very high in the northern stores. The communities I represent get their food shipped by airlines and this has very much increased the costs of food in the stores of the three communities I represent. I would like to ask the Minister what differences there are in the food prices from southern companies. I would like to ask the Minister if she has looked into this to see if there is any difference between the food prices in the north and in the southern stores. Thank you, Mr. Speaker.

MR. SPEAKER:

Minister of Health and Social Services, Madam Premier.

Return To Question 387-12(7): Northern Versus Southern Food Costs

HON. NELLIE COURNOYEA:

Mr. Speaker, I can assure the Member without any hesitancy that the food prices in the southern stores are much different than the food prices in Arctic Canada and, in a lot of communities, substantially different. What the government tries to do overall, in terms of social assistance, is the cost of the food is calculated the best we can. I know it is not always as generous as people would like to see, but we try to take that into account. I believe more and more, this government is trying to determine the cost of living, from housing to food, general maintenance of homes and livelihood, and is trying to incorporate some fairness in terms of subsidies.

For example, in Pelly Bay, we have a subsidy because the only way foodstuffs get into the region are through air flights. Just recently, we've done some experiments and tried to bring the food in by barge. The other thing, too, that's available in a lot of the communities -- and we're trying to get an understanding of who is aware of it and who is using it -- is the food freight subsidy which is available to everybody, including stores. There's a subsidy for bringing in fresh food and some foodstuffs. I've asked recently whether that subsidy is being translated into lower costs at stores for individuals. This is not a big study with a consultant, I'm just asking those questions to get a breakdown. I will try to have more detail in a few days to see where we are with that.

There are substantial differences and we recognize that, Mr. Speaker. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Pudlat.

Supplementary To Question 387-12(7): Northern Versus Southern Food Costs

MR. PUDLAT:

(Translation) Thank you, Mr. Speaker. Supplementary to the same Minister. She indicated that she has put out a study as to what kind of differences there are in the food prices, and a lot of my constituents would like to see this study that has been done. Can the Minister indicate to the House whether she can give me the information that she said has been put out in that study? Thank you, Mr. Speaker.

MR. SPEAKER:

Ms. Cournoyea.

Further Return To Question 387-12(7): Northern Versus Southern Food Costs

HON. NELLIE COURNOYEA:

Mr. Speaker, I will provide for the Member the latest cost of living rates as soon as possible, perhaps later today or tomorrow. Thank you.

MR. SPEAKER:

Item 6, oral questions. Mr. Lewis.

Question 388-12(7): Provisions For Removal Of First Nations Leadership

MR. SPEAKER:

Minister responsible for Intergovernmental and Aboriginal Affairs, Mr. Kakfwi.

Return To Question 388-12(7): Provisions For Removal Of First Nations Leadership

HON. STEPHEN KAKFWI:

Mr. Speaker, as far as I know there are no provisions specifically for recall in any of the aboriginal organizations. They do have terms for removal of executives and there are procedures under local customs in each community for the removal of chiefs; these vary in different communities up and down the

valley. As far as I know, there is no duly-elected government of the First Nation, yet as such. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 388-12(7): Provisions For Removal Of First Nations Leadership

MR. LEWIS:

Does that mean that in the First Nations governments, once you are elected, there is neither a council nor a chief, that you then have a mandate for your full term and there is no way in which you could be removed during that time? Is that what the Minister is saying?

MR. SPEAKER:

Mr. Kakfwi.

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Further Return To Question 388-12(7): Provisions For Removal Of First Nations Leadership

HON. STEPHEN KAKFWI:

Thank you, Mr. Speaker. In the politics of aboriginal communities, each chief is elected for a certain term. Each president of a Metis local, for instance, is elected for a certain term; those are the ones that I am most familiar with. Each community has different understandings about what is the custom for removal of chiefs. For instance, in some communities it was understood that if a sufficient number of people showed up at a public meeting called to discuss the issue, and if a motion was passed at such a meeting, that was the end of the term of the chief.

The Metis locals run more by their rules. There are rules for the removal of officials. The regional and territorial organizations also have specific procedures under their by-laws and constitution for removal of officials. But the one that the Member may be most interested in is the custom of the Dene for removal of chiefs, where it is almost by local custom that it is done. It has become, I would say, not so widely practised any more. Thank you.

MR. SPEAKER:

Thank you. Supplementary, Mr. Lewis.

Supplementary To Question 388-12(7): Provisions For Removal Of First Nations Leadership

MR. LEWIS:

Okay, on the basis of what the Minister said then, Mr. Speaker, would he confirm that once a person is elected to an aboriginal First Nations government, there is no guarantee that that person can serve the full term for which he was elected? There are varying provisions from community to community whereby that member could be removed.

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 388-12(7): Provisions For Removal Of First Nations Leadership

HON. STEPHEN KAKFWI:

Mr. Speaker, in the past...I know that in the 1970s and early 1980s, for instance, there were some chiefs who were removed because of local disgruntlement with the perception of how they may have dissatisfied their people.

In the last 10 years, I would say, as more and more of the chief and councils have got into business and into more of an operational mode where they have extensive responsibilities, there has also come into place very clear mandates and procedural requirements for the way they conduct their business. Because of that, I believe the accountability has become much more technical and clearly defined in many of the communities.

So the business of removing chiefs has become, for many of the people, I think, a greater concern. It shouldn't be trivialized or just left to an undefined "local custom." People have started to recognize that a very effective speaker can get up at a public meeting and sway people to back a call to remove a chief, even without substance of any significance. And so, I think people, in order to protect themselves, have seen that what you need are strong procedures for the protection of those people who are elected, as well as the themselves. Thank you.

MR. SPEAKER:

Thank you. Final supplementary, Mr. Lewis.

Supplementary To Question 388-12(7): Provisions For Removal Of First Nations Leadership

MR. LEWIS:

Since there are all kinds of examples that we all know about, a long list of them, of people who have in fact been removed from office - -very often for trivial reasons -- I would like to ask the Minister, what procedures are in fact taking place, what ways are being established to make sure that if a member is going to be removed in aboriginal First Nations governments, that would be done in a transparent way so that everybody would know what the issue is and has a chance to do things that he says properly and not for trivial reasons.

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 388-12(7): Provisions For Removal Of First Nations Leadership

HON. STEPHEN KAKFWI:

Mr. Speaker, there are no specific provisions that I know of offhand that would lend to it. In many, many cases, people are starting to see that long-term planning, long-term stability is essential for the well-being of the businesses that are charged to the care of the chief, the councils and other elected officials. That political instability also leads to instability of business and economic interests.

So, while people still look at it in the sense that people at the community level have the ultimate power to put you into office and to take you out. That understanding alone is often enough to make people very careful about the things that they ask people to do, the way in which those people carry out their jobs, and how they account for themselves. It seems to me, my impression is that the more business we conduct ourselves, the more self-governing we become, the less need there is for that sort of undefined method of removing elected people. Thank you.

MR. SPEAKER:

Item 6, oral questions. Item 7, written Item 8, returns to written questions. Item 9, replies to opening address. Item 10, petitions. Item 11, reports of standing and special committees. Item 12, reports of committees on the review of bills. Item 13, tabling of documents. Mr. Ningark.

ITEM 13: TABLING OF DOCUMENTS

MR. NINGARK:

Thank you, Mr. Speaker. Mr. Speaker, I would like to table Tabled Document 78-12(7), a letter from Mr. Anthony Anguttitauruq regarding old age pensions. It is addressed to myself. Thank you.

MR. SPEAKER:

Thank you. Item 13, tabling of documents. Item 18, second reading of bills. Ms. Cournoyea.

Sorry, Mr. Speaker, may I move back to tabling of documents?

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MR. SPEAKER: The honourable Member is seeking unanimous consent to go back to tabling of documents. Are there any nays? There are no nays. Please proceed, Ms. Cournoyea.

HON Speaker, I wish to table Tabled Document 79-12(7) terms of reference, Foulger Aviation Services Inc., recommendations for forest fire aircraft contracts for 1995.

MR. SPEAKER:

Thank you. Item 13, tabling of documents. Ms. Mike.

MS. MIKE:

Thank you, Mr. Speaker. I would like to table Tabled Document 80-12(7), correspondence received by myself from Mayor David Tagoona regarding the implementation of the rent scale.

MR. SPEAKER:

Thank you. Item 13, tabling of documents. Item 14 reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters: Bill 1, Appropriation Act, No. 2, 1995-96; Bill 13, An Act to Amend the Fair Practices Act; Bill 16, An Act to Amend the Retirement Plan Beneficiaries Act; Bill 19, An Act to Amend the Elections Act, No. 2; Bill 24, Community Employees' Benefits Act; Bill 27, An Act to Amend the Land Titles Act; Committee Report 2-12(7), Report on the Legislative Action Paper on the Office of Ombudsman for the Northwest Territories; Committee Report 3-12(7), Report on the Review of the Legislative Action Paper Proposing New Heritage Legislation for the Northwest Territories; Committee Report 4-12(7), Report on the Review of the 1995-96 Main Estimates; Committee Report 5-12(7), Report on the Review of

Rewriting the Liquor Laws of the Northwest Territories: A Legislative Action Paper; and, Committee Report 6-12(7), Report on the Review of the Legislative Discussion Paper on the Draft of the New Education Act, with Mr. Ningark in the chair.

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

CHAIRMAN (Mr. Ningark):

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

MR. DENT:

Thank you, Mr. Chairman. I would like to recommend that the committee resume consideration of Bill 1 and Committee Report 4-12(7), specifically to deal with the budget of the NWT Power Corporation and, if we should conclude that, to move back to the Housing Corporation budget and then, perhaps, Justice.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Dent is recommending that we deal with the budget of the NWT Power Corporation and then the NWT Housing Corporation budget and, if we're able to conclude those two items, that we move on to Justice. Do we have the concurrence of the committee?

SOME HON. MEMBERS:

Agreed.

---Agreed

Bill 1: Appropriation Act, No. 2, 1995-96

Committee Report 4-12(7): Report On The Review Of The 1995-96 Main Estimates

CHAIRMAN (Mr. Ningark):

Thank you. We will take a 10- minute break.

---SHORT RECESS

We are dealing with the NWT Power Corporation. Honourable Minister responsible, do you have opening remarks?

Minister's Introductory Remarks

HON. NELLIE COURNOYEA:

Thank you, Mr. Chairman. Mr. Chairman, you have received the 1995-96 operations and maintenance draft budget and this package, which includes the corporation's goals and objectives, is in the same format provided to the committee the last two years. the government's. The 1995-96 budget will be approved by the corporation's board of directors in March 1995. This draft budget has now been reviewed by the corporation's senior management.

The draft budget estimates 1995-96 net income at approximately \$7 million and is based on the application to the Public Utilities Board (PUB) for an automatic fuel adjustment clause. If approved, it will automatically pass on fuel price increases or decreases. A decision on this application is expected by May 1995.

The corporation has reviewed the need for a general rate application for the 1995-96 year to increase rates. The need for this increase is dependent on the water levels in the Snare/Yellowknife system. If water levels are low again in 1995-96, the corporation will apply for a rate increase to recover the increased fuel costs. This will allow the corporation to earn its full rate of return of approximately \$10 million.

The current low water levels in the Snare River system, caused by unusually dry conditions last spring and summer, unfortunately added to the Yellowknife/Rae Edzo diesel dependence. It means that approximately \$4.3 million in extra fuel will be burned to supply needed power in 1994-95. The PUB decision to spread \$1 million of this extra cost across the north, while collecting the remaining \$3.3 million directly from the Yellowknife system, was fair. It has been met with disappointment, but acceptance from most outside regions.

In order to continue to be able to pay a dividend to the GNWT to fund the territorial power support program and continue to be able to reinvest in equipment, it is essential that the Power Corporation earn its full return on equity and this necessitates rate increases from time to time. Based on present estimates, this will require an increase of approximately three per cent in 1995-96.

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The corporation was involved in Public Utilities Board hearings in Iqaluit and Inuvik in January to address concerns and information requests about a more equitable system of power rates across the NWT. In response to these hearings, the corporation has

proposed that, as an interim measure, rates should be adjusted to the cost of providing power in each community and that an additional study of options be undertaken before finalizing how rates will be set.

The Public Utilities Board has yet to make its decision on how this should be done. The PUB's decision, when received, will likely see rates beginning to be adjusted in May 1995. Rates will both increase and decrease to better reflect the cost of providing power. These rate changes will not result in the corporation earning any additional revenue. The corporation is spending a considerable amount of time and resources in helping to gather all the information to determine how rates should be set. Our common objective, Mr. Chairman, is to see a system of rates that is fair and stable across the north.

Mr. Chairman, the corporation hopes to see progress soon in the long-standing compensation issue for Treaty 8 members over impacts of the Taltson River hydro project. Last year, the corporation was directed by the NWT Water Board to address the matter along with environmental studies, as conditions of its water licence. Meetings were held this week, and have been planned for later in March, with Treaty 8 chiefs and affected residents, to resolve impacts during the term of our licence and perhaps beyond.

The ceremonial ground breaking late in August at the Snare Cascades hydro site was an historic event for both the corporation and the Dogrib Nation. Their 4.3 megawatt, \$27 million plant will pay a dividend to the Dogrib people through a 65 year operating lease with the Power Corporation, and provide about 100 jobs before it is commissioned in the summer of 1996.

The Legislative Assembly will be requested to guarantee a borrowing bill by the NWT Energy Corporation Ltd., a wholly-owned subsidiary of the Power Corporation, to finance this project. This guarantee, which is similar to guarantees given to the Power Corporation for their borrowing, will allow the Energy Corporation to borrow money at the most favourable rates. The financing raised by the Energy Corporation will be used to finance the Snare Cascades hydro project. There will be no cost to the Government of the Northwest Territories for this borrowing, as the debt will be repaid with proceeds from the agreements between the NWT Power Corporation and the Dogrib Power Corporation.

As I announced in the Legislative Assembly in the previous session, the government has decided to postpone the privatization initiative. It will be up to the

newly-elected Legislature, after the election this October, to decide on further action.

The Standing Committee on Finance's report expressed concern in the corporation's planning and sensitivity to dramatic rate changes. Let me assure the committee that the Power Corporation is sensitive to the effects of rate increases, and appreciative of the need for prudent planning. The corporation has addressed a number of areas over the last six years and will continue to do so in the future.

Thank you, Mr. Chairman. I am ready to address any questions your committee may have.

CHAIRMAN (Mr. Ningark):

Thank you, Premier. On behalf of the Standing Committee on Finance that reviewed the bill, Mr. Antoine.

Standing Committee On Finance Comments

CHAIRMAN (Mr. Antoine):

Thank you, Mr. Chairman. Mineral exploration does not require power from a corporation. However, if that exploration is fruitful, the resulting mining operations become large consumers of power. The committee recognizes the potential for future sales based on the success of the current mineral exploration. It is crucial that the corporation develop specific plans for providing services to these new users.

Committee Members continue to express a desire for the corporation to put more effort into exploring alternative energy sources. As we said in a previous report:

"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 play an important role serving the people of the north in cooperation with the Government of the Northwest Territories."

Finally, committee Members note the corporation's continuing phase II general rate application presently before the Public Utilities Board (PUB). The committee appreciates that the goal of this application -- to make power rates more reflective of the true cost of providing that power -- means there will be significant changes to the corporation's rate structure, and to the power bills of many northerners. There will be significant effects on the government. Not only will

the government's own power bills be affected, but there could be large changes to the amounts paid to domestic and commercial consumers under the power subsidy program. Committee Members feel that the government should be involved in the PUB hearings in such a way as to ensure that their interests are well represented.

As for the application itself, the corporation's initial proposal -- which included two large rate zones covering those communities whose power is provided by diesel generation -- provoked quite an outcry from many customers. Committee Members are not satisfied with the way the corporation handled this application. Similarly, committee Members expressed similar concerns at the corporation's 1994 application for a low water rider surcharge. The committee notes that, with respect to that application, the Public Utilities Board: "indicated its concern with respect to the lack of prudence shown by NWTPC in not properly planning for low-water years." These incidents demonstrate to the committee that the corporation needs to be more prudent in its planning, and more sensitive to the impact of dramatic changes in power rates on its customers.

That's the report of the Standing Committee on Finance, Mr. Chairman. Thank you.

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CHAIRMAN (Mr. Ningark): Thank you, Mr. Antoine. Before I get into general comments, I would like to ask the Premier if she wishes to bring in the witnesses.

HON. NELLIE COURNOYEA:

Yes, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Do we have the agreement of the committee that the honourable Minister bring in the witnesses?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Bring in the witnesses, please.

Thank you, welcome to the committee. Madam Premier, for the record, would you please introduce the witnesses.

CHAIRMAN (Mr. Ningark):

Thank you. The floor is now open for general comments from the membership. Mr. Ballantyne.

General Comments

MR. BALLANTYNE:

Thank you, Mr. Chairman. Mr. Chairman, I am generally satisfied with the direction the Power Corporation is taking. I think the agreement with the Dogrib Nation was a very important agreement. It can provide the basis for future agreements between this government and aboriginal organizations and regions. It has brought the Dogrib people in as partners in taking advantage of future economic opportunities. I know that the next phase of the hydro system, hopefully, will bring more hydro into Yellowknife.

My one concern -- and I know that it is one that is shared by the Minister and the staff -- is that Yellowknife is still far too dependent on diesel fuel. I would like to see, in the future, that more hydro is brought into Yellowknife and that Yellowknife is guaranteed secure access to hydro power. It is obviously going to take some time, but it is one of those tremendous opportunities out there where you have a developed market here in Yellowknife, we still have a fair amount of hydro potential in the Dogrib area and I see where one can definitely work together with the other to provide opportunities for everybody.

So I have publicly stated that I think the government made a wise decision in entering into that first agreement and to continue to work on future agreements. I, for one, will have no problem supporting the loan guarantee bill that, I believe, we will be dealing with this session. It is a important component of the financial arrangement.

A second point, Mr. Chairman, I was pleased to hear that, at least at this time, the government is backing off privatization. I think it is something that the next government can look at. They can look at the implications of division on the Power Corporation and look at the many complex issues that surround the whole issue of privatization of the Power

Corporation. So, I support the government's decision in not dealing with it at this particular time.

One area where I did have some problems with the Power Corporation, and I made those concerns public, was the whole area of the low-water surcharge and the Snare system. It has been my feeling that the Power Corporation definitely should have had some sort of a stabilization fund set up. As I understand it, the Public Utilities Board has now recommended that the Power Corporation do just that and I will ask the Minister responsible a specific question on that when I finish my opening comments.

Power costs in Yellowknife and in the territories are very, very high. In the long-term, we all have to keep in mind that the cost of our power, no matter how you may subsidize it, no matter that communities may not all be aware of exactly how much it is costing, it is a real cost to doing business in the north. It is a very important component of the Northwest Territories becoming economically competitive with other regions in Canada.

I think the move towards user-pay rate zones will be controversial, but it is necessary. Every power consumer, even if they are subsidized, has to actually see how much the cost of providing that service is. If we continue to hide the real costs through a number of direct and indirect subsidies, at the end of the day we are only fooling ourselves. There is a real cost in providing power. Power is a very important component of our economic infrastructure and economic development potential. And we have to get a lot more pragmatic and realistic about what the real costs are. So I definitely support the Power Corporation as they move down that politically tough road. It is a road that we definitely have to go along.

Another area that I see that has tremendous potential for the Power Corporation is the whole area of mining. As it stands now, a lot of the power supplied by mining, for mining, uses very expensive diesel fuel. There is a real possibility that a lot of the mining that could be coming on stream in the next number of years could actually have their fuel supplied from offshore. Now, if we in the Northwest Territories are serious about taking advantage of opportunities created by mining, there is no doubt in my mind that we have to seriously look at the power potential there; what is the potential for hydro, what can the Power Corporation do to provide some of the needs of the mining industry in the years to come. I see that as a tremendous opportunity for the Power Corporation. I also see it as an opportunity that I would like to see the Power Corporation gearing up for right now. Making sure that they have in place the necessary expertise to take full advantage of whatever

opportunities will be coming down the pipe in the years to come.

With that, Mr. Chairman, except for a couple of serious concerns, I really do hope to see some kind of a stabilization fund set up. I hope to see that future discussions about privatization will take into account all of the many difficult issues that surround it. Beside those two, I am generally quite satisfied with the direction the Power Corporation is taking. Over the past number of years we have evolved away from the quintessential federal government Crown corporation which we originally inherited, which was noted more for its inefficiency than for anything else. We have adopted, over the past

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number of years, some strong private business principles. And we are moving towards the day when the Power Corporation can be a much bigger player in the economic fortunes of the Northwest Territories than it is today. Thank you very much, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Ballantyne. Three things come to mind when we talk about power: one is user-pay, cheaper alternatives, perhaps conservation. Madam Premier.

HON. NELLIE COURNOYEA:

I know that the Member said that he would be asking more specific questions on the topics and the issues that he raised. On the matter of the stabilization fund, we took over the Power Corporation in 1988 and the stabilization fund was under discussion over a number of years, but our profit margin really wasn't healthy enough so that dollars could be taken out and put aside. I know it wasn't an issue that was ignored or bypassed, it was something that was always on the table as something we should have instituted.

The corporation is looking towards setting up a stabilization fund so we won't have acts of God posed upon us, creating immediate higher rates for customers. I believe the corporation is aware that there is a good reason for having a fund and it is being worked on.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, Mr. Ballantyne.

MR. BALLANTYNE:

Thank you. I'm glad to hear that we'll have some kind of stabilization fund in place. I'll be looking forward to periodic updates of the progress of that fund. A question I have for the Minister has to do with the potential in mining. Perhaps the Minister could just outline some of the efforts that the Power Corporation has taken in the last year to try to take advantage of some opportunities in the future in mining, especially in diamond mining. If any mines go ahead, they are fairly intensive users of power.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Premier.

HON. NELLIE COURNOYEA:

Thank you, Mr. Chairman. I know that direction is very much courted by the corporation and a great deal of effort is put into determining what the probabilities are. If you don't mind, I'll pass that question on to the president of the corporation who is dealing with that on a day-to-day basis.

CHAIRMAN (Mr. Ningark):

Thank you. President of the NWT Power Corporation.

MR. GUTHRIE:

Thank you, Mr. Chairman. There's quite a few things we've been doing in the past year in this regard. Firstly, I think Members are aware of the signing of the Dogrib power agreement and the resulting building of Snare Cascades, part of that is also referred to as phase II. Phase II was contemplated on a larger project taking place later on to meet the needs of Yellowknife and mining. We continue to have meetings on a fairly regular basis with the Dogrib and with mining companies to pursue those opportunities.

Right at this moment, we're completing a study on what is referred to as upper Snare, as there are two more locations that the Power Corporation has identified in the past as possibly being good hydro sites. But, we needed to gather more information to see whether a good cost-benefit analysis would emerge or not. That will be completed this month. If those two sites are favourable, we will continue to talk to the Dogrib and the mining companies about proceeding with hydro projects in the near future.

Also, this summer we will do some extensive environmental and cost-benefit analysis of other hydro sites on the La Martre River. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, Mr. Ballantyne.

MR. BALLANTYNE:

Thank you. That's useful. I wonder, just to put this into some perspective --some of us who have been involved in this are probably more aware of the potential than a lot of people out there --and we can look at these two sites you're talking about, what is a ballpark potential for the number of megawatts, for example?

CHAIRMAN (Mr. Ningark):

Thank you. President of the NWT Power Corporation.

MR. GUTHRIE:

Mr. Chairman, the study isn't completed at this time, but together, we're hoping that the potential for the two sites will be 20 megawatts. It's a combination of about eight megawatts and 12 megawatts at the other site. I think you're aware that BHP, as they have planned their project at this time, are putting in 24 megawatts of diesel generation, although their peak load is, I think, only 17 megawatts. In approximately 10 or 11 years time, they would need to double the power they need and so that's why we think that upper Snare, possibly, if we can bring 20 megawatts in there, might meet that when they need to increase their load in 10 years time.

That's about the most optimistic we can be for the upper Snare. Lac La Martre, on the other hand, the potential for 50 megawatts of power exists there.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ballantyne.

MR. BALLANTYNE:

So what we're talking about, to put this in perspective -- and I'm not holding you to these figures -- is 60 to 80 megawatts between the two potential sites. Perhaps I could ask what the potential is in Yellowknife, if you shift the present use of diesel to hydro. How many megawatts are we talking about for the Yellowknife market?

CHAIRMAN (Mr. Ningark):

Thank you. Through the Premier, Mr. Guthrie.

MR. GUTHRIE:

Mr. Chairman, thank you. Yellowknife, right at this time, has five megawatts of turbine generation capacity and 30 megawatts of diesel capacity, for a total of 35 megawatts. That's up to date, for today.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Yellowknife North.

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MR. BALLANTYNE:

Thank you. So it seems we have potential markets that could almost match our potential output, in a very rough sort of sense. Maybe I could ask the Premier or Mr. Guthrie, through the Premier, what is a reasonable time frame to look at in bringing these 70 or so megawatts into production, assuming that there is, in fact, a market for them?

CHAIRMAN (Mr. Ningark):

Madam Premier, you can designate the response to your staff. Madam Premier.

HON. NELLIE COURNOYEA:

president of the Power Corporation to continue to answer those detailed questions.

CHAIRMAN (Mr. Ningark):

Go ahead, Mr. Guthrie.

MR. GUTHRIE:

Mr. Speaker, thank you. Well, I guess there's no easy answer to that but I would think a five to 10-year time frame is reasonable. These things, of course, always depend on more than one thing happening and, certainly, the diamond mines are a big part of that. With consideration of the environmental hearings that are taking place and by the time they're done and the project permit is in place so that we have the encouragement to proceed, I think it would be five years for upper Snare. If the cost-benefit analysis shows that you can develop upper Snare and if it includes Lac La Martre and the bigger project, it would be some time between five and 10 years from now.

CHAIRMAN (Mr. Ningark):

I thank you kindly for addressing me as the Speaker, but I am the chairman. Mr. Ballantyne.

MR. BALLANTYNE:

Thank you, Mr. Chairman. That information is useful. Tell me, as far as the economics of bringing ...For instance, let's assume that both the upper Snare and Lac La Martre, for the sake of this discussion -- everything is very soft -- can be brought on stream. What are the economics of actually using it just for Yellowknife, to bring one or the other of them on stream just to service Yellowknife's needs and not the mining needs. Is that viable or do you really need to piggyback some mining opportunities onto the Yellowknife market?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Guthrie.

MR. GUTHRIE:

Mr. Chairman, thank you. I am not sure I can answer that question well enough, as I have never seen any cross-benefit analysis on it that way. At the present time, it has been contingent on diamond mines going ahead; tying it together with a diamond project. One of the reasons for that is there is so much added to the cost because of the transmission distance.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Ballantyne.

MR. BALLANTYNE:

I know it is difficult to give definitive responses to my questions, but I am just trying to get an idea of some of the potentials, possibilities and variables that are involved in this. It is a pretty complex area. I guess my fast question to the Minister, or through the Minister, to Mr. Guthrie is, is the Minister satisfied that we are doing everything that we can as quickly as we can to prepare ourselves for these eventualities. The Minister, more than most people, understands the number of hoops that one has to go through to get one of these projects... (Recording difficulties)...I guess my concern is that we might not only have one, we might have two. We don't know. A whole bunch of things may start cooking really fast. What I wouldn't like to see is the Power Corporation be ill-prepared to take advantage of some opportunities. Are we doing everything we can do to make sure we are prepared to deal with however this whole mining play may actually unfold over the next few years?

CHAIRMAN (Mr. Ningark):

Thank you. This is a question for the Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I believe that the Power Corporation is doing as much as it possibly can to seek out the potentials for hydro development in light of new customers, particularly in mining. I believe that the working relationship between the Power Corporation and the Dogrib will bode well to moving things more quickly. The Dogrib are already thinking out how they will finance the second phase of the Dogrib power project.

So right now, there is a lot of activity going on, and reaching a working relationship with the Dogrib is probably a very positive sign that something could be worked out. That second phase is being pursued very aggressively by the Dogrib. We aren't in a situation where we are fighting to resolve the subject matter. It is something that is financially good for the Dogrib and is environmentally a better way of delivering power generation. So both the corporation and the Dogrib are in tune to moving ahead with the second phase.

The other areas that can be developed are being explored. There have been some studies, a number of years ago, we tabled a number of studies that were done already on the various potential areas. We try to stay out of the areas which we are told very clearly are not to be developed in any way, shape or form. I think the working relationship with the aboriginal groups that would be more closely affected are our partners. So that takes away a lot of the "us and them," the suspicion and the idea that the community is being overridden. Those areas are progressing well and that takes away a lot of the problems we might have.

CHAIRMAN (Mr. Ningark):

Thank you, Madam Premier. Mr. Dent.

MR. DENT:

Thank you, Mr. Chairman. Mr. Chairman, much of what I would say in general comments has already been expressed by my colleague for Yellowknife North, but I think it is important that some of them be restated by other Members.

One of the things that I think is really important --and I know there has been a fair bit of concern expressed

about this across the territories --is that the corporation move to rate zones that reflect the cost of providing power in those rate

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zones. If we don't do that, we will have a situation of cross- subsidization between areas serviced by the NWT Power Corporation. That may not necessarily reflect fairness and equity if subsidization is done just on power rates.

If it is found to be important that some areas receive subsidization so that the cost of power is maintained at a reasonable level, it is then the responsibility of government to step in and provide those subsidies. The government presently has one subsidization policy in place and perhaps as we move to rate zones where the rates are actually set closer to the cost of service, there may be other subsidy programs which have to be established by the government. Any time a subsidy is being offered, it should be offered obviously. It shouldn't be done through the back door, which is what happens with cross-subsidization through power rates. I would like to add my encouragement to the process of moving towards rate zones which reflect the true cost of providing power, and, I guess, warn or ask the Power Corporation, perhaps, to warn the government if they see areas where the government might want to start considering a subsidy program so at least there is some thought given to the process before the rates are sprung.

I would also like to say that I'm glad to hear that the Power Corporation is working on a rate stabilization fund. I think this is something that is obviously needed, especially in an area like Yellowknife where some years you may have high water rates and other years you may have low ones. I notice in the Minister's opening comments that she points out that in order to pay a dividend to the GNWT to fund the subsidy program! it is essential that the Power Corporation earn its full return on equity, and this necessitates rate increases from time to time and there will be a rate increase of approximately three per cent in 1995-96. I would submit that in the past we should have been looking at that kind of increase if that's what it took to ensure that a rate stabilization fund could have been set up rather than having a situation like the one which was allowed to develop. I think that the consumer would understand along the way if there has to be a minor increase, say in the order of three per cent, in order to ensure that a rate stabilization fund could be set up. I think they would have understood that years ago if that had been

started. I guess it's better late than never and it is an important fund to get in operation to try and smooth out the bumps that you're bound to find when you're dealing with mother nature.

I, too, would like to offer my congratulations to the Power Corporation for their joint venture. Perhaps it's not a joint venture, but for their work with the Dogrib Power Corporation. I think that this is an important step in seeing companies of this sort get involved in business opportunities with benefit their shareholders and beneficiaries and benefit all northerners through the provision of a required service. I am pleased to see in your goals and objectives for this year that the corporation intends to pursue more undertakings with the Dogrib Power Corporation as well as a willingness to examine other organizations that may approach the Power Corporation with ideas for the future.

I must say that I was very pleased, again -- although she has said it before -- to hear the Premier say that the privatization initiative is no longer on the government's agenda. I think there are an awful lot of concerns which would have to be addressed and the proper time to consider that sort of initiative is definitely in the next Legislature.

One thing I would like to mention and then ask a question of the Minister, in the goals and objectives I noticed that the Power Corporation talks about the need to investigate and introduce cost-effective alternate energy sources. I think that, too, is something that needs to have some more attention paid to it and would particularly like to encourage the Power Corporation to work with people across the north to find alternate energy sources. I note that the Premier, in her opening comments, did not specifically mention any initiatives. I was wondering if this committee could get an update from the Premier, Mr. Chairman, as to what some of the initiatives might be in the course of the next year in the alternate energy field. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. I know that we had a record forest fire season over the past summer. I didn't realize that we were using up that much water to extinguish the fires.

---Laughter

Madam Premier.

HON. NELLIE COURNOYEA:

I believe, Mr. Chairman, that we didn't use up that water to extinguish the fire. It was just a dry out. I'll refer the question on initiatives on alternate energy to Mr. Guthrie.

CHAIRMAN (Mr. Ningark):

Mr. Guthrie.

MR. GUTHRIE:

Thank you, Mr. Chairman. The last time I was here we touched on this subject, also, so I think everybody's aware that there's a company that has some wind turbines in Cambridge Bay. Those wind turbines have been working for quite a period of time now and although they did have some of the technical problems that you might expect at first --icing conditions on the blades and some bearings or metal pieces that wore out or broke --they seem to have a lot of that overcome now with better products and a better understanding of the climate they are working in. They have now come back to the Power Corporation and they would like to install more wind turbines. What they need from us is a guarantee of what price we will buy power from them. We're in the process of writing them that letter so that they can be assured of what price they will get to install more wind turbines and continue to work on this project.

I think it offers lots of potential in the north and especially in the eastern Arctic. Of course, with the small populations in almost every place we supply power in the Northwest Territories, nuclear power has never seemed like much of an option. So the Power Corporation, at this time, has not pursued that to any length, although I think it's probably timely that we had somebody from Arctic Energy come up and give us a talk on that someday so we can stay current with the technology. I also know there's a concern in the Northwest Territories about it being a nuclear free zone so perhaps that's not an alternative at all. I said it before -- to hear the Premier say that the privatization One other technology that seems to be advancing quite rapidly, and I think has a lot of potential for our smaller plants

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and smaller communities, is what's called fuel cell technology. Fuel cell is really referring to batteries. That technology is changing so fast; there are batteries coming on the market where you would run your engines for a period of time, the engines charge the fuel cell and then you can shut the engines off and

run off the fuel cell. Certainly, smaller users of power like NorthwesTel probably use some of that already. I think we can see, as this technology improves, that being a great benefit to us, especially at night in communities where they don't need much power and there are no big spikes in the power.

Other than those two and all our pursuits in hydro, those are the three main areas we are working on and looking at.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Whitford.

MR. WHITFORD:

Thank you, Mr. Chairman. Good afternoon, Power Corporation folks. I have just a couple of comments to make. Most of the things that I was going to say would have been said already concerning the power rates, concerning the low-water surcharge, concerning initiatives that are being undertaken by the corporation. I'm fully supportive of the direction that the Power Corporation appears to be going in the next little while. It's encouraging to see the joint venture that is being undertaken with the Snare Cascades. It's always exciting, at least in my opinion anyway, when something like that is developed because what it means is security of power for industry, commercial ventures and consumers. We've experienced all too often high costs related to developing businesses in the Northwest Territories and a large part of it is due to the high cost of power.

I think Colomac is an excellent example. They had to provide every -- they did anyway, I don't know if they still do -- drop of oil to generate every kilowatt hour of electricity to run their operation. The cost of that takes away a lot of potential, when there is hydro potential in that area. Hydro development in areas like that would certainly reduce operating costs and be much more beneficial to the labour force. We'd be able to create more employment if power is more readily available to the extraction industry in the near future. I think the diamond people are certainly anxious to know there's going to be stability of power.

It's exciting to see something like this go ahead because it exchanges a nonrenewable commodity with a renewable commodity, from the use of oil to generate electricity to a renewable supply of water. It's not only good for us, it's good for the environment as well. Something like that is very exciting and I want to congratulate the Power Corporation for those

initiatives and, certainly, the Dogrib Nation for helping to launch something like that and get a piece of the action they so rightly deserve.

The other thing I noted was there was very little said about the nonrenewable sources of power, the generation of electricity through means other than hydro and oil. I guess we are kind of limited to what we can do here. We have an awful lot of sunlight and you could use photovoltaics but it is a very expensive proposition, even in the south, in California, where there is a lot more sun than perhaps we have here during the times of year we need it. And wind, of course, is limited to certain conditions. We've experienced what has happened in

Cambridge with the wind turbines there. The extreme conditions are pretty hard on equipment and I think its viability is probably questionable.

The one area that I think the Power Corporation must look at a little closer again is heat reclamation. I just can't help but look at the two or three acres of open water outside of the power house in Jackfish Lake. Under the extreme temperatures we've had, the lake still hasn't completely frozen over. It takes an awful lot of heat to keep water like that to keep ice off of it and it's such a shame that is happening when we're so close to major facilities. We have industry just over the hill from it. There is the Legislative Assembly building, for example. There are going to be years that it is going to put out kilowatts of heat into the water when they could be used, even for the short term. There must be something that could use such a resource.

I know that in some places, the Power Corporation has, in the past, experimented with reclaiming heat in Cambridge Bay, maybe Iqaluit, and Inuvik. They were also involved with the water and sewer business as well and you could also use that kind of heat to heat water. We've got to be bold when it comes to instances like we see here. I don't think it's enough to say it's very expensive to do and probably not dependable because of power fluctuations. We know we're going to have cold winters and use up so many millions of litres of fuel just to generate electricity in this area and it's quite right that engineers should look at using the technologies of today to capture what otherwise would be wasted energy.

I certainly would encourage the corporation to continue looking at that. We're enjoying economical fuel rates right now, in spite of the fact that we do pay 60 to 70 cents a litre for gasoline and 50 cents a litre

for fuel. It's still relatively inexpensive, when you look at it. Again, it's a non-renewable resource, its life expectancy is not that long and if we don't think of ways of capturing every bit of energy from its use, we'll certainly be looked at many years from now as a very wasteful society. We should show initiative by revisiting that.

I didn't have anything more to say, with the exception of wanting to comment again on the low water surcharge. We recognize that nature is something we can't control and we have cycles that come and go, where one year we'll have more water than we can use and it will run down to the ocean and the next year, we won't have enough. Last year was that kind of a year. This year with the snowfall, I'm encouraged to learn from your hydrologist that you are still optimistic that your water supply will be replenished. There's also the problem, they tell me, that the ground is so dry we may not get the fill of water we want and that's going to cause a problem next October or November when the surcharge comes off. so rightly deserve. I think I said when I appeared before the PUB on behalf of Yellowknifers that it would be nice if we didn't have to pay that, and there should be a contingency fund there to get us through the tough times. I'm encouraged to know that the corporation is looking at establishing that reserve fund. If they're not, they should be, but I understand they are. I think that a majority of people, when you talk about rate restructuring, will take into consideration that they will have to pay an extra half penny or quarter of a penny per kilowatt in order to build up an emergency fund for those times when

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nature takes a course that is unpredictable, like it did in these last two years when we thought we would have water and didn't.

I think people who pay power bills may complain, but it will be a soft complaint. When anything goes up, one does comment on it, but I think in the long run it will pay off. We won't be hit with these sudden high costs of our bills. I look at my bill every month and I see anywhere from \$13 to \$25 in one month --at Christmas time, because I use a lot of power during the cold winter --to pay for that low-water surcharge. It could have been worse, but it is the way that it is.

I will stop at that and just say to the good staff in the Power Corporation that have kept our power, here in Yellowknife, this year was a remarkable year. We haven't had any outages that we have experienced in

the past through acts of god or accidents or something like that. We have been very, very lucky this year. We have kept our fingers crossed and it has come about that we have only had one or two outages for reasons that were beyond anybody's control. I think a transformer overheated or something like that -- or a connection -- and that was done very quickly. It was a slight scare for a while that we thought that we would have to rotate power. But it takes dedicated people to keep the operations of that size and that importance functioning and they are to be congratulated for their good work. With that, Mr. Chairman, that is all I have to say about it by way of comment.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Whitford. Mr. Whitford, any time you need an extra gallon of water, you can call upon the eastern Arctic, they have lots of it. General comments. Any future general comments? Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. Mr. Chairman, there are just a few things I would like to comment on. No doubt, as I had stated in the House earlier, we were concerned as a community with regards to the impact of the low-water surcharge that was placed on our utility bills. Mainly because in Fort Smith we do know that we have an excess amount of power. The current capacity of the Taltson dam, I believe, is 18 megawatts. I think we are only using eight megawatts, we used to use 18 when Pine Point was operating. So there is a fair amount of excess power in Fort Smith. And when people received this low-water rate rider charge on their utility bill, there was a fair amount of concern expressed to me on that.

I did try to advise them that it was the Public Utilities Board's decision and it was only for a short period of time. It was something that the total territories had to absorb. So, therefore, I am pleased to hear that they are going to consider some type of fund to address this.

However, I noted in the chairman's comments --not so much the Minister's, but the corporation's --comments of, possibly, if the Yellowknife system is below average, or if the hydro production in the Snare/Yellowknife system is below average as budgeted, a general rate application may be filed with the PUB to increase rates. I am wondering whether or not this would be because of, possibly, low water. We

have had a fairly dry winter overall. I am wondering whether or not, as soon as this low-water rate rider is finished, possibly, there could be another rate increase requested. So, I would like to ask the Minister that.

But I also wanted to make a couple of other general comments with regard to the Power Corporation. Currently, as I have heard the Minister state earlier, Yellowknife uses approximately 35 megawatts -- I thought they used 48 -- five through turbine and 30 through diesel. I know that in Fort Smith, as I said, there is 18 megawatts with the current capacity and they do have extra turbine capabilities for an additional 10 megawatts which would bring it to 28 and only eight is being used. I wonder if the Power Corporation has ever considered any concepts something like submarine cable, which is something similar to what Vancouver Island is using. It is fed by submarine cable for their electricity needs.

Just overall, Mr. Chairman, there are a couple of comments that I want to make. I want to first of all express my appreciation to the Power Corporation for placing in an electricity line to the Salt River Reserve. I am certainly aware of the band being fully appreciative of that. However, I don't think the switch has been turned on as of yet and I don't know when the power will be given to the Salt River Reserve. But I know the Salt River First Nations has appreciated all the efforts they have received from the Power Corporation.

There have been some concerns from constituents, and I have noted that the Minister has made those remarks with respect to Treaty 8 and certain Treaty 8 individuals, with regard to some type of claim compensation for trap lines that have been, basically, affected by the Taltson dam years ago. I have noted that in the Minister's remarks she did indicate that they would be hoping to address them and resolve the impacts during the term of their licence. So I look forward to some of those concerns with regard to compensation issues for some of my constituents that have been affected by the ... (Microphone turned off)

Mr. Chairman, I did want to state one concern that I continually hear in my constituency, and I have expressed this to the Minister a number of times. There has been a fair amount of concern about the lack of affirmative action candidates which are being hired by our local NWTPC office. I certainly hope that the Minister and the corporation can find a method to increase the number of affirmative action candidates that are being hired by that local office. I certainly

believe that it is not that people are not capable, we do have many electricians, we have many capable educated people in Fort Smith, but I believe that it is the attitude that is prevalent in some of the personnel; not some of the personnel, but the management of the NWT Power Corporation in the Fort Smith office, that prevent affirmative action candidates from being hired. So, I certainly hope we can see an increase of affirmative action candidates to be hired within the NWT Power Corporation in Fort Smith.

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With that, I thank you, Mr. Chairman, for the opportunity for making these remarks.

CHAIRMAN (Mr. Ningark):

Thank you. I didn't hear any questions, but there was some implication that you would like to respond, Madam Premier.

HON. NELLIE COURNOYEA:

Yes, Mr. Chairman. With regard to Treaty 8, from the Water Board hearings, we were instructed to try to overcome some of the difficulties in trying to reconcile a compensation package for a number of people. We had some difficulty in just getting connected and communicating so that we could do that. Just recently, two of the three individuals who were in question, have given notice that Salt River First Nations will be acting on their behalf. We are still trying to track down one individual. So we will still continue to work with that.

We still have some difficulty in trying to reconcile with the complainants. We took the Power Corporation over in 1988 and the end of our old licence was in 1994. So we are trying to do a reconciliation on just when the NWT Power Corporation should be liable for compensation, but that is a separate issue from the individuals. I believe that in a recent meeting that was held just a few days ago, it looks like the Treaty 8 people are willing to begin to try to resolve the issue overall. So I am pleased with that because we had some difficulty earlier, but that may have been because they were very busy with trying to get the government involved with the overall global negotiations on Treaty 8. I feel pleased that they are willing to sit down and start talking.

I can let Mr. Guthrie give a response to some of the other issues that were brought up that seem to be left open, particularly on the affirmative action and the

alternative of trying to bring Taltson power around. We did a number of studies, including submerging a cable across the lake. I think Mr. Guthrie can give you more detail on that.

CHAIRMAN (Mr. Whitford):

Thank you, Madam Premier. Mr. Guthrie.

MR. GUTHRIE:

Thank you, Mr. Chairman. With regard to power from Taltson to Yellowknife, there have been very extensive studies done on that. The first one that was looked at was a power line around the lake. With the amount of miles involved, it was completely uneconomical. They followed that up with a study about a submerged cable and that also, at today's economic conditions, is not viable. Those are things we continue to look at almost on a yearly basis, especially the submerged cable. As they keep making great technological improvements in cables and the ability for cables to carry electricity for long distances, I think that could change. Certainly, if fuel continues to go up, that will affect it.

Of course, one of the problems for us is being in a catch-22 situation of wanting to be ahead of increased fuel prices, while on the other hand, these projects require tens of millions of dollars and there is the concern about how to pass those costs on when it can be done cheaper at this point in time by diesel. We'll continue to work on that.

I share your concerns about affirmative action and I just want to assure you that for the hiring of any staff in Fort Smith, or anywhere else for that matter, our affirmative action program is there. It cannot be circumvented and if the human resource department or I think it has been, we would certainly correct that immediately. I'm aware of your concern and I'll make a personal commitment to assure you that I'm working on that. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Guthrie. General comments. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman, and I thank you for that commitment. I would like to ask, do you know when the switch will be turned on for power to the Salt River Reserve? Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mrs. Marie-Jewell. Mr. Guthrie.

MR. GUTHRIE:

The poles were completed in March and I'm really pleased with how that went because, of course, it was with the help of the people of the Salt River reserve. The poles are all in and I think they'll be stringing the line this month. The next part of the process, as I understand it, is people have to make applications to be hooked up. I must admit, I don't know if we're waiting for applications. I don't believe we are but we can check that when we get back to Hay River. Once the line is strung and people have an application in, we'll hook them up. In the early part of the summer, everyone should have power who applies for it.

As far as the switch being turned on, when the wire is in place, we can turn the switch on at any time. But people still have to make an application to get the power from the transformer to their house. We can't hook them up without that. As far as I understand, it will be in May. Thank you.

CHAIRMAN (Mr. Whitford):

Thank you, Mr. Guthrie. Member for Thebacha.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. I think people wanted to know when they could put in applications. I know that some of the newer units in the Salt River reserve have allowed for electricity boxes and what not and therefore, can accept electricity into their houses, but they didn't know when the switch was going to be turned on so they could apply. I will advise the people that they could possibly look at early spring for applying to the Power Corporation. It would help them to know that by summer they can have electricity available. I know that quite a few band members want to build out there but also want to wait until electricity is available before they start construction. That way, they don't have to modify their houses.

Those are all the comments I have, Mr. Chairman. I just want to, once again, thank the Power Corporation for the support they have given in establishing power in the Salt River reserve. That reserve has been there for a number of years and one of the basics we take advantage of has been unavailable. They will really appreciate the availability of power. I look forward to your ongoing review to see that affirmative action

employees are hired by the Power Corporation in Fort Smith. It's appreciated. Thank you.

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CHAIRMAN (Mr. Whitford):

Thank you, Mrs. Marie-Jewell. General comments. The chair recognizes the Member for North Slave, Mr. Zoe.

MR. ZOE:

Mahsi, Mr. Chairman. Mr. Chairman, I would like to make a few comments pertaining to the NWT Power Corporation, first of all pertaining to rates. Mr. Chairman, I realize the corporation is doing its utmost to assist consumers with regard to how much they have to pay for their power bills and so forth. I believe with the management team from the Power Corporation and also the Public Utilities Board, I know they are trying to put together the best method of implementing an equitable system of power rates across the territories. I know that's what they're trying to achieve and are still working on. I would encourage them to continue. I understand that there's an interim rates application to cover certain rates right now, but I think the end result would be that the general rate application It's just a method that has to be defined and PUB would have to approve it so that we can go ahead with this rate application. I would strongly encourage the corporation to continue to be equitable, I guess, right across the territories.

With regard to affirmative action, Mr. Chairman, I, too, have some concern with regard to the implementation of affirmative action within the Power Corporation, not only in certain communities but throughout the Power Corporation structure. I think one has to take a stronger step to try to get more aboriginal people into the system, even in the middle management and senior management positions. Currently, I don't see that many aboriginal people per se, in those types of positions. Mr. Chairman, with regard to affirmative action, one of the things that I wanted to compliment the Power Corporation on was for providing a scholarship to the Dogrib region for a student to continue on with their education. I'm very grateful that the Power Corporation has come up with a scholarship for the Dogrib Nation in their dealings with the Dogrib Power Corporation.

Mr. Chairman, another thing I wanted to ask is what would be the possibility of moving the district office from Yellowknife? We have headquarters in Hay River and I know they have an office here. What's the possibility of getting an NWT Power Corporation office in the hub of the North Slave region, for example, Rae-Edzo? I don't think that area has been looked into. I know the Premier would agree with me that I've been pursuing the government to try to move district offices out of Yellowknife right into the regions. I've been saying that about the Housing Corporation, the Economic Development and Tourism district office and now I'm saying it with regard to the NWT Power Corporation. I wonder if the Power Corporation has taken a look at the possibility of getting some sort of office into the North Slave region?

With regard to the Snare Cascades hydro development, Mr. Chairman, I would like to compliment the corporation for the cooperation that they've provided, particularly with the Dogrib Power Corporation to date. I'm quite satisfied with the manner in which the corporation has been working with the Dogrib Power Corporation and the leadership from the Dogrib Nation. Just as a note, as the Premier indicated in her opening remarks, the ground-breaking in late August was an historic event and the project, Mr. Chairman, is on schedule according to the last briefing that I received from my colleagues at the Dogrib Power Corporation. I know that the corporation and the

Dogrib Power Corporation have been constantly meeting together, briefing each other, and trying to iron out all the little wrinkles that they encounter. It's not always easy because there are certain interpretations that different people have pertaining to the agreement that was drafted between the NWT Power Corporation and the Dogrib Power Corporation. Those types of things I know are ongoing, day-to-day stuff, but I know, to date, that things are moving along as scheduled and I'm quite happy with the cooperation that they put into it.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Zoe. I noticed that you've been extremely nice to the Premier. Does that have something to do with a business partnership? Madam Premier.

HON. NELLIE COURNOYEA:

Mr. Chairman, I think that the one note that I can say is that the working relationship with the Power

Corporation, myself, and the Dogrib, when we're getting into those final talks about dollars and expenses and how it's going to be organized, it's always very, very difficult. It was good working with that group of people. It was a hard and difficult task because it was a first and there had to be a lot of trust and understanding between the government, the Power Corporation and the Dogrib Nation. They had a role to play because being the first, they had to get all their people onside and that was an equally difficult task and we understood that. However, often times I know we did come to an impasse but we were able to work that out. It was difficult but we were able to work it out. I appreciate the positive way that business was done with the Dogrib people because it was not easy.

The other issue was affirmative action. We are trying to get people involved with the Power Corporation. We're very, very interested in that. Like everything else, being responsible for the Power Corporation or the Department of Health or anything else, there has to come a time when the people themselves in the Northwest Territories, even though it will take some time to train people for some of the more professional areas, but there should be a time that the aboriginal people are running most of the affairs of the corporation or the government. We have a

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lot of work to do. I think Mr. Guthrie can also expand on some of the initiatives we are trying to take to bring people into a working position with the Power Corporation.

CHAIRMAN (Mr. Ningark):

Mr. Guthrie.

MR. GUTHRIE:

Mr. Chairman, thank you. Mr. Zoe, I also share your concerns. I would just like to speak to some initiatives this year that I think will start to help us do a better job in the whole area of affirmative action and be the first step in increasing the effort every year. We just added to our staff one extra position in the safety and training area. We also got budget approval to spend a large sum of money to put together an operators' training manual for all of these small plants we have in the Northwest Territories. Down south, there are all kinds of operators' manuals. We could get them, but they are written with big utilities in mind and lots of technical support nearby. Our situation is totally different, so this operators' manual is specific to these

small plants and to the people who live in those communities; the idea being we can hire young people from the communities. Then we will have a manual and a training program they can go through to make them safe and efficient.

To build on that, this year we are adding six apprenticeship positions, which may not seem like a lot, but it is a good step. That is so that we can do more than just operator training. For those young people who have the education and desire, firstly looking within our own ranks of the communities -- and, if necessary, outside our present employees -- we can get six young people apprenticing in mechanical, electrical and lineman trades.

I feel that is a good start for 1995 and we will continue to build on that. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Patterson.

MR. PATTERSON:

Mr. Chairman, very briefly, I would just like to say I am generally satisfied with the operation of the Power Corporation. I would like to say that, having taken an interest in the PUB hearings about a new system of power rates across the NWT, I was very pleased to note that the corporation changed its strategy and has proposed recently that, as an interim measure, rates should be adjusted to take into account the cost of providing power in each community before finalizing a rate regime. I think this is the right approach to take and was an improvement over the previous proposals and options suggested by the Power Corporation. I think it has taken the right approach on this one. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. If not, there is no money to approve here and we are reviewing the NWT Power Corporation's information item. Do we have any further general comments? If not, do we agree then that the review of the NWT Power Corporation is concluded? Agreed?

SOME HON. MEMBERS:

Agreed.

---Agreed

CHAIRMAN (Mr. Ningark):

Thank you very much. Thank you, Premier and witnesses.

Northwest Territories Housing Corporation

We have decided that once we conclude the NWT Power Corporation, we would deal with the NWT Housing Corporation. Mr. Minister, do you have any remarks for this committee?

HON. DON MORIN:

Thank you, Mr. Chairman. I have made my opening remarks already.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Minister. Would you like to resume with your witnesses?

HON. DON MORIN:

Thank you, Mr. Chairman. I will bring in the witnesses.

CHAIRMAN (Mr. Ningark):

Do we have the concurrence of the committee that the Minister can bring in his witnesses?

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Ningark):

Thank you. Proceed. For the record, would you mind introducing the witnesses again to the committee?

HON. DON MORIN:

Thank you, Mr. Chairman. To my right is Mr. Al Menard, president of the Housing Corporation; and, to my left is Mr. Jim Nelson, vice-president of finance. Thank you.

CHAIRMAN (Mr. Ningark):

Welcome to the committee. General comments. We are dealing with the NWT Housing Corporation, 1995-96 main estimates. Mr. Koe.

General Comments

MR. KOE:

Mahsi, Mr. Chairman. I have a few comments on the issue of seniors' housing. I know there have been many comments made over the past few weeks, especially during question period, about seniors' housing and then the impact of our new policies on seniors.

In my recent visits to the communities, I have had contact with people who are very concerned about the impact on them, especially those who currently own their own houses. They have spent a lifetime working and were able to invest in property and have their own house. In many cases, they are still stuck with a mortgage and now the higher cost of power, fuel and other costs to maintain a home.

With the new policies that we have approved here, they look at their neighbours who are living in social housing and are now not paying any rent or any of the cost to maintain a home. They are saying something isn't right. On the one hand, we have worked very hard all of our lives to get to this position and it is costing us an arm and a leg to live. People who live in social housing seem to be fortunate now, in that case. Some balance has to be made somewhere. I know that decisions have been made by this Assembly to change policies but we should look at the issues of subsidies for power. I

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know there are some small fuel subsidies, and maybe we should look at some mortgage schemes for senior citizens.

The other concern I have, and it's one I've been pushing since I came into this Assembly, is the construction or development of more personal care facilities, especially where you require supervised care in level II, III and even, in some cases, level IV units. Cutbacks by CMHC and the federal government have impacted our ability to provide those kinds of facilities. In the Northwest Territories, we have a very young population but there is still a significant portion of people in communities who are elders and require supervised care. In some cases, family members can provide that but in many cases, it's not happening and these people, especially in the smaller communities, tend to get moved out to larger communities and placed in personal care facilities.

I would just like to know whether or not we've made any headway with the federal government or what the Housing Corporation is doing in trying to provide more

funding for personal care units in the communities.
Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Minister of the Housing Corporation.

HON. DON MORIN:

Thank you, Mr. Chairman. We'll still continue to lobby the federal government for seniors' facilities as well as funding for cost-shared social housing. We're working with Social Services, as well, to try to come up with a plan for seniors' facilities. The Member is absolutely correct, if you have two houses in any given community and two seniors on identical pensions, the person in a home ownership unit who owns their own home would pay more. The person in a public unit would pay nothing for that unit. The difference is that the person in the home ownership unit who owns their own home would get equity in their building that would be worth money.

Everybody has to understand that in the past, what seniors paid was \$32 a month, that was it. We dropped it from \$32 to nothing under the new rent scale. I've heard concerns from seniors about not paying rent and I was a bit surprised, I guess, that some felt they should pay rent. Just like any other policy of the Housing Corporation, everything should be reviewed annually and it will be reviewed. But, as it stands today, the decreases came into effect April 1st. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Mahsi. What about the issue of personal care facilities? I know in the capital plan there are only two new ones approved. Are there any plans in the upcoming years? I think one is going into Fort Resolution and one is going into Fort Norman.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Minister of Housing.

HON. DON MORIN:

Thank you, Mr. Chairman. We are working with Social Services to put together a strategy for the other units that are needed in the Northwest Territories. That

should be done by May 1st, according to the information I have. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Inuvik.

MR. KOE:

I appreciate also the new programs that the corporation has put into place. I'm just going through the Minister's comments about the down payment assistance program being introduced. I'm not sure what the level of funding is that you have available. Could you give me that information, how much is available under that program?

CHAIRMAN (Mr. Ningark):

Thank you. Honourable Minister of Housing, do you have the information available?

HON. DON MORIN:

Thank you, Mr. Chairman. I don't have that information handy. It's under capital, but I believe it's tied into access. Just a minute, we might have it.

Thank you, Mr. Chairman. It's \$2 million. (Microphone turned off)

CHAIRMAN (Mr. Ningark):

Mr. Minister, the microphone was off.

HON. DON MORIN:

I'm sorry about that, Mr. Chairman. It's \$2.062 million.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Inuvik.

MR. KOE:

I would also like to say that my constituents and I are very pleased with the way that the Housing Corporation has been doing their business. They have taken proactive steps to ensure that local markets get their fair share of construction, labour, purchase of supplies, and whatever they need to operate. It's been beneficial in the region where I'm from. Also, the concept of negotiated contracts is still one that I support to a certain extent and that, too, has been beneficial because it provides developing companies opportunities to have two and three-year training programs, to work in their premises and tie in

with other government programs. This has been very successful so far.

The whole issue of being able to have a group of people in a community assess applicants for new houses has also been successful; especially this year, where everybody was involved who indicated an interest. The whole process came off this year without any glitches, or I haven't heard any. But everybody was quite pleased with the response that we had in trying to ensure that everybody participated in selecting the

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candidates for new houses. I wanted to thank the Minister and his staff, not only here but in the region, for their cooperation. I know I get full cooperation from the regional staff when issues come up and then they are dealt with quite expeditiously. I would like to say mahsi cho. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Koe, very positive conclusion on your part, that was very good. I have Mr. Pudluk, Mr. Pudlat and Ms. Becky Mike. Mr. Pudlat.

MR. PUDLAT:

(Translation) Mr. Chairman, thank you. Just recently we asked questions with regard to the rental scale changes to Ministers' statements and oral questions within the past couple of weeks. Quite some time ago, we had a difficult time with regard to housing, like the \$40 million cut by the federal government for social housing. I know that there is a budget restraint all over, but with regard to the rental changes effective April 1st, it seems like the federal government has pushed us into this difficulty. They have cut a total of \$6 million for social housing.

The federal government has given us a lot of problems with regard to rent and social housing. I know that the Housing Corporation has worked on this for quite a long time. It is not just in the Northwest Territories that we are having difficulty, it is all over Canada.

Mr. Chairman, we have to deal with the older people with regard to housing, because they have had a difficult time. Even though it states that the elders will not be paying rent any more, I know that there is a lot of people that live in one house because of the lack of housing in the north, in the communities.

We have different cultures even though we all live in the north. So we would like to be treated that way, differently, in every community. That is why we often mention the rental scale changes that were put into effect on April 1st. I know the price to rent a house is getting more expensive all the time. I know that some of the people who are making good wages will have to pay a lot of money. That is why we voiced our concerns before the rental changes were put into effect.

We were called, by telephone, by our constituents to be concerned about the rental changes that have recently been put into effect. Some people have understood what they have to do, but I know that some of them are not quite clear yet. They have to always report their income, which scares some of the people in the communities because the more money they make, the more they pay.

I know that the people who are middle class are probably in a better position. There have been some people who have recently been kicked out of their housing because they couldn't keep up the payment. I wouldn't want to see this being done to too many people in the north because they cannot afford to pay their rent or they are in arrears. Because we are in different climates in every community, it can get very cold and we don't have any alternate housing available in the communities.

When we were younger it was different because we could make alternate housing. The young people are not in the same category as we were back then, when we were younger, because they don't know their culture as much as we do. And their lifestyle is different from the time when we were younger. For that reason, it is going to become very hard for some people to afford their rent.

We would very much like to be able to have our own houses but, Mr. Chairman, we are not all fortunate and we cannot all afford to have our own housing. It would be nice to be able to provide adequate housing for everybody in the north. And it would not be very good if a lot of people are being kicked out of their houses because they cannot afford their rent, or they cannot afford their own home. I know that we would like all the people who we represent to start having their own houses but only some can afford that.

Maybe it would be good if more people could be given their own house or could afford their own house. I know that there is going to be more and more people that cannot afford their own houses. Last week I

mentioned a lot about the new rental scale, because I had some concerns about my constituents. I know there should be a better system with regard to providing housing for the people in the north. I am not really sure exactly how we can best deal with this situation, about people who have to be kicked out of their housing. Mr. Chairman, I wanted to make these comments today while we are discussing the Housing Corporation. I will stop for now. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Mr. Minister, do you want to respond briefly?

HON. DON MORIN:

Thank you. Mr. Chairman, the NWT Housing Corporation has a wide variety of programs designed to serve people, regardless of whether they are low-income or high-income people, in the communities. Depending on the amount of dollars you make, that determines which program you can tap into. For the lower-income people, there is the rental program. That's the new rent scale. For those people that can afford to own their own homes, we have a wide variety of programs to assist those people. Hopefully, people can always find a place to fit into the programs. That's the reason we redesigned all the programs. It's not the intention of the NWT Housing Corporation or myself as the Minister to throw people out of their houses because they missed one month rent or whatever. Our programs are set up so that if a person is having a difficult time paying their rent, he'll be consulted and worked with in order to get his financial affairs in order. It's only in the very last case, after all other avenues have been tried, that a tenant would be evicted. That is the same today. There are people out there who are willing to pay the rent that need the units. We have long line ups in every community. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. On the list I have Mr. Pudluk but he is temporarily out of the room. Are there any further general comments? Mr. Antoine.

MR. ANTOINE:

Thank you, Mr. Chairman. On the NWT Housing Corporation, back a couple of years ago, the new access program got into use, it was introduced. You could say that now would be the time to look at the first year and how this new program is functioning.

Perhaps the Minister could tell us how this new program is going at the present stage, in terms of how many units have been given out to the

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communities and the type of programs that have been given out. Some of them are HIP programs, some of them are special units, some of them are the access units where you pay so much a month to obtain a house. There were different programs that were introduced to us and we, as the House, accepted these new and different programs to replace the type of funding that we lost when the federal government decided to cut us back on our funding toward social housing. If the Minister could explain how this new access program is functioning at this point in time, I would appreciate that. Thank you.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. The programs have been in place now I believe, since we changed. As the Member is well aware, when we got elected in this term, we only had the two basic programs, HAP and the rental program. We found that approximately 90 to 95 per cent of the people were failing through the cracks and couldn't access the programs. What we did was change them and deliver more programs to make more people eligible so we could help more people through the home ownership program. The access program was no different than the other programs. We will review them in the present state and go back to the communities through the community consultation process to get their input into what they thought of the programs, if we should make changes to them or how we could develop them to better serve the client's needs. It's an ongoing change that we're doing.

The corporation has been through major change over the past three years and I think now is the right time to start looking at what we've done, how much we accomplished, and how we could do it better. I agree with the Member that we should do a review of the programs. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Nahendeh.

MR. ANTOINE:

Thank you. It's good to hear the Minister saying that the Housing Corporation could do some sort of an in-depth look at how much they have accomplished to date and how effective this access has been to date compared to the old programs. I know there were a lot of positive things that were said when this new program was introduced; trying to capture people who were falling through the cracks and so forth. We should actually try to find out if this program is doing what it was set out to do. I'm glad to hear the Minister saying that they will be looking into it.

Another concern that I have with the Housing Corporation is the delivery of the program. In my constituency, even though we are very close to southern suppliers and are on the road system, we still experience construction of NWT Housing Corporation units in the wintertime. One of the arguments that we have with the government and the reason we split our budget to do capital in the fall and our O and M in the wintertime, is to try to deal with the problem of winter builds. Yet we are still experiencing that problem in some of my constituencies. What we set out to do by splitting up the budget has not taken place. This has always been a concern to me and I'm raising it again; that is, we approve the capital budget in October/November and it's been about three or four months now since we approved that budget. I'd like to know if we'll be experiencing the winter build again, or are we going to have construction starting as soon as the snow melts and the ground thaws out, usually some time in May in my constituency. I was wondering if that's going to be happening in my constituency this coming summer? Thank you, Mr. Chairman.

HON. DON MORIN:

Thank you, Mr. Chairman. One of the major objectives of the NWT Housing Corporation is to evaluate all the home ownership programs to determine their effectiveness. That's in our objectives for this year. I agree with the Member 100 per cent that we shouldn't be starting construction in the fall and building in the winter. My riding is no different than his, let me assure him. We started some houses in January. It's completely unacceptable to me. The South Slave was the worst this year. The reason for that was that we're approximately one year behind delivery in that region. We had so much catching up to do because of some management changes that we had to make. We have the manager back in place who had gone to school. He assured me that the

delivery would be done on time so I'll assure the Member that your houses will start on time as they will in my riding this year.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Member for Nahendeh.

MR. ANTOINE:

The problem that we're talking about is where we have very nice long warm summers and don't take advantage of them, and instead, wait until the snow flies until we start construction. I know the builders in the community wait all summer and it has to do with your organization, at the regional offices. I don't know what happens, but they have to get on the ball and get things rolling quicker.

We can't continue to say this and I would like to suggest that you put sanctions in place for workers if things don't happen when they should. There should be someone taking responsibility for that problem. It's getting to a point where it's very irritating to come here every year and talk about the same problem over and over again and nothing is done about it. I know you and your managers are assuring us it's not going to happen again but, if it does, what are you going to do about it? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. I'll get rid of the president. No, just kidding. Let me assure you, if the Housing Corporation starts building in your region when the snow starts flying, something else will be flying as well. People will be looking for work because that's unacceptable.

CHAIRMAN (Mr. Ningark):

Thank you. I think we need all the new MLAs here to make things happen. Mr. Antoine.

MR. ANTOINE:

Thank you, Mr. Chairman. That's the only problem that I have with the Housing Corporation and an evaluation of the access program would certainly help. You mentioned catching up and there is still catching up going on in my constituency as well. I think it's a little bit better now.

Whenever I do my constituency travel, a lot of the small problems which are big problems to home owners, are brought to my attention and I move them forward either through you or the district office. There is a long list in each community of things that have to be taken care of.

I'm told that the department is taking care of that, trying to deal with the little problems that exist in the communities. I think once we clear that up, we can get on with the building of units that are required in the communities. The special units that have been introduced is a very good program. It takes care of elders and their concerns and needs. But there is one concern I have with the program and that is, it has a furnace system and a lot of elders would like to have wood heat at the same time, to have constant heat. That is one of the things that has been brought to my attention.

Other than that, overall, the Housing Corporation seems to be doing its work. I will stop there, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I believe those were just points you were making, Mr. Antoine. Was there a question there? Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. Through our consultation process and taking into consideration what Members have said to us, we have already changed the program. The delivery has been changed for this year. For example, with access units, there are now two doors, porches in the east and wind breaks. In the west, where they can burn wood, they are going to be able to get a wood stove as well. We are looking at running water for alternate units so that pipes aren't on the surface. They are actually small hot water tanks, approximately 10 gallons, and small pressure pumps so the system will be more self-contained. We have directed them to do that already. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have on the list the honourable Member for High Arctic and also the honourable Rebecca Mike. Ms. Mike.

MS. MIKE:

Thank you, Mr. Chairman. What page are we on, page 03-12?

CHAIRMAN (Mr. Ningark):

Ms. Mike, we're on page 03-10 of the 1995 main estimates. We are reviewing the NWT Housing Corporation and are on general comments. We have not gone into details yet.

MS. MIKE:

Thank you, Mr. Chairman. On Friday, when I made general comments, I had made a comment about high-income earners becoming home owners. Some of the housing association staff who are living in public housing at the present time are, I understand, receiving a little bit of housing allowance. Another thing, too, as a result of increased rent that was implemented some time ago, GNWT staff earnings have become considerably less because of the increase and there is shelter assistance provided to them. I wonder if these expenses have been analyzed.

I have a paper before me that was prepared by an SAO at the request of the hamlet council of Cape Dorset. He says in the hamlet of Cape Dorset alone, it would require approximately an additional \$300,000 to meet this benefit on the scale that the GNWT does. That's why I was asking if this kind of thing has been analyzed. Mr. Chairman, I think what I'm going to do is provide this paper to the Minister so he and his staff can have a copy of what I'm talking about. It's titled: "Rent Scale Options for Alternative Implementation."

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. I understand what the Member is saying and I will look at this and get the staff to look at it as well.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Any further general comments from the committee? Shall we go into detail?

SOME HON. MEMBERS:

Agreed.

--Agreed

Line By Line

CHAIRMAN (Mr. Ningark):

Qujannamiik. Oh, somebody must have forgotten a page here. It was me, I forgot. Thank you. Page 03-12, NWT Housing Corporation, total O and M, \$62.035 million. Agreed? Mr. Patterson.

MR. PATTERSON:

Thank you, Mr. Chairman, for straining your neck to see me. Mr. Chairman, I think I did mention in my opening remarks. I would like to learn more about the exciting new directions that are being pursued by the Housing Corporation as part of its adjustment to the new realities of today. I would be grateful if we could get a progress report on some of the restructuring that is being considered under the direction of the president at the moment. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Patterson, for being understanding; I did not realize that you were there, you were so quiet. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. As everyone knows, the Housing Corporation underwent many changes in the past three years. I guess one of the things that started to drive changes was the main ability to access federal government dollars, but also it was time for change. We had been carrying out business in a certain way for a number of years and it was time to start doing business in a different way.

What we are going to attempt to do, or what we will do in the following year, we will restructure the Housing Corporation so that it is set up better to serve the community, at the community level. We have already entered into some agreements with the local housing authorities, to give them more authority in the delivery of the programs. We want to restructure the Housing Corporation so that it basically designs, builds and finances houses; not necessarily all of them the way we are doing them now. We work with the clients and the community groups toward flexibility and innovative approaches to housing all northerners. To provide training advice and support and financial assistance to northerners. To promote individual independence with increased responsibility and

accountability. To promote and establish the growth of the private housing markets in the northern economy.

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That is basically our mission, and guiding principles will be to strengthen the local authority, responsibility as well as accountability; to empower the client through knowledge and support; to develop and manage the human resource team approach to work; quality products at affordable costs.

Long-term corporate goals will be to provide opportunities for more homes; to improve service to our clients; to strengthen our partnerships with the local housing organizations; and, to provide the communities with greater authority and accountability.

But what we have to do is restructure the corporation at the headquarters level so that we can get an evaluation of our programs as they are now. Even with less federal government money, it doesn't mean that we are doing less work at the corporate level. Our workload has increased quite dramatically over the past three years for the simple reason that we have many more programs, we have changed many more things. So we still have to work within a financial budget that you vote here, as well as what we get from the federal government and other sources, and try to do the same thing.

But what we would like to try to do is strengthen our regions. And then, give more authority to the regions and ultimately that authority will go to the community. That is the bottom line. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. NWT Housing Corporation. Mr. Patterson.

MR. PATTERSON:

Thank you, Mr. Chairman. In the spirit of transferring more responsibilities to the community, I would like to ask the Minister how many communities have undertaken negotiations with the corporation to take over responsibility for delivering housing programs under the community transfer initiative? Thank you.

CHAIRMAN (Mr. Ningark):

Qujannamiik. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. One, Cape Dorset.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Patterson.

MR. PATTERSON:

I think the corporation has a challenge ahead of it, if it wants to give communities more authority, if only one of 65 has taken up the opportunity to get control of housing through the community transfer initiative. There may be other ways of doing it; perhaps through strengthening the present local housing authorities or housing associations. I think that will be a challenge if housing hasn't been taken up by municipal governments, as I would have thought it might have been.

Mr. Chairman, I have another unrelated question I would like to ask the Minister. The Minister will recall that I was interested in the northern content of the rent supp project constructed in my constituency last year and I was pleased to receive some detailed information on the breakdown of that contract, which I had asked some questions about in the House. Has that kind of analysis been done of other rent supp or construction projects undertaken by the corporation in the past year? Have you done a post-mortem analysis of whether contractors delivered what they said they would when they were bidding on these projects in communities other than mine? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Patterson. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. It may not be done in exactly the same way that one was handled, Mr. Patterson, but every contract is evaluated to see if the contractor carried out their responsibility. That is the responsibility of the staff who supervise those contractors. They are to make sure those contractors are carrying out their responsibility. Negotiated contracts are far more detailed. Every cent has to be accounted for and reported. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Total operations and maintenance. Mr. Patterson.

MR. PATTERSON:

Mr. Chairman, if this kind of analysis has been done, can that information be made available to interested MLAs? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Patterson. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. Yes.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Iqaluit.

MR. PATTERSON:

Thank you, Mr. Chairman. I will let the Minister know which ones I am interested in. I think the Standing Committee on Finance expressed its interest in having information about negotiated contracts made public in the spirit of full disclosure; I think both advocates of negotiated contracts and those who might be more critical of that approach; and, there are different views even within the Standing Committee on Finance. People of both those viewpoints felt that if there was disclosure of the details, then we would know if we were getting value for money or it would be proven that the corporation was getting value for money. So I would like to ask the Minister specifically about negotiated contracts and whether it will now be the corporation's policy that the details of those arrangements would be disclosed publicly as a matter of course. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. Yes, we have agreed to that already.

CHAIRMAN (Mr. Ningark):

Thank you. General comments. Mr. Patterson. My neck only turns about 90 degrees. Sorry about that. Total O and M, \$62.035 million. Mrs. Marie-Jewell.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. I just wanted to ask a couple of quick questions. One is on page 4 of 11 of the Minister's comments. He indicated that a plan dealing with the management of the government staff

housing program will be tabled in the Assembly later in this session. Can the Minister advise as to when he anticipates tabling this? He also stated the Housing Corporation is working with the departments of Personnel and Public Works and the Financial Management Board to develop this comprehensive plan. I

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asked him earlier in question period the number of PY's that may possibly be transferred from DPW for this initiative. Can the Minister indicate when he intends to table the government staff housing program which will be dealt with by the NWT Housing Corporation during this session?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. We will table it during this session but I can't give an exact date because we are working with other departments on it. It will be tabled this session.

CHAIRMAN (Mr. Ningark):

Thank you. The honourable Member for Thebacha.

MRS. MARIE-JEWELL:

Thank you. The other comment that I wanted to make, Mr. Chairman, is not only with regard to the timing of construction as I've heard the Member for Nahendeh and the Minister comment on, but I would like to express my concern on the late timing for construction.

In addition to that, earlier in this session I had asked the Minister about the status of the rural and remote programs which are not in place any more. In his response he indicated that they were looking at their rural and remote programs and if they decided to buy them out, it would cost the NWT Housing Corporation, I think, \$3 million and an FMB submission would accumulate to that amount. Could I ask the Minister whether or not the NWT Housing Corporation has formulated an FMB submission to buy out the rural and remote programs across the north?

CHAIRMAN (Mr. Ningark):

Thank you. I want to remind my honourable Members over there, when my honourable friend speaks, I want you people to be quiet. Thank you. The honourable Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. Our approach in the past with this program is that we looked at the overall cost of buying out all the clients and it was \$3 million. I directed the department and the department does have a person working on this just about full-time now to develop a paper that we could negotiate with, with CMHC. CMHC has turned us down once already and what we are doing now is developing a paper to see if CMHC would be interesting in forgiving the interest if the capital was paid off on some of the clients. Some are all paid off already or just about paid off and a lot of them have paid the capital costs back. It's just the interest that seems to be accumulating. Once that paper is put forward, I'll get Cabinet support to do it and then negotiate with CMHC to see if they will do that. Thank you.

CHAIRMAN (Mr. Ningark):

Just a reminder to the Members of this committee of the time, so if you want to conclude the item, anyone can make a motion to do so. The honourable Member for Thebacha.

MRS. MARIE-JEWELL:

Thank you, Mr. Chairman. With regard to this rural, and remote program, what time frame are they looking at? Do they anticipate that this would be done by this year or by the fall? Could the Minister give us a time frame that the Housing Corporation is looking at to address the rural and remote program? Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Honourable Minister.

Thank you, Mr. Chairman. It could take up to two years to do it all. Some of it could be done by the summer, some by the fall. It will vary. We're dealing with such a mixture of clients that we have to look at them all independently to see which we can do more quickly. Those we can do quickly, we will get done and those that are more complicated will take more time.

CHAIRMAN (Mr. Ningark):

Thank you. NWT Housing Corporation, total O and M, \$62.035 million.

SOME HON. MEMBERS:

Agreed.

--Agreed

CHAIRMAN (Mr. Ningark):

Ms. Mike.

MS. MIKE:

Thank you, Mr. Chairman. I would like to know the total person years, because there is nothing in our 1995-96 main estimates.

CHAIRMAN (Mr. Ningark):

Thank you. I believe it is exactly what the paper says. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. We circulated a paper with all of those numbers on it. I'm just looking for it now.

Thank you, Mr. Chairman. There are 185 positions.

CHAIRMAN (Mr. Ningark):

Thank you. Ms. Mike.

MS. MIKE:

It also says the contribution of \$62.035 million to the Housing Corporation is the territorial government's share only and there is some additional funding through contributions provided through CMHC. I would like to know the amount.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. It's on page 03-14, \$48.82 million.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

I would just like to ask what document the Minister was referring to that was circulated because I don't recall receiving any information, other than what's in the book here.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

HON. DON MORIN:

Thank you, Mr. Chairman. It was a list of all housing associations by region, staff by gender, all affirmative action statistics, even maintenance staff of local housing organizations.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Koe.

MR. KOE:

Who was that document circulated to? Who received it?

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Minister.

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HON. DON MORIN:

Thank you, Mr. Chairman. I am not sure whether this document was tabled in the Legislative Assembly or not. I can't recall. It was in answer to the Member for Thebacha, Jeannie Marie-Jewell.

CHAIRMAN (Mr. Ningark):

Thank you. I did remind the Members of the time, in case the committee wished to extend the hours, but now I will rise and report progress. Thank you.

MR. SPEAKER:

The House will come back to order. Item 20, report of committee of the whole. Mr. Ningark.

ITEM 20: REPORT OF COMMITTEE OF THE WHOLE

CHAIRMAN (Mr. Ningark):

Mr. Speaker, your committee has been considering Bill 1 and Committee Report 4-12(7) and would like to report progress and, Mr. Speaker, I move that the

report of committee of the whole be concurred with.
Thank you.

MR. SPEAKER:

Is there a seconder? Mr. Whitford. To the motion.

AN HON. MEMBER:

Question.

MR. SPEAKER:

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

---Carried

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

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, there will be a meeting of Caucus at 9:00 am tomorrow morning and of the Ordinary Members' Caucus at 10:30.

Orders of the day for Tuesday, April 4, 1995:

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Recognition of Visitors in the Gallery
6. Oral Questions
7. Written Questions
8. Returns to Written Questions

21. Third Reading of Bills

- Bill 15, An Act to Amend the Elections Act

22. Orders of the Day

MR. SPEAKER:

Thank you, Mr. Clerk. This House stands adjourned until Tuesday, April 4, 1995 at 1:30 pm.

9. Replies to Opening Address
10. Petitions
11. Reports of Standing and Special Committees
12. Reports of Committees on the Review of Bills
13. Tabling of Documents
14. Notices of Motion
15. Notices of Motions for First Reading of Bills
16. Motions
17. First Reading of Bills
18. Second Reading of Bills

- Bill 31, Recall Act

19. Consideration in Committee of the Whole of Bills and Other Matters

Bill 1, Appropriation Act, No. 2, 1995-96 Bill 13, An Act to Amend the Fair Practices Act -Bill 16, An Act to Amend the Retirement Plan Beneficiaries Act Bill 19, An Act to Amend the Elections Act, No. 2 -Bill 24, Community Employees' Benefits Act Bill 27, An Act to Amend the Land Titles Act -Committee Report 2-12(7), Report on the Legislative Action Paper on the Office of Ombudsman for the Northwest Territories Committee Report 3-12(7), Report on the Review of the Legislative Action Paper Proposing New Heritage Legislation for the Northwest Territories

the 1995-96 Main Estimates

A Legislative Action Paper - Committee Report 6-12(7), Report on the Review of the Legislative Discussion Paper on the Draft of the New Education Act

20. Report of Committee of the Whole

---ADJOURNMENT