



**NORTHWEST TERRITORIES
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The Honourable **Samuel Gargan**, Speaker

MEMBERS PRESENT

Honourable Jim Antoine, Honourable Goo Arlooktoo, Mr. Barnabas, Honourable Charles Dent, Mr. Enuaraq, Mr. Erasmus, Honourable Sam Gargan, Mrs. Groenewegen, Mr. Henry, Honourable Stephen Kakfwi, Mr. Miltenberger, Honourable Don Morin, Mr. Ningark, Mr. O'Brien, Mr. Ootes, Mr. Picco, Mr. Rabesca, Mr. Roland, Mr. Steen, Honourable Maniok Thompson, Honourable John Todd.

ITEM 1: PRAYER

Oh, God, may your spirit and guidance be in us as we work for the benefit of all our people, for peace and justice in our land and for the constant recognition of the dignity and aspirations of those whom we serve. Amen.

SPEAKER (Hon. Samuel Gargan):

Thank you, Mr. Antoine. Orders of the day. Item 2, Ministers' statement. Mr. Dent.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 108-13(4): Education, Culture and Employment's Informational CD-ROM

HON. CHARLES DENT:

Thank you, Mr. Speaker. Good afternoon. Mr. Speaker, good communication between the Department of Education, Culture and Employment and Divisional Education Councils, schools, colleges and career centres is essential in providing quality services to northerners. One way the department is working to improve information to educational institutions is by making better use of technology. I would like to advise the Members of this Assembly of a recent initiative in this area. Education, Culture and Employment has just produced InfoDisc, a CD-ROM that contains program and administration information, including:

- the department's strategic plan;
- legislation such as The Education Act and The Public Colleges Act;
- curriculum documents for a variety of subjects, including 900 study modules for Career and Technology Studies;

- information on teacher certification;
- information on adult basic education and literacy;
- student support documents;
- career development resources;
- and information on Aurora College, Nunavut Arctic College and their respective science institutes.

In all, more than 60 documents appear on the CD-ROM. In the past, these documents would be printed on paper and distributed to the educational institutions that had a direct need for them. The CD-ROM is also less expensive to mail than bulky paper documents, and is easy to update as information changes or new information is added. The documents on the CD-ROM will also be available through the department's site on the World Wide Web. Since many communities do not yet have the high-speed phone lines needed to log on to the Web, having the department's information on CD-ROM ensures more people have access to the same information.

The disc has already been distributed to Divisional Education Councils, schools, colleges, adult education centres and career centres. The department plans to periodically update and expand the information on the disc. Thank you.

--Applause

MR. SPEAKER:

Thank you, Mr. Dent. Ministers' statements. Mr. Todd

Minister's Statement 108-13(4) Appointment of Chairperson to WCB

HON. JOHN TODD:

Thank you, Mr. Speaker. Mr. Speaker, it gives me great pleasure today to inform the House that Ms. Joanne Deneron of Fort Liard has been appointed as Chairperson of the Workers' Compensation Board, effective January 1, 1998.

--Applause

In the past, Ms. Deneron served as a Band Councillor and Chair of Arctic College. Ms. Deneron now serves as a school librarian and as president of the NWT Literacy Council in a volunteer capacity. Ms. Deneron

is also the vice-chair of Aurora College, the vice-chair of the Canadian Polar Commission and the Deputy Mayor of Fort Liard. As well, Ms. Deneron is an entrepreneur with business interests in Fort Liard. Understandably, this busy lady will require some time to fulfil current commitments. Therefore, as an interim measure, Ms. Deneron will serve as a Member of the Workers' Compensation Board until she assumes the Chair on January 1, 1998. In the meantime, the duties of the Chairperson will continue to be performed by the vice-chair in an acting capacity. Thank you, Mr. Speaker.

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--Applause

MR. SPEAKER:

Thank you. Ministers' Statements. Item 3, Members' statements. Mr. Arlooktoo.

Member's Statements 435-13(4): Nunavut Electoral Boundaries

HON. GOO ARLOOKTOO:

(Translation) Mr. Speaker, I would like to take this opportunity to express my thanks to the Members of this Assembly who supported the motion I put forward on Thursday regarding the electoral boundary for Sanikiluaq proposed in the Report of the Nunavut Electoral Boundaries Commission. With all things considered, including my discussions with the Mayors of Whale Cove, Arviat, and Sanikiluaq, I believe that this support was based on a recognition of the unique circumstances of Sanikiluaq, a desire by Whale Cove to remain within the Keewatin, and is an acknowledgement of the close ties between Whale Cove and Arviat. Once again, thank you for your support. Thank you, Mr. Speaker. (Translation ends).

--Applause

MR. SPEAKER:

Members' statements, Mr. Miltenberger.

Member's Statement 436-13(4): Digital Communications Service Providers

MR. MILTENBERGER:

Thank you, Mr. Speaker. Mr. Speaker, I believe that the people of the Northwest Territories would like to

know what is up with Ardicom and the digital network. There has been, to my mind, inadequate information and resulting high anxiety especially on the local service providers. I understand the project is late and that key deadlines have been missed. I am also concerned that the technology will be outmoded before it is installed. Local service providers like the business in Fort Smith have invested up to \$60,000 in upgrades with CanCom that will give them capacity that far exceeds the digital network being proposed yet it seems that local service providers in the larger communities especially are going to be bypassed. We seem to have a contradictory situation, Mr. Speaker, where the GNWT with its policy to avoid market disruption seems to be promoting a project that will in fact disrupt the market for local service providers who have spent years and many dollars developing their systems. There has to be a serious meeting of the Government of the Northwest Territories and Internet providers to clear the air. We do not need a white elephant. We have to work with local Internet suppliers to provide the best, most up to date system possible, within budget to the people of the Northwest Territories. Thank you, Mr. Speaker

MR. SPEAKER:

Thank you, Mr. Miltenberger. Members' statements. Mr. Enuaraq

Member's Statement 437-13(4): Padloping Island Clean-Up Site

MR. ENUARAQ:

Thank you, Mr. Speaker. Mr. Speaker, today I would like to speak about a clean up about an abandoned American naval base at Padloping Island. The site was used as a weather station from 1943 until 1956. When the United States government abandoned the site they left behind everything. Today there are no buildings or equipment at the site except for remanding foundation and debris. Mr. Speaker, my constituents are awful concerned about chemical contamination at the site. An environmental assessment was done last year by the Royal Roads Military College environmental science group. It was recommended in this assessment that clean up will restore at the abandoned site to environmental safe conditions. The Department of Indian and Northern Affairs started the clean up on this site but never finished. It is critical that this site be cleaned up in order to restore the environment and protect health and welfare of people close to the site. Mr. Speaker, here in question period, I will be asking the Minister

responsible for environment, with regards to the clean up and Padloping Island. Thank you.

MR. SPEAKER:

Thank you, Mr. Enuaraq. Members' statements. Mr. Henry

Member's Statement 438-13(4): Diamond Industry Control

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, I am concerned that we will lose control of opportunities from the diamond development like we did with the fur industry. All residents of Canada and particularly the Northwest Territories should be concerned. I am concerned that again, as with the fur industry, our lives will become dominated by people who live on the other side of the earth from us because it will be in Europe, Mr. Speaker, that NWT diamonds will be sorted for sale unless we can convince Minister Stewart for the north's need to have those processes performed in the Northwest Territories. There is a worry that the federal government will make decisions on behalf of the people of the north without our full input and concurrence. My concern grows into fear, Mr. Speaker, that we will lose control and have to watch valuable resources that come from the NWT leave and take with them the hopes and aspirations for a better future for our residents. Over the past years of this government we have expended a great deal of time and effort and dollars to try to resolve the crisis that occurred when the bottom dropped out of the fur market. Extensive lobbying was done in Europe by numerous groups from the north. We had to react to the stress placed upon the livelihoods of many people.

Mr. Speaker, when we review the fur lobby in Europe, we see the cost to the people of the Northwest Territories, the cost of reacting to change introduced by a foreign government. Despite all the NWT and the federal government's efforts we never gained back what we had before the lobby was introduced. When we approach agreements for the development of our diamonds it is the time to be pro-active and not reactive. By being pro-active, the cost to the people and the government will be less. We must have control of our

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destinies. We must start now to convince Ottawa and industry before it is too late. We have learned from our experience with the ban of furs in Europe, now it is time to gain control for our futures in the diamond industry. Our government should continue doing extensive strategic planning and lobbying to ensure that we have a role in the decision making process in the diamond industry. In negotiations with the federal government we must be an equal partner. Mr. Speaker, the time is now, not later to plan for the future. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Henry. Members' statements. Mr. Rabesca.

Member's Statement 439-13(4): Speech Pathology Services

MR. RABESCA:

Thank you, Mr. Speaker. Mr. Speaker, last Thursday you may recall my honourable colleague Jane Groenewegen made an appeal regarding speech languages services. Today I would also like to speak on this very important service. In my region the school staff has requested these services for the past five years, and have been told that the only responsibility the speech language pathologist is to assess the students not to provide treatment plans or therapy in the schools. Which means Rae-Edzo has a visit twice a year, they assess children, write the assessment reports and mail back to the community. In many cases the report states that intensive speech language therapy is required and only if the parents bring their child to Yellowknife if time is available.

This, of course, costs money and time, which the Community Service Board pays. Recently, the Community Service Board requested the job descriptions of these pathologists which indicated that these language pathologists are to provide on-site assessments. Therapeutic or consultative service for pre-school and school-aged children as well as some service to the adults. These services are to be available at clinics in Rae Edzo, Wha Ti and Yellowknife for the residents of Rae Lakes and Snare Lakes. This is not happening in all cases the come for treatment to Yellowknife at considerable expense to the community service board. However, Yellowknife, the schools are privileged to get these services free for every six school days.

In one recent case from Rae Lakes a father brought his child to Yellowknife for a week of therapy. One half-hour session for five days. The cost of this service was approximately \$2,000 in time, accommodation, travel, plus stress with the family being away from home. This is only once incident. Now with this in mind the fact of community empowerment, the Dogrib community service board request the immediate transfer of one position or a portion of one speech language pathologist funding. So we can at least provide this valuable service to our people. This position should be transferred no later than January 1, 1998. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Rabesca. Member's statement, Mr. Roland.

Member's Statement 440-13(4): Government Policy

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, before I start my Member's statement I would like to send greetings to my wife and children back home in Inuvik. Thank you, Mr. Speaker, I had to do that because I was being pressured by the rest of my colleagues. In reality though, I do miss my family. Mr. Speaker, I would like to bring up the same concern as my colleague from Thebacha. Mr. Speaker, as a government, we set our direction and policy which puts that direction into action. If we cannot follow our own policies, then what message are we sending the people of the territories?

If we are going to say we are going to stand up for something or we put something forward in a certain direction, then we should stick to it. You talk about the respect we like to see in this forum. If we set things into action and we say things and put them down on paper and say this is the direction the government shall take, and in our actions we turn around and turn against those, what message are we sending the people? They sent us here to lead the territories and do a good job for them. They trust in us to make the best decision. Well Mr. Speaker, I fear as many people in Inuvik fear, that the government says one thing, while good intentions are meant, the final outcome is far from what was said.

I think we need to address this in some of the work that is going on, on behalf of the government. Mr. Speaker, we have heard in this House Mr. Todd say that the government can no longer be the engine of

the economy. That is true. We say we need to get private businesses to take a more active role in the economy. We say that but on the other hand, the government is directing things the other way.

Where private companies have spent a lot of money, their own money in communities, employing people in the smaller communities, they seem to be being turned against by this government or those that contract for this government. I think it is time to put our words into action. If we are going to say something and put it on paper, let us stick to it and prove to the people of the territories that we are responsible. Thank you.

MR. SPEAKER:

Thank you. Member's statements, Mr. Picco.

Member's Statement 441-13(4): Adherence to Government Policies

MR. PICCO:

Thank you, Mr. Speaker. Over the past few days, I have been asking about the policies of this government. Policies that allow the widest interpretation and policies that can be circumvented it seems without repercussions. Mr. Speaker, as an elected official I have tried to ask questions in this forum to bring out publicly what privately many people in the Northwest Territories are asking. The problem with policy is that it can be followed and interpreted seemingly at the discretion of the user. That is not right. Legislation; however, like the Financial Administration Act has the penalties incorporated within the act.

The ethics policy has table outlines, guidelines and prohibiting work after a senior employee leaves the employ of the government. Mr. Speaker, that sounds good, but under the procedures, #18, states that an employee may apply to

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the chairman of the FMB to be exempted from any or all provisions of that section of the policy. Yes, Mr. Speaker, exempted. Than the question is, why have a policy if it is not enforceable or can be circumvented by writing the chairman of the FMB. Mr. Speaker, the policy is designed to prohibit, halt, nullify, negate and prevent an employee using information and contacts gathered at and one the job site and profiting from that information. However, the GNWT's policy has no teeth. It has no hammer, basically Mr. Speaker. It is a

policy that has never been fully followed and interpreted very freely.

You may ask why this is a concern. Mr. Speaker, by questioning this government, we want to show that the public money spent for the public good, can be accountable. It has to be transparent and if there is a policy and it has been circumvented or very liberally interpreted than there should be a penalty or mechanism to make offender accountable and disciplined. That includes Ministers of this government and do I dare say, Mr. Speaker, the Premier himself.

Mr. Speaker, some Members seem perturbed by questions of accountability, transparency and responsibility. They would like these questions and the questioner to go away. Mr. Speaker, I am not Harry Houdini. I will continue to raise these public questions, publicly and hopefully, honourably. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Picco. Members' statements. Mr. O'Brien.

Member's Statement 442-13(4): Nunavut Electoral Boundaries Consultation Process

MR. O'BRIEN:

Thank you, Mr. Speaker. Mr. Speaker in the reference to the debate that took place yesterday in committee of the whole, and further to Mr. Arlooktoo's comments today. I firmly believe that the critical issue where or point was missed in the debate. The issue I believe was consultation. I stated that yesterday on a number of occasions. The people of Arviat, Whale Cove, simply ask to be consulted that a vote be delayed until they had the opportunity to be openly, honestly, consulted on the issue before the vote on the amendment to electoral boundaries study went forward. Mr. Speaker, this seems to be, there seems to be an ongoing trend here in this Assembly when it comes to consultation. And the trend being lack of.

Mr. Speaker, some evidence to support this was the lack of consultation regarding the Keewatin Tank Farm study and fiscal. The recent frustration, criticism, fear regarding what has happened with the Keewatin Health Board, the Dental Therapy Program, Medical Service being discontinued and replace with other services without the full and proper consultation of the communities involved. Mr. Speaker, it signals

that the government is not listening, they are not providing the opportunity for the residents, the people that they were elected to represent. They are not listening and they are not providing proper consultation in time for these people to be heard. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. O'Brien. Member's statements, Mr. Barnabas.

Member's Statement 443-13(4): News Release Re: Mine Closures

MR. BARNABAS:

Thank you, Mr. Speaker. (Translation) I will be speaking in Inuktitut. I stand up today to speak on two news releases. I know that these two mining companies have a lot of people that are employed in that mine, and they have really helped out the communities that are surrounding this particular mine. However, there has been some concern about this mining and the environment surrounding the mine. I just wanted to indicate that if they are going to be closing down such mines that have created employment within the communities, I am very much in support of creating employment opportunities as a government. I will be asking some questions in regard to this Nanisivik Mines when it comes to oral question period and I will be asking about how we can improve the conditions of mines particularly in Baffin Region. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you, Mr. Barnabas. Member's statement, Mr. Erasmus.

Member's Statement 444-13(4): Closure of the GNWT Central Switchboard

MR. ERASMUS:

Thank you, Mr. Speaker. I rise today to speak about the lack of a central switchboard and the confusion that it is has been causing. Mr. Speaker, last year this government discontinued our central switchboard services in Yellowknife to save money. People used to be able to phone one number and get phone numbers of staff, MLAs, or even to be transferred to those numbers if they were in Yellowknife. I recently received complaints from several Yellowknife North constituents. As a result of that I did a survey by phone and there were 78 residents who were

consulted and 75 of them said that we do need a switchboard.

When they were informed that they could get the numbers on the Internet, the majority of them said they could not access the Internet and in fact many of them do not even have a computer or know how to use a computer.

I also talked to several of the staff in different departments and a lot of them said they were wasting time phoning around and could not find the right person. They said that this is a waste of time and money and it is very demoralizing to be reminded of how many people are being laid off. It is so hard to find people. As an experiment I tried to use the blue pages in the phone book and just about half of the numbers I called were no longer in service. It was very difficult. I got switched around to here and there and I am sure that most of it was primarily because I was an MLA, people were trying to be courteous, but it did not work. Finally I had to phone the Legislative Assembly for the number that I wanted to find.

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Mr. Speaker, our communities are vast distances apart, and long distance is expensive, but phone calls are necessary to do effective business with the government of the Northwest Territories. We should have a central switchboard. It would cut out needless waste of time and long distance cost while trying to find the proper person to do business with. People call from across Canada and indeed from across the world, they should have a central number to call which can direct them to the appropriate person or department they wish. Mr. Speaker, at the appropriate time I will direct some questions to the appropriate Minister. Thank you.

MR. SPEAKER:

Thank you, Mr. Erasmus. Member's statement, Mr. Ootes.

Member's Statement 445-13(4): Rumours of RCMP Investigation

MR. OOTES:

Thank you, Mr. Speaker. I rise today to speak about a sensitive matter, but one of great concern to my constituents. Several of whom have asked that I raise this concern in the House. Recently a CBC news report confirmed that an RCMP criminal investigation is underway within the Government of the Northwest

Territories. The report provided no further details. As a result, speculation and rumours are rampant in the entire government and its employees, both the administration and politicians are under suspicion. Many dedicated employees are concerned about this. They wish to know if it is the administration that is being investigated or a Member of Cabinet. If no Member of Cabinet is under investigation I believe this Assembly would like to know that, and I am sure the Premier would be pleased to clear the air as to the nature of the investigation. I believe that there are parliamentary traditions, one of which requires that if any Cabinet Minister is the subject of a police investigation, the public and Members of this legislature have a right to know. Therefore, later today I will be asking the Premier questions about this. Thank you.

MR. SPEAKER:

Thank you. Members' statements. Item 4, returns to oral questions. Item 5, recognition of visitors in the Gallery. Mr. Antoine.

ITEM 5: RECOGNITION OF VISITORS IN THE GALLERY

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, I would like to recognize Mr. Ernest Cazon who is sub-chief of the Liidli Koe Nation in Fort Simpson.

MR. SPEAKER:

Welcome to the Assembly. Recognition of visitors in the Gallery. Mr. Arlooktoo.

HON. GOO ARLOOKTOO:

Thank you, Mr. Speaker. It gives me pleasure to introduce Mayor Peter Kattuk of Sanikiluaq.

MR. SPEAKER:

Thank you. Welcome to the Assembly. Recognition of visitors in the Gallery. Mr. Barnabas.

MR. BARNABAS:

Thank you, Mr. Speaker. I also would like to recognize Peter Kattuk, my long time colleague from Baffin Regional Board and also mayor of Sanikiluaq. Thank you, Mr. Speaker.

--Applause

MR. SPEAKER:

Recognition of visitors in the Gallery. Item 6, oral questions. Mr. Ootes.

ITEM 6: ORAL QUESTIONS

Question 605-13(4): RCMP Investigation of GNWT

MR. OOTES:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Premier. Are you aware that the RCMP have been conducting an investigation into the Government of the Northwest Territories?

MR. SPEAKER:

Thank you. Mr. Premier.

Return To Question 605-13(4): RCMP Investigation of GNWT

HON. DON MORIN:

Thank you, Mr. Speaker. Yes.

MR. SPEAKER:

Thank you. Oral questions. Supplementary, Mr. Ootes.

Supplementary To Question 605-13(4): RCMP Investigation of GNWT

MR. OOTES:

Thank you, Mr. Speaker. Does the investigation involve any Member or Members of Cabinet?

MR. SPEAKER:

Mr. Morin.

Further Return To Question 605-13(4): RCMP Investigation of GNWT

HON. DON MORIN:

Thank you, Mr. Speaker. I do not know.

MR. SPEAKER:

Oral question. Supplementary, Mr. Ootes.

Supplementary To Question 605-13(4): RCMP Investigation of GNWT

MR. OOTES:

Thank you, Mr. Speaker. Have you asked your Members of Cabinet whether they are the subject of an RCMP investigation?

MR. SPEAKER:

Mr. Morin.

Further Return To Question 605-13(4): RCMP Investigation of GNWT

HON. DON MORIN:

Thank you, Mr. Speaker. No, I have not asked each and every individual Member whether or not they are subject to an investigation by the RCMP. The RCMP have not told any of the public or ourselves who is under investigation in this government whether it be a Cabinet Member or an MLA or senior bureaucrat or somebody else, I do not know that. Thank you.

MR. SPEAKER:

Thank you. Oral question. Final supplementary, Mr. Ootes.

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Supplementary To Question 605-13(4): RCMP Investigation of GNWT

MR. OOTES:

Thank you, Mr. Speaker. Would you undertake Mr. Premier, to ask your Members of Cabinet if they are the subject of an RCMP investigation?

MR. SPEAKER:

Mr. Morin.

Further Return To Question 605-13(4): RCMP Investigation of GNWT

HON. DON MORIN:

Thank you, Mr. Speaker. Sure, I will do that.

MR. SPEAKER:

Oral questions. Mr. Miltenberger.

Question 606-13(4): Ardicom Digital Network

MR. MILTENBERGER:

Thank you, Mr. Speaker. My question is directed to the Minister responsible for Financial Management Board. It is in regards to the Ardicom proposal for the digital network. Could the Minister indicate if this project is late and have some key deadlines been missed?

MR. SPEAKER:

The Minister responsible for the Financial Management Board, Mr. Todd.

Return To Question 606-13(4): Ardicom Digital Network

HON. JOHN TODD:

Thank you, Mr. Speaker. I believe my colleague was asking with respect to the scheduling for the implementation of the digital communication system. I was just answering the Premier's question, when he asked me if I was under investigation for RCMP and I said I did not know. Mr. Speaker, there have been some delays on the implementation. We are hoping. We have to do what they call a test bed, test the system. It would be fair to say that I am a little disappointed in the delays. However, my notes indicate that they hope to have the test bed completed and the service standards established, hopefully, by November 15th. Thank you.

MR. SPEAKER:

Oral question. Supplementary, Mr. Miltenberger.

Supplementary To Question 606-13(4): Ardicom Digital Network

MR. MILTENBERGER:

Could the Minister indicate how many deadlines have been missed and if they miss this deadline that you just mentioned for test beds, what will be the result in regards to our continued involvement in this project?

MR. SPEAKER:

Thank you. Two questions. Mr. Todd.

Further Return To Question 606-13(4): Ardicom Digital Network

HON. JOHN TODD:

Let me say, Mr. Speaker, when we announced this program, there was a great deal, from all of us, I

believe, enthusiasm about its value not just now but in the future. In particular, when we talk about distance education, distance health, et cetera. So conceptually, I think, we are all excited about the idea about distance education, health and the fact that we are going to put the north into the 21st century with the transportation highway or whatever the term is. My understanding that is the first deadline, I think, we have missed. I did say earlier that I am disappointed with it. We have put the company on notice. They better get their act together. They had better meet the standards and meet the deadlines that we have now set. If they do not meet the deadlines by November 28th, which is when the request for the completion of the report is, then I will have to look at the options that are available to me, advise my Cabinet colleagues accordingly, get their support and advise the company as to what steps we are going to take.

In fairness to the Ardicom group, we are confident and optimistic as a northern based joint venture company that it will be able to meet the new deadlines set before it as it enters into this new millennium on the information highway.

MR. SPEAKER:

Oral questions. Final supplementary, Mr. Miltenberger.

Supplementary To Question 606-13(4): Ardicom Digital Network

MR. MILTENBERGER:

To be fair, the Minister is correct. The concept is one that everyone subscribes to, the actual implementation may be one of great concern. One of the concerns tied into Ardicom, not only the missed deadlines and the fact that their technology may be outmoded, it is the impact, the market disruption that seems to be promoted within this proposal funded by the government in communities like Fort Smith, Rankin Inlet, Hay River, Iqaluit, all the ones where private businessmen have made significant investments and have technology that far exceeds what is being proposed at Ardicom seems intent on undercutting these individuals. Can the Minister give assurances that, in fact, this will not be done, that there will be an arrangement worked out that will recognize the need and value of local suppliers of internet.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 606-13(4): Ardicom Digital Network

HON. JOHN TODD:

Thank you, Mr. Speaker. Well, I do not know. I am not a technical expert on communications. I do not know whether the Ardicom group has outdated technology. I certainly hope not. I do not know if compare the technology of the Internet service providers whether theirs is superior to what is being proposed by Ardicom. What I do know is that we want to put the Northwest Territories on the cutting edge of the communications highway. That is what we intended to do. Certainly, it was my intention in the early stages that we would try to find some way to accommodate these Internet service providers as my honourable colleague has said from Yellowknife all the way to Rankin Inlet, Inuvik, Iqaluit and Cambridge Bay. I thought quite frankly that there was to be a meeting held between my department which is

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responsible for this communications and the local suppliers in the communities. My notes indicate that has not happened. I apologize to my colleagues for that. I just got word of it right now. I will assure them that when this House is finished today, it will happen as quickly as possible and we will try through whatever efforts we can to protect and integrate the interests of the community-based internet service providers along with the visionary communications highway that we hope will unfold as we move into the 21st century. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Roland.

Question 607-13(4): GNWT Policies Re: Market Description

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, my question at this time will be directed to the Minister responsible for the Financial Management Board. Can the Minister tell us if there is a policy in place to deal with market disruption? Thank you.

MR. SPEAKER:

The Minister of Finance, Mr. Todd.

Return To Question 607-13(4): GNWT Policies Re: Market Description

HON. JOHN TODD:

I suspect I know where my honourable colleague is heading with this line of questioning. I believe that in the Department of Resources, Wildlife and Economic Development there are some policies in place with respect to market disruptions as it relates to grants that may be given to companies. I could not tell you categorically today whether, in fact, there is a market disruption policy as it relates to this local internet service providers and the Ardicom contract. I would have to look into that. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Roland.

Supplementary To Question 607-13(4): GNWT Policies Re: Market Description

MR. ROLAND:

Thank you, Mr. Speaker. Can the Minister then inform us if there is a policy in place for what we are looking at when it comes to this Ardicom contract and the local providers because it is having a significant impact. They have provided employment in the communities, much needed employment. Although the government wants to help out the north, it seems in one hand it is taking it away and in another hand giving it but to larger organizations. Can the Minister find out if there is any policies in place that deal with market disruption in a community on a scale of this nature? Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 607-13(4): GNWT Policies Re: Market Description

HON. JOHN TODD:

Well, the short answer is yes, Mr. Speaker, I will look into that issue. I think that I need to elaborate a little bit. I recognize the concerns of Mr. Zubko in Inuvik and others in Cambridge Bay, Rankin Inlet, et cetera. But when we held this program forward, it was never the intention to take away business from these local suppliers. I thought that we would work together to see if there would be some compromise reached where we could integrate what they were doing and

what we are doing. I mean this initiative of a digital communications system is territorial wide. It connects into the international digital service, et cetera. It was a proposal put forward, I want to remind everybody, a joint venture owned and operated by a number of Aboriginal and non-aboriginal groups in the territories.

It certainly was not the intention, at least not mine anyway, to take away from those who are delivering at a local level some of the digital communications systems. I understand the frustration of my honourable colleague and his other colleague from Fort Smith. I will undertake to first of all, one, determine if there is in fact a policy in place and, two, perhaps more importantly get the meeting that should have happened weeks ago between ourselves and the local internet service providers to see if there is some arrangement that can be reached and some compromise so we can get on with this very important initiative of providing distance communications to all our communities across the territories before April 1, 1999. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Picco.

Question 608-13(4): Environmental Liability Inventory

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, my questions is for the chairman of the Financial Management Board. The FMBS under the direction of the Financial Management Board have, I understand, completed an inventory of potential sites across the Northwest Territories that may have environmental liability. Could the Minister update this House on that inventory? Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister responsible for the Financial Management Board, Mr. Todd.

Return To Question 608-13(4): Environmental Liability Inventory

HON. JOHN TODD:

Thank you, Mr. Speaker. That is twice in two days. I will have to take that question as notice because unfortunately I do not have detailed response that I know my honourable colleague for Iqaluit would want me to give a him. It would probably be more appropriate for me to provide him with a full

descriptive explanation of where we stand in this issue which I will do later on this week. Thank you.

MR. SPEAKER:

Oral questions. Mr. Ningark.

Question 609-13(4): Reduction of Resupply Costs in Pelly Bay

MR. NINGARK:

Thank you, Mr. Speaker. My question is directed to the Minister of Transportation. Mr. Speaker, the people of Pelly Bay appreciate that we are able to give yearly supply by the Canadian Coast Guard. Mr. Speaker, there is a significant saving realized by this government in supplying the community with housing materials, bulk fuel, and heating fuel in this case. I believe that the local consumer is losing money.

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A mother goes shopping to buy milk for the baby and the elder goes to the Co-op store to buy flour to make bread and the hunter goes to Co-op to buy ammunition, snow machine parts, outboard motor and so on. The local consumer does not realize any saving. In fact, we are losing about \$80,000 a year. Mr. Speaker, we were told that it would be cheaper to bring in barge as opposed to air carrier to the community and that there would be savings realized by the local Co-op. There is no saving. We have had a meeting with the Minister. The hamlet council mayor this year has met with the Minister on many occasions on this issue. My question is, will the honourable Minister revisit the community, at the request of the Hamlet of Pelly Bay to look into ways and means to reduce the cost of freight rate to Pelly Bay? Thank you.

MR. SPEAKER:

The Minister of Transportation, Mr. Antoine.

Return To Question 609-13(4): Reduction of Resupply Costs in Pelly Bay

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, yes, I will revisit this request by the Honourable Member. I just wanted to add that a lot of the communities in the north, their only link, in many cases, are through the airlines and in this case, this government had supported the community of Pelly Bay with the yearly

re-supply to the Canadian Coast Guard in conjunction with them, we provide re-supply. If that is not adequate, then certainly we should take another look at the situation. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Ningark.

Supplementary To Question 609-13(4): Reduction of Resupply Costs in Pelly Bay

MR. NINGARK:

Thank you, Mr. Speaker. Supplementary to the same honourable Minister. How soon will the Honourable Minister revisit the request? Thank you.

MR. SPEAKER:

Mr. Antoine.

Further Return To Question 609-13(4): Reduction of Resupply Costs in Pelly Bay

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, whenever we have question periods and different information like this comes forward, the department is listening. I am sure that the work has already begun to see what information is there and what we could do about it. As soon as I have some information, I will let the honourable Member be aware of what we have come up with. Thank you.

MR. SPEAKER:

Oral question. Supplementary, Mr. Ningark.

Supplementary To Question 609-13(4): Reduction of Resupply Costs in Pelly Bay

MR. NINGARK:

Thank you, Mr. Speaker. Supplementary to the same honourable Minister. Will the honourable Minister direct his officials to communicate with the Hamlet of Pelly Bay on the process?

MR. SPEAKER:

Mr. Antoine.

Further Return To Question 609-13(4): Reduction of Resupply Costs in Pelly Bay

HON. JAMES ANTOINE:

Thank you. Yes.

MR. SPEAKER:

Oral questions. Mr. Henry.

Question 610-13(4): Departmental Efforts in Diamond Industry

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, I would like to direct a question to the Minister of Resources, Wildlife and Economic Development. Could the Minister provide details to this House and to the people of the Northwest Territories of what his department is doing to ensure the diamond industry in the north will not suffer the same annihilation as the fur industry did? Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister responsible for Resources, Wildlife and Economic Development, Mr. Kakfwi.

Return To Question 610-13(4): Departmental Efforts in Diamond Industry

HON. STEPHEN KAKFWI:

Mr. Speaker, for one thing we are not trying to create any enemies in this fight to get some economic benefits from development. There is really virtually no comparison with the scenario that the Member draws. In the fur industry, we had a very real enemy that was diametrically opposed to the harvesting of wild life. The Greenpeace initially lead the charge as well as the international group for animal welfare and other more ultra right wing animal rights activists. These people who had a budget in the millions of dollars were internationally organized and successfully got on side the majority of governments in the European countries. We have had the concerted effort on our part with the Canadian government, Government of the Northwest Territories, national Aboriginal groups, people in support of the fur industry, manufacturers working on our side as well as, support groups in Europe in order to change the trend that was set back in the '80s. In the case of the diamond industry, Mr. Speaker I believe we are not trying to create enemies. We are trying to bridge a gap in the different perception between the federal government and ourselves and BHP in a co-economical way beneficially for Canada and the north to maximize

every opportunity we can to substantiate and deliver benefits to Canada and to the Northwest Territories in the first instance. There is a very categorical difference between the two and I would say that this government has tried to take a systematic approach in our lobby to ensure that BHP is on side, that Diavik is on side, and that the federal government the respective Ministers are also on side to agree that Canada should recognize that it is now part of an elite club globally. That is, Canada is now one of the few diamond producing countries in the world and as other producing countries have done, Canada has an obligation and a duty to all Canadians

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and in particular to northerners to insist that maximum economic benefits should flow to the people most affected and certainly at least to the people of Canada. Thank you.,

MR. SPEAKER:

Oral question. Supplementary. Mr. Henry.

Supplementary To Question 610-13(4): Departmental Efforts in Diamond Industry

MR. HENRY:

Thank you, Mr. Speaker. I understand that the federal Minister, Ms. Stewart, is presently working on changes to the current mining regulations. My question to the Minister is, does he have any of his departmental staff assisting the Minister in this process? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Kakfwi.

Further Return To Question 610-13(4): Departmental Efforts in Diamond Industry

HON. STEPHEN KAKFWI:

Mr. Speaker, there are a number of different changes being proposed to the Canada mining regulations. We have had some input into some of the changes that were circulated by the Department of Indian Affairs earlier in the spring. We are now waiting for draft amendments that will be proposed by Indian Affairs in regard to regulations that would have impact on the diamond industry. Since I believe we have assurance from the Minister's office that no announcements or changes will be made until meetings have happened

between myself and the Minister of Finance with our respective counterparts. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Miltenberger.

Question 611-13(4): Ardicom Digital Communication Network

MR. MILTENBERGER:

Thank you, Mr. Speaker. My question is directed to the Minister of FMBS and it is in regards to the Ardicom Project. I thought I had one more subject last time so I was left with one question yet to ask. The Minister indicated that this is a cutting edge technology that is going to put us on the information highway. I think that is once again a concept we can all support. As long as that cutting edge is not used to take the legs out of some under local businesses. Could the Minister indicate in this meeting that he said he is going to have with local Internet providers, how soon will it be? Thank you.

MR. SPEAKER:

The Minister responsible for the Financial Management Board, Mr. Todd.

Return to Question 611-13(4): Ardicom Digital Communication Network

HON. JOHN TODD:

Thank you, Mr. Speaker. I am looking at my notes. It was the intention for the department to meet with the local Internet providers earlier in the year. For one reason or another, it does not appear to have taken place. I will instruct my staff then later on this afternoon to communicate with the appropriate people to get a meeting together so that we can try to seek results and some compromise to this issue so that we can all get on with real positive aspects of trying to put this country and hold this country together through a digital communication system that puts us on the information highway. Thank you.

MR. SPEAKER:

Oral question. Supplementary. Mr. Miltenberger.

Supplementary to Question 611-13(4): Ardicom Digital Communication Network

MR. MILTENBERGER:

Thank you, Mr. Speaker. I am glad the Minister and I share the same view for the future. My question to the Minister is related to this meeting he will have into this Arctic Com Project and that is the fact that in communities like Fort Smith, the Government of the Northwest Territories is currently, as we speak, installing its own systems for the Internet once again bypassing local Internet providers. Will the Minister put that on the agenda as well when he gets Internet providers to the table with his officials? Thank you.

Further Return To Question 611-13(4): Ardicom Digital Communication Network

HON. JOHN TODD:

Mr. Speaker, I want to assure my honourable colleague all aspects of this issue will be on the table. I want to apologize again both to him and to his other eloquent ally to his immediate right, Mr. Floyd Roland, who spoke so eloquently about this issue in a number of occasions that we will bring all of the players to the table as quickly as we can. I also apologize to the users out there that we should have had this meeting earlier and I take full responsibility for it not happening. I will also take responsibility for it happening. Thank you.

MR. SPEAKER:

Oral questions. Mr. Picco.

Question 612-13(4): Deposit Fees on Liquor Containers

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, each time beer and liquor is purchased in the Northwest Territories, a percent is charged back as a deposit fee. My question is what happens to that deposit fee charged less the refund when the empties are returned. Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister responsible for the Liquor Licensing Board, Mr. Todd.

HON. JOHN TODD:

Mr. Speaker, my apologies. I did not catch the question. I wonder if my honourable colleague could repeat it again because I did not have my hearing aid plugged in. Thank you.

MR. SPEAKER:

Thank you, Mr. Todd. Mr. Picco, would you repeat your question please.

MR. PICCO:

Thank you, Mr. Speaker. If you had to follow the Internet, you would have had heard that. Mr. Speaker, each time beer and liquor is purchased in the Northwest Territories, a percentage is charged back as a deposit fee by the user. The person who buys the beer has to pay a deposit fee. What

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happens to the deposit fee that is charged less the money that is returned when the bottles are returned, when they are brought back? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Todd.

Return to Question 612-13(4): Deposit Fees on Liquor Containers

HON. JOHN TODD:

Thank you, Mr. Speaker. I do not really have time to look at the Internet or the time the people were saying about me as Mr. Picco does but I understand anyway. My understanding is that any revenues that are net revenues generated within the liquor component rolls back into the revolving fund. That is my understanding of it. Thank you.

MR. SPEAKER:

Oral question. Supplementary. Mr. Picco.

Supplementary To Question 612-13(4): Deposit Fees on Liquor Containers

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, that revolving fund I understand has a considerable sum of money in it that could be used to help facilitate some of the social problems that we have tabled about in this House. Can the Minister tell us what happens to that revolving fund?

MR. SPEAKER:

Mr. Todd.

Further Return To Question 612-13(4): Deposit Fees on Liquor Containers

HON. JOHN TODD:

Thank you, Mr. Speaker. It revolves. Thank you.

MR. SPEAKER:

Oral questions. Supplementary. Mr. Picco.

Supplementary To Question 612-13(4): Deposit Fees on Liquor Containers

MR. PICCO:

Thank you, Mr. Speaker. It sounds like the Minister is in orbit. My question is this, Mr. Speaker, when x number of thousands of beer and liquor is sold in the Northwest Territories this government charges a fee for let us say ten cents a dozen of beer. If those beer bottles are brought back, the person gets refunded so there is a considerable amount of money that is being accumulated in this revolving fund. My question is what we are doing with that money? I know it is being orbited somebody should give Mr. Minister a lesson on the planetary orbiting as we go back to the planet Vega. Thank you.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 612-13(4): Deposit Fees on Liquor Containers

HON. JOHN TODD:

Thank you, Mr. Speaker. I know it is a serious question so I will try to answer to my good friend, comrade Uri, but Mr. Speaker, any revenues that are generated from the sale of liquor whether it is in the sale of liquor or it is in the ten percent that we get on the bottle of whatever goes back into the general fund of the government at the end of the day and on the balance sheet in relationship to revenues. I have said many times that I cannot say where we got \$30 million with the sales here, we are netting out \$10 million or let us assign that \$10 million to specific programs. That money goes in the general revenues. Any expenditures not set frequently to the House and the committees that required on the social end of things have to come through the normal business planning exercises, et cetera. and voted on this House. Thank you.

MR. SPEAKER:

Oral question. Supplementary. Final supplementary. Mr. Picco.

Supplementary To Question 612-13(4): Deposit Fees on Liquor Containers

MR. PICCO:

Thank you, Mr. Speaker. In other jurisdictions, I understand that money raised like for example on the deposit that are used to help develop social programs, I am wondering then if the Minister could look at takings of this money in this revolving bag holding an escrow and use it for social programs charted that way. Is that a unique aspect that has been done in other jurisdictions? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Todd.

Further Return To Question 612-13(4): Deposit Fees on Liquor Containers

HON. JOHN TODD:

My goodness, Mr. Speaker. My honourable colleague is the chair of the committee. He has been active in the budgetary process for two years. He knows full well that is not the way in which we do things. The social envelope, Mr. Speaker, and I have said on frequent occasions when we did, our budgetary exercise was reduced only 1.5 percent. In fact, we put more money back into the social envelope through re-profiling of dollars later on after the budgetary exercise was completed a year ago. We are not prepared, even though it is done in other jurisdictions, to say out of the liquor fund we are going to put x amount of dollars towards a specific preventative program when it has to go through the budgetary exercise, through the planning stage and through the committee process and is assigned the appropriate priority which I think this government has clearly demonstrated. And through it reduction program because, as I said earlier, we only reduced the social envelope 1.9 percent. The answer would be no, I do not think that is the way we would do business. I am surprised my colleague would ask that question given his experience, depth of knowledge, as a chair and active opponent in this House of the economic ills of the under privileged, etc.

MR. SPEAKER:

Thank you. Oral questions. Mr. Enuaraq.

Question 613-13(4): Broughton Island Environmental Concerns

MR. ENUARAQ:

Thank you, Mr. Speaker. My question is directed to the Minister responsible for Resources, Wildlife and Economic Development, Honourable Mr. Kakfwi. The community of Broughton Island have expressed concern over

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possible chemical contamination at the abandoned side of an old United States Coast Guard Weather Station at Padloping Island. Will the Minister state when this abandoned site at Padloping Island is scheduled for clean-up? Also, can the Minister tell me what rule the Department of Wildlife and Economic Development has insuring the clean-up site at this old land site. Thank-you.

MR. SPEAKER:

Thank you. The Minister responsible for Resources, Wildlife and Economic Development. Mr. Kakfwi.

Supplementary Question 613-13(4): Broughton Island Environmental Concerns

HON. STEPHEN KAKFWI:

Mr. Speaker. There is at the request of the Department of Indian and Northern Affairs some work done to assess the environmental conditions of the island that the Member is referring to at Padloping Island. The investigation, as far as I know, has been completed. In general terms, the biggest challenge at that site is clean-up of the enormous amount of debris that has been left on site. Most of this is building material. The chemical contamination, as far as the investigation is determined, has been limited in the area, that is, with remedial work to the soil. Some clean-up of the soil sites. Most of the work seems to be at this time in regard to general clean-up of the garbage and debris that has been left behind by the defence people after vacating the area. I believe that area is targeted for clean-up by the federal government by the year 2000. Thank-you.

MR. SPEAKER:

Oral questions. Mr. Erasmus.

Question 614-13(4): Closure of GNWT Switchboard

MR. ERASMUS:

Thank you, Mr. Speaker. My question is for the Premier. Mr. Speaker, earlier I made a statement concerning the central switchboard that the Government of the Northwest Territories discontinued and the complaints I had received as well as the survey I did which indicated that well over 90 percent of the people surveyed wanted the central switchboard re-introduced. But my question is whether the Premier and his cabinet would reconsider the issue of the closure of central switchboard and re-institute it. Thank-you.

MR. SPEAKER:

Thank you. Mr. Premier.

Return To Question 614-13(4): Closure of GNWT Switchboard

HON. DON MORIN:

Thank you, Mr. Speaker. This summer we had basically finalized a more user friendly green book for the Government of the Northwest Territories and that new green book should be out in November. We are also updating the blue pages in the Northwest phone book because it is fairly complicated to use right now and does not help people to get in contact with the government. I would also be pleased to take a look at the cost of re-instating a central telephone number where people have to call one number to get in touch with the government. The Member knows there is a process we have to go through if we are going to re-instate anything, first, it would go to Financial Management Board and then back to the committees and then finally to this House. I will be pleased to look at it and thank you for raising this issue. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Barnabas.

Question 615-13(4): Mining Potential in Baffin Area

MR. BARNABAS:

Thank you, Mr. Speaker. Mr. Speaker my question is directed the Minister responsible for Resources, Wildlife and Economic Development, Mr. Kakfwi. As I mentioned in my Member's statement the two mines I represent are closing pretty soon. My question is, is

there potential mining being surveyed in Inuit area or Baffin area for potential mining to start in the future?
Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister responsible for Resources, Wildlife and Economic Development, Mr. Kakfwi.

Return to Question 615-13(4): Mining Potential in Baffin Area

HON. STEPHEN KAKFWI:

Thank you, Mr. Speaker. There is mining exploration going on in the Baffin at this time. There is no immediate prospects. However, for new mines if some significant base metals, for instances, are found, it would take a minimum of 5 to 10 years before any substantial work would be initiated. There has been some exploration for kimberlite. Some have been found but without any valuable substance found in them. As well, there is at this time, still no significant oil and gas discoveries been made at that region. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Ootes.

Supplementary to Question 615-13(4): Mining Potential in Baffin Area

MR. OOTES:

Thank you, Mr. Speaker. I spoke earlier and had some questions of the Premier regarding the police investigation that is ongoing it seems. I have several more questions to let the staff know what this investigation may be about. I wonder if the Premier could tell us if he knows the nature of the police investigation?

MR. SPEAKER:

Mr. Premier.

Further Return to Question 615-13(4): Mining Potential in Baffin Area

HON. DON MORIN:

Thank you, Mr. Speaker. Mr. Speaker, I do not know the nature of the police investigation because the RCMP have not officially informed myself or the Minister of Justice of what they are investigating or

anything like that. There is a rumour mill in this community as well as other communities, even in my own communities. I do not feel comfortable talking about this issue, Mr. Speaker, because it could lead to more rumours and I do not want to feed the frenzy of rumours that I have seen have a devastating effect on families in the Yellowknife area. An upstanding citizen of Yellowknife and a very upstanding member of the RCMP had heard rumours circulating about this spring. That hurt the families and people should not repeat rumours or repeat

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gossip so that it hurts people. I am not going to really answer these questions too well, today, Mr. Ootes, because I do not think it is something that should be brought to a public forum at this time. Thank you.

MR. SPEAKER:

Thank you. Again, just to remind the Ministers that you have that option of declining to answer any questions if you choose to do so. Oral question. Supplementary, Mr. Ootes.

Question 616-13(4): Nature of RCMP Investigation

MR. OOTES:

Thank you, Mr. Speaker. Mr. Speaker, I understand what the Premier is saying, but it is already out in the public. People are talking about it, staff are concerned, et cetera, so hence the reasons for my questions. I have been asked to address these questions. I wonder if the Premier was officially notified if he would share that with us, so that we can all know what this investigation is all about?

MR. SPEAKER:

Mr. Morin.

Return to Question 616-13(4): Nature of RCMP Investigation

HON. DON MORIN:

Thank you, Mr. Speaker. Mr. Speaker, once our government is officially notified then I will make sure all Members are notified as well. Thank you.

MR. SPEAKER:

Oral questions. Mr. Henry

Question 617-13(4): Motor Vehicles Statistical Information

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, my question is to the Minister responsible for Transportation, Mr. Antoine. Last year the Department of Transportation privatized the Motor Vehicles Division. This privatization resulted in a private operator taking over the issuance of drivers licence renewals, et cetera. I would like to question the Minister of the effects of this privatization. My question, does the Minister receive statistical information or regular reports from the company on the number of renewals of drivers' licence tested, and the new licenses issued. Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister of Transportation, Mr. Antoine. Two questions.

Return to Question 617-13(4): Motor Vehicles Statistical Information

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, Yellowknife is the last community to have this service on motor vehicles privatized. Other communities have had it for quite a number of years and they are providing the service on behalf of the Department of Transportation and the statistics are related over to the Government of the Northwest Territories the Department of Transportation, yes. Thank you.

MR. SPEAKER:

Oral question. Supplementary, Mr. Henry.

Supplementary to Question 617-13(4): Motor Vehicles Statistical Information

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, I bring this up because I have heard a number of complaints from people who have been going to take their written driver's test and it seems there are a number of these students who have failed this test two and three times. I am wondering if the Minister could provide to this House the statistical information as to the same area office, the Yellowknife office on what the statistics were and the number of applicants who

passed the first, second or third time when it was not privatized? Thank you, Mr. Speaker.

MR. SPEAKER:

Mr. Antoine.

Further Return to Question 617-13(4): Motor Vehicles Statistical Information

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, in Yellowknife, here, the honourable Member is referring to the private company of Quick Mail Plus is the successful applicant for the request for proposals in this case. The driver examination is that the applicant applies to the Quick Mail Plus and pays the fee and sees the driver examiner who is still with the Department of Transportation. Therefore, there is a road test and a written test. In the case of the written test, we have introduced an automated computer testing system which is based on common sense questions the applicants are required to take with the automated system. If the honourable Member wants to know the specific details, we will get the specific details of before privatization and after. Generally there is a failure rate of about thirty five percent, compared to the rest of the country which is forty percent. We are doing a lot better than the rest of the country. What I have been told by the department is that the driving test is where the problem is, the road test and generally the applicants need more practice to succeed in the drivers examination. Thank you.

MR. SPEAKER:

Oral questions supplementary. Mr. Henry.

Supplementary To Question 617-13(4): Motor Vehicles Statistical Information

MR. HENRY:

Thank you, Mr. Speaker. Mr. Speaker, it was a written exam that prompted the initial concerns. My question to the Minister is, I understand each time someone takes this test it is a \$30 fee. Does this fee go entirely to the private company or does some of it go to the government? Can the Minister advise how this \$30 is handled? If it is handled each time the test is applied for?

MR. SPEAKER:

Mr. Antoine.

Further Return To Question 617-13(4): Motor Vehicles Statistical Information

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the honourable Member is correct. There is a fee of about \$30 plus \$5 for service costs. Quick Mail Plus receives this fee schedule that was introduced along with privatization. There is a small fee that the private company gets and the rest of it

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goes back to the general revenues of the department. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Steen

Question 618-13(4): National Highway Transportation System

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, over the summer the Premier had the honour of meeting with his counterparts from the provinces and I believe he discussed national highway infrastructure systems with them. I believe I read that in his statement at the opening of this session. I wonder if the Premier could elaborate a little bit to the House as to what were the results of the discussion at the Premiers' level. Thank you.

MR. SPEAKER:

Mr. Premier.

Return to Question 618-13(4): National Highway Transportation System

HON. DON MORIN:

Mr. Speaker, on the whole issue of national highways across this country we have got a commitment from the Premiers and support that the federal government should give special consideration to the northern parts of the provinces as well as the Northwest Territories and the Yukon because of their specific needs to access the rest of the country and to access economic opportunities in other areas. They should give special consideration to the Northwest Territories and the Yukon. Thank you.

MR. SPEAKER:

Thank you. Oral question. Supplementary, Mr. Steen

Supplementary To Question 618-13(4): National Highway Transportation System

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, I wonder if the Premier could be a little more specific as far as how this special consideration would be defined as. Thank you.

MR. SPEAKER:

Mr. Morin

Further Return To Question 618-13(4): National Highway Transportation System

HON. DON MORIN:

Thank you, Mr. Speaker. Mr. Speaker, special consideration would be that when the federal government is looking at the national highways and the national highway standards across this country, they should specifically look at the Northwest Territories and the Yukon. In the Northwest Territories, for example, we are the only jurisdiction in this country that does not have a highway up to national standards from southern Canada into our capital. We do not have highways linking this country from sea to sea to sea. They would have to give us special consideration and work with us to develop a new strategy and developing a partnership with the federal government, private sector and the Northwest Territories. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Supplementary, Mr. Steen.

Supplementary To Question 618-13(4): National Highway Transportation System

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, has the Premier accepted the challenge put forward from other provinces and brought forward a plan that would suggest that we have special recognition and just exactly how would that be addressed in that plan, or identified in that plan? Thank you.

MR. SPEAKER:

Mr. Morin

Further Return To Question 618-13(4): National Highway Transportation System

HON. DON MORIN:

Thank you, Mr. Speaker. Mr. Speaker, there have already been people coming into the Northwest Territories from the private sector to meet with the Finance Minister as well as other members of the Legislative Assembly on new opportunities and new, imaginative ways of financing major projects in any given jurisdiction. So the meetings have started already. As well, Mr. Antoine is working on a transportation strategy for us as a government. That is the only possible way that we can look at financing and moving ahead with any highway infrastructure in the Northwest Territories because of the big dollars. We would have to look at a partnership agreement with the federal government, the Northwest Territories government and private sector. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Oral questions. Final supplementary, Mr. Steen.

Supplementary To Question 618-13(4): National Highway Transportation System

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, does this government at this point in time have a plan in place and are we prepared to put forward a petition with the federal government as to exactly what we would need to upgrade the highway systems in the territories?

MR. SPEAKER:

Mr. Morin

Further Return To Question 618-13(4): National Highway Transportation System

HON. DON MORIN:

Thank you, Mr. Speaker. Mr. Speaker, we are in the process of developing a plan and finalizing the plan with the Minister who is in charge of that, Mr. Jim Antoine, as Minister for Transportation. That is in the process right now. We are concentrating on

negotiating at this time with the federal government on two formulas for the creation of two new territories, the whole diamond issue, devolution, and once we finish preparing this plan, then we can take a look at it as Cabinet and then share it with the Members of this government and see where we can go and the best strategy of where to take it after that. Thank you.

MR. SPEAKER:

Thank you. Oral questions. Mr. Roland

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Question 619-13(4): Water Rates in Inuvik

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, my question at this time will be directed to the Minister responsible for Municipal and Community Affairs. Mr. Speaker, in my community over the summer, the town council has tried to deal with the issue of water rates. They have struggled with that. As of recently, they have not agreed with increasing rates. Mr. Speaker, before this government told the council that it had to install water meters throughout the community, everyone paid a fee of \$55 monthly for their water and sewage service. Mr. Speaker, it is said that with these meters we would end up saving money and using our facilities better. What we have found in the community of Inuvik or what is being said in the community of Inuvik now, is that the people have become quite thrifty with their water. In fact, they are losing money because people are saving so much or not using as much water. The concern that is coming forward is we have heard that there are proposed increases from a minimum of \$25 to \$50 and a cap of \$123 to \$210. On top of all the other increases the community has been feeling this would be another one that would strike another nail in the coffin, so to speak. I would like to know if the Minister has heard from the town council of Inuvik and what they are doing in trying to assist the community in dealing with this situation? Thank you, Mr. Speaker.

MR. SPEAKER:

The Minister responsible for Municipal and Community Affairs, Ms Thompson

Return to Question 619-13(4): Water Rates in Inuvik

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Mr. Speaker, I am aware of the problem in Inuvik with the water rates. I have asked my staff to deal with the issue and we are working on this issue right now with the town of Inuvik. I will get back to the Member as soon as I have the results of the research that is being done in regards to this problem. Thank you.

MR. SPEAKER:

Oral question. Supplementary, Mr. Roland.

Supplementary To Question 619-13(4): Water Rates in Inuvik

MR. ROLAND:

Thank you, Mr. Speaker. Mr. Speaker, I look forward to that information. Can the Minister inform me as what kind of a time line we would be looking at in trying to deal with this situation? The longer it goes, the more concern in the community, especially with the higher costs associated with winter coming on. Thank you.

MR. SPEAKER:

Ms. Thompson.

Further Return To Question 619-13(4): Water Rates in Inuvik

HON. MANITOK THOMPSON:

Thank you, Mr. Speaker. Mr. Speaker, I will have the information to the Member by the middle of next week. Thank you.

MR. SPEAKER:

Oral questions. Mr. Picco.

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, I would like to rise on a point of privilege. Mr. Speaker, the Chairman of the Financial Management Board continued to bring up my role as Chairman of a Standing Committee and my question on the liquor deposits. He again and again flippantly, sarcastically, jokingly responded with orbits and celestial dursion. Mr. Speaker, my point of privilege is that as a Member by identifying me as a chair of a committee he insinuated that my question was not appropriate. Mr. Speaker, I asked a question as an ordinary Member

of this House and not as a chair of any committee. Thus, my point of privilege. Thank you.

MR. SPEAKER:

Thank you, Mr. Picco. I will review the Hansards to report what Mr. Todd has said and what you have said and also look at your point of privilege and get back to the Member tomorrow. Oral questions. Mr. Steen.

Question 620-13(4): Availability of Transportation Strategy

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, the Premier has suggested that Mr. Antoine, Minister for Transportation, is working on a transportation strategy to be presented to Cabinet. I was wondering if the Minister, Mr. Antoine, could give the House an idea of when that study would be available to be presented to Cabinet and when the House may see it.

MR. SPEAKER:

The Minister of Transportation, Mr. Antoine. Two questions.

Return To Question 620-13(4): Availability of Transportation Strategy

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the department is involved with the other departments, Resources, Wildlife and Economic Development and Finance, Education, Culture and Employment on a working group of Cabinet to look at a fresh approach that is required to try to involve all stakeholders including ourselves, the territorial government and the federal government and private sector and claimant groups. We have been asked by the Cabinet and Financial Management Board to work on this initiative and report back to the Cabinet and Financial Management Board with a plan and a strategy. We are hoping to provide the strategy to the Cabinet soon. Once they review it, then we will make it public and share the information with you. Thank you.

MR. SPEAKER:

Oral questions. Supplementary, Mr. Steen.

Supplementary To Question 620-13(4): Availability of Transportation Strategy

MR. STEEN:

Thank you, Mr. Speaker. Mr. Speaker, I understood the Minister say that he would be presenting this report soon to Cabinet. What length of time is soon? Thank you.

MR. SPEAKER:

Mr. Antoine.

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Further Return To Question 620-13(4): Availability of Transportation Strategy

HON. JAMES ANTOINE:

Thank you, Mr. Speaker. Mr. Speaker, the department is finalizing this strategy with its other partners and within the next week or two, hopefully, I will have it ready to present to Cabinet. Thank you.

MR. SPEAKER:

Oral questions. Item 7, written questions. Mr. Picco.

ITEM 7: WRITTEN QUESTIONS

Written Question 35-13(4): Contracting Former GNWT Managers

MR. PICCO:

Thank you, Mr. Speaker. Mr. Speaker, my written question is for Premier Morin. Mr. Speaker my questions are:

1. What flexibility and discretion do the Cabinet and individual Ministers have when they negotiate contracts with senior staff and are they allotted a budget for departmental managers known as DM's, ADM's, and senior policy people?
2. What is the total salary expenditure as of March 31, 1997 for DM's including the people as per said and also including the benefits and the salaries?
3. How many employees currently receive a food allowance?
4. How many employees currently receive a VTA?

Thank you, Mr. Speaker.

MR. SPEAKER:

Written questions. 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. Mr. Erasmus.

ITEM 12: REPORTS OF COMMITTEES ON THE REVIEW OF BILLS

MR. ERASMUS:

Thank you, Mr. Speaker. Mr. Speaker, the Standing Committee on Government Operations has reviewed Bill 15, an Act to amend the Workers' Compensation Act and would like to report that Bill 15 is now ready for consideration in committee of the whole. Thank you, Mr. Speaker.

MR. SPEAKER:

Thank you. Item 13, tabling of documents. Item 14, notices of motion. Item 15, notices of motions for first reading of bills. Item 16, motions. Item 17, first reading of bills. Item 18, second reading of bills. Item 19, consideration in committee of the whole of bills and other matters, Bill 3, Family Law Act; Bill 4, Children's Law Act; Bill 5, Adoption Act; Bill 6, Child and Family Services Act; and Bill 19, Municipal Statutes Amending Act, No. 2 with Mr. Ningark in the chair.

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

CHAIRMAN (Mr. Ningark):

Thank you. I would like to bring the committee to order. Item 19, we have a number of items here, Bill 3, Family Law Act; Bill 4, Children's Law Act; Bill 5, Adoption Act; Bill 6, Child and Family Services Act; and Bill 19, Municipal Statutes Amending Act, No. 2. What is the wish of the committee? Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. My recommendation is that we proceed with Bill 19, Municipal Statutes Amending Act, No. 2.

CHAIRMAN (Mr. Ningark):

The chairman of the Ordinary Members' Caucus is recommending that we deal with Bill 19, Municipal Statutes Amending Act, No. 2. Do we agree?

UNKNOWN SPEAKERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. We will take a 15 minutes break.

--Break

CHAIRMAN (Mr. Ningark):

I would like to call the committee back to order. We are dealing with Bill 19, Act 2. I believe the Minister in this case is Manitok Thompson. Do you have an opening remark on this bill? Thank you.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. I am pleased to speak to this committee about the Municipal Statutes Amending Act 2. This Assembly passed the Municipal Statutes Amending Act 1 last March, which made a number of changes. Municipalities need it right away to be able to meet their current responsibilities. One of these changes was to allow hamlets and charter communities to borrow for land development purposes. The Municipal Statutes Amending Act 2 would make amendments to borrowing powers that would save municipalities money.

Mr. Chairman, right now municipalities can only borrow from banks or from government. The proposed amendment would give municipalities more choice about who they can borrow from. This flexibility would make it possible for municipalities to shop around and find the best deal on the market.

Long-term borrowing by non-tax based communities will still be limited to land development projects. The department will continue to monitor the financial status closely, and will be able to refuse permission for borrowing if necessary.

These amendments were developed by the Municipal Legislation Review Committee which is co-chaired by the President of the NWT Association of Municipalities and my Deputy Minister. The Department of Finance also assisted in preparing these amendments.

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Mr. Chairman, later I will be making a motion to amend this bill. The intent of this motion is to permit an exemption from the rate payer approval required for long-term borrowing by law where the borrowing

will result in a net savings to the municipality. This will allow municipal taxing authorities to take advantage of opportunities to save their rate payers money that they might otherwise miss because of the time it takes to hold a vote.

The motion would also make some of the wording in the rate payer approval exemption provision clearer. Mr. Chairman, I am confident that these amendments strike the right balance between giving municipalities the flexibility to meet local needs and making sure that they do not get in over their heads. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Madam Minister. The Chairman of the Infrastructure Committee which reviewed this bill, Mr. Picco.

MR. PICCO:

Thank you, Mr. Chairman, and good afternoon, and good afternoon to the committee. Thank you. I wish to report that the Standing Committee on Infrastructure reviewed Bill 19, the Municipal Statutes Amending Act 2, at meetings held in Yellowknife on August 19-21, 1997. These meetings were ably chaired by our friend and colleague, the deputy chair of the Infrastructure Committee, Mr. Seamus Henry.

The amendments proposed in the bill will allow for an expanded range of lenders and financing options available to communities, whether they are tax based or not. Previously, the municipal authorities were restricted to borrowing from the governments and banks. Financing options in the past were limited to debentures. With the amendments in the bill, communities can obtain a more competitive arrangement from a wider range of financial institutions.

During our August meetings, we discussed our concerns with the Minister and officials from MACA in addition to representatives from the Department of Finance and the Department of Justice. Our concerns focused on issues relating to limits being placed on the types of projects that can be financed. The need to identify clearly established approval criteria for borrowing, the need for a definition of the term "land development", restrictions relating to the maximum length of the borrowing term, and methods of debt service by non-tax based communities.

This committee is highly concerned about the fact that there is no definition of development of municipal lands. We ask the government to consider adding a clear, and explicit definition and the government said it was their preference to have this matter dealt with by way of policy. We strongly urge the government to re-think their position and include such a definition in legislation to be introduced in the 5th Session, failing which we as a committee may consider bringing forward a private Member's bill.

During the public hearings the committee received a presentation by representatives of Arctic Financial Limited, outlining their support for the bill, and they also raised questions regarding the rate payer borrowing approval mechanisms outlined in the bill.

The committee conducted the clause by clause review of the bill on August 21st and agreed to report the bill back to the House for further consideration in this, the committee of the whole. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Picco. Before I allow the committee to go into general comments, I would like to ask the Minister if she would like to bring in the witnesses?

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. I would like to bring in my witnesses.

CHAIRMAN (Mr. Ningark):

Do we have the agreement of the committee? Thank you. Please bring in the witnesses. Thank you. Madam Minister, would you please introduce the witnesses to the committee?

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. To my left is Penny Ballantyne, deputy minister for MACA. And to my right is Colette Langlois, policy advisor in my department and also Mark Aitken, legislative counsel.

CHAIRMAN (Mr. Ningark):

Thank you, welcome to the committee. General comments on Bill 19, Municipal Statutes Amending Act 2, from the floor, around the table, in the committee? I have Mr. Roland, Mr. Miltenberger, and Mr. Ootes. Mr. Roland.

MR. ROLAND:

Thank you, Mr. Chairman. Just on some of the comments made earlier by the Minister, that the changes would allow a counsel to not go out to rate payers to approve a debenture, based on the idea it would save money. Now can you go a little further there, as to it saving money because of a lower interest rate, or it saving money because it is a heck of a deal in Mexico? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. It would be because of the lower interest rates. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. General comments, I have Mr. Miltenberger.

MR. MILTENBERGER:

Thank you, Mr. Chairman. My concern or interest is more in the form of questions than they are of general comments. I am all in favour of more autonomy and freedom for the communities for this particular piece of legislation, since it amends borrowing powers and could have significant financial implications for communities, for rate payers, and of course for the government.

I would be interested to know whether organizations like the NWTAM were consulted, hopefully somewhat extensively, on this particular issue? Is there a safety net? Especially for, if I dare use the word, less sophisticated communities as they try to possibly move into the money market and borrow in a fairly sophisticated kind of environment and maybe lead into decisions that may not be the right ones in the long term? If I

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could just get some response from the Minister on those two questions on her consultation and the safety nets in place to make sure that while the small communities can maybe borrow from where there are better rates, they do not expose themselves to financial risk that they will not be able to carry because they do not have extra revenue in most

cases to offset any possible bad investment decision?
Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I would like to remind all Members to try refrain from side conversations. Madam Minister.

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. We have done extensive consultation with the municipalities and NWTAM and the Hamlets. I guess the question is where will this bill allow Hamlets to go in over their heads? I think that is the question. So the answer is that the bill will allow them to borrow from sources other than the GNWT and banks so that they can shop around for the best deal. The financial situations of municipalities are carefully monitored and evaluated by MACA staff. That would still be happening. We would be assisting them so they do not get in over their heads. All of the borrowing must be approved by the Minister, with the Hamlets, that is the smaller communities. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. I have Mr. Ootes and Mr. Henry. Mr. Ootes.

MR. OOTES:

Thank you, Mr. Chairman. My questions have been answered through the previous questioners. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you. Mr. Henry.

MR. HENRY:

Thank you, Mr. Chairman. It is refreshing to hear some of the comments and questions that were made on this bill. I also had the same concerns when the Minister brought this bill before the Infrastructure Committee. I would suggest that I was completely satisfied with the concerns that I had raised and any process that can be put in place to allow a community to the markets and to funds to determine their own future and projects that there was to finance, rather than just having the one source. I believe that is good.

On the question of the non-consultation with rate payers. I had very definite concerns on that. When I found out the provisions that are put in place to deal with that, my concerns were alleviated. I heard Mr.

Roland and Mr. Miltenberger ask questions on them. If I could, I would just like to point out some of the processes and some of the provisions that are in place to not have the requirement for rate payers to have input. The first one is that this is not new. This particular clause is in many communities across the country. It is not just being proposed for the Northwest Territories. In other words, it is not new ground. This provision is in other legislations across the country. Secondly, it would be elected officials in the community who would have to approve of their administration bringing this proposal forward. First of all, they would have to approve it. It would also require a by-law on behalf of the municipality.

So there are three processes again for the public to have input into it. As if that were not enough, it still requires the approval of the Minister. So, the Minister has to be satisfied that the plan is in place and that the community is in a financially healthy situation. From my perspective those were some of the issues that our committee looked at and certainly alleviated any concerns that I had with the Bill. I am pleased at the present situation that the Bill is in before this House. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Henry. General comments. Any further general comments? If not, do we agree to go clause by clause?

UNKNOWN SPEAKERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Bill 19, Municipal Statutes Amending Act, No. 2. Clause one. Agreed?

UNKNOWN SPEAKERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Part 2, clause 2 on page four.

UNKNOWN SPEAKER:

Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Yes, Madam Minister?

HON. MANITOK THOMPSON:

Mr. Chairman, I have to read the whole thing. Do I have to read the whole thing? I have to make a motion.

CHAIRMAN (Mr. Ningark):

Thank you. I believe, Madam Minister, you want to move a motion part 2, clause 2. So, if you are making a motion, you have to read out all of the motion. Thank you.

Committee Motion

HON. MANITOK THOMPSON:

Thank you, Mr. Chairman. I move that clause 2 of Bill 19 be amended by

(a) deleting subclause (5) and by substituting the following:

(5) Section 150 is amended by

(a) striking out ", on the security of debentures," in subsection (1) and by substituting "for a period exceeding one year"; and

(b) deleting subsection (4) and by substituting the following:

(4) The Minister with the approval of the

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Executive Council may, by order, exempt a long-term borrowing by-law from the approval of the ratepayers required by paragraph (3)(b) where

(a) the money to be secured by way of long-term debt security is to be used to finance a project other than a local improvement; and

(b) the general revenues of the municipal corporation are to bear no part of the cost of the project referred to in paragraph (a).

(5) Notwithstanding that the general revenues of the municipal corporation may bear a part of the cost of a project referred to in paragraph (a), the Minister with the approval of the Executive Council may, by order, exempt a long-term borrowing by-law from the approval of the ratepayers required by paragraph (3)(b) where

(a) the money to be secured by way of long-term debt security is to be used to finance a project other than a local improvement; and

(b) the Minister is satisfied that the borrowing proposed under the long-term borrowing by-law will result in a net savings to the municipal corporation.

(6) The Minister with the approval of the Executive Council may, by order, exempt a long-term borrowing by-law from the approval of the ratepayers required by paragraph (3)(b) where the money to be secured by way of long-term debt security is to be used to refinance an existing long-term debt security.

(b) deleting subclause (11) and by substituting the following:

(11) Section 156.1 is repealed and the following is substituted:

156.1. A long-term debt security issued or entered into by a municipal corporation to refinance an existing long-term debt security issued or entered into under a long-term borrowing by-law exempted from rate payer approval under subsection 150(6) must have

(a) a principal amount not exceeding the principal amount borrowed under the existing long-term debt security;

(b) a term not exceeding the term of the existing long-term debt security: and

(c) a total amount of principal and interest payable in a year under the refinanced long-term debt security not exceeding the amount of principal and interest that was payable in a year under the existing long-term debt security. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Ningark):

Thank you, Madam Minister. The motion is in order. To the motion. Question has been called. Mr. Steen.

MR. STEEN:

Mr. Chairman, I would like to speak to the motion.

CHAIRMAN (Mr. Ningark):

To the motion. Mr. Steen.

MR. STEEN:

Thank you, Mr. Chairman. Mr. Chairman, this particular amendment was suggested to the Infrastructure Committee of which I am a Member. I could just not be convinced that this particular amendment was necessary. Therefore, I will not be supporting this particular motion. Mr. Chairman, my major concerns were that it seems to be an opportunity for the administration to circumvent the ratepayers. Although I have heard arguments to the contrary, I am still convinced that if the administration really believes, and in this particular case I am talking about the municipal administrators, that there are savings and that they can convince this government through the Minister and her department and then Cabinet as well, that in fact, there are savings surely they can convince the ratepayers of their particular municipality.

The suggestion has been put forward that it would take too long to get ratepayer approval and therefore a substantial amount of funding may be lost whereby the particular municipality would be paying a higher interest rate than what they may have been able to negotiate had they been given the opportunity. Personally, I believe that under the existing systems the ratepayer would be approached any time within the election time of a year. So therefore, the longest we would be looking at would be a year. I believe that the ratepayers should have opportunity to have input and it could be that I am wrong, but I would prefer to be wrong on the side of the ratepayer rather than the municipality's administrators. In this particular situation, we have a situation here where the administrators would be approaching the government rather than the ratepayers and I do not see why that should be allowed. As an example, Mr. Chairman, on a number of occasions I picked up the Yellowknife newspaper and I have read time and time again where ratepayers are upset with the administrators running the city without their input. In particular with financial situations. Therefore, although I have not had this particular situation in my community, I would prefer to steer to the side of the ratepayers. I will not be supporting this motion. Thank you.

CHAIRMAN (Mr. Ningark):

Thank you, Mr. Steen. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Part 2, clause 2 as amended. Agreed?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Page 7, part three, clause 3. Do we agree?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Part 4, clause 4, Bill 19.

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Agreed. Thank you. Bill as a whole?

SOME HON. MEMBERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Does the committee agree that Bill 19 is ready for third reading as amended.

UNKNOWN SPEAKERS:

Agreed.

CHAIRMAN (Mr. Ningark):

Thank you. Bill 19 is now ready for third reading as amended. That concludes this particular item. I would like to thank the Minister and the witnesses on behalf of the committee. Thank you. I would like to ask the committee, what is the wish of the committee? What do you want to do from here on? Mr. Miltenberger.

MR. MILTENBERGER:

Mr. Chairman, given our late work load, I move that we report progress.

CHAIRMAN (Mr. Ningark):

Thank you. There is a motion on the table to report progress and is not debatable. All those in favour? There is a motion but we do not have a quorum so I

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will ring the bell. We have a quorum. There is a motion on the floor to report progress. All those in

favour? All those opposed? The motion is carried. I will rise and report progress to the Speaker. 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

MR. NINGARK:

Thank you, Mr. Speaker. The committee has been considering Bill 19 and would like to report progress with one motion being adopted. Bill 19 is ready for third reading as amended. Mr. Speaker, I move that the report of the committee of the whole be concurred with. Thank you.

MR. SPEAKER:

Second by the Member for Inuvik. The motion is in order. To the motion. Question has been called. All those in favour? All those opposed? The motion is carried. Item 21, third reading of bills. Mr. Clerk, orders of the day.

ITEM 22: ORDERS OF THE DAY

CLERK OF THE HOUSE (Mr. Hamilton):

Mr. Speaker, meeting of the Western Caucus and the Nunavut Caucus at 4:00 p.m. this afternoon. Meetings for Wednesday morning at 9:00 a.m. of the Infrastructure Committee and also at 9:00 a.m. of the Standing Committee on Resource Management and at 11:00 a.m. of the Ordinary Members' Caucus and at 12:00 noon of the Standing Committee on Social Programs.

Orders of day for Wednesday, October 8.

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
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

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16. Motions
17. First Reading of Bills
 - Bill 23, An Act to Amend the Elections Act
 - Bill 24, An Act to Amend the Financial Administration Act
 - Bill 25, Supplementary Appropriation Act, No. 2, 1997-1998
18. Second Reading of Bills
19. Consideration in Committee of the Whole of Bills and Other Matters
 - Bill 3, Family Law Act
 - Bill 4, Children's Law Act
 - Bill 5, Adoption Act
 - Bill 6, Child and Family Services Act
 - Committee Report 8
20. Report of Committee of the Whole
21. Third Reading of Bills
 - Bill 19, Municipal Statutes Amending Act, No. 2
22. Orders of the Day.

MR. SPEAKER:

Thank you, Mr. Clerk. This House stands adjourned
until Wednesday, October 8, 1997, at 1:30 p.m.

--ADJOURNMENT