

**LEGISLATIVE ASSEMBLY OF THE**

**NORTHWEST TERRITORIES**

**5<sup>TH</sup> COUNCIL, 27<sup>TH</sup> SESSION**

**SESSIONAL PAPER NO. 19-27.**

**TABLED ON JUNE 2, 1964**



## NORTHWEST TERRITORIES

SESSIONAL PAPER NO. 19, 1964 (First Session)

### PROGRESS REPORT ON COMPENSATION AND REHABILITATION PROGRAMS AT HAY RIVER AND FORT SIMPSON

This report follows and supplements Sessional Paper No. 6 which was presented to Council at the Third Session, 1963, at Ottawa. It is intended to summarize the progress made and the costs involved in the assistance given to flood victims at Hay River and Fort Simpson and to give some indication of future financial requirements to complete this undertaking. Progress in the development of the Hay River Subdivision will be shown and the financial requirements reviewed.

The Federal Government approved in general terms a program of rehabilitation and compensation for flood victims at both communities in May, 1963. All funds expended under this program (less \$100,000 voted by the Territorial Government) have been provided by the Federal Government. The program and all payments to flood victims have been administered by the Territorial Government. The accounting of expenditures under the program to date, given in this paper, are not complete because payments are still being made and accounts will continue to be received over the next few months.

#### Evacuation and Rehabilitation of Flood Victims

Residents of the two communities were given public assistance in various ways. Many were evacuated from their community and housed with private residents at Yellowknife and Fort Smith. Others left the Territories and stayed with friends in the Provinces. All air transportation costs were at public expense and payment was made for accommodation and meals for refugees while in Fort Smith and Yellowknife. Still other residents remained in their community, and trailers and tents were provided as temporary accommodation. The trailers (only at Hay River) were obtained under contract to the Territorial Government at an average monthly cost of \$175.00 plus \$315.00 haulage fee to and from the new Hay River Subdivision site. A nominal rental of \$40.00 per month was charged to occupants of the trailers. The total amount of rentals assessed to trailer occupants was \$5,700, but collections were only \$4,250. Water and sewage services were provided on a temporary basis. Food, clothing and blankets were supplied in both communities as the emergency demanded. Repairs to private boats and vehicles damaged while assisting with the evacuation were paid for where claims were made.

Expenditures (to April 10th, 1964) under this program are given in some detail in Schedule A attached to this paper. In summary, the expenditures under this program to date have been \$526,156 at Hay River and \$17,000 at Fort Simpson. All billings are not yet in for this type of expenditure. The Department of National Defence spent some \$100,000 for supplies and equipment used during the period the Army and Air Force assisted with the evacuation. Other Federal Departments spent various sums and supplied goods. We should expect requests for reimbursement. The amount could approach \$35,000.

#### Compensation for Loss of Property

We were very fortunate in having on-the-spot assessment of damage done by professionals who worked literally as the water receded. They were members of the Disaster Committee of the Canadian Independent Adjusters' Conference. It is with great satisfaction that I report to you on their speedy mobilization, precisely timed and gauged to the magnitude of the job, their remarkable accurate evaluations and the reasonable charges they made for their services.

Payment of claims was commenced immediately after the adjusters left and has continued as property was replaced or restored. The authorization of these compensation payments was handled locally. The flood compensation committees functioned so well in face of the many problems put before them we must salute the high integrity and selfless service of the men concerned. The scale of compensation to private individuals, to commercial enterprises and ecclesiastical and other community organizations as authorized by Council at the Second Session, 1963, was:

- (a) residential real property - 100% of appraised loss
- (b) household furnishings and personal effects - 80% of appraised loss
- (c) commercial stock in trade - 70% of appraised loss
- (d) other business property - 80% of appraised loss

The total assessments, entitlements and payments to date for compensation of personal and property losses are summarized in Schedule B appended to this paper. There is still one claim for loss of stock in trade for which proof of loss has not been established in Hay River. This will increase the total entitlement for that community to over \$635,000 and it will be noted from Schedule B that approximately 85% of the amount of the entitlement in Hay River has been paid to date and almost 100% at Fort Simpson. The Municipality of Hay River has requested compensation of approximately \$27,000 for the cost of restoring roads, sidewalks and other municipal property. Negotiations are also under way to determine the losses sustained by the Municipality in connection with the Community Centre project which was under construction at the time of the flood. From the information available, it would appear that the total expenditures for compensation will run to nearly \$650,000 at Hay River and just over \$17,000 at Fort Simpson.

#### Assistance for Moving Homes at Hay River

In addition to the compensation for loss of property outlined above, the Federal Government approved a program of assistance for moving private homes from Vale Island to the new Hay River Subdivision. This assistance is set at 60% of the actual moving costs to a maximum of \$500 subsidy per house. The Federal Government has approved an expenditure of \$50,000 for this purpose. The unfortunate delay in making building lots available in the new subdivision and the very wet weather delayed the moving of homes and payments under this program are only about \$9,000. From the way things are going the full \$50,000 will not be used up before October 1, 1964, which has been established as the deadline for this type of assistance.

#### Northwest Territories Flood Relief Fund

This private flood relief fund was organized and administered under the trusteeship of Messrs. L.A. Desrochers, C.B. Snyder and Basil Dean. Contributions came from all across Canada and the total exceeded \$121,000. The first expenditure out of the fund was approximately \$40,000 to reimburse residents at Hay River and Fort Simpson for the 20% of appraised loss of household furnishings and personal effects for which the Territorial Government did not give compensation. On petition of the trustees, the Supreme Court of the Province of Alberta examined all aspects of the fund raising and handling, heard proposals from the trustees, held a public hearing and ended by authorizing distribution of the balance of the private fund as follows:

- (a) \$40,000 for assistance with the moving of homes to a maximum of \$500 per house (this provides a total subsidy of \$1,000 for moving houses at Hay River);
- (b) \$20,000 to the Council of the Municipality Hay River for discretionary relief payments;
- (c) \$12,500 to be provided to Messrs. Hancock and Goodall for discretionary relief payments at Fort Simpson; and

- (d) After payment of all administrative costs, any remaining monies to be paid to the local flood compensation committee at Hay River to be applied towards the deficiencies under categories (c) and (d) of the Territorial compensation program, (compensation for loss of business inventory and supplies and compensation for loss of commercial real property and equipment).

Fort Simpson reports expending \$3,950 of their allotment with claims of about \$3,000 yet to be processed.

At Hay River, \$23,385 was disbursed against claims for losses of personal effects and household furnishings. Claims yet to be settled are estimated at \$13,000. No disbursements have yet been made from the \$20,000 allotted for discretionary relief payments.

#### Relocation of Flood Victims at Fort Simpson

While many residents had to be evacuated and some tent accommodation had to be provided at Fort Simpson, the destruction of property there was limited. There was no loss of commercial property but some 25 Indian families lost personal effects and had to move out of the southeastern portion of the Island which was flooded. The Roman Catholic Mission made residential lots available and the Department of Citizenship and Immigration supervised and assisted with this move including the relocation and construction of houses. The Territorial Government constructed roads in this new subdivision at a cost of approximately \$7,500.

#### Progress in the Hay River Subdivision

Details of the layout of this subdivision are given in the Central Mortgage and Housing Corporation Zoning Plan. Development of Stage 1 of this layout (the northeasterly portion east of the highway and including one-half of the trailer park) is now approximately two-thirds completed. This includes roads, ditches, culverts and some clearing of lots and filling of low areas. The state of completion of various roads is also shown on the C.M.H.C. Plan. Every priority was given to the development of the residential area in order to make building lots available to residents as soon as possible. Power distribution lines were installed to service the occupied residential lots. The commercial area is being surveyed and offered for sale this year. The boundaries of the Municipality of Hay River have been extended to include the subdivision and a detailed zoning by-law for the entire municipality has been prepared by C.M.H.C. and sent to the Municipal Council. Ownership of all land in the subdivision has been transferred to the Commissioner in order that financial returns from the sale of lots in the subdivision will accrue to the Territorial Government which has financed the development.

When completed, Stage 1 of the subdivision will provide 218 residential lots; 208 of these are for single dwellings and 10 for multiple dwellings; a trailer park to take 20 trailers; a commercial area with 30 large lots (50' x 150') and 75 small modules (10' x 90') and ample areas for service stations, a hotel, hospitals, schools and other public buildings in keeping with a subdivision of this size. The residential lots in the subdivision have been made available by the Territorial Administration initially only to residents of Hay River on an exchange basis for residential lots on Vale Island, for lease or for outright sale at \$600 per lot. After a reasonable period, anyone is allowed to acquire a lot under the conditions for lease and sale. Areas for the hospital, churches and other special buildings have been made available on request. The policy for the disposal of commercial lots is now being finalized and these lots are being made available as soon as possible.

The C.M.H.C. Plan gives the location of residential lots now taken up and reserved. Our land records show that by April 1, some 45 lots have been or are being exchanged for lots on Vale Island and 33 other lots are under agreement for sale. Another 58 lots have been or are in the process of being leased. This makes a total of 114 residential lots which have been or

are being allocated to private individuals. In addition, the Department of Public Works has reserved some 36 lots for government housing. However, this number may be in excess of its requirement. This leaves 72 single dwelling and 10 multiple dwelling residential lots not yet allocated. As of April this year, 43 houses have been moved into the new townsite and an additional 22 have been constructed or were under construction.

While priority went to the provision of residential lots, the C.M.H.C. Plan included a central commercial area and these lots were put up for auction in May of this year. The auction was arranged to afford first choice to Hay River residents who were operating businesses prior to the flood, and who wished to move to the new townsite. What then remained was offered to the other Hay River residents and the balance was then offered at open auction to all interested parties.

#### Hay River Subdivision Costs

The cost of development work done in Stage 1 of the subdivision last year totalled \$180,000. It is estimated that the cost of completing the roads, ditches and clearing of land in this area this year will cost an additional \$70,000. This will make a total expenditure of approximately \$250,000 in all for Stage 1 of the subdivision. Council approved an expenditure of \$70,000 in the 1964-65 interim appropriations to complete the development work in Stage 1 of the subdivision.

When the magnitude of the cost of the new subdivision became known, the Federal Government was asked to give financial assistance in addition to provision made for compensation payments to flood victims. The Federal Government contributed \$80,000 against the cost of the new subdivision and it approved the loan of federal funds to cover the balance of the Territorial expenditure. This will reduce the total cost to the Territorial Government to approximately \$170,000 which will be borrowed from the Federal Government as a loan outside the provisions of the Federal-Territorial Financial Agreement. Council has already authorized the borrowing of funds for this purpose. This loan will be financed as far as possible from the proceeds from the sale of lots in the subdivision.

#### Conclusion

In reviewing the effect and results of the floods at Hay River and Fort Simpson for the new Council, the contributions made by a great number of people should be pointed out. The spirit of co-operation both on the part of evacuees and residents who welcomed them into their homes was heart-warming. The initiative and drive shown by all those involved in carrying out the processes of evacuation rehabilitation on the ground was most noteworthy. So was the prompt response from other public and private services, agencies and departments. The prompt action and sympathetic attitude of the Minister and his associates was a spur and inspiration to everyone concerned. Coupled to this was the splendid response of Council in this period of trouble.

April 24, 1964.

SCHEDULE "A"

EMERGENCY FLOOD RELIEF

VOTE 620 - DIVISION & ESTABLISHMENT

WEEKLY EXPENDITURE REPORT

WEEK ENDING April 10, 1964

Div.	Description	Weekly Expenditure			Total Expenditure		
		Estab. 359	Estab. 371	Total	Estab. 359	Estab. 371	Total Exp. to date
01	Compensation for Residential Real Property	-	2,520.48	2,520.48	4,622.72	132,313.50	136,936.22
02	Compensation for Personal Property	100.00	1,198.30	1,298.30	11,944.53	133,712.28	145,656.81
03	Compensation for Other Business Assets	-	216.49	216.49	398.77	234,857.11	235,255.88
04	Compensation for Commercial Business	-	-	-	-	25,275.38	25,275.38
05	Transp. of Refugees	-	-	-	18,623.51	35,536.32	54,159.86
06	Accommodation and Meals for Refugees	-	-	-	3,321.89	2,944.74	6,266.63
07	Trailer Accom. and Haulage	-	-	-	-	62,714.24	62,714.24
08	Temp. accom. (excluding trailers at home settlements)	-	-	-	852.80	13,333.15	14,185.95
09	Clothing	-	-	-	2,257.18	4,944.74	7,101.92
10	Wages	-	-	-	3,308.84	7,390.09	11,198.93
11	Assistance to Municipalities	-	-	-	-	-	-
12	Rental of Equipment	-	35.75	35.75	1,142.55	17,008.11	18,150.66
13	Purchase of Food	-	-	-	10,286.61	14,999.60	25,286.21
14	Medical Supplies	-	-	-	2.79	441.93	444.72
15	Freight	-	-	-	1,115.21	2,330.52	3,445.73
16	Miscellaneous	903.77	441.71	1,345.48	11,838.30	34,737.45	46,575.75
17	Relocation of Houses	-	-	-	-	8,820.93	8,820.93
		<u>1,003.77</u>	<u>4,412.73</u>	<u>5,416.50</u>	<u>69,715.70</u>	<u>731,750.12</u>	<u>801,475.82</u>

Allotment 1,115,000.00  
 Total Expenditure 801,475.82  
 Unexpended Balance 313,524.18

(John C. Farrell)  
 District Treasury Officer  
 Dept. Northern Affairs &  
 National Resources,  
 Fort Smith, N.W.T.

Compiled by

Checked by

Verified by

SCHEDULE "B"

HAY RIVER AND FORT SIMPSON FLOOD ASSISTANCE, 1963  
Report as at April 10, 1964

Hay River, N.W.T.

Total Claims to Date - 332  
 Claims Cleared - 225

	<u>No. of Claims each Cat.</u>	<u>Assessment Report</u>	<u>Entitlement</u>	<u>Expenditure to date</u>
Category A	126	195,895.81	195,895.81	132,313.50
Category B	275	184,295.90	147,436.72	133,712.28
Category C	22	59,404.00	41,582.78	25,275.38
Category D	96	<u>313,398.19</u>	<u>250,718.57</u>	<u>234,857.11</u>
		<u>752,993.90</u>	<u>635,633.88</u>	<u>526,158.27</u>

Fort Simpson, N.W.T.

Total Claims to Date - 66  
 Claims Cleared - 60

Category A	16	4,719.10	4,719.10	4,622.72
Category B	59	15,178.66	12,142.92	11,944.53
Category C	-	nil	nil	nil
Category D	3	<u>1,175.00</u>	<u>940.00</u>	<u>398.77</u>
		<u>21,072.76</u>	<u>17,802.02</u>	<u>16,966.02</u>

- Category A - Compensation for residential real property.  
 Category B - Compensation for personal and household effects.  
 Category C - Compensation for business inventory and supplies.  
 Category D - Compensation for commercial and industrial real property and equipment.

(John C. Farrell)  
 District Treasury Officer