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Speaker: The Hon. Red Pedersen, M.L.A.

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

Speaker

The Hon. Red Pedersen, M.L.A.
 General Delivery
 Coppermine, N.W.T.
 XOE OEO
 (403) 873-7629 (Office)
 (403) 873-5788 (Home) (Yellowknife)
 (403) 982-5788 (Coppermine)
 (Kitikmeot West)

Allooloo, The Hon. Titus, M.L.A.
 5024 - 57th Street
 Yellowknife, N.W.T.
 X1A 1Y6
 (403) 873-7113 (Office)
 (403) 873-4813 (Home)
 (Amituq)
 Minister of Culture & Communications
 and Renewable Resources

Angottitauruq, Mr. Michael, M.L.A.
 General Delivery
 Gjoa Haven, N.W.T.
 XOE 1J0
 (403) 360-6600 (Office)
 (403) 360-6704 (Home)
 (Natilikmiot)
 Deputy Chairman
 Committee of the Whole

Arlooktoo, Mr. Joe, M.L.A.
 General Delivery
 Lake Harbour, N.W.T.
 XOA ONO
 (819) 939-2363 (Home)
 (Baffin South)

Ballantyne, The Hon. Michael, M.L.A.
 P.O. Box 1091
 Yellowknife, N.W.T.
 X1A 2N8
 (403) 873-7658 (Office)
 (403) 920-2963 (Home)
 (Yellowknife North)
 Minister of Finance and Justice

Butters, Mr. Tom, M.L.A.
 P.O. Box 1069
 Inuvik, N.W.T.
 XOE OTO
 (403) 979-2373 (Office)
 (403) 979-2373 (Home)
 (Inuvik)

Cournoyea, The Hon. Nellie, M.L.A.
 P.O. Box 1184
 Inuvik, N.W.T.
 XOE OTO
 (403) 873-7128 (Office)
 (403) 977-2405 (Tuktoyaktuk)
 (403) 979-2737 (Inuvik)
 (Nunakput)
 Minister of Health

Crow, Mr. Charlie, M.L.A.
 General Delivery
 Sanikiluaq, N.W.T.
 XOA OWO
 (819) 266-8940 (Home)
 (Hudson Bay)

Ernerk, Mr. Peter, M.L.A.
 Box 182
 Rankin Inlet, N.W.T.
 XOC OGO
 (819) 645-2800
 (819) 645-2500
 (Aivilik)

Gargan, Mr. Samuel, M.L.A.
 General Delivery
 Fort Providence, N.W.T.
 XOE OLO
 (403) 873-7999 (Office)
 (403) 699-3171 (Home)
 (Deh Cho)
 Deputy Speaker and Chairman,
 Committee of the Whole

Kakfwi, The Hon. Stephen, M.L.A.
 P.O. Box 1320
 Yellowknife, N.W.T.
 X1A 2L9
 (403) 873-7139 (Office)
 (403) 873-8215 (Home)
 (Sahtu)
 Minister of Government Services
 and Housing

Kilabuk, Mr. Ipeelee, M.L.A.
 General Delivery
 Pangnirtung, N.W.T.
 XOA ORO
 (819) 437-8827 (Home)
 (Baffin Central)

Lewis, Mr. Brian, M.L.A.
 P.O. Box 1320
 Yellowknife, N.W.T.
 X1A 2L9
 (403) 873-7999 (Office)
 (403) 873-5549 (Home)
 (Yellowknife Centre)

Marie-Jewell, The Hon. Jeannie, M.L.A.
 P.O. Box 1051
 Fort Smith, N.W.T.
 XOE OPO
 (403) 873-7959 (Office)
 (403) 872-2940 (Home)
 (Slave River)
 Minister of Social Services

McLaughlin, Mr. Bruce, M.L.A.
 P.O. Box 2637
 Yellowknife, N.W.T.
 X1A 2P9
 (403) 393-2939 (Office)
 (403) 393-2226 (Home)
 (403) 920-3166 (Office)
 (403) 873-6220 (Home)
 (Pine Point)

Morin, Mr. Don, M.L.A.
 General Delivery
 Fort Resolution, N.W.T.
 XOE OMO
 (403) 394-3471
 (Tu Nede)

Nerysoo, Mr. Richard, M.L.A.
 Fort McPherson, N.W.T.
 XOE OJO
 (403) 979-2668 (Home) (Inuvik)
 (Mackenzie Delta)

Patterson, The Hon. Dennis
 P.O. Box 310
 Iqaluit, N.W.T.
 XOA OHO
 (403) 873-7112 (Office)
 (819) 979-5993 (Office)
 (403) 873-2802 (Home)
 (Iqaluit)
 Government Leader,
 Chairman of Executive Council,
 Minister of Executive and Education

Pollard, Mr. John, M.L.A.
 Bag 5000
 Hay River, N.W.T.
 XOE ORO
 (403) 874-6522 (Office)
 (403) 874-2600 (Home)
 (Hay River)

Pudluk, Mr. Ludy, M.L.A.
 P.O. Box 240
 Resolute Bay, N.W.T.
 XOA OVO
 (819) 252-3719 (Home)
 (High Arctic)

Richard, Mr. Ted, M.L.A.
 P.O. Box 1320
 Yellowknife, N.W.T.
 X1A 2L9
 (403) 873-7920 (Office)
 (403) 873-3667 (Home)
 (Yellowknife South)

Sibbeston, The Hon. Nick, M.L.A.
 P.O. Box 560
 Fort Simpson, N.W.T.
 XOE ONO
 (403) 873-7123 (Office)
 (403) 873-6215 (Home)
 (Nahendeh)
 Minister of Economic Development
 & Tourism

Wray, The Hon. Gordon, M.L.A.
 Baker Lake, N.W.T.
 XOC OAO
 (403) 873-7962 (Office)
 (819) 793-2700 (Home)
 (Kivallivik)
 Minister of Municipal & Community
 Affairs, Personnel and
 Public Works & Highways

Zoe, Mr. Henry, M.L.A.
 P.O. Box 1320
 Yellowknife, N.W.T.
 X1A 2L9
 (403) 873-7999 (Office)
 (403) 873-4136 (Home)
 (Rae - Lac la Martre)
 Deputy Chairman,
 Committee of the Whole

Officers

Clerk
 Mr. David Hamilton
 Yellowknife, N.W.T.

Clerk Assistant
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 Yellowknife, N.W.T.

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YELLOWKNIFE, NORTHWEST TERRITORIES

THURSDAY, NOVEMBER 19, 1987

MEMBERS PRESENT

Hon. Titus Alloofoo, Mr. Angottitauruq, Mr. Arlooktoo, Hon. Michael Ballantyne, Mr. Butters, Hon. Nellie Cournoyea, Mr. Crow, Mr. Ernerk, Hon. Stephen Kakfwi, Mr. Kilabuk, Mr. Gargan, Mr. Lewis, Hon. Jeannie Marie-Jewell, Mr. McLaughlin, Mr. Morin, Mr. Nerysoo, Hon. Dennis Patterson, Hon. Red Pedersen, Mr. Pollard, Mr. Pudluk, Mr. Richard, Hon. Nick Sibbeston, Hon. Gordon Wray, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Red Pedersen): Orders of the day for Thursday, November 19. Item 2, Ministers' statements. Mr. Ballantyne.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 3-87(2): Interim Financial Report

HON. MICHAEL BALLANTYNE: Mr. Speaker, at the appropriate time I will be tabling the first Interim Financial Report of the Government of the Northwest Territories for the fiscal year ended March 31, 1987. In accordance with section 51 of the Financial Administration Act, it is my responsibility as Minister of Finance to lay this report before the Legislative Assembly at the first opportunity after September 30th of each fiscal year.

This interim financial report includes draft financial statements of the government and supporting schedules for revenues, expenditures, grants, contributions, special warrants, and write-offs and remissions. Although this information was not audited by the Office of the Auditor General of Canada, no material revisions were made to the final audited statement which will be tabled this session.

I wish to particularly draw the attention of this Legislative Assembly to the statement of surplus on page 15. Therein, the balance at fiscal year end for both 1986 and 1987 is presented. As can be seen, the government's surplus position increased substantially over this period, from \$60.234 million to \$64.848 million. This surplus is some \$15 million greater than that which was conservatively estimated during the 1987-88 main estimates review. The surplus will in turn help to ensure that the Government of the NWT maintains a net surplus position at the close of the 1987-88 fiscal year. Thank you.

MR. BUTTERS: Well done.

---Applause

HON. MICHAEL BALLANTYNE: Well done, you! Thank you, Mr. Butters.

MR. SPEAKER: Thank you, Mr. Minister. Ministers' statements. Item 3, Members' statements. Mr. Lewis.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Mary Murphy Senior Citizens Home

MR. LEWIS: Mr. Speaker, I would like to thank the honourable Minister of Social Services for the prompt action in solving a grave problem at the Mary Murphy Senior Citizens Home. I have contacted many of the residents there and they are extremely pleased to see that such prompt action has been taken by our new Minister. Thank you.

AN HON. MEMBER: Hear, hear!

---Applause

MR. SPEAKER: Thank you, Mr. Lewis. Item 3, Members' statements. That would appear to conclude Item 3. Item 4, returns to oral questions. Mr. Wray.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question 09-87(2): Policy On School Gyms And Community Halls

HON. GORDON WRAY: Thank you, Mr. Speaker. I have two returns. The first one is a return to oral Question 09-87(2), asked by Mr. Gargan. Mr. Speaker, I would like to advise the House that a copy of the approved capital program standards for community gyms and community halls has been provided to the Member, as per his request.

MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. Mr. Wray.

Further Return To Question 07-87(2): Response To Petition 3-87(2)

HON. GORDON WRAY: Thank you, Mr. Speaker. Return to oral Question 07-87(2), asked by Mr. Arlooktoo on November 18th, with regard to the Lake Harbour water supply.

Regarding the concern raised in Petition 3-87(2) presented by Mr. Arlooktoo on November 16th, 1987, this issue is not a new one. The Department of Municipal and Community Affairs has again recently heard complaints from some Lake Harbour residents about the possibility that the water supply lake might have some contamination. A search has been done of the records of the public health regional office as well as water testing records of the Department of Indian and Northern Affairs in Iqaluit. No negative reports were found concerning the quality of the water. However, because of the sensitivity that people have toward drinking water, additional and more detailed testing of the lake water system will be carried out by public health this month and the Department of Municipal and Community Affairs will give serious consideration to the results of those tests. Thank you.

MR. SPEAKER: Thank you, Mr. Wray. Item 4, returns to oral questions. Mr. Patterson.

Further Return To Question 010-87(2): Tabling Of Policy On Decentralization And On Privatization

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I have a return to the oral question asked by Mr. Ernerk yesterday on the privatization and decentralization policy. At the appropriate time I will be tabling the government organization policy and the privatization policy. A policy on decentralization, which Mr. Ernerk asked to be tabled, does not exist as a separate policy. However, all government organization, including the method of program and service delivery, is determined by the government organization policy. This policy forms the basis for decentralized service delivery.

I should also mention that the review of the privatization policy is currently being conducted under the direction of the Hon. Nick Sibbeston, Minister of Economic Development and Tourism. This review was instigated in response to concerns raised by a number of private sector organizations and concerned individuals. Thank you.

MR. SPEAKER: Thank you, Mr. Government Leader. Item 4, returns to oral questions. Mr. Alloofoo.

Return To Question 02-87(2): Improvements To Community Radio Equipment, Cape Dorset

HON. TITUS ALLOOLOO: (Translation) Thank you, Mr. Speaker. I have a reply to oral Question 02-87(2), asked by Mr. Arlooktoo on November 16th. He asked about the radio reception at Cape Dorset. The radio and television satellite facilities at Cape Dorset were installed and are maintained by the CBC. The community also has a local radio station which connects to the CBC transmitter. We have contacted CBC officials in Iqaluit to make them aware of Mr. Arlooktoo's concern on behalf of the community. They had been advised of some television reception problems caused by the location of their transmitter and the direction in which the community has grown. They have now promised to also investigate problems with radio reception.

My officials have also been in touch with the hamlet and representatives of the recreation and radio committee. The Cape Dorset committee is currently preparing an application for a community broadcasting grant which provides up to \$6000 for the operation or purchase of new equipment at the station. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Item 4, returns to oral questions. Item 5, oral questions. Mr. Ernerk.

ITEM 5: ORAL QUESTIONS

Question 018-87(2): Response To Question W2-87(2)

MR. ERNERK: Thank you, Mr. Speaker. On November 17th, 1987, I asked the Minister for Economic Development and Tourism to table in this House details with regard to contributions under the assistance to business program from 1984-85, 1985-86 and 1986-87 year to date. Where is the reply?

MR. SPEAKER: Mr. Sibbeston.

Return To Question 018-87(2): Response To Question W2-87(2)

HON. NICK SIBBESTON: Mr. Speaker, I will be providing the reply today under returns to written questions.

MR. SPEAKER: Thank you, Mr. Minister. Item 5, oral questions. Supplementary, Mr. Ernerk.

Question 019-87(2): List Of Boards And Appointees

MR. ERNERK: Mr. Speaker, this is actually a different question. Can I ask for a list of boards to be tabled in this session, especially with regard to the following: NWT Business Council; Workers' Compensation Board; Liquor Licensing Board; Housing Corporation Board; Board of Governors, Thebacha College; Territorial Health Insurance Services Board; regional health boards; Public Utilities Board; Equal Employment Directorate? Could I also ask the government to table the names of the appointees, in this House, and the length of term of the appointees? Thank you.

MR. SPEAKER: Thank you, Mr. Ernerk. Mr. Government Leader, would you care to reply to that?

Return To Question 019-87(2): List Of Boards And Appointees

HON. DENNIS PATTERSON: Yes, Mr. Speaker. Of course we can provide that information as to who is on those boards, with no problem at all.

MR. SPEAKER: Thank you, Mr. Patterson. Item 5, oral questions. Mr. Ernerk.

Question 020-87(2): AIDS In The NWT

MR. ERNERK: Thank you, Mr. Speaker. In the Wednesday edition of the Edmonton Journal, November 18, 1987, I read the report with regard to the issue of the fight against AIDS. The report indicates, and I quote, "Although there has only been one reported case of AIDS in the NWT, health officials fear up to 100 residents may be infected by the AIDS virus." Since I take this issue very seriously, Mr. Speaker, can I ask where this information is coming from and can I ask for a confirmation of this figure of 100?

MR. SPEAKER: Madam Minister.

HON. NELLIE COURNOYEA: Mr. Speaker, I will take that question under advisement and perhaps before Mr. Ernerk returns I can get that information to him, even though we are not in this Assembly.

MR. SPEAKER: Thank you, Madam Minister. You are taking the question as notice. Item 5, oral questions.

Item 6, written questions. Written questions. Item 7, returns to written questions. Mr. Sibbeston.

ITEM 7: RETURNS TO WRITTEN QUESTIONS

Return To Question W2-87(2): Assistance To Business Program

HON. NICK SIBBESTON: Mr. Speaker, the Department of Economic Development and Tourism administers the financial assistance to business policy 61.01 and the business development policy 61.02. These programs are commonly referred to as the assistance to business programs. Contributions are provided to business enterprises in financial difficulty, in legitimate instances of proven need and for establishment, expansion and modernization.

Copies of these two policies have been provided for distribution to Members. I would note that a summary of contributions over the last three fiscal years has been attached, as well as a list of recipients and the purpose and amount of each contribution. An active record of contributions for fiscal year 1984-85 is not maintained by the Department of Economic Development and Tourism. However, if this information is required, it can be retrieved from the government archives.

MR. SPEAKER: Thank you, Mr. Minister. Returns to written questions. Mr. Patterson.

Return To Question W1-87(2): Canlog Technical Services Defence Contract

HON. DENNIS PATTERSON: I have a return to written Question W1-87(2) asked by Mr. Ernerk on November 17th, with regard to the North Warning System contract.

No contract has been awarded to this point in time, nor has the federal government announced a preferred contractor. Proposals were submitted to the Government of Canada by four bidders: Canadian General Electric, Canlog, Frontec, and Alert Defence Systems. The proposals were based on requirements set out in a request for proposals which included requirements for northern participation. The Government of the NWT participated in the development of the northern benefits requirements. Our input was based on the GNWT position paper presented to the standing committee on external affairs and national defence on September 17, 1985.

The proposals were evaluated by a number of specialist evaluation teams for management and technical capability, regional Canadian benefits, and northern benefits. Representatives of this government participated on the northern benefits team. With respect to employment and training, 13 factors were assessed and 10 with respect to business opportunities.

Proposals were compared and weighed against each other to determine, for example, if skill level requirements were realistic, training plans were adequate to meet northern needs, and purchasing policies and procedures would facilitate and ensure northern participation. All factors were examined in a similar manner. Not only were bidders required to set out specific quantified commitments, but were expected to commit to plans which would translate proposals into reality. Equity participation was one factor out of 23 reviewed. The results from all evaluation teams were pooled to get an overall result. The Government of Canada also looked at the cost of each proposal.

As a next step, the Department of Supply and Services must get approval from the federal Treasury Board to negotiate and enter into a contract with the successful bidder. The successful bidder will be contractually bound to provide northern opportunities outlined in the proposal.

To this point in time, efforts of this government have been directed at ensuring that northerners receive preference in the competition for jobs and supplying goods and services. As a secondary goal, we wished to have a role in the evaluation process. The government has been most successful

in accomplishing its two objectives. The process employed by the federal government for this project represents a great step forward with respect to northern participation in federal projects. Northern benefits requirements in federal contracts were unheard of 10 years ago.

The bid evaluation process does appear to be fair and does include full consideration of potential northern benefits. Details contained in the four competing proposals and their evaluation are classified as secret at this time and, as such, the territorial government is not at liberty to provide any details. Regardless of which bidder is successful, there will be substantial employment and business opportunities for Inuit and other northerners.

I feel that at this stage of the process, it would be inappropriate for me as Government Leader to write to the Prime Minister in support of Canlog or any other bidder. Nevertheless, I feel that the principal objective of this government, of ensuring the incorporation of northern benefits into the contract, has been achieved.

MR. SPEAKER: Thank you, Mr. Government Leader. The Chair wishes to advise both you and Mr. Sibbeston that the rules state that if the Minister chooses to read the return then you must read it in full; otherwise you should file it with the Clerk and it will be indicated from the Clerk which question return has been filed. Do you wish to read these in full or file them? Mr. Patterson.

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. They have both been filed with the Clerk. I just wanted to give the House notice that they were with the Clerk. I do not think it is necessary to read them. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. That notice will be given when the Ministers finish making their personal replies to written questions. Item 7, returns to written questions. Mr. Clerk, do you have any returns filed?

CLERK OF THE HOUSE (Mr. Hamilton): Return to Question W1-87(2), asked by Mr. Ernerk of the Government Leader. Return to Question W2-87(2), asked by Mr. Ernerk of the Minister of Economic Development and Tourism.

MR. SPEAKER: Thank you, Mr. Clerk. Item 8, replies to the Opening Address. Mr. Butters.

ITEM 8: REPLIES TO OPENING ADDRESS

Mr. Butters' Reply

MR. BUTTERS: Mr. Speaker, I congratulate you on your elevation to your high office as first among equals. I compliment your predecessor, Don Stewart, for formalizing and firmly establishing the role of Speaker in this House. History will grant Mr. Stewart, if we do not, the recognition he deserves for his significant contribution. I suggest we consider some appropriate way of honouring Don Stewart for his service and dedication to this House. I would also congratulate Mr. Stewart and the Clerk of the House, David Hamilton, for the improved environment in which staff serving us, especially the indispensable, ever-patient and increasingly professional interpreters, carry out a demanding function.

However, one small element disturbs me and that is the manner in which we have accommodated the press in this chamber. The press is an integral part of the process and its importance should be provided grander testimonial than a modestly draped table, borrowed from some local bingo emporium. I would hope that one of our journalists, who hang assiduously on our words so they can hang us on theirs, will take responsibility for the organization of a press council...

AN HON. MEMBER: Hear, hear!

MR. BUTTERS: ...and through such a mechanism...

---Applause

...establish a better working relationship between this Assembly and the press than has existed in past years.

SOME HON. MEMBERS: Hear, hear!

---Applause

MR. BUTTERS: I congratulate also Ann Hanson of Iqaluit on her appointment as Deputy Commissioner for the Northwest Territories. Deputy Commissioner Hanson brings dedication, energy and tough-mindedness to her new responsibility, or how else could she have sat through the last five days of debate in this House so patiently?

---Laughter

We look forward to seeing more of our Deputy Commissioner in the West and I also look forward, personally, to being present when this House is prorogued by Deputy Commissioner Hanson.

AN HON. MEMBER: Hear, hear!

MR. BUTTERS: Mrs. Hanson replaces Agnes Semmler, a woman who has cast a long shadow across Canada's Western Arctic for more years than I can tell and I am quite sure Agnes would not want me to tell anyway, but Bob Ruzicka captured her best in the words of a song, "Agnes Semmler with the warm and laughing face". I am sure if I am ever fortunate enough to steal into heaven I will find it is true that the Lord created Agnes in Her own image.

I congratulate Dennis Patterson on being chosen First Minister of the Government of the Northwest Territories and I pledge to him my support and co-operation during the long pull ahead. The Hon. Nick Sibbeston I compliment for his two effective years as Government Leader of this government. Congratulations are due also to the Members of Mr. Patterson's cabinet. We will watch your endeavours with rapt attention and keen interest. I believe you will find the ordinary Members of this House supportive in your efforts generally but be warned, when necessary we will caution and when deserved we will commend you. And a special note of congratulations to the honourable Member for Slave River, who is not in the House at the moment, on her response to the Opening Address. She has well learned the cardinal rule of public speaking -- be prepared, be brief and be seated.

I trust I will do as well, sir. To my former colleagues not returned to this House, I thank them on behalf of the people of the Northwest Territories for their service and contribution to the evolution of responsible government in these Territories. To those returned, my congratulations and the expectation of productive years ahead. To the new Members, the secret of settling into this chamber is to get down to work soon and stay at it throughout your term. That also is the secret of coming back.

Promise Of New Economic Dawn

I do not intend, Mr. Speaker, on this occasion to regale you or my colleagues with facts, figures or fancies about my constituency. That revelation, which I am sure you are all keenly anxious to hear, will have to wait until another session. For now, and in conclusion, I would indicate my strong support for the honourable Member for Yellowknife Centre's motion on establishing a special committee on the economy. I agree with my colleague, the honourable Member for Natilikmiot, who sees on our northern landscape the brightening promise of a new economic dawn.

I applaud likewise our First Minister's determination to put his government into a development readiness mode. But it is wishful thinking to expect governments to create wealth. Governments print wealth. Governments spend wealth. Governments do not create wealth. Wealth is created, sir, by industry: the industry of our hands; the industry of prospectors scarring the spine of the Canadian Shield; the industry of the petroleum geologist hitting sweet oil right where his projections say it will be; the industry of trappers and hunters from whose backs the blight of animal welfare group proponents is being lifted; the industry of all those who make a living from humanity's curiosity and adventurous spirit.

I believe the day that Mr. Angottitauruq has seen and has spoken of is not far away. Planning is required. Training is required. Capital is required. Labour is required; sometimes 16 hours a day of labour is required.

I believe all that has gone before is prologue. Our future, the one we have been talking about for many years, when we stand tall, independent, in our big land, is not far distant. It is as close as next year, as next month, as tomorrow. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Butters. Item 8, replies to the Opening Address. Mr. Wray.

Mr. Wray's Reply

HON. GORDON WRAY: Thank you, Mr. Speaker. I will not attempt to equal or beat my previous record. There are only a few items that I wish to talk about today. I think the first order of business is to thank the voters of Kivallivik for returning me to this House.

I also would like to take this opportunity to express my thanks to Tom Butters, who as a Minister of this government, in 1984, took a couple of us who were relatively new Members of the Executive Council under his wing and taught us the rules and the ropes and helped us to figure out our way through the bureaucracy. I also would like to acknowledge Mr. Pedersen and Mr. McLaughlin, who were also colleagues of mine, and particularly Mr. Pudluk, who came on to the Executive under very difficult circumstances.

Development Of Long-Term Economic Plan

I would like to confirm that, as with almost every other constituency in this House, the people of Kivallivik clearly see that the development of an economy, economic development, is the priority in our region. We cannot continue to live and exist in a welfare society. Human dignity demands that people have employment or an income of some kind that makes them independent; that makes them free to make decisions by themselves without having to depend on somebody else. I would, however, hope that this House -- whether it is the creation of a special committee on the economy or whether it is the Executive Council on an economic plan for the Territories -- acknowledge that what we are about to embark on may not necessarily return immediate political gains. I think that if we are serious about developing an economy it cannot be looked at within a two or a three year time period. We must lay the basis and the groundwork for the economy that will sustain us over the next 20 to 50 years. So, unlike buildings or those other items that we can put up very fast and the population can see, I would say that as politicians, an economic plan may not generate those very sexy items that people see on the street but would be a plan that probably our children will get more benefit from than we do. I hope that this Legislature takes that long-term view because I think, quite frankly, Mr. Speaker, one of the problems that we have had in the past in the NWT is that our foresight was extremely short term; that we reacted to crisis; that we reacted to boom and bust. We did not take the long-term view of our economy and I think that we must do that now.

Opening Of The Thelon Game Sanctuary To Mining

I would like to make one comment with regard to the Thelon Game Sanctuary and then I will close my speech. There have been, in the last few days, a radio show the other morning and articles in newspapers about the Thelon Game Sanctuary. The Thelon Game Sanctuary is spread among three constituencies in this House. It involves my constituency, Kivallivik, the constituency of Tu Nede, Mr. Morin, and yourself, Mr. Speaker, your constituency.

I wish to state for the public record, Mr. Speaker, categorically, that I will oppose and fight any attempt to open that game sanctuary for any reason whatsoever. Mining companies in the North have got to learn not to get greedy. We went through a horrendous situation in the Keewatin in the late 1970s when the people of Baker Lake fought tooth and nail to protect the caribou calving grounds and to protect their crossing areas. We fought that with the mining companies. While we did not win completely, we did win a very important battle and that is that finally the mining industry and the federal government understood that they had to take our concerns seriously, that they could not do things without our input.

Over the last 10 years a very -- I should say uneasy -- but a compromise has been reached between our communities and the mining industry, which acknowledges the fact that, yes, there is mining exploration and there probably will be mining development as long as it is to the benefit of the residents of our region. The mining industry must learn also that if they have 95 per cent of the land available to them right now, the other five per cent is not going to be available to them.

Not only will I encourage and use whatever influence I have to ensure that this game sanctuary is not opened up, but I think it is time that we moved to protect the calving grounds on a permanent basis. The calving grounds are protected only by policy under the land use protection. They are not protected by legislation or any other form of law. It is only a policy of Indian Affairs that can be amended or reviewed at any time. We must move to enshrine that protection.

Mining companies do not explore for the sake of exploration. Mining companies explore for the potential and with the view to developing what they find with that exploration. The Thelon Game Sanctuary has been in place since 1926. It is interesting to note that on the radio the other morning Mr. Nutter of the Chamber of Mines said that one of the reasons that it was now time to review it was that because the game sanctuary was originally put in place to protect musk-ox, that the musk-ox were now healthy and thriving and therefore it was no longer necessary. Well, after 62 years, Mr. Speaker, the people of Baker Lake now have a musk-ox quota of 12. It has taken us 62 years to develop a musk-ox quota of 12. So the musk-ox are not thriving. The musk-ox are beginning to come out of the sanctuary but it has taken 60 years to get them to that stage.

Tourism Potential For Baker Lake

The sanctuary is very important to my community. The community of Baker Lake is the closest community to that sanctuary in terms of tourism. It is one area where the canoeists and the naturalists now come simply because it has a lot of wildlife. It has tourism potential for our community. We want to see neither exploration nor development in that sanctuary. I think that it is very insensitive of the mining industry, particularly when they are wanting concessions in other areas in the Keewatin, to zero in on this one sanctuary. I caution the mining industry that any advances they have gained in the Keewatin in the last 10 years could be very quickly lost if they push this issue. I was hoping that the mining industry, in fact, had learned to be a little bit more sensitive to people's concerns.

I am especially annoyed at the federal government, who seem to be instigating this. I do not know whether they are subject to pressure from the mining industry and this is why they are doing it, but the federal government also seems to be taking a lead in it. It is one of the very few areas in the North where game is actually protected and if the people of Baker Lake can respect those laws for 62 years, then the mining industry sure as hell can do the same thing. I know that it was very difficult for the people of my constituency, at times, to respect those laws because that game sanctuary is only about a day's snowmobile ride from my community and it is rich in wolf, it is rich in wolverine, it is rich in caribou and many of the fur-bearing animals that a lot of my constituency depend on. Yet they have never gone into that sanctuary to hunt or trap. They respected the laws. And I think that it is extremely insensitive and, quite frankly, outright stupid for the mining industry to be making this an issue.

I would close my reply to the Opening Address, Mr. Speaker, by saying that I look forward to working with my colleagues on the Executive Council and I look forward to working with my colleagues across the floor and at this end. I think that we have laid out a major job for ourselves in the development of our economy. I only hope that we can accomplish it because I think that if all this House did was to leave behind a blueprint for the future, it will be one of the major accomplishments of the last 30 years. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Wray. Item 8, replies to the Opening Address. Item 9, petitions. Mr. Kakfwi, was your hand up for Item 8? I am sorry I missed you. We will return to Item 8, replies to the Opening Address.

Mr. Kakfwi's Reply

HON. STEPHEN KAKFWI: Thank you, Mr. Speaker. As a newly elected MLA for the Sahtu region, I also wanted to say a few words. I will try to be as short as possible.

I congratulate the new Members who were elected and also congratulate those who have been re-elected. I congratulate, as well, the new Ministers and the new Government Leader, the Speaker, the various chairmen of the committees and I must say I am sorry to see people like Mr. Butters no longer on the Executive as I hoped everyone that ran could have found some way to get on. And also because one of the things that my constituents have indicated very clearly during my campaign is that the Sahtu communities are prepared to work toward the establishment of a region separate from the Inuvik Region. I hoped Mr. Butters would have been around on the Executive to help me take his little region apart. However, that is on my agenda and I wish to indicate to the other Members that that is one of the things that I will work on.

I ran as a candidate in this election because I thought that I could add, maybe, to the profile, the colour, the credibility of this Legislature and that it would be something new for me as a member of the Dene Nation, having worked in the organization for some 14 years, probably one of the best schooling grounds in the North for what you require to work in a consensus form of government. So I thought I could contribute in the political and constitutional development of this Legislature and this government because of my background and, as well, the added challenges of working in a new environment with new people for the general public were things that attracted me to work alongside the other colleagues who have been elected. I think that many of the things that I have learned while working for the chiefs will probably serve me well in trying to improve the way in which government works, and this Legislature, as well.

One of the issues that will be of interest to me and my constituents is, of course, housing. I am one person who knows what it is like to sleep outside, homeless. I know what it is like to go hungry and without a place to eat, having suffered that right here in Yellowknife some 20 years ago. So the issues of improving the plight of the low-income people, the trappers, the elderly and the handicapped, are of great interest to me. The portfolio, the responsibility of Housing, has landed with me. I am delighted with that. I served as a member on the NWT Housing Corporation Board of Directors some years ago and, in fact, contributed to the development of the home-ownership program. So I hope to bring some benefits of my experience and ideas not only to my constituents, but to the constituents all over the NWT.

AN HON. MEMBER: Hear, hear!

More Favourable View Of Development

HON. STEPHEN KAKFWI: As some of you will recall, in the Sahtu region during the Berger years, communities like Good Hope, Norman and Franklin, were very strongly against the idea of any development prior to a claim. In recent years, because of the increased ability and the resources that the communities have, their experience in business as well as the infrastructure and utilities, they are much more prepared to negotiate projects and look on development much more favourably than in the past. I point to things like the Mackenzie highway. My communities of Fort Good Hope and Colville Lake have expressed very strong interest in benefiting from a winter road and have requested this government to help them lobby for that.

As well, while the native communities in my constituency are anxious to look at development, as are the residents of Norman Wells, we are also equally concerned about the increasing social problems. The abuse of alcohol, the solvent sniffing amongst young people, the increasing problems with young people are a very big concern in my region. So we would look to things like recreational programs and facilities to help us in whatever way they could to arrest this growing problem.

I just want to digress a little bit because this has been with me for four days now, I do not want to make it a practice to respond to other Members' replies. However, I cannot help but quote Mr. Lewis' statement on Monday. He says, "Many of the people who call themselves aboriginal people today owe their very existence to the many non-native people of one kind or another who came north over the past 400 years." Mr. Speaker, I find it a little offensive and perhaps Mr. Lewis may be surprised, but I feel I owe him nothing. In fact, I feel that he and many others who have worked for the government and have come north, and the missionaries, have been well paid for their work and their duties in the form that they favour best. In fact, many things have been taken from me and my people and there may never be a day when we will ever get the kinds of returns that should be given to us.

However, on to other things. As far as this government is concerned, I think much more than in the past, we have to ensure that we give as much support as possible to the settlement of the Dene/Metis claim and the claim of the Inuit. Until this is done, there is going to be no legitimate development of the economy; that is, until the land is settled and the resources are settled, it is not going to be this government's resources or their land to deal with as they wish. So a prerequisite to the development of an economy, in my opinion, is that we must first ensure that we give as much support to the settlement of these claims as possible. Therefore the relationship between this government and the aboriginal groups is very important and I think should be conducted as much in a public way as possible. Because many of us are native people, we are members of organizations, we are citizens of groups, as well as public citizens of the North.

Meech Lake Accord

In the discussions about the Meech Lake Accord, I have for a great number of years been silent about the goings on with the First Ministers' Conferences. I have not been in the front line speaking out about the lack of a relationship between the federal government and the aboriginal people of this country. But I do know that one of the reactions I have had to the Meech Lake Accord was that perhaps it may be one of the good things that are bestowed upon us -- if you want to be a little sick about it -- because I believe that we have to suffer together a little before we truly appreciate one another's support.

AN HON. MEMBER: Hear, hear!

HON. STEPHEN KAKFWI: As native people, we have been denied rights and privileges in this country for years. As Mr. Sinclair said in the last First Ministers' Conference, I think it is incredible for native people and in particular those people who fought in World War II, who have gone over to Europe to liberate the Europeans, to find people like Vander Zalm who is an immigrant to this country from Holland, coming over and helping actively to deny us rights that people in the second World War were fighting to protect.

---Applause

Housing Program Inequalities

On housing again. I think it is important for us to go back in history and look at some of the old people in the communities who were promised free housing or housing for two dollars a month if they agreed to give up their old houses and have them destroyed and bulldozed over the river bank. Now we are jacking up the rents for them and we are also asking them to pay for the power. In some communities people have been encouraged to buy rural and remote housing units years ago and have been locked into mortgage payments without having the benefit of looking at the terms and conditions that were to be included later. They find now, years later, that after they entered into this kind of agreement, there are HAP units springing up next to them that are much better in quality, that are free, that are worth much more than those original houses that these people had to borrow money to build.

It is difficult to talk about not subsidizing and not helping the poor people, the native people, in the communities, when next door to them we are giving very good deals to the civil servants and teachers, with the housing and holidays and the trips south, when we still have incredible problems providing housing to our people. I do not want to knock teachers or anyone, but they are a cause for concern when there is such a wide discrepancy in the living conditions of our people up here. But I do believe that we should give adequate resources to teachers, to the schools, to do their jobs. We should go as far as possible in the next four years to develop educational school boards and we should find ways to encourage the support of teachers and to become more involved in the education of their children. We should try to illustrate, somehow, that white children are not superior mentally to Inuit, Metis or Dene children, but simply that with the lifestyle of the parents, we find much less support generally amongst native people than with the white parents. There are some things that we can do as parents and as government and as educators to reconcile the differences to ensure that our education system improves.

Negotiation Of Northern Accord

On the northern accord. It has been said many times by the Dene/Metis, that it is critical that a northern accord be negotiated in the next couple of years -- in fact, in the next year, if we are going to see the settlement of a Dene/Metis claim, because therein lies the key to getting some access to revenue sharing and to the management of oil and gas development in the Mackenzie Valley.

On free trade, just four words: "The Americans are coming."

---Laughter

MR. BUTTERS: (Inaudible comment)

HON. STEPHEN KAKFWI: Thanks, Tom. A word on civil servants. I am a believer that we should support those people who work for us and who work on our behalf, who work for our communities. I am a supporter of civil servants who are hard working, who work not only long hours, but who are

also productive, such as teachers and many of those people who are working for us here in Yellowknife and in the regions. But I also do not believe that we should continue to have people just stay on who are spinning their wheels or waiting for their retirement age because it is difficult for the morale to stay high when some people are working very hard and others are not, or when some people are being productive and others are not. I say that and also I say I personally abhor the idea that we have to pay out civil servants who have been well paid for years and years, and when we no longer have any particular use for them, we find that we have to dish out extravagant amounts of money in order to send them on their way. And I say that publicly because I have said that privately during my campaign as well.

In closing, I want to say that I plan to try to work with all the MLAs in a consensus manner over the next four years. I welcome, as I have mentioned to Tom Butters on one occasion, as much advice and help as possible. I am used to being, and I expect to be, a productive member of a team. In closing, I would like to thank you for your time and to assure you that I will try to work to the best of my ability with you for the next four years. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Kakwi. Item 8, replies to Opening Address. There do not appear to be any other replies.

Item 9, petitions.

Item 10, reports of standing and special committees. Item 11, tabling of documents. Mr. Patterson.

ITEM 11: TABLING OF DOCUMENTS

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I wish to table the following documents:

Tabled Document 4-87(2), Canada-United States Trade Agreement Highlights for NWT, in English, with a summary in Inuktitut.

Tabled Document 5-87(2), Government Organization, Policy and Directive of the Government of the Northwest Territories.

Tabled Document 6-87(2), Privatization, Policy and Directive of the Government of the Northwest Territories. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. Item 11, tabling of documents. Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Mr. Speaker, I wish to table five documents:

Tabled Document 7-87(2), Interim Financial Report of the Government of the Northwest Territories for the Year Ended March 31st, 1987.

Tabled Document 8-87(2), Report to the Legislative Assembly of the Northwest Territories on the Examination of the Accounts and Financial Transactions of the Government of the Northwest Territories for the Year Ended March 31st, 1987.

Tabled Document 9-87(2), 1983 Constitutional Accord on Aboriginal Rights.

Tabled Document 10-87(2), Presentation to the Joint Committee of the House of Commons and the Senate on the 1987 Constitutional Accord.

Tabled Document 11-87(2), Presentation to the Senate Task Force on the Meech Lake Constitutional Accord. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Ballantyne. Item 11, tabling of documents. Item 12, notices of motion. Mr. McLaughlin.

ITEM 12: NOTICES OF MOTION

Notice Of Motion 21-87(2): Terms Of Reference Of Standing Committee On Rules, Procedures And Privileges

MR. McLAUGHLIN: Thank you, Mr. Speaker. I give notice that on Monday, November 23rd, I will move a motion for the approval of the terms of reference of the standing committee on rules, procedures and privileges.

MR. SPEAKER: Thank you, Mr. McLaughlin. Item 12, notices of motion.

Item 13, notices of motion for first reading of bills. Item 14, motions. Motion 15-87(2), Terms of Reference for Standing Committee on Public Accounts. Mr. Richard.

ITEM 14: MOTIONS

Motion 15-87(2): Terms Of Reference For Standing Committee On Public Accounts

MR. RICHARD: Mr. Speaker, I am going to do this quickly while Mr. Ballantyne is not in his seat. Mr. Speaker:

I MOVE that the Assembly approve the following terms of reference for the standing committee on public accounts:

Standing Committee On Public Accounts Terms Of Reference

The standing committee on public accounts may, on its own authority:

- a) inquire into such matters as may be referred to it by the Legislative Assembly;
- b) review and recommend on the territorial accounts submitted to the Legislative Assembly annually by the Commissioner and the Minister of Finance;
- c) review and recommend on the Auditor General of Canada's reports to the Legislative Assembly;
- d) investigate and inquire into those matters of a public accounts nature that, in the opinion of the committee, require investigation.

Conduct Of Business

1. The standing committee shall conduct its business in a manner approved by the committee.
2. The standing committee shall, in accordance with Rule 90(2), at the earliest opportunity following their appointment, appoint a chairman and deputy chairman from their own number.
3. A quorum of the standing committee shall consist of five Members including the chairman.
4. The standing committee shall, in accordance with Rule 94(1), have the power to call for such persons, papers and records and to examine witnesses as, in its opinion, are necessary to the conduct of its business.
5. The Legislative Assembly shall provide from its appropriations the necessary funds for the standing committee to carry out its responsibilities.
6. The standing committee, as a whole, or individual Members, may undertake such travel as is required to carry out the assigned responsibilities of the committee.
7. The standing committee is empowered to retain the services of such professional staff as deemed advisable by the committee.
8. The standing committee shall have the power to sit during sessions, adjournments and recesses of the House.
9. The necessary administrative support shall be provided by the Legislative Assembly Office.

10. The territorial accounts and the Auditor General's annual report and his report on any other matters will be referred to the standing committee on public accounts after tabling in the Legislative Assembly. Notwithstanding this formal process, the Commissioner is authorized to provide these documents to the standing committee, in advance of tabling, to expedite the review by the committee.

11. Meetings of the standing committee on public accounts for planning future work, briefings, reviewing progress and drafting reports shall be closed to the public and press.

12. Other meetings of the standing committee on public accounts shall be open to the press and public, except when, in the opinion of the committee, it is not in the interest of the public to do so.

13. When requested by the committee, verbatim transcripts of the standing committee on public accounts committee hearings shall be prepared and published promptly.

14. From time to time, the standing committee on public accounts shall tender general advice and information to the Legislative Assembly on any public accounts matter.

Mr. Speaker, I neglected to mention my motion is seconded by the Member for Rae-Lac la Martre.

Motion 15-87(1), Carried

MR. SPEAKER: Thank you, Mr. Richard. Your motion is in order. Do you wish to speak to your motion? Does the seconder wish to speak to the motion? Question has been called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Item 14, motions. Motion 16-87(2), Terms of Reference for Standing Committee on Finance. Mr. Pollard.

Motion 16-87(2): Terms Of Reference For Standing Committee On Finance

MR. POLLARD: Thank you, Mr. Speaker.

I MOVE, seconded by the honourable Member for Yellowknife Centre, that this Assembly approve the following terms of reference for the standing committee on finance:

Standing Committee On Finance Terms Of Reference

The standing committee on finance may, on its own authority:

- a) inquire into such matters as may be referred to it by the Legislative Assembly;
- b) review and recommend on the preparation of estimates, expenditures and appropriations required to defray the charges and expenses of the public service of the Territories in each fiscal year;
- c) review and recommend on capital projects and capital planning;
- d) in consultation with the chairman of the Financial Management Board, examine and recommend the terms and conditions of any agreement relating to financial arrangements with the Government of Canada;
- e) in consultation with the chairman of the Financial Management Board, examine and recommend the terms and conditions of borrowing, lending, and investing funds;
- f) review, evaluate, and recommend on any revenue sources that may be available to the Territories;
- g) review financial implications of existing and proposed territorial programs and the financing thereof, as well as any other programs which may, in future, become a charge against the territorial budget;
- h) investigate and inquire into those financial matters that, in the opinion of the committee, require investigation.

Conduct Of Business

1. The standing committee shall conduct its business in a manner approved by the committee.
2. The standing committee shall, in accordance with Rule 90(2), at the earliest opportunity following their appointment, appoint a chairman and deputy chairman from their own number.
3. A quorum of the standing committee shall consist of five Members including the chairman.
4. The standing committee shall, in accordance with Rule 94(1), have the power to call for such persons, papers and records and to examine witnesses as, in its opinion, are necessary to the conduct of its business.
5. The Legislative Assembly shall provide from its appropriations the necessary funds for the standing committee to carry out its responsibilities.
6. The standing committee, as a whole, or individual Members, may undertake such travel as is required to carry out the assigned responsibilities of the committee.
7. The standing committee is empowered to retain the services of such professional staff as deemed advisable by the committee.
8. The standing committee shall have the power to sit during sessions, adjournments and recesses of the House.
9. The necessary administrative support shall be provided by the Legislative Assembly Office.
10. From time to time, the standing committee shall tender general advice and information to the Legislative Assembly on any financial matter that may come before the Assembly in session.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Pollard. Your motion is in order. Was there a seconder to that motion?

MR. POLLARD: Mr. Speaker, the seconder was the honourable Member for Yellowknife Centre.

Motion 16-87(2), Carried

MR. SPEAKER: Mr. Pollard, do you wish to speak to your motion? Does the seconder wish to speak to the motion? Question is being called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Item 14, motions. Motion 17-87(2), Establishment of a Special Committee on Economic Planning. Mr. Lewis.

Motion 17-87(2): Establishment Of A Special Committee On Economic Planning

MR. LEWIS: Thank you, Mr. Speaker.

WHEREAS the Northwest Territories would like to establish a sound economic base for its people;

AND WHEREAS a major impediment to full responsible government in the Northwest Territories is its lack of a diversified economic base;

NOW THEREFORE, I move, seconded by the honourable Member for Yellowknife South, that a special committee of this Assembly be established to develop an economic plan for the Northwest Territories.

MR. SPEAKER: Thank you, Mr. Lewis. Your motion is in order. Do you wish to speak to your motion?

MR. LEWIS: Thank you, Mr. Speaker. I am introducing this motion in this House today, fully aware of the fact that to many Members there are other very important issues for the long-term benefit of the residents of the NWT that may be far more important. To many northern leaders the settlement of the native claims is of tremendous historical importance. Decisions made today will affect the people of this land for many years to come. I am, in fact, personally pleased that some economic development initiatives have been allowed to proceed while issues of constitutional development and the ownership of land are being worked out.

However, Mr. Speaker, I pointed out that 15 of us have agreed to become a group; we are called "ajauqtit". That group is, in fact, a group that will be pushing to get things done. Today I am pushing on behalf of this group because it is very important. As you well know, Mr. Speaker, it is very, very difficult to have a whole bunch of very talented people sitting restlessly with unimportant work to do. Although we have several standing committees, we believe that it will be to the advantage of all Members of this House that we establish such a committee so that we can begin work very positively in the way I have just described, as people pushing in a certain direction, for many years to come. The word can be used to mean just pushing somebody. It also can be used to mean to steer something, to steer a boat in a certain direction.

I note, Mr. Speaker, that it was not until the Constitution Act was passed in 1982 that the federal government turned its attention to the economy in an organized fashion. With a renewed Confederation it was felt to be a good time to examine the economic union of this country. For that reason a royal commission was established in November of 1982 under the Hon. Donald MacDonald to examine the economic union and development prospects for Canada. It was given three years to do its work, and altogether 72 volumes were produced by this commission. In fact the last book, volume 72, dealt with the North.

MacDonald Commission Report Deals With The North

Although our own northern constitutional development is still in its formative stages, I do not believe we can further delay development of our own economic plan. The MacDonald Commission gave the federal government a blueprint. It has already moved on one of the major recommendations of that report, a freer trading relationship with the United States, and we were just briefed on that trading agreement at noon hour today, Mr. Speaker. Volume 72 of that commission publication provides us with some basic ideas of where we could, perhaps, begin in the North.

In my reply to the Opening Address, Mr. Speaker, I said we had a cadillac government and a third world economy. I will explain what I mean by that because several people seem a bit puzzled by it. At the moment, sir, like many third world countries we get massive financial aid. Not long ago, we used to get a grant from the federal government that we called a deficit grant; now we get a guaranteed annual territorial income every year for three years. So my parallel is with those countries in this world that depend upon outside aid so that they can continue their very existence and that is why I call this, Mr. Speaker, a third world government. We generate much less revenue of our own than the southern provinces do through taxes. It is because we are so heavily dependent on this outside source of funding that I refer to our economy in this fashion. I call our government a cadillac government because in the absence of a diversified economy, people cannot help themselves. They are heavily dependent on government -- government handouts, government services and public service employment.

My motion refers to the need to help establish an economic base for our people and to maintain our continuous efforts toward responsible government. These two concepts of an economic base and responsible government are very closely related, Mr. Speaker. Before we can get responsible government we need to show other Canadians that we have the potential to stand on our own feet.

Developments since the Meech Lake Accord of this past April confirm in many of our minds the obvious desire on the part of the provinces and the federal government to eliminate the possibility of creating new provinces. What they clearly fear is the creation of two or three or more have-not provinces. In my view, the northern territories do not have to be have-not provinces. They have vast untapped potential to add to the total wealth of this nation.

I take note of what Mr. Butters has already referred to, that governments do not create wealth, they spend money. I have already referred to the fact that it is my view that we cannot have an economy which depends simply upon governments spending more and more and more of taxpayers' money. We have to begin making greater contributions to the wealth of this nation. It is only then that we can stand up and call ourselves a responsible government because we will be showing responsibility to the people and to the other people in this land of ours.

So, Mr. Speaker, although I have several more pages here, and taking the great example of previous speakers, I would now like to sit down because I believe that the message should be absolutely clear. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Lewis. Mr. Richard is the seconder. Would you like to speak?

Development Of Proper Economy Dominated Election Campaigns

MR. RICHARD: Thank you, Mr. Speaker. Mr. Speaker, this motion addresses an issue that was a very dominant issue during the election campaign in the two Yellowknife constituencies last month, and from my understanding of media coverage of the election campaign in other constituencies it also addresses an issue, the development of a proper northern economy, that was dominant in the election campaigns in other constituencies. I was, Mr. Speaker, delighted to hear that there was a consistency throughout the Territories in the election campaign on this issue. In fact, even in the constituencies where there was no election I recall hearing Mr. Patterson on radio one day from Iqaluit speaking to some group -- I believe he had held a public meeting of some sort -- and again there the issue was the economy and the need in the next four years for our Legislature to show some leadership in developing a proper economy that is different from the "off the charter aircraft government briefcase" economy that has existed for too long in recent memory.

More recently, Mr. Speaker, in our caucus meetings of the first week or so when we received the status reports, if you will, or the state of the union messages from the eight then Ministers, that theme was consistent throughout those reports as well and in the speeches or the pleadings of those MLAs who sought seats on the new Executive Council. As I recall, each of those MLAs wanted to see the new Executive Council proceed in that direction. So, among the MLAs who have spoken both privately and publicly in the last few weeks, Mr. Speaker, I see a consensus that this special committee of this House should be established. It is only a question of when it should be established, what should be the terms of reference, etc.

The motion is general in nature, Mr. Speaker, and I think deliberately so. The details, the size of the committee, when they start their work, when they finish their work, their terms of reference, their budget -- these can be worked out later. I believe it is time for this House to go on record as saying, "Yes, it is important enough that we will establish a special committee of the Assembly to deal with it."

This thrust, Mr. Speaker, is indicative of the mood in November, 1987 of Northerners. We have a more sophisticated electorate, I believe, than in the past and I believe that if you went out into the streets of any of our communities and asked ordinary people what are their priorities, if they wanted to give you direct input, as an MLA or a Minister, and choose between working on an economic plan and working on a new Meech Lake document, I think the ordinary person in the street would say, "Please get on with developing a proper northern economy." Individuals may disagree but I think, by and large, if you put this priorities question to ordinary people, the economy versus constitutional development, they will say, get on with the economy; the economy versus official languages, they will say, get on with the economy; the economy versus the national issue of free trade, they would say, devote your energies to developing a northern economy, and similarly with other issues.

Source Documents Available

As my colleague from Yellowknife Centre has mentioned, there are many source documents that the special committee could start with. He mentioned the MacDonal Commission report. I think, Mr. Speaker, more recently of the record of proceedings of the economic development conferences which Mr. Sibbeston's predecessor, Mr. Curley, organized in the regions in the Northwest Territories. I do not believe anything has happened to those documents. Surely, those could be brought forward

and put on the table of the special committee as a start. There are many, many, Mr. Speaker, many bright northerners who would, I believe, love an opportunity to be heard, by the MLAs in this Assembly sitting as a special committee, in some of the regions of the Northwest Territories.

Although I was not a Member, in recent years two special committees of this Assembly -- the one on education and later the one on housing -- I believe, and I can say it as an unbiased outsider because I did not belong to those committees -- they were before my time -- I believe those two special committees of this Assembly had an effect in those areas, in the area of education and later in the area of housing. So, it is a mechanism, Mr. Speaker, that can work and I think this is the next special task that should be taken on by a special committee of this House. Thank you.

MR. SPEAKER: Thank you, Mr. Richard. To the motion. Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Speaker. I would like to speak in favour of the resolution. However, I would like to make a few comments. I think that when you look at our guaranteed annual budget, as it has been referred to, and you look at the fact that we are only able to raise a quarter or so of that from our own revenue, you look at that as if we may be getting some sort of a grant that provinces are not getting. I would like all Members to think of this and be defensive when federal Members of Parliament or anyone else says two thirds of your budget is a give-away grant. We raise revenues up here which are territorial taxes, taxes on tobacco and liquor for example, which give us the biggest part of our own revenue. As well we pay taxes which go into the federal coffers and, like provinces, we get federal funding for education and health. We also get an additional amount of money, which is something like 60 per cent of our budget basically given to us in our base.

Money Goes Directly To Reserves In Provinces

But what Members have to remember is that in the provinces, status Indians, for the most part people who receive treaty money, people that are recognized as a responsibility of the Department of Indian and Northern Affairs receive funds from Health and Welfare Canada and from Indian and Northern Affairs directly to their reserves, whereas in our case it is coming through our budget. If we wanted to only deal with the areas which we are responsible for as provincial governments, we would have that part of our budget which we collect and which we deliver to the general public as it is done in provinces. If we wanted to take all of our native communities and have them isolated or separated off and served directly by the federal government, then they would be spending that part of that money. So, that money is spent in provinces just the same as it is spent up here, so nobody should say that that other part of our money is something that we should not have in our base, because it is money that the federal government would be spending directly for native people on reserves in those provinces. So, it is not a gift that is not delivered by the federal government to other parts of Canada. I do not think anybody who is going to be on that committee should put themselves in the situation of having people in this territory or the rest of Canada think that we are getting some gift that is not given to the rest of the country in the provinces.

The other thing is that I am glad you are calling it an economic development committee not just a committee on the economy because that can be a bit general and development is what we need. I would also like to emphasize through my experiences previously as Social Services Minister that social development has to be a part of what you do. If you ignore that, you ignore the key thing in all our communities.

"Work For Welfare" Programs

It has been a major struggle with all the provinces over the last 10 years to try to get the federal Minister responsible for the Canada Assistance Plan to make that money available for purposes other than strictly social services. In any province that has tried, or in the federal House whenever the federal government has entertained the idea of doing programs which are called "work for welfare", the opposition parties have given them a bad name, but all the provinces want to do it. The present federal government would like to make some efforts in that direction. Recently through an agreement which is available to all provinces and the Northwest Territories, there has just been a small crack in the door opened to the Canada Assistance Plan, which is a vast source of money. Basically, for every dollar you spend in the Northwest Territories on a social assistance or social services related program, 50 per cent of that money is recovered from the Canada Assistance Plan. It is a huge source of money used by all provinces and I think it represents something like 15 or 20 per cent of the federal government's budget.

What has to be looked at here is this first crack in the door. A precedent has been set, where this money in the Canada Assistance Plan can be used to train people on social assistance so that they can move on to jobs. In other words, instead of giving them welfare payments, these people are now given the expenses they require to house and feed themselves and their families while they are trained or educated at some course which will lead to them getting a job. That is the first move ever the federal government has made in this direction.

I think we, as a territory, have two unique opportunities here in this area which could be used to help our economy, especially in our small communities. The first thing is that as we do not have party politics up here, I am sure that we can get a consensus in some areas, maybe even in some whole regions of the Northwest Territories, that the social assistance money could be used more creatively. We will not have an opposition party screaming that we are trying to hurt people by doing this. I think we can get unanimous support from several communities and regions. The Keewatin or the Kitikmeot are the two that come to mind, or the northern part of the Baffin where there is very little economic opportunity other than government. Also, I think we as a federal territory have a special relationship with the federal government and I think that we might be able to convince the federal Minister of Health and Welfare Canada, Mr. Epp, to take some initiatives in this area so that we can use social assistance money as a core money for some job development programs.

Social Assistance Money Used For Social Development

I would urge the Members of this committee, if it is established, to look at that money because we do have an awful large budget per capita. We are not going to be able to persuade people to do new things with new money, we are going to have to persuade them to do new things with existing money. That is one of our biggest challenges -- to move that social assistance money and change it into social development money because that is one way of doing something to get local people into some sort of an economic situation for their own personal lives. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLaughlin. To the motion. Mr. Patterson.

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I would like to rise in support of this motion and state that our government certainly welcomes the establishment of the special committee on economic development.

Co-operation Between Special Committee And Cabinet

Mr. Speaker, as soon as we can get the cabinet together after this session, we will be meeting in seclusion to begin development of a strategy, goals and objectives toward an economic development plan. The plan must address critical issues such as regional priorities, community plans, developing the renewable resource economy, human resource planning, and the necessary transportation infrastructure. We will aim toward presenting the earliest results of our work to the next session of this Legislature in February. I would like to say that I believe it is very important that the government's efforts on this first priority of economic development should move parallel to and in co-operation with the efforts of this new special committee. Therefore, I think, in setting up the terms of reference and discussing membership, consideration should be given to how we can best develop links between the special committee and our cabinet, keeping in mind the differences between the Executive branch and the legislative branch of government. Perhaps, for example, I might suggest that one, or even more than one Minister could participate on this committee, perhaps as an ex officio Member without the power to vote or to actually participate in the decisions of the committee but in a way that could allow participation and communication.

I would also like to take the liberty of adding just a few words of free advice to the Members of the Legislature on setting up this committee. There are several ways this committee can approach this job. It could take a year or two years and hold hearings in all parts of the NWT to get grass-roots advice from all our people in most of our communities. However, Mr. Speaker, I am not sure if we have the luxury of time to do that. I also feel that unlike issues in education and housing, where we needed fundamental direction on where we should be going in the future, in the area of economic development I am not sure that we need extensive public hearings to figure out where we should go. Perhaps we can take advantage of the considerable work that has been done and the considerable community input that has been obtained from previous economic development conferences which were held in all regions of the NWT with wide participation, just last year.

Perhaps we can take advantage of acknowledged northern experts in various sectors and fields of our economic development. Most important, I am quite certain that we can take good advantage of the extensive practical and business experience in economic development which many Members of this Legislature, and many new Members of this Legislature, could bring to the committee.

Committee Should Act Quickly

I say this because I believe that the committee must act quickly to get on with developing a strategy early in the life of this Assembly and in the life of this government. I would even hope that this committee could aim to complete its work early enough, or at least complete its early work, say by the spring of 1988, to permit its recommendations to be reflected in the 1989-90 budget. That is just some advice that may be considered when the terms of reference and membership are being set up over the next short while, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. To the motion. Mr. Angottitauruq.

Problems Need To Be Investigated

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker. I would like to briefly speak in support of the motion. First of all I would like to explain why this is important, to have a special committee on the economy. There are a lot of hidden problems that even Assembly Members have really never had experience of when they get to hear about the economy of the North -- I guess what I can say is that there are a lot of people on welfare in the communities. They are seeking work but there are no jobs available. The government is the only major source of employment for people in the communities. That is because there are no businesses in the communities. There are ways in which we can invite business people from the South who have all the money to start up a business but they are not interested in coming. There are those in the communities that are interested in starting up a business and they know how to do it but they cannot because they are on welfare. It is because they only have small part-time jobs. I think it is about time the government should seek answers to this question: How can we help the community people?

Besides all those other small problems which are ignored, there are people working for government in municipal services and other areas, like teacher assistants and people like that, but many of them are not fully paid to the extent that government people are. That is why some unique thing is happening in the community of Gjoa Haven. The union and the hamlet are fighting so that they can get more pay. If they were paid better in the past maybe some of those people would not have been short and would have saved some of their money and started up a business.

It is those things that are locked away from the understanding of even us as Members of the Legislative Assembly, that we cannot really support. Sometimes, I guess, the government has turned around and, say at the regional headquarters, seen what is happening and said "This is the way you do it." They are trying to help the communities but they are lacking information out of the communities. I am sure the special committee on the economy, when they start going around, are going to hear, "Yes, I used to support myself before I got into the nice building the government is providing me with. But now that I am living in a house and I do not live in an igloo any more, I am poor." That is why I feel so strongly about the economy. It is standing still and that is because our only sources at this time, the major sources that could help us jack up the economy in the NWT are the Governments of the NWT and Canada.

If this motion for a special committee passes -- and I am sure the other Members will support it, I do not have any real worry that it will be defeated -- those few important things which I have mentioned will be answered. These special committees are seeking and listening to the witnesses and the people will be the witnesses and the Members of the special committee will also be the witnesses that report to the Assembly. That way, the system would be understood better and support to start looking at the economy of the NWT will be recognized much better. So, I just want to say that I support the motion and I urge the other Members to support it also.

MR. SPEAKER: Thank you, Mr. Angottitauruq. To the motion. Mrs. Marie-Jewell.

Options In Approaching Problem

HON. JEANNIE MARIE-JEWELL: Thank you, Mr. Speaker. I would like to speak in favour of the motion as Minister of Social Services. I believe that the manner in which the North's economy is developing has a direct effect on the social services that are required to react to people's

economic and lifestyle needs. There are two possible ways of approach that the committee will have in formulating options for developing our economic plan. One is to focus on the problems of the various regions. For example, the long distances, the unsatisfactory services, the sparse populations. The other approach is to stress the potential of these areas, emphasizing their wealth of resources and their environmental advantages in this light. The regions will be viewed as an asset to the entire northern economy and subsequently the North will be recognized as beneficial and favourable to the entire Canadian economy.

With the unemployment rate in the NWT at 17 per cent, and as high as 50 per cent in many communities, this government must accept its responsibilities to ensure that the northern desire for full employment is achieved and the quality of life is enhanced.

As Minister of Social Services, Minister of Youth and of Women, my goal for any policy thrust is to achieve full employment, including addressing the issue of participation of people with special needs. Any new initiative should include a range of options that would allow for retaining older workers, creation of youth opportunity programs and participation of native people and women. Employment policies that will be developed must also be responsive to the needs of workers with family responsibilities.

As elected representatives from all regions of the North, I believe that MLAs should be involved in developing regional economic policies and options that are available to us to put our residents to work, but I believe that we must also commit adequate resources to allow this committee to produce work that will be useful. If this motion is approved, I will extend my co-operation in providing whatever assistance is necessary in my role as Minister. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. To the motion. Mr. Sibbeston.

HON. NICK SIBBESTON: Mr. Speaker. I want to say something about this matter. I did not initially plan to say too much about it because I think it is something that is supported by everybody and sometimes I think the least said about the matter, the better. It is just best to get on with the job. But I was prompted to say something because I think it is very important that we do set up a committee to deal with the economy. I think the biggest advantage will not necessarily be to the people in Yellowknife and larger centres, but to the native peoples of the North, the people who live in remote communities in the North.

Encouragement Of Traditional Lifestyle

I wanted to also refute the notion that native peoples of the North are all on welfare. I think sometimes when we talk about the economy, when we talk about the peoples of the North, when some people speak, they give the impression that there are tremendous numbers of people on welfare and people do nothing, that all people do is sit around and get welfare. I want to tell the Assembly that in my own constituency, particularly in the small communities of Liard, Nahanni Butte, Trout Lake and Wrigley, most of the working people, most of the men, at this very time are out on the land. They have begun trapping and hunting and are out eking a living off the land. I think that should be very clear to people. People are not sitting around in these small communities, collecting welfare. In these small communities that I mentioned, there is very little social assistance given to the people. People get social assistance only when they are in great need. When they have hardship, old women and widows, it is those types of people only who get social assistance. And I can tell Members that people in these communities when they are out in the bush, in particular, live like kings. They live very good lives. Generally people are very happy, contented and work hard, but live like kings. They have meat, fish, a variety of things they can eat, and they only depend on a little bit of flour, lard and tea from town to supplement the good foods that they have.

So the traditional lifestyle may not be obvious in places like Yellowknife and Fort Smith and Hay River, but it does really exist in the small communities. And that is something that our government must support and encourage. People derive income from furs that they trap and can sell. Oftentimes in small communities, the only cash that people have is cash that they get from selling their furs or else the family allowance or old age pension that people get. That is the only cash they have. Or sometimes people work locally in jobs that exist for a short period of time. Other than that, people essentially live off the land and make a good living at that.

I think this committee on the economy will be important because up to 10, 12 and 15 years ago, people really did depend on the land. In the small communities, as I said, people still do. In the larger communities like Fort Simpson, I know that a lot of people no longer live by living off the land. There has been a movement into town and that is probably the case in the medium-sized communities throughout the North, Smith, Hay River, Simpson, Rankin Inlet and Cambridge Bay and so forth. In the last few years, native people in particular have come to live in town, seek jobs and also get into business. I know in our area the native people have only, in the last 10 or 15 years, come to see business as a way of making a living. I call it a phenomenon of sorts because native people have got on to business as a way of making a living. I think it is a very positive thing.

Growth Of Native Businessmen

Some 10 or 15 years ago the idea of a native person being a businessman was not very good. If a native person was in business, he was to a certain extent ostracized and looked upon very suspiciously. It was said that he was like a white man, he was selfish, he had all the traits of white people and was willing to cut a throat in order to skin the people to make a living. That is how a native person was seen. He was to a certain extent ostracized. In our area I can speak from real experience. People like Harry Deneron, who came along 10 years ago and got into business, initially was viewed suspiciously but now is hailed as a bit of a hero and it is recognized that that is the way to go for native people.

I remember 10 years ago, after the Berger Inquiry had been completed, the federal government was very concerned as to what people of the North were going to do. The economy obviously was not going to boom so they sponsored an economic conference in Hay River and many people from the North were invited to speak at the conference. I remember I was invited and I was one of the speakers at the conference. I did a bit of an analysis as to the number of native people that were in business then. Also I gave my ideas as to what had to be done in order to get native people into business. At the time, 10 or 11 years ago, there was only one native person in business in Fort Simpson. In Yellowknife there were something like three. In Simpson now there are 16 native persons or corporations in business and in Yellowknife there are more than three.

In talking about the things that government had to do in order to get native people into business, I think I said there were three things and I can recall two of them. I said that the first thing the government had to do was to get dedicated civil servants, dedicated economic development officers, who were there working for the people and very committed to helping native people get into business. Up to that time we had civil servants but many of them were not really dedicated to people, not really committed to people. They were getting well paid and so forth. When I was back from university in the 1970s, it was a very unusual thing for a civil servant to really work his heart out for the people. I remember in the early 1970s I saw such a person talk about helping people, going to a small community and talking to people about what they could do to get into business. I was really impressed. I was really impressed. I thought, here is a white man that is really dedicated. We had never seen a white man talk to native people like that. For the very first time I saw a white person really seem to be interested in people.

Special Provisions To Encourage Native Businesses

So when I spoke in 1976 about what government must do in order to get native people in business, I said the first thing that must be done is to get civil servants, get economic development officers who really are dedicated and committed to the people. I said that was the number one criterion. The other criterion, as I recall, is that government must negotiate with native people. There had to be a special way that native people got into business because you have to recognize that native people were just coming off the land, coming from the bush into the organized communities. You cannot expect some native person who just came off the trapline two years ago, to compete with somebody from Toronto or some civil servant who comes into town and invariably gets into business. If there was no special provision for native people to get into business, it was obvious that they would never have a chance. So in 1976 I said that the government must negotiate contracts with the native people to give them a start. I am glad that over the last few years, government has done that. That is the way, in part, that native people are getting into business. I know there has been some public criticism from people in the larger centres who do not understand, who only know this system of government and who do not understand the reality of people out there. But we as a government have done that and I think we have been successful in slowly getting native people into business.

Tremendous Possibilities

Mr. Speaker, I see the benefit of this committee because in going around to the communities, I believe the committee should go to all parts of the North because it will focus attention on the economy and people will have to really begin dealing with the question of the economy and business as a way of making a living. Throughout the North and in all parts there are opportunities. In my own area in Nahanni Butte, as an example, there are 60 or 70 people who live at the mouth of the Nahanni River. It is probably the most gorgeous place in the NWT. It is absolutely beautiful. Every year tourists come up and down the river but the local people have not been involved to date. So as an outside person looking at the situation, I can see there are tremendous possibilities for the people there if they are interested and if they become involved. So that is just an example of things they could get into.

Now it is a developmental process. This fall I went into Nahanni Butte and there was a new young chief there who was just elected. He was full of energy and enthusiasm and he wanted help in getting his people into business. They want to start an arts and crafts building so that they can set traps for the tourists that come by and sell them some things. They wanted to get into the motel business. They wanted to start a rafting business. They wanted to get into big game. So it seems as if interest is starting. People are finally beginning to see that business can be a way of life. They came to me with all that enthusiasm and I said that I would help them. I think that is the challenge our government faces in the next few years.

Novel Approaches Demanded

As we go through the North there will be attention based on this issue of economy. How do people make a living and how do we develop an economy? We are going to attract attention, we are going to raise expectations of people in all parts of the North. I think it is a very positive thing. Then the challenge will be on our government. How do we meet that? How do we help people? How do we help the people of Nahanni Butte get into business? How do we help people in other parts of the North? And we, as a government, will be challenged and we will obviously have to take some novel approaches in doing it. It is going to be different than the laissez faire attitude that is prevalent in Yellowknife, the notion of business people making it on their own and letting the market place dictate how things happen.

In Yellowknife I suppose you could leave things that way. The economy and the people who live here are sophisticated. The challenge is going to be for the remote parts of the North. How do we get people who are not as sophisticated, not as learned, but still have the desire to get into business? How do we get these people? It is going to mean new approaches. It is going to mean that we have to, as a government, agree that we negotiate contracts with people. We have to come up with novel things. To me that is the challenge.

So it sounds exciting. It sounds fun to have a committee set up and I think the committee should go to all parts of the North and take their time. People will be interested. Once all of this is done and recommendations are made, then we, as the government, will have to respond. But in dealing, you have to be very open-minded and the government must do things that they have not done in the past. I can tell the Members that our department, the Department of Economic Development, is prepared to be of whatever assistance we can be. And I can tell you that in the budget plans coming up in the next year, we placed some money in the departments to deal with an economic plan for the North and we had provisions to hire a number of new people who would be available to work on such a plan. We will just hold still. We will not launch off on any project or study, we will wait in abeyance to see what the committee does. But our department will be supportive.

So Mr. Speaker, I encourage and support very much the establishment of this committee. I think it is going to be a very beneficial thing to people, not so much to people in Yellowknife and Smith and Hay River, but people in the smaller places in the North, to whom the economy and business way is a new idea and could be a new way of making a living. Eventually when the recommendations are made, there will obviously have to be some bold new approaches and then I think the challenge will be on our government to respond to these. But I feel very optimistic and very glad now that the focus in the next few years will be on the economy.

(Translation) Thank you, that is all I want to say. (Translation ends)

---Applause

Motion 17-87(2), Carried

MR. SPEAKER: Thank you, Mr. Sibbeston. Question is being called. All those in favour of the motion please signify by raising your hand. Thank you. Opposed, if any? Let the record show that this motion was passed unanimously.

---Carried

---Applause

Item 14, motions.

Item 15, first reading of bills. Item 16, second reading of bills. Bill 1-87(2), Supplementary Appropriation Act, No. 6, 1986-87. Mr. Ballantyne.

ITEM 16: SECOND READING OF BILLS

Second Reading Of Bill 1-87(2): Supplementary Appropriation Act, No. 6, 1986-87

HON. MICHAEL BALLANTYNE: Luckily the rules ensure that I will have more success today than I did yesterday. Mr. Speaker, I move, seconded by the honourable Member for Sahtu, that Bill 1-87(2), An Act Respecting Supplementary Appropriations for the Government of the Northwest Territories for the Fiscal Year Ending the 31st Day of March, 1987, be read for the second time. The purpose of this bill, Mr. Speaker, is to make supplementary appropriations for the Government of the Northwest Territories for the fiscal year ending the 31st day of March, 1987.

MR. SPEAKER: Thank you, Mr. Ballantyne. Your motion is in order. To the principle of the bill. Are you ready for the question? All those in favour? Opposed, if any?

---Carried

Bill 1-87(2) has had second reading. Bill 2-87(2), Supplementary Appropriation Act, No. 3, 1987-88. Mr. Ballantyne.

Second Reading Of Bill 2-87(2): Supplementary Appropriation Act, No. 3, 1987-88

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Amittuq, that Bill 2-87(2), An Act Respecting Supplementary Appropriations for the Government of the Northwest Territories for the Fiscal Year Ending the 31st Day of March, 1988, be read for the second time. The purpose of this bill, Mr. Speaker, is to make supplementary appropriations for the Government of the Northwest Territories for the fiscal year ending the 31st day of March, 1988.

MR. SPEAKER: Thank you, Mr. Ballantyne. Your motion is in order. To the principle of the bill. Are you ready for the question? All those in favour? Opposed, if any? Thank you.

---Carried

Bill 2-87(2) has had second reading. Item 16, second reading of bills. Bill 3-87(2), Revolving Funds Act. Mr. Ballantyne.

Second Reading Of Bill 3-87(2): Revolving Funds Act

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Nahendeh, that Bill 3-87(2), An Act to Amend the Revolving Funds Act, be read for the second time. The purpose of this bill, Mr. Speaker, is to amend the Revolving Funds Act to increase the authorized limit of the fur marketing service revolving fund from \$500,000 to \$900,000.

MR. SPEAKER: Thank you, Mr. Minister. Your motion is in order. To the principle of the bill. Are you ready for the question? All those in favour? Opposed, if any?

---Carried

Bill 3-87(2) has had second reading. Bill 4-87(2), Write-off of Assets and Debts Act, 1987-88. Mr. Ballantyne.

Second Reading Of Bill 4-87(2): Write-Off Of Assets And Debts Act, 1987-88

HON. MICHAEL BALLANTYNE: I welcome Mr. Richard back into the House, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Amittuq, that Bill 4-87(2), An Act to Amend the Write-off of Assets and Debts Act, 1987-88, be read for the second time. The purpose of this bill, Mr. Speaker, is to amend the Write-off of Assets and Debts Act, 1987-88 to write off a debt owed to the Government of the Northwest Territories by Arey's Cafe Ltd.

MR. SPEAKER: Thank you, Mr. Minister. Your motion is in order. To the principle of the bill. Are you ready for the question? All those in favour? Opposed, if any?

---Carried

Bill 4-87(2) has had second reading. Item 16, second reading of bills.

Mr. Clerk, Bills 1-87(2), 2-87(2), 3-87(2) and 4-87(2) are ordered into committee of the whole for today. Item 17, consideration in committee of the whole of bills and other matters: Bills 1-87(2), 2-87(2), 3-87(2) and 4-87(2), with Mr. Zoe in the chair.

ITEM 17: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-87(2), SUPPLEMENTARY APPROPRIATION ACT, NO. 6, 1986-87; BILL 2-87(2), SUPPLEMENTARY APPROPRIATION ACT, NO. 3, 1987-88; BILL 3-87(2), REVOLVING FUNDS ACT; BILL 4-87(2), WRITE-OFF OF ASSETS AND DEBTS ACT, 1987-88

CHAIRMAN (Mr. Zoe): I would like to call the committee to order. The committee will take a 15 minute recess for coffee break.

---SHORT RECESS

The committee will come to order. We are dealing with Bill 1-87(2), Supplementary Appropriation Act, No. 6, 1986-87. Mr. Minister.

Bill 1-87(2), Supplementary Appropriation Act, No. 6, 1986-87

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. If it is the House's desire, I would like to bring in Mr. Lew Voytilla, the deputy secretary to the Financial Management Board, as a witness, if there are any technical questions to ask, and then the Ministers will be in their seats, available to answer any questions about their particular departments.

CHAIRMAN (Mr. Zoe): Does the committee agree?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Zoe): Mr. Minister, you can bring in your witness. Mr. Minister, for the benefit of the Members just coming into the House, would you introduce your witness for the record, please.

HON. MICHAEL BALLANTYNE: Certainly, Mr. Chairman. I have with me Mr. Lew Voytilla, who is the deputy secretary to the Financial Management Board.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister, if you would kindly proceed with your introductory remarks.

Minister's Opening Remarks

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. Before you is Supplementary Appropriation No. 6, 1986-87. It is the last supp for 1986-87. The purpose of this sixth supplementary appropriation is to provide the final changes required for appropriation authorities for the fiscal year ended March 31st, 1987. The two largest items in this supplementary appropriation represent recognition of estimated liabilities existing at the end of 1986-87. As Members will recall, the government introduced the 1987-88 main estimates at the last budget session and projected a seven million dollar deficit for 1986-87 and a closing accumulated surplus of only \$50 million. These original projections, when considered in conjunction with a budgeted 1987-88 deficit of \$55 million, caused extensive budget debate in the House. Good debate I would say. Healthy debate.

However, during that debate, the former Minister of Finance explained the very conservative nature of these projections and advised Members in March that the 1986-87 results looked much better than originally forecast. During the June session, Mr. Butters further advised this committee in the House that preliminary results showed a balanced budget for 1986-87 and a closing accumulated surplus at the end of 1986-87 of approximately \$60 million.

Mr. Chairman, we now have available the interim financial statement for 1986-87 and I have tabled this, Tabled Document 7-87(2), in the House at this session. Due to the favourable resolution of the Young Offenders Act Treasury Board submission, the 1986-87 fiscal year actually posted a surplus of \$10 million. The closing accumulated surplus was \$65 million. As a result, even if the government realized the budgeted 1987-88 deficit of \$55 million, we would still close 1987-88 with \$10 million in accumulated surplus as opposed to the accumulated deficit first conservatively forecast.

We will also give committee Members notice that the original 1987-88 deficit of \$55 million will not be realized due to anticipated delays in various capital projects. The 1987-88 deficit is likely to be closer to \$45 million. So our financial situation is much better than the very conservative estimates that were debated in this House. The bottom line is really what we are interested in here, Mr. Chairman, and the bottom line is looking good.

Supplementary Appropriation No. 6 for 1986-87 is comprised of \$3,685,000 in supplementary funding, which is required to enable this government to recognize its liabilities relative to employee leave and termination benefits earned but not paid in 1986-87. There is also a \$248,000 supplementary funding request relative to a year-end shortfall in the non-discretionary employee benefits budget; a further \$704,000 supplementary funding requirement which will enable this government to recognize its liabilities relative to teachers' summer salary entitlements that were earned but not paid in 1986-87 and a \$561,000 supplementary funding requirement for overexpenditures in student grants as a result of increased utilization. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you, Mr. Ballantyne. General comments. Mr. Pollard, chairman of the finance committee, do you have any comments?

Comments From Standing Committee On Finance

MR. POLLARD: Thank you, Mr. Chairman. Mr. Chairman, the committee has met and reviewed these items and inasmuch as we do not have any problems with the dollar figures, there was concern expressed at the committee meeting as to why these amounts could not be better forecast. I understand there is some process delay that prevents that but I would like the Minister to explain that to the House, please.

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. This liability traditionally has been difficult to forecast because of the uncertainty over benefits that are negotiated in our union negotiations. Employee turnover is something that, again, varies from year to year and it is something that cannot always be anticipated as accurately as we would like to anticipate it. So there is really no other way to deal with this but to deal with it in a supp because it is impossible to come up with anything but ball park figures in the main estimates and if those ball park figures were wrong, there would have to be a supp anyhow. We think traditionally this has been the best way to deal with it.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. Through you, Mr. Chairman, I would like to ask the Minister, is this going to occur again in the next fiscal year?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: Yes, every year, historically, this has occurred and for the reasons I have given we expect that this process will occur again and there will be a sum of money in the supp next year. We just do not know the magnitude at this point in time of that sum of money.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Mr. Lewis.

MR. LEWIS: Mr. Chairman, this is an area that I have some familiarity with and I still do not understand the one item of \$704,000 which was earned last summer according to this document and yet does not have to be paid until 1987-88. That does not make any sense to me. I would still like an explanation.

CHAIRMAN (Mr. Zoe): Mr. Minister.

Supplementary Appropriation Required By Accrual Accounting System

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. This is a result of the conversion to an accrual accounting system that first started in 1984-85. The accrual accounting system requires the expenditures to be recorded in the year to which they relate and this accrual records the portion of the annual summer pay-outs that were earned in the preceding fiscal year -- that is, the couple of months of teachers' salaries. So it occurred in the preceding fiscal year and this is really the only way to show it in a supp because we are forced to under the accrual accounting system.

CHAIRMAN (Mr. Zoe): General comments. Mr. Lewis.

MR. LEWIS: That does not help the people in this Assembly to understand. You are talking about accounting now. What we want to know is why is it that this year we have to be looking for money that I know people got paid last summer. I know that teachers got paid last summer. So what I want to know is, why is it that we are looking for money now since that money would have been in the previous year's forecast and the previous year's budget? Thank you.

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: No. Obviously the money has been spent and the exercise here is to get the proper appropriation authority after the fact, if you will, of those expenditures. But as I said, because of the system, there is no other way to do it unless we did not pay the teachers until now. Does that answer your question?

CHAIRMAN (Mr. Zoe): Mr. Lewis.

MR. LEWIS: Mr. Chairman, it still does not answer the question. If we had a budget last year in which all salaries projected for that year were made available to people, then why is it that we are looking for new money now? It is not an accounting problem. What you are looking for is money that should have been made available in that 1986-87 budget. So a year after the fact, it would make no sense to ordinary Members why we have to do that.

CHAIRMAN (Mr. Zoe): Mr. Minister, if you could explain that for Mr. Lewis.

HON. MICHAEL BALLANTYNE: As I said, most of it is an accounting problem. I think I see what Mr. Lewis is getting at. If we were able to totally accurately predict what the wage settlement would be, what the turnover of teachers would be exactly, then there is some possibility you could do it the way you are talking about. But there is no possibility under our system. We have to do it this way and this is really the only way that is possible to us unless we had a crystal ball better than the one we have.

The system has changed dramatically. I am not sure we were in accrual accounting when you were still with the government. The magnitude will change from year to year but this process will still be here and if the government is more accurate in their forecast and if the government had a better way of knowing what a union settlement would be or what an arbitrator would decide, then this sum, obviously, could be smaller. Because there are those intangibles, this particular process will carry on from year to year. At some point this sum may be smaller if we get a better handle on those two things.

CHAIRMAN (Mr. Zoe): Mr. Lewis.

MR. LEWIS: Mr. Chairman, if that is the problem then, why is it that we are only dealing with summer salary entitlements? Why specifically summer salary entitlements and not any other kind of entitlement?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: All the other entitlements are paid as they are earned and this is the only one that is not paid exactly as it is earned.

CHAIRMAN (Mr. Zoe): General comments. Is the committee ready to go into detail? We are dealing with the beige detail book, Supplementary Appropriation No. 6, 1986-87. We will turn to page four.

Personnel, Staff Relations, Total 0 And M, Agreed

Personnel, total 0 and M, staff relations, \$3,933,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Education

Schools, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Education, total 0 and M, schools, \$704,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Advanced Education, Total 0 and M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Advanced education, \$561,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Education, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Total department, \$1,265,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Is the committee ready to go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 2, application. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 3, supplementary appropriation for 1986-87. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 4, purpose of expenditures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 5, lapse of appropriation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 6, accounting. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 7, commencement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Schedule, vote 1, operations and maintenance. Total operations and maintenance, \$5,198,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total appropriated, \$5,198,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Does the committee agree that Bill 1-87(2) is now ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Now we will be dealing with Bill 2-87(2), Supplementary Appropriation Act, No. 3, 1987-88. Mr. Minister.

Bill 2-87(2), Supplementary Appropriation Act, No. 3, 1987-88

Minister's Opening Remarks

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. Mr. Chairman, I am advancing for Members' consideration Supplementary Appropriation No. 3, 1987-88. This supplementary appropriation, when combined with the two earlier 1987-88 supplementary appropriation bills, results in a net requirement of just over one million dollars. This is well within the six million dollar supplementary reserve for 1987-88. The main items within this supplementary appropriation are \$3,578,000 for additional capital projects within the Northwest Territories Housing Corporation; \$2,994,700 required to cover shortfalls in the non-discretionary employee benefits package; \$950,000 out of cost overruns for forest fire suppression; various transfers between departments and funding reductions relative to the impending closure of the town of Pine Point; a \$1,500,000 reduction to the renewable resources contribution program as a result of start-up delays; and \$990,000 required to meet increased demands for student grants. The repayment of \$6,551,000

accumulated surplus for the Northwest Territories Housing Corporation has contributed considerably to offsetting additional costs that I have just identified. The net cost to the Government of the Northwest Territories relative to the items contained within this document is \$1,045,700. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Mr. Pollard, as chairman of the finance committee, do you have any comments?

MR. POLLARD: Thank you, Mr. Chairman. I think that on page one, which goes into the source of financing and so on, Mr. Chairman, an explanation of the \$6,551,000 from the Housing Corporation and where it came from.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. If I could give a little history of the difference between the Housing Corporation and a department of the government. The Housing Corporation, if it has a surplus in a given year, must record that surplus or submit that figure to the Financial Management Board, to the government and the government can, if it wants, call to have that surplus returned to the Government of the Northwest Territories. This total sum of \$6,551,000 is totally Government of the Northwest Territories money, so I do not want any confusion with that and CMHC. This is our money. In 1984-85, there was a \$778,000 surplus for a number of reasons. At that time the former Minister introduced some new management procedures and for a number of reasons we had that sort of surplus. In 1985-86, there was a surplus of \$943,000 and a lot of that was due to the fact that the housing authorities and associations had underspent their funding.

Explanation Of Large Surplus In 1986-87

In 1986-87, when I was Minister, the largest part of this surplus, \$4,830,000, occurred for two major reasons. The first reason was that in the previous year, the Government of the Northwest Territories, as a result of recommendations of the special committee on housing, had injected into the budget of the Housing Corporation a very large sum of money, seven or eight million dollars. Prior to that, for the three or four years before that, or even more, the government had in front of the Treasury Board of Canada a submission saying that when the Northwest Territories Housing Corporation and the Government of the Northwest Territories took over the housing responsibility from the Government of Canada there was a major operation and maintenance base deficiency. They did not give us enough to carry out proper maintenance of our housing stock. To put it in perspective, right now the Housing Corporation has some four and a half thousand units in its housing stock, so the operation and maintenance of a very large asset is very important. Because of the efforts of Mr. Wray, this large sum of money was injected into the Housing Corporation budget and with this large sum of money came some firm directions to develop a maintenance management system across the Territories.

At the time I took over, this system was in the process of being developed, at least the original part of it. I was not happy with the approach that the Housing Corporation was taking at that time. They were attempting to do a universal maintenance system across the Territories which did not take into account, at least in my estimation and the Executive Council's estimation, the differences between conditions across the Territories, the differences between the types of housing stock that were available in different areas, the differences between the ways the different associations, authorities and bands politically dealt with the whole issue of housing. So, I instructed the Housing Corporation to put the maintenance management system on hold for most of the year until a system which was more relevant to the needs of the North would be developed.

There was a lot of consultation that went on at a regional level. We brought in maintenance managers. We brought in people that were actually dealing with these houses. Rather than making decisions from Yellowknife I thought it appropriate to ask questions of those people who service the houses. Each region of the Northwest Territories put together a maintenance management system which was appropriate to their needs and a system which they understood and was effective. So that took a long period of time and the process, even today, is not quite completed, but we are almost there. Because of that, most of this \$4,830,000 was not spent.

Another part of that is because we had a very mild winter. Because fuel costs are so expensive in the North and with a mild winter and so many different units, it is very hard to forecast what those costs will be.

One-Time Only Surplus Will Be Utilized

I want to emphasize that this money is a one-time only surplus that has been offered back to the government, because as this maintenance management system is put into place, all these funds will be utilized. They are all needed. But the fact is because we put it off for close to a year, we have at this time a fairly large amount of money. Because of the budget debate, and because of the concern of the Executive to attempt to balance the budget, I thought it appropriate that a good portion of that money be returned to the government to help offset their deficit.

The rest of the money has been reallocated from O and M to capital and when we get to that detail in the budget, Mr. Chairman, I can explain exactly what happens in that area. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard.

Supplementary Reserve Status

MR. POLLARD: Thank you, Mr. Speaker. The only other question is on the supplementary reserve status. The opening balance is six million dollars. Is that the opening balance now? If that is the case, what was the opening balance when the budget was originally struck?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: In the budget process, when we developed this year's budget, that sum of money, six million dollars, was forecast at that time in the budget. Essentially a six million dollar reserve was set aside for supplementary appropriations and the total of the three supps so far nets to one million dollars. So we are well within the limits agreed to by this Legislative Assembly up to this point.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Mr. Richard.

MR. RICHARD: Thank you, Mr. Speaker. Under general comments I would like to address some of these issues on the opening page, because it is a summary of the bill. Let me say at the outset, Mr. Chairman, in response to something that the Minister of Finance just indicated, that I do not accept that this supplementary request and the totals of supps one and two are within the six million dollar reserve because they are not. This bill asks for us to authorize expenditures in excess of seven million dollars just in supp three. The accounting and arithmetic figures on page one does indeed show a bottom line of \$1.04 million.

But in March of this year the 10th Assembly was asked to approve total expenditures of \$790 million. We, after much debate, approved it and we did that with the knowledge that the government was projecting revenue that would go toward paying the \$790 million of expenditure. They were projecting revenue then of some \$720 million -- I am talking round figures here. The government at the same time gave us advance warning that, later in the fiscal year, they were going to be asking us for possibly up to six million dollars worth of requests for further expenditures.

Supplementary Figures Are Unrealistic

Some of us -- and I wish we could get The Duke on the speaker phone to listen to some of this -- said that is unrealistic. You have been spending supplementary figures of a magnitude of \$20 and \$30 and \$50 million in recent years. Why this year is it only going to be six million dollars? Now because I had to clean out my office this year and move back in, I cannot find supp one and supp two, but I have supp three in front of me, this bill, and the expenditures are O and M, \$4.8 million; and capital, \$2.7 million, which are out of pocket expenditures of seven million dollars or in excess of seven million dollars.

So I would just like to point that out for someone like Mr. Pollard, who is asking about the state of the supplementary reserve. The projection was that they would not ask for more than six million dollars past the \$790 million that we gave them approval for in the spring, and already they are away over that. So let us not fool ourselves that there is a lot of room left in the supp reserve. Net figures maybe. The Housing Minister has brought over, as he said, \$6.5 million from the Housing Corporation. But I just think that overall picture should be put on this, Mr. Chairman. I will not go into the remarks from across the way from Mr. Wray that there should be a pat on the

back, that the March 1987 accumulated surplus ended up being higher than what they projected, because I know in my heart that it was not by design, it was by default. There are just so many hours in the day to spend government moneys and there was not enough time to spend all of the millions of dollars that the Assembly approved.

I do have a couple of questions on the general picture of this page one summary. I would like to ask for a little more specifics on the \$6.5 million coming in. I understand -- and I do not know the accounting terminology -- the surplus or the deficit of the Housing Corporation comes to the government. What I would like to know, this \$6.5 million, what fiscal year is that for? What financial year of the Housing Corporation does that represent? Perhaps I could just explain; the reason I am asking that is that if it is for another year, like the previous year, again I think it clouds the picture just to say, "Well, we are doing really well on our supplementary reserve because we are going to take this money from another year entirely and we are going to bring it into the financial statements of the territorial accounts and it is going to make our picture look better." I say that if it is from last year, add it on to the \$10 million surplus that you say you had in March 1987 and say that is a \$16 million surplus. That is a more realistic picture than trying to confuse things with bringing it in this year, because it is not this year's revenue if it was a surplus of the Housing Corporation from last year.

Status Of Projected Lapse Of \$19 Million

Another area, among the many projections that the government made, and I am going back to the main estimates given to us in March, when we were asked to authorize spending of \$790 million. They said that they would need another six million dollars later on, but they also projected then, an estimated appropriation authority lapse during the year of \$19 million and change. Mr. Ballantyne and Mr. Wray may remember that some of us tried to take that projection and say "All right, if you do not need the money, let us take it out of the authorized budget." That attempt failed. My question is: How are we doing? This is month five or six or seven of the fiscal year. What is the projected lapse in relation to the \$19 million that was projected at the beginning of the year?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: If I could start off with Mr. Richard's first general comments. It brings back a sense of *deja vu*. It seems to me we had this same discussion before, a year ago, with another government. I, unlike Mr. Wray, did not expect a pat on the back but I thought a little grateful sigh might be in order. But I think the difference is one of perception, Mr. Richard.

Supplementary Estimate Not Same As Expenditure

A supplementary estimate is not the same as an expenditure. It is an appropriation authority. It can be an expenditure but it does not have to be. And the six million dollars that is envisioned is the net result of expenditures and of underexpenditures which will come to no more than six million so that the bottom line does not change and that is the difference. A supp is not necessarily an expenditure; a supp is the total in and out of those figures netting, in this case, a million dollars for the three supps.

Obviously the most important figure that we are dealing with is the bottom line and there is going to be, in the course of a year, for any number of reasons which we will discuss, I am sure, much more fully in the budget session -- any number of reasons why moneys will not be expended but there will be surpluses, where moneys will be underexpended. There will be other areas of new expenditures, and the responsibility of the government, at least as we see it, is that the result of those transactions will be a net expenditure of no more than six million dollars, so the bottom line does not change by more than six million. We feel we are well within that. We have only used up in real dollars one million of the six.

Your second question, Mr. Richard, and I think I explained it but I am not sure if you were in the House, is about the years. You were right inasmuch as a portion of the money came from previous years. In fact, and I gave the figures in my opening statements here today, it was, in 1984-85, \$778,000; 1985-86, \$943,000; in 1986-87, which is the biggest chunk, it was \$4,830,000. Now, I guess, again, philosophically your point is what we are trying to do and I do give you and others credit for the very spirited offence that was taken against our government on the budget in the last session. What would have happened in the past generally in the Housing Corporation with these

sort of surpluses is that they would have just been ploughed back into housing. But I thought that, because of the comments made by you and others like you, this year we would offer back those accumulated surpluses over three years for the good of the Territories. Normally you would have found that those would not have come back; they would have stayed in the Housing Corporation and they would have been used for housing, which is legitimate; but because of the concerns expressed about the overall financial situation we are in, we thought we were doing something that you had asked, which is that we utilize money with the overall financial picture in mind. So we thought we were being quite responsible -- not expecting a pat on the back, but at least silence would have been appropriate.

If I can answer your last question, I have to emphasize that this is an estimate and if this estimate is not exactly on, six or eight months from now, I am sure you will table something to the effect that we had promised this. What it looks like now -- and again this is not an exact estimate and we cannot give you a definitive answer -- is that on top of the \$19 million, and I do recall very well a spirited debate on that \$19 million, it looks as though there will be another \$20 million in lapses for a net of \$39 million or \$40 million. Again, that is a snapshot right now, so to the best of our forecasting ability we are forecasting that \$19 million is closer to \$40 million. I hope that answers the Member's questions.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Richard.

Defence Of People's Money

MR. RICHARD: Thank you, Mr. Chairman. Firstly, when the Minister refers to my conduct last spring with other MLAs and describes it as an "offence" against the government's budget -- it was not that, Mr. Chairman; it was a defence of the people's money, is what it was.

Mr. Chairman, I am not going to belabour these specific ones here but I have been saying this for two or three years. The government Ministers and the people who put these documents together have improved tremendously in the presentation of material and when I say "playing games", I do not mean to offend anyone but if those who say we have a consensus government mean what they say, then they have got to stop playing games with other MLAs. If you know the questions we are going to ask, do not try to manipulate these pictures here to present a different picture than what it is. I mean, we had a very clear picture in the spring, in April, in March, when we were asked to approve what was going to happen in the next 12 months, and there are some basic figures: predicted revenue, predicted expenditures, net -- which was then a net loss of \$68 million. Then you went on to say that we are going to need more expenditures approved, six million dollars, and yet we are going to lapse \$20 million.

Now you take those five simple figures and yet you come with a supp number three here -- and you will not deny, Mr. Minister, that you are asking us to approve \$7.5 million in additional expenditures. Why are not these figures set out opposite the same five figures? When you tell me that you are bringing in from previous years, from a related crown corporation, six and a half million dollars, why do you not adjust projected revenue? That is where it belongs, up there. And when it says down here projected additional expenditures of six million dollars, why do you not take the \$7.5 million and put it opposite the six million where it belongs? That is what I am saying. I mean, you are anticipating that Richard and the others are going to ask a question about the six million reserve that we have overexpended, so you play games with these figures so that the bottom line is that we have touched only one million of the six. Well, that is just a crock and we all know that and I suspect because you are going to lapse \$40 million or \$60 million instead of \$20 million that the bottom line does look good. But do not come in here and try to convince me, because I was here last spring, that your projections are so great that you do not have any additional expenditures beyond what was approved in the spring, because we have already approved two supps and this supp has got seven and a half million extra in it. That is my point. It is the presentation of the material in relationship to what was presented to us, some of us, last March. It is going to be a good four years.

CHAIRMAN (Mr. Zoe): Thank you. Any further comments, Mr. Minister?

HON. MICHAEL BALLANTYNE: Yes, I agree it is going to be a very good four years.

Government Not Playing Games

The government is in no way playing games. I think there is this misunderstanding of what you think a format should be and what has traditionally been the format for governments across the country and I would agree with you, if it was possible -- and we had the same conversation with Mr. Lewis a little bit earlier -- it was totally possible to predict everything, then everything could be in that book that you hold in your hand, in the budget book. It is not. And the whole concept, at least the way I have understood it and the way that other governments, as I understand, deal with it is that during the course of the years what you and we, as Members of the Legislative Assembly, are concerned about is that if there are to be extra expenditures, that there be offsetting revenues and those revenues can come from any number of sources.

Because of the budget debates you talked about, this government put on, I think, a fairly effective restraint program. Many of the comments that were offered in the way of advice to this government during the debates, even though we did not think it was possible in three days or whatever it was at the end of the budget debates to incorporate them, we did, in fact, in the months following. We understood very well, very strongly what this Legislative Assembly was saying and what they were saying to us, we understood, was "We do not want to have deficit budgeting." So, we do not want that. We have tried through a number of mechanisms to accommodate that request and I say again -- and I will not belabour it any more, unless Mr. Richard does, because we could go on forever -- that the net result of this appropriation authority, which a supp is -- it is not just an expenditure -- the net result of the balancing of the expenditures and new revenue, if you will, is still only a million dollars, still well within the five. And it is not a game. That is the reality; but it is something I think we can probably debate during budget session -- these principles -- to a greater degree. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. General comments. If there are none, does the committee agree we go to detail?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Zoe): We are dealing with the details of the Supplementary Appropriation, No. 3, 1987-88, the white book.

Executive, Executive Council Secretariat, Total O And M

Page four, Executive. O and M, Executive Council Secretariat, special warrants, \$180,000. Mr. Lewis.

MR. LEWIS: I just have one question. We have had mine closures in the NWT many times in the past and I would have thought that since we have had this experience many times, there would have been a government policy in place so that you would know what to do when things like this happened. So that things like this do not have to be hurriedly done in future, does the government now have a policy in place to deal with single resource type communities?

CHAIRMAN (Mr. Zoe): Mr. Minister, would you like to comment on this even though it is not your portfolio?

HON. MICHAEL BALLANTYNE: I think Mr. Wray has been dealing with this particular portfolio and I think, as we go through the department, the Ministers are available for direct questions on their specific departments. Mr. Wray has co-ordinated the closure of Pine Point, so he probably would be in a good position to answer your question.

CHAIRMAN (Mr. Zoe): Mr. Wray.

HON. GORDON WRAY: Mr. Lewis is not quite correct, inasmuch as this is the first time that we have had to deal with this issue as a government, on an actual closing of a mine and a complete town. Therefore, the government has no history or experience in doing this.

One of the exercises that has been undertaken with the Pine Point closure is that with what we learned from the Pine Point closure, a policy is being developed by Energy, Mines and Resources using the Pine Point experience as a method of doing it. But we have not had to do this exact type of closure before. So we will develop a policy from the Pine Point closure.

Executive, Executive Council Secretariat, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Executive Council Secretariat, special warrant, \$180,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, \$180,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Northwest Territories Housing Corporation, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Northwest Territories Housing Corporation. O and M, NWT Housing Corporation, \$63,000 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, \$63,000 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Northwest Territories Housing Corporation, Total Capital

CHAIRMAN (Mr. Zoe): Northwest Territories Housing Corporation. Capital, \$3,578,000. Mr. Gargan.

MR. GARGAN: Mr. Chairman, I just wanted to ask the Minister about an experience that we had this summer. The Housing Corporation let five northern rental units go, which were removed from the lots and were actually given away to some individuals, as well as to provide a home or shelter for spousal assault. After about four or five months, this whole thing was changed around and they went out for bidding. So most of the people that are still waiting for houses and cannot afford to get their own houses were left out in the cold. What happened is that only the people who could afford to submit a bid and the highest bidders were the ones that were getting them. It ended up that the communities lost out because the houses went to people who just did not need them. But because they had the highest bids, they went to them. I was kind of disturbed that, after a commitment was made, the department would go and make a change or a turnaround like that in Fort Providence, with five units for which some of the people did invest in clearing lots and preparing the lots, and they were going to invest in improving these old units and then they lost out altogether. I was quite disturbed by that and I thought I would bring this to the Minister of Housing, as well as to the previous Minister of Housing.

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: I do not think the Member talked to me about it during the summer and I think I recall the situation. As I recall it, there were five northern rentals in really bad shape. I do not think anyone was living in most of them. It was a matter of destroying them because it was felt that they were in such bad shape it was not worth fixing them. So rather than do that, to try to generate some revenue and to avoid the criticism we would have got if we had just trashed the houses, we offered them for sale.

That in no way affected Fort Providence's rights to get housing under the five year capital plan and I think Fort Providence vis-a-vis other communities has been dealt with fairly reasonably over the last couple of years. But it points out a really serious problem that we have with northern rentals. We have approximately 1000 northern rentals still in stock, of which I would say 400 or 500 should be written off. The problem is there is not enough money to replace them all, on top of building new homes.

Intention To Replace Old Rental Units

So we have this situation and we will have this situation that happened in Fort Providence and other communities, where people will continue to live in totally substandard housing. The intent of the Housing Corporation over the next 10 years would be to replace all the northern rentals with good housing. But because of limited resources we were not able to do it. So I apologize if it caused any problems. The Member did not make me aware of them. But that is, as I recall, the issue in Fort Providence.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Gargan.

MR. GARGAN: Thank you, Mr. Chairman. What is their intention with regard to the replacement of those old northern rental units? I understand the Minister is speaking about the allocation of houses to my area -- but then the election came and all my allocations dropped from the original allocations I was given during the budget session. For example, in Providence we were supposed to get seven and only got five and out of that we got one HAP unit; Kakisa was one and one; and the Hay River Reserve dropped from five to two. So these are the allocations now: we are getting one HAP and one four-plex and on the reserve they are getting two HAP units. We do not know what the rationale was at that time for dropping them because as far as the needs assessment went, in the Hay River district, based on the needs study that was done, Fort Providence was the one that most needed housing. I think the need was about 20 per cent higher in Fort Providence, than in the constituency of Nahendeh, for example, or Tu Nede and Deh Cho. So, I thought that I would bring that up because we did lose out, and I do not know why. I could only say that it is the election that has caused all of this drastic trouble. An allocation was made during the winter session and that was dropped and I believe that I brought that to the attention of the new Minister but I have not received any response.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister, do you want to try to answer that particular question, or comment?

HON. MICHAEL BALLANTYNE: Yes, I certainly do. I do not like the implication that it had anything to do with the election, because we have gone in the last five years from what was a very discretionary process to a process right now that is very well controlled. It is the first time ever that there is a five year capital plan based on a needs study which was brought into this House. Two years ago I kept back -- to fill the gaps because the needs study process was not refined -- 30 units; last year, 10 units out of 300. That was the only discretion that there was, was 10 units, and the needs that you are talking about in your communities have to be compared with needs right across the Northwest Territories.

Allocation Of Housing Based On Need, Not Political Favouritism

We have said, I do not know how many times, that we are refining that needs study process. But if we are going to attempt to continue to keep the allocation of housing based on need and not on political favouritism, then it is very important that those needs studies are done everywhere across the Northwest Territories. That is something that I think that we have done -- we have made drastic improvements in the last four years to get it from a political decision to a decision based on need. We have gone through, a number of times, what the process is and the decision whether it is HAP or public housing is totally a community decision. It is totally up to the community to decide that. That is what the communities have told us. They want to make those decisions. So, if the community says that they want four public housing units and one HAP, and the MLA tells me, "Well, they want five HAP", I think they should work it out with the community because we have said that that choice is a community choice.

So, I agree there are a lot of improvements to be made, but we have done a lot in the last four years to get to a fair allocation of housing, and I do not think that Fort Providence has been hard done by whatsoever. There have been times that you have even said nice things about the allocation in this House, Mr. Gargan.

Northwest Territories Housing Corporation, Total Capital, Agreed

CHAIRMAN (Mr. Zoe): Thank you. NWT Housing Corporation, capital, \$3,578,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, \$3,578,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Finance

Treasury, Total O And M

CHAIRMAN (Mr. Zoe): Thank you. Finance, operations and maintenance, treasury, \$145,000. Agreed? Treasury, \$145,000. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I know that we have been through this before, Mr. Minister, but could you tell me what you are using the \$145,000 to insure or where the \$145,000 is being spent, please?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: There have been increases in per diems for insurance rates. There have been increases in brokers' fees, just because of how volatile the insurance market is now. It is a lot harder for the brokers to put together the right package for the government and there are new programs in forestry that have been taken over by the government which have also added to the cost of insurance. But, generally, the cost of insurance is going up, and that makes up the largest amount of this particular expenditure.

CHAIRMAN (Mr. Zoe): Thank you. Do you have any further questions, Mr. Pollard? Go ahead.

MR. POLLARD: Thank you. What kinds of things are we insuring here? Are we insuring people or are we insuring equipment, vehicles, buildings?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: Essentially, both. We are insuring assets and also there is liability insurance.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard.

MR. POLLARD: So I take it, then, that you get a quote from an insurance expert from the beginning of each year. When does your year start, for insurance?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: It is on a fiscal year basis, so it starts April 1.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard.

MR. POLLARD: Okay, I just want to say to the Minister, that I, too, purchase insurance, and I take it that somewhere along the line, what you have budgeted was not enough for what you were quoted. And, if my insurance agent came back to me and said, "It is going to cost you an extra \$145,000," part way through the year, I would be somewhat excited.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: The Member is right. We obviously shop around, but our premium was not up until April and we finalized the budget in December, really. So, there is that time lapse, and also there are other things. Mr. Wray just reminded me of -- you know, vehicles come on line, what have you -- so there are some other things that would tend to affect it somewhat.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard.

MR. POLLARD: One final question, Mr. Chairman, and that is that when a department budgets for a vehicle, do they not take into consideration that if you are going to put insurance on it, that should be part of the budget allocation at the time?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. MICHAEL BALLANTYNE: Yes, but the vehicle one probably was not the best example that I could give for something like that. The problem is, there is a potential of some problem of co-ordination between the department and, for instance, DPW in doing that. So, as I said, I could have used, probably, a better example than that one. That is a very good point, Mr. Pollard.

Treasury, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Treasury, \$145,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Fiscal Policy, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Fiscal policy, \$30,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Finance, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Total department, \$175,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Personnel

Staff Relations, Total O And M

CHAIRMAN (Mr. Zoe): Personnel, operations and maintenance, staff relations. Special warrant, \$791,000, not previously authorized, \$92,000. Mr. Pollard.

MR. POLLARD: I am new to this, Mr. Chairman, but a special warrant, I understand, has already been spent. Is that correct?

CHAIRMAN (Mr. Zoe): It is.

MR. POLLARD: I think that the House met in June of that year, and yet this was given in July, so could there not have been a request made to the House in June? It does not seem that there was that much lapse in time.

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: In the discussions we had in the SCOF committee, I think Mr. Lewis asked some questions on this particular point and I think I agreed that it might have been possible to have got it, instead of in supp number three, in supp number two but because of that problem, because of the collective agreement, it was not physically possible to get it into the budget book in time for the budget.

CHAIRMAN (Mr. Zoe): Mr. Wray, would you like to add to that?

HON. GORDON WRAY: Yes, Mr. Chairman. We did not have the new premiums in time for the June session. They did not come in until a little bit later.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard, does that satisfy your question?

MR. POLLARD: Actually, Mr. Chairman, I was surprised that it took so much time to decide on how they were going to answer the question, but I always feel bad about authorizing money that has already been spent.

Staff Relations, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Staff relations, 0 and M, special warrant, \$791,000; not previously authorized, \$92,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Regional Operations, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Regional operations, 0 and M, \$2,195,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Personnel, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Total department, special warrants, \$791,000; not previously authorized, \$2,287,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Government Services, Freight, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Government Services, operations and maintenance, freight, surplus \$3200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Total department, surplus \$3200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Public Works And Highways

Buildings And Works, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Public Works and Highways, operations and maintenance, buildings and works, surplus \$103,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Vehicles And Equipment, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Vehicles and equipment, 0 and M, surplus \$129,200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Utilities, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Utilities, surplus \$353,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Public Works And Highways, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Total department, surplus \$585,200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Public Works And Highways, Accommodation Services, Total Capital, Agreed

CHAIRMAN (Mr. Zoe): Public Works and Highways, capital, accommodation services, \$341,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, capital, \$341,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Renewable Resources

Wildlife Management, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Renewable Resources, operations and maintenance, wildlife management, surplus \$40,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Field Services, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Field services, \$435,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Fire Operations, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Fire operations, special warrants, \$950,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Renewable Resources, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Total department, special warrants, \$950,000. Not previously authorized, \$395,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Renewable Resources, Wildlife Management, Total Capital, Agreed

CHAIRMAN (Mr. Zoe): Renewable Resources, capital, wildlife management, \$40,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, \$40,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Municipal And Community Affairs

Municipal Affairs, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Municipal and Community Affairs, operations and maintenance, municipal affairs, \$592,100. Agreed? Mr. Gargan.

MR. GARGAN: Mr. Chairman, just a clarification here. I would like to ask the Minister, with regard to municipal affairs, about the moneys that are allocated here, from Sachs Harbour \$217,000 down to Fort Providence \$103,600. These were transfers associated with creating a hamlet. Fort Providence is bigger than Lac la Martre and Sachs Harbour. It is about the same size as Fort McPherson and yet as far as the allocation of money goes, Providence got the lowest amount even though they are slightly bigger than Sachs Harbour or Lac la Martre. I just wanted to get some clarification on why the amount was different.

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. Essentially, one of the reasons there is so much difference is that the cost of freight, the cost of electricity, the cost of fuel, the cost of operating buildings, is all much, much more expensive in Sachs Harbour than it is in Fort Providence, which is on the highway system. So that is why you see the differences in the budget coming in.

CHAIRMAN (Mr. Zoe): Thank you. Does that satisfy you, Mr. Gargan? Okay. Municipal affairs, \$592,100. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Sport And Recreation, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Sport and recreation, surplus \$72,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Municipal And Community Affairs, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Total department, \$520,100. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Municipal And Community Affairs, Community Works And Capital Planning, Total Capital, Agreed

CHAIRMAN (Mr. Zoe): Municipal and Community Affairs, capital, community works and capital planning, special warrant, \$281,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, \$281,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Health

Administration, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Health, operations and maintenance, administration, special warrant, \$140,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Supplementary Health Programs, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Supplementary health programs, surplus \$6000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Territorial Hospital Insurance Services, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Territorial Hospital Insurance Services, surplus \$203,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Medicare, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Medicare, surplus \$153,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Medical Transportation, Total 0 And M, Agreed

CHAIRMAN (Mr. Zoe): Medical transportation, surplus \$28,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Health, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Total department, special warrant, \$140,000; not previously authorized, surplus \$390,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Economic Development And Tourism, Business Development, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Economic Development and Tourism, operations and maintenance, business development, special warrant, \$63,000; not previously authorized, surplus \$163,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, special warrants, \$63,000; not previously authorized, surplus \$163,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Economic Development And Tourism, Business Development, Total Capital

CHAIRMAN (Mr. Zoe): Economic Development and Tourism, capital, business development, surplus \$1,500,000. Agreed? Mr. Richard.

MR. RICHARD: Mr. Chairman, can I ask the Minister of Finance, on an item like this now, where we are in month eight or nine of the fiscal year, what is the difference between identifying a surplus of \$1.5 million in a particular part of a departmental budget and simply letting that lapse at the end of the year? You indicated that the projection of lapses at the beginning of the year was \$20 million; it may be as high as \$50 or \$60 million. Why is this one item singled out for a reduction in mid year? You are not going to wait until this lapses in March 1988; you are going to ask us now to approve reducing it in mid year.

CHAIRMAN (Mr. Zoe): Mr. Minister.

Early Identification Of Surpluses

HON. MICHAEL BALLANTYNE: There are two reasons. One is that it provides early disclosure to the Assembly which asked for that to get as much information as soon as possible. Secondly, as a financial management tool this ensures that the department cannot use it for something else. It gets it out of the department's hands, really. It is another management tool to identify it and then it is essentially protected from utilization by the department.

CHAIRMAN (Mr. Zoe): Mr. Richard.

MR. RICHARD: I am not criticizing its being done. I just think there should be more of it. If at the beginning of the year -- and we went through some of this debate in March -- you said of that \$790 million that we are really not going to spend all of it, we are going to lapse \$20 million of it, but because we cannot identify where the \$20 million is going to lapse, it is just collectively going to lapse; and if we are now into the year and you are telling me with the assistance of the official there, Mr. Voytilla, that you do not want to be bound to it but you think that you may lapse a figure of a magnitude of \$30 and \$40 million dollars rather than \$20 million, then somebody in those departments must have a lot of indication where the money is not going to be spent. You found one specific area here, \$1.5 million. I congratulate whoever found that. But why is there not more of this, that two thirds of the way through the financial year you are reducing them like this?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. MICHAEL BALLANTYNE: The difficulty is that a lot of the lapses will be happening on the capital side and on a couple of hundred projects or more. A large number of major projects are happening in the Territories at any given time and it is really difficult to predict which and why because there are so many different reasons why, for instance, a project in a certain community does not go ahead. It is not so cut and dried. Some of them might go ahead and then something happens -- the contractor has problems or bad weather or any number of things. Something like this is much easier to identify. The other situation is so fluid, it is much more difficult to try to identify anything this early in the process.

CHAIRMAN (Mr. Zoe): Thank you. Business development. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I wonder if the Minister could indicate which specific projects were delayed in start-up and if they are delayed, when will they be expected to start again?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I can tell the Member that to date quite a number of projects have been funded under this program. There are nine or 10 projects that have been started, but it was obvious that we were not going to be able to utilize all of the three million dollars and so this summer our department offered to give back \$1.5 million. The fund of \$1.5 million is now being used and by the end of the year we should be able to use most of it. But we have a number of projects that have been approved and funded and I can give the Member the list and the moneys on each project if he wishes.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Pollard.

MR. POLLARD: Is this program going to be available again next year, just in case there were people who wanted to apply this year and did not get their project going?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. NICK SIBBESTON: Yes. The department is proposing that moneys be made available again next year.

Economic Development And Tourism, Business Development, Total Capital, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Business development, capital, \$1,500,000 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, surplus \$1,500,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Education

Advanced Education, Total O And M

CHAIRMAN (Mr. Zoe): Education. O and M, advanced education, \$990,000. Mr. Richard.

MR. RICHARD: Mr. Chairman, do I take it from the wording of this question alongside the other bill, Bill 5-87(2), where we increased the loan fund, that these programs are written such that so long as the students come in the door and meet the criteria, that the answer is yes; that there is no overall ceiling on the program? Do I understand that is why the extra million dollars is required?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. The Member is correct. These are basically universal programs provided the criteria are met. I would just like to point out that after having relatively stable growth in student grants in 1983-84 and 1984-85 and 1985-86 of 353, 348, 347, respectively, suddenly in 1986-87 students qualifying for grants jumped to 507. In 1987-88 they jumped to 550, which was an increase over the 1985-86 level of about 58 per cent. We are not exactly sure why the number of students jumped so dramatically, because the high school graduations did not jump so dramatically. We are now tracking back to try to find out why all these people suddenly decided to go back to school. But they did. So the Member is correct. There are no ceilings or caps and it is basically a nondiscretionary program. It is a nice problem, in a way. It means that more northern students -- and the bulk of these are native students, by the way -- are going to post-secondary education. But it is costing a lot. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. Advanced education, O and M, \$990,000. Mr. Pollard.

MR. POLLARD: I would like to ask the Minister of Education, is that a sign of the economic times here, that when the economy declines, people go back to school?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. Yes, I believe that this is a trend, that when times get tough many young people tend to think that they need more education in order to find jobs in a world where jobs are getting harder to find. I should also point out that another factor is the expansion of the college system. Since Arctic College has been decentralized, there are now more opportunities for students to go to school closer to home and a lot of students do go to school closer to home. A lot of these students are now taking programs in the Arctic College and not in southern Canada. So there would be those two factors, principally. We are doing an analysis and may have a more precise accounting in due course, but I think those are the two main factors. Thank you.

Advanced Education, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Thank you. Advanced education, \$990,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Arctic College, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Arctic College, \$25,000 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Schools, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Schools, \$405,000 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total department, \$560,000. Mr. Richard.

MR. RICHARD: Arctic College \$25,000 surplus is made up of two items. The negative item of \$408,000 is transferring revenues to the college. Could the Minister of Education explain that? Where is the revenue being transferred from and to?

CHAIRMAN (Mr. Zoe): Mr. Patterson.

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. This reflects the fact that an Arctic College Act was established last fall which sets up the college as the body corporate which now has the ability to retain revenues which previously went into the consolidated revenue fund. The college is no

longer a department of the government; it is a body corporate and the government now has reduced revenues because the tuition fees, course fees, board and lodgings, no longer goes into our general revenue fund. Instead they are retained by the college and put in to supplement college operations. So this is basically an adjustment that reflects the college's independent corporate status, but would not really affect the overall government revenues either way because the government now does not need to grant quite so much money. We take these college-generated revenues into account in appropriating the annual budget to the college. So it is an accounting transaction rather than a decline in the government's revenue.

Education, Total O And M, Agreed

CHAIRMAN (Mr. Zoe): Total department, \$560,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Does the committee agree that we go clause by clause? Mr. Richard.

MR. RICHARD: Mr. Chairman, before we leave this supp three information document, I want to make a motion about the format.

Motion That Format Of Supplementary Appropriation Information Be Consistent With Main Estimates

I move that this committee recommend to the Minister of Finance that the format of presentation of supplementary appropriation information be consistent with the format of presentation of main estimate information, in particular the summary page.

CHAIRMAN (Mr. Zoe): Could I have a copy of your motion please? Your motion is in order. To the motion. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. At the risk of repeating what I said earlier, in all seriousness, there is an excellent summary picture in the main estimates document that we saw in the spring. Although I am not an accountant and I am certainly not as knowledgeable about our government's financial matters as some, certainly as a layman I say that this \$6.5 million figure coming from the Housing Corporation belongs opposite the projected revenue figure on the earlier presentation, because it changes that. And the additional O and M and capital appropriations belong opposite the six million dollar projected additional appropriation figure. I think it would be more understandable and of more benefit to MLAs to receive the summary of information regarding supps in a manner consistent with what Members had earlier seen in the main estimates document. I would ask Members to support the motion. Thank you.

CHAIRMAN (Mr. Zoe): To the motion. Question is being called. Mr. Ballantyne, to the motion.

HON. MICHAEL BALLANTYNE: I will be abstaining from the motion, but just to make a comment. Obviously the Executive Council will consider the motion if it is passed. It might give the Financial Management Board some problems because essentially you are asking for updated financial statements as we go along. Because it will not be possible to put all the information you are asking for in the budget book. So it could mean that extra staff, extra resources are needed to achieve it. But at some point, when we come back between now and the budget session, I think I would be prepared to sit down with the chairman of the finance committee and see if we could develop a better format that gives you the sort of information you are looking for. I hope that this motion leaves us some flexibility to discuss that.

CHAIRMAN (Mr. Zoe): To the motion. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. I think the motion is worded broadly enough and generally enough. It is only a recommendation that can accommodate any flexibility. But do not come back and say we cannot do it because it takes another person year because I could do what I am saying in about 10 minutes. If I had supp one and supp two here with me, I could do it in 10 minutes and I am not a financial person. So what I am asking is not difficult. It just makes common sense, as always.

Motion That Format Of Supplementary Appropriation Information Be Consistent With Main Estimates,
Carried

CHAIRMAN (Mr. Zoe): To the motion. Question is being called. All those in favour? Opposed, if any? Abstentions? The motion is carried.

---Carried

Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Chairman. I have one question of the Minister, of a general nature. In several areas through here there are reductions in the expenditures of some of the departments due to the closure of Pine Point. I realize that some other departments will have extra expenditures due to the closure of Pine Point, such as Municipal and Community Affairs and Social Services, possibly Housing as families originally from Fort Resolution and other communities are relocated back to those communities. Or Economic Development may want to take some initiatives, for example, in Hay River to make up for the economic effect the closure has on that community. I just wanted to assure myself that the savings that are being realized by some of the departments will be put into a pot so that the departments which will experience unforeseen expenditures will have that money available to them.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister, do you want to comment on Mr. McLaughlin's comments?

HON. MICHAEL BALLANTYNE: Yes, that is the intent of the government. Those departments show savings because of the closure of Pine Point and that money is in a pool and will pay for the costs associated with the savings in Pine Point. I would like to also reassure the Member that there will be enough money left in the budget to pay for his salary if Pine Point is closed totally down.

CHAIRMAN (Mr. Zoe): Thank you. Does the committee agree we go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 2, application. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 3, supplementary appropriation for 1987-88. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 4, reduction of appropriation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 5, purpose of expenditures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 6, lapse of appropriation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 7, accounting. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 8, commencement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Schedule, vote 1, operations and maintenance. Total operations and maintenance, \$4,856,700. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Vote 2, capital. Total capital, \$2,740,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Total appropriated, \$7,596,700. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Does the committee agree that Bill 2-87(2) is now ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): The committee will deal with Bill 3-87(2), Revolving Funds Act. Mr. Minister.

Bill 3-87(2), Revolving Funds Act

Minister's Opening Remarks

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. The purpose of this act is to obtain legislative authority for the amendment to the Revolving Funds Act. This amendment will raise the authorized limit of the fur marketing service revolving fund to \$900,000. The current limit of this fund is \$500,000. This fund is established to provide trappers with advances of money, without charging interest, for furs sent by trappers to auction houses. In the past year up to 75 per cent of the expected sale price was advanced through this fund. However, increases in fur prices and the utilization of this fund resulted in the authorized limit being exceeded in January and February of 1987. For the upcoming fur season, similar fur prices and quantities are expected to be processed. To prevent the authorized limit from being exceeded again, it is proposed to this Assembly that the limit be increased to \$900,000. This increase will ensure that the fund operates within its legislative restrictions while still offering adequate advances to the trappers. As the fund is used most extensively in January and February, it is essential that this amendment be approved during this sitting of the Legislative Assembly. If there are any specific questions, Mr. Chairman, they can be directed toward the Minister responsible, Mr. Alloo.oo.

CHAIRMAN (Mr. Zoe): Thank you. General comments. If there are no general comments, does the committee agree we go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 1, authorized limit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Does the committee agree that Bill 3-87(2) is now ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. The committee will be dealing with Bill 4-87(2), Write-off of Assets and Debts Act, 1987-88. Mr. Minister, your opening remarks.

Bill 4-87(2), Write-Off Of Assets And Debts Act, 1987-88

Minister's Opening Remarks

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. The purpose of this bill is to obtain legislative authority for the write-off of a single debt in the territorial accounts. Individual cases of receivable write-offs of over \$20,000 require Legislative Assembly approval, pursuant to section 14 of the Financial Administration Act, and allowance for this write-off has already been established in the Business Loans and Guarantees Fund, so that no expenditure of funds is required. Officials of the Business Loans and Guarantees Fund and the Department of Finance recommended to the Financial Management Board that this debt be written off. The owners of the business have made a satisfactory commitment to the payment of this debt. Due to economic circumstances beyond their control, they have been unable to operate this enterprise profitably any longer. An arrangement has been arrived at, whereby the majority of the debt owed will be recovered through the sale of the building. This arrangement is contingent upon the write-off of the amount of the debt. On this basis, the Financial Management Board has approved this write-off for presentation to the Legislative Assembly. To ensure that the arrangement for the purchase of the building is completed, this write-off must be approved during this sitting of the Assembly. Again, Mr. Chairman, if there are any specific details wanted on this one they can be directed toward the Minister responsible, Mr. Sibbeston.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Mr. Richard.

MR. RICHARD: Mr. Chairman, I would like to know the nature of the business for which the loan was granted, where it is located and in the explanation that the Minister of Finance gave quickly, I had the impression that the government is going to recover some moneys from the sale of an asset, presumably on which they had security, but that that was contingent on writing off the debt. I am wondering if the Minister responsible for the Business Loans Fund could expand on that explanation, please. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Sibbeston.

HON. NICK SIBBESTON: Mr. Chairman, the nature of the business was a bakery/cafe located in Aklavik. I would ask the Member to state the second part of his question.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Richard.

MR. RICHARD: I was simply asking the Economic Development Minister to explain what Mr. Ballantyne, the Finance Minister, said. He read something very quickly that indicated that the government is going to recover something from the sale of an asset but that that arrangement was contingent on us writing off this \$45,000. I am wondering why, and what are we going to recover if there has already been an arrangement?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Sibbeston.

Explanation Of Arrangement Of Write-Off

HON. NICK SIBBESTON: Okay, Mr. Chairman. I apologize for the slight delay. I am trying to get precisely the reason. The owners, John and Bella Arey of Aklavik, initially when they started the business, obtained \$55,000 by way of a grant from special ARDA. They also got a loan, \$105,000 from the BLF, and through the course of the years, have paid off some of the BLF loan. The total debt as of September 30, 1987, was \$120,285.09. The band in Aklavik has offered to purchase the business and have offered \$75,000 for the business. So, the remaining amount is \$45,000, which we are asking to have written off. The BLF holds a security on the loan mortgages and in order for the security to be released, we require a write-off of \$45,000. So, that is the basis for the write-off, essentially.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. Just a couple of other questions. What was the date that the BLF loan was made? What was the total amount of the payments made by the Areys? If the Minister does not have that information today, perhaps he can provide it to me subsequently. Thirdly, perhaps unrelated to those two questions, the band is purchasing the business that the government basically owns, for \$75,000. My question is, is the territorial government loaning any money to the band to assist it, because, in my experience in examining these write-offs in the past few years, quite often we have found that there is a bail-out by somebody from the private sector, but what they did not tell us was that we are loaning the money to the private sector to bail out the first borrower? So, the third question is: Is the territorial government, or related government agencies, loaning any money to the band in order to buy the business?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. NICK SIBBESTON: Yes, Mr. Chairman, the government, through Special ARDA has made an offer of \$60,000 to the band and they have got \$10,000 from commercial sources in order to come up with \$75,000 to purchase the building and assets. With respect to the amount paid, the outstanding principle as of this September, is \$86,585. There was initially an amount of \$108,000 loan, so it looks like close to \$50,000 that they have paid off. Is it that much? No, perhaps \$30,000, and the interest that has accrued on the loan since 1982 is \$33,699.

Sincere Attempt To Succeed

The matter came before me this fall and I considered whether we should write off the debt or not. I was satisfied that the Areys did make a serious attempt in starting a business and trying to make a go of it. When they had difficulties they, at one point, sold a house that they had in Inuvik in order to pay off some of the debt and pay some of their ongoing costs. The couple are an older couple in their sixties. On the whole review of it, I considered that it would be reasonable to have the debt written off because I do consider that they made a very reasonable and sincere attempt at succeeding at the business. Even when they were having difficulties, the fact that they sold property that they had in Inuvik in order to continue making payments and keep the business running, indicated to me that they were sincere and tried very hard, but in the end, were simply not able to make a success of the business. So, for all of these reasons, I agreed that the loan should be written off.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. Just a final question. Was this write-off recommended by the, whatever it is called -- the central business loan board -- I think that there is a central board and a regional board, but was it recommended by the board that is set up to pass judgment on loans like this?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the BLF board did not recommend that we write off the debt. However, my staff in the Inuvik Region, who are more familiar with the business and the background, advised me that we should write it off, so I took their advice.

CHAIRMAN (Mr. Zoe): Thank you. Mr. Richard.

MR. RICHARD: Well, just so I am certain about the information. Did the matter come before the central board and did they recommend that it not be written off? In other words, was their recommendation to the contrary to what we see in front of us?

CHAIRMAN (Mr. Zoe): Mr. Minister.

HON. NICK SIBBESTON: Yes.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Mr. McLaughlin.

MR. McLAUGHLIN: Yes, thank you, Mr. Chairman. Just further to Mr. Richard's question on the fact that now more money is being made available by the government to operate this enterprise. What supportive reasons are there that in writing this off -- this business could not make it before -- what reasons does the Minister have that can make us feel assured that this business will now be able to operate?

CHAIRMAN (Mr. Zoe): Thank you. Mr. Minister.

HON. NICK SIBBESTON: Well, Mr. Chairman, no assurance of success. However I am advised that the band have good management. Apparently they have good, credible and efficient management in Aklavik and that is something that they acquired in the last year or so. I am advised by my staff in Inuvik headquarters and Inuvik Region that the band has a reasonable chance of success in starting the business that has failed in the past. They have moved the building in question to a more central part of Aklavik and are pursuing a business using the building and all of the cooking equipment that had been part of the building.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Mr. Richard.

Board Has Been Overruled

MR. RICHARD: Mr. Chairman, because of the information the Minister has provided, now, I have difficulty supporting the bill. The Minister is telling us, Mr. Chairman, that he overruled the Business Loans Board that was set up to make recommendations or decisions; I am not sure how the legislation is written. I think it is a serious matter when a Minister overrules a board established by the Minister, as I recall. The Minister sets up the board comprised of people outside of government and presumably they are independent. And presumably if they are doing their job they made an analysis of the request for write-off and yet the Minister is of the view, from what I understand from his response, that he and his regional staff know better than does the central Business Loans Board. I have not heard to my own satisfaction sufficient reasons why the Minister would overrule the board. I just wanted to explain why I will not be supporting the bill.

I hope the Minister would see fit to provide the Legislature with the two analyses, and not one that is made up now, but those which were prepared, presumably, before; the analysis done by the central loan board and the analysis that was done by the Minister and his regional staff, reaching a contrary conclusion. Those are just comments. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. Any comments? Mr. Minister.

HON. NICK SIBBESTON: Just to say again that it is not very often that I, as Minister, would overrule a recommendation of the BLF, but I hope that one can understand me doing that in this circumstance. The BLF's responsibility is to give loans as wisely and as well as possible, making sure always that they can recover the money and when loans are not paid back it is the board's responsibility to pursue the loans as aggressively as possible. I suspect that the boards always try to get back any loans that are outstanding. I suspect that is their mandate and responsibility, to insist on collecting any moneys that are outstanding. I am not aware it is even within the mandate or power of the BLF to forgive any loans. In situations where it is not reasonable because of certain circumstances, for the loan to be collected, I think it is proper for me, as Minister, to make a decision to get the best deal possible, to recover as much of the loan as possible.

In this instance, most of the money is being recovered and I am satisfied that the Areys are an older couple and that they have made a good attempt to run a business. They have failed and they have taken measures to pay back as much of the money as possible. So I am satisfied that it is in the public interest to write off the debt that is before you.

CHAIRMAN (Mr. Zoe): General comments. Mr. Kilabuk.

MR. KILABUK: (Translation) Mr. Chairman, I will have difficulty in supporting the motion that was put forward. My son went to school in Fort Smith and he had a loan of \$177. He was unemployed and we kept getting the bills asking to pay for that. When he could not pay it he was going to be taken to court because he could not pay that amount. I had to pay that bill because my son was not working and the government kept insisting that this bill be paid. I will have difficulty in supporting the motion. If they cannot pay their loan then maybe that is a better reason for taking them to court. I will not support the motion. Thank you.

CHAIRMAN (Mr. Zoe): General comments. Mr. Ballantyne.

Present Offer Is Best Option

HON. MICHAEL BALLANTYNE: There are two issues here and I think we are perhaps mixing the two of them up. The first issue, and this is the issue you always have when you are giving out loans, is as to the wisdom of a potential loan. There is more to it than the information I have. It is not just that the Minister overruled the BLF. There are some other circumstances involved. As I understand it, it is a complex situation. The trailer sits on a lot. The BLF wanted a package deal with a lot and a trailer. The Areys refused to do that. Now the government had an option of seizing the lot, which is a pretty harsh -- it takes a bit of time. What happened is that Economic Development came directly with the deal to FMB. The options that we face right now are that either we go ahead with the deal, we take the band offer of \$75,000 on the condition we write off the rest, either we take that or we come back here next year with the same thing but for the full amount. Because the financial reality of it is, this is the best deal we are going to get. If you want to argue about the wisdom of the original loan, that should be done in a separate forum. But if you perhaps want to lose the government \$75,000, then vote against this motion. That is my only point. Two separate issues; you either get \$75,000 or probably nothing.

CHAIRMAN (Mr. Zoe): Thank you. Order. Mr. Kilabuk.

MR. KILABUK: (Translation) Mr. Chairman, perhaps I was wrong. The BLF can acquire the property if the person who had the loan cannot pay up the loan. The person in Pangnirtung who had a loan of \$10,000, the property he had, like boats and motors, was taken away from him because he had an outstanding loan. I will have difficulty supporting this motion because I feel that when the Inuit are continually taken to court or their properties are taken away, I do not think it is fair.

CHAIRMAN (Mr. Zoe): General comments. Mr. Gargan.

MR. GARGAN: Mr. Chairman, a point of clarification. The Minister did indicate that the band council is to get \$75,000 to purchase this particular cafe and also at the same time they request a write-off of \$45,000. Is it possible that the \$45,285 could be deducted out of that \$75,000 grant as a repayment to the government?

CHAIRMAN (Mr. Zoe): Mr. Sibbeston.

Special ARDA Is Federal Funding

HON. NICK SIBBESTON: Mr. Chairman, I should explain that the Special ARDA funding that I referred to that is being made available to the Aklavik Dene Band is moneys from the federal government and it is not money from our government. So, it is separate and different funding coming into the picture.

AN HON. MEMBER: It is coming through our books.

HON. NICK SIBBESTON: Yes, if this \$75,000 is approved today, we stand to get the \$75,000, some of which, the \$60,000 or so, is from Special ARDA and some of it is from the bank, I believe. So, in the event that this is not approved, as Mr. Ballantyne says, we do stand the chance of losing more than what we would otherwise gain. It would mean, I think, hardship on the Areys. It would mean

that the BLF would likely put the business up for sale and it would be a public auction or through advertisement. Somehow or other the business would be sold, both the building and the assets in it and also all of the land. It is the department's opinion that they would not derive as much money through that approach as through this present one where the band is offering the \$75,000.

An Appeal For Sympathy

Traumatically, and in every way I just feel that it would be best. People have to consider that we are talking about an old couple in Wrigley, a native couple who have tried to start a business and manage for a number of years, but in the end failed. I think that people should realize that and have some sympathy for those people. If the full measure, the full force of the BLF or our government comes down on them in trying to retrieve as much money as possible, it is going to be very hard on the couple there. As I said...

MR. RICHARD: If you have to do that to get a bill passed in this House, you will never make it as a Minister for Economic Development. Jesus, I cannot believe that.

CHAIRMAN (Mr. Zoe): Order. Mr. Sibbeston, continue. General comments. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Mr. Chairman, I am sorry I was not here at the time, I had to go out and get something important. I would like to have a copy of the motion before any further discussion is going on on this.

CHAIRMAN (Mr. Zoe): For Members who just came back into the House, there is no motion on the floor. We are on general comments on Bill 4-87(2), Write-off of Assets and Debts Act, 1987-88. Are there any further general comments? If there are no further general comments, does the committee agree we go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 1. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 2. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Does the committee agree that Bill 4-87(2) is now ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): That concludes the business of the committee of the whole. I will now rise and report progress.

MR. SPEAKER: The House will come back to order, please. Orders of the day, Item 18, report of committee of the whole. Mr. Zoe.

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF BILL 1-87(2), SUPPLEMENTARY APPROPRIATION ACT, NO. 6, 1986-87; BILL 2-87(2), SUPPLEMENTARY APPROPRIATION ACT, NO. 3, 1987-88; BILL 3-87(2), REVOLVING FUNDS ACT; BILL 4-87(2), WRITE-OFF OF ASSETS AND DEBTS ACT, 1987-88

MR. ZOE: Thank you. Mr. Speaker, your committee has been considering Bills 1-87(2), 2-87(2), 3-87(2) and 4-87(2) and wishes to report that Bills 1-87(2), 2-87(2), 3-87(2) and 4-87(2) are now ready for third reading.

Motion To Accept Report Of Committee Of The Whole, Carried

Mr. Speaker, I move that the report of the chairman of committee of the whole be concurred with. Thank you.

MR. SPEAKER: Thank you, Mr. Zoe. Is there a seconder to the motion? Thank you, Mr. Gargan. All those in favour? Opposed, if any? The motion is carried.

---Carried

I understand it may be the wish of the House to extend the sitting hours tonight to conclude all the business before the House.

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: If it is the wish of the House to do that, we require unanimous consent to complete all business in front of the House. Do I have unanimous consent? Are there any nays? We have unanimous consent.

---Agreed

Mr. Richard.

MR. RICHARD: Mr. Speaker, first of all, I rise on a point of order, sir. I understand, Mr. Speaker, that you are today celebrating your birthday...

---Laughter

...and on behalf of the Members of caucus, Mr. Speaker, I want to extend to you the best wishes of Members of this Assembly.

AN HON. MEMBER: Hear, hear!

---Applause

MR. SPEAKER: I thank you, Mr. Richard. You are correct, it is my birthday, but when you have had as many as I have you do not celebrate.

---Laughter

Mr. Richard.

MR. RICHARD: Thank you, Mr. Speaker. Mr. Speaker, if we are to conclude the business of the House this evening, I would ask for the unanimous consent of Members to return to Item 12 on the order paper, notices of motion.

MR. SPEAKER: Unanimous consent being sought. Are there any nays? Mr. Richard, you have unanimous consent.

REVERT TO ITEM 12: NOTICES OF MOTION

Notice Of Motion 22-87(2): Appointments To The Special Committee On The Northern Economy

Mr. RICHARD: Mr. Speaker, I give notice that on Monday, the 23rd of November, I will move a motion appointing Members of this Assembly to the special committee on the northern economy.

MR. SPEAKER: Thank you, Mr. Richard. Item 12, notices of motion. Mr. McLaughlin. Item 12, notices of motion.

Item 13, notices of motion for first reading of bills. Item 14, motions. Mr. Gargan.

MR. GARGAN: Mr. Speaker, I would ask for unanimous consent to deal with my motion today.

MR. SPEAKER: Unanimous consent is being sought. Are there any nays? Mr. Gargan, proceed.

REVERT TO ITEM 14: MOTIONS

Motion 20-87(2): Health Benefits Review

MR. GARGAN: Thank you, Mr. Speaker.

WHEREAS the level of health care provided to status Indians and Inuit of the Northwest Territories covers all costs that may be incurred;

AND WHEREAS those of "other" status, particularly the Metis, receive less than full coverage and face expenses for some health care services;

AND WHEREAS those of "other" status employed by the territorial government receive additional health insurance which absorbs most health care related expenses;

NOW THEREFORE, I move, seconded by the honourable Member for Aivilik, Mr. Ernerk, that the Executive Council review the existing health benefits available to the general population of the Northwest Territories to ensure all peoples receive equal benefits;

AND FURTHER, that in the review, the Executive Council pay particular attention to ensure that Metis people of the Territories receive the same level of health benefits available to territorial employees, Inuit, status Indian respectively.

MR. SPEAKER: Thank you. Your motion is in order. Do you wish to speak to the motion?

MR. GARGAN: Mr. Speaker, I just wish to say that under the existing health care, Metis people, if they are not working for the territorial government, have to absorb most of the costs relating to ambulance services, dental services, payment for prescription drugs, glasses, contact lenses, examinations and for travel there is a deductible fee of \$50 one way or \$100 return. Seniors are also charged for hearing aids, surgical appliances, band-aids and wheel chairs. Also for the present existing health services given, the Metis people who are senior citizens are also burdened with costs for supervisory care. They also pay portions for nursing homes and also for extended chronic care and acute care. I thought I would bring this up because under the present system these are costs incurred by the Metis population in the NWT because of, I presume, their status. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Gargan. Mr. Ernerk, as a seconder, do you wish to speak to the motion?

MR. ERNERK: Mr. Speaker, I notice that the mover of the motion has clearly spelled out the reasons, so I just want to say that I fully support the motion.

Motion 20-87(2), Carried

MR. SPEAKER: Thank you, Mr. Ernerk. To the motion. Question is being called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Mr. McLaughlin.

MR. McLAUGHLIN: Mr. Speaker, I would like to receive unanimous consent to move along with my motion regarding the terms of reference for the standing committee on rules, procedures and privileges.

MR. SPEAKER: Unanimous consent being sought. Are there any nays? Mr. McLaughlin, proceed.

Motion 21-87(2): Terms Of Reference Of Standing Committee On Rules, Procedures And Privileges

MR. McLAUGHLIN: Mr. Speaker:

WHEREAS, in accordance with Rule 94(2), the terms of reference of the standing committee on rules, procedures and privileges be approved by the Assembly;

NOW THEREFORE, I move, seconded by the honourable Member for Baffin Central, that the following terms of reference of the standing committee be approved:

Standing Committee On Rules, Procedures And Privileges Terms Of Reference

Responsibilities

1. The standing committee may, on its own authority, examine the powers, rules, procedures, practices and organization of the Legislative Assembly.
2. The standing committee shall:
 - a) inquire into such matters as may be referred to it by the Legislative Assembly, the Speaker, the Management and Services Board or by caucus;
 - b) inquire into matters of privilege and conflict of interest as they arise.

Conduct Of Business

1. The standing committee shall conduct its business in a manner approved by the committee.
2. The standing committee shall, in accordance with Rule 90(2), at the earliest opportunity following their appointment, appoint a chairman and deputy chairman from their own number.
3. A quorum of the standing committee shall consist of five Members including the chairman.
4. The standing committee shall, in accordance with Rule 94(1), have the power to call for such persons, papers and records and to examine witnesses as, in its opinion, are necessary to the conduct of its business.
5. The Legislative Assembly shall provide from its appropriations the necessary funds for the standing committee to carry out its responsibilities.
6. The standing committee, as a whole, or individual Members, may undertake such travel as is required to carry out the assigned responsibilities of the committee.
7. The standing committee is empowered to retain the services of such professional staff as deemed advisable by the committee.
8. The standing committee shall have the power to sit during sessions, adjournments and recesses of the House.
9. The necessary administrative support shall be provided by the Legislative Assembly Office.

Motion 21-87(2), Carried

MR. SPEAKER: Thank you, Mr. McLaughlin. Your motion is in order. To the motion. Question being called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Item 14, motions. Mr. Ernerk.

MR. ERNERK: Thank you, Mr. Speaker. I wonder if I could have unanimous consent to move my motion.

MR. SPEAKER: Unanimous consent being sought. Are there any nays? Proceed, Mr. Ernerk.

MR. ERNERK: Thank you, Mr. Speaker. The motion is with regard to terms of reference for the standing committee on legislation.

Motion 18-87(2): Terms Of Reference For Standing Committee On Legislation

WHEREAS, in accordance with Rule 94(2), the terms of reference of the standing committee on legislation must be approved by the Assembly;

NOW THEREFORE, I move, seconded by the Member for Natilikmiot, Mr. Angottitauruq, that the terms of reference of the standing committee on legislation be approved.

Standing Committee On Legislation Terms Of Reference

Responsibilities

The standing committee on legislation shall:

- a) examine such matters as may be referred to it by the Legislative Assembly;
- b) review all proposed bills prepared for introduction into the Legislative Assembly;
- c) examine all orders and regulations issued by the regulation-making authority.

Conduct Of Business

1. The standing committee shall conduct its business in a manner approved by the committee.
2. The standing committee shall, in accordance with Rule 90(2), at the earliest opportunity following their appointment, appoint a chairman and deputy chairman from their own number.
3. A quorum of the standing committee shall consist of five Members including the chairman.
4. The standing committee shall, in accordance with Rule 94(1), have the power to call for such persons, papers and records and to examine witnesses as, in its opinion, are necessary to the conduct of its business.
5. The Legislative Assembly shall provide from its appropriations the necessary funds for the standing committee to carry out its responsibilities.
6. The standing committee, as a whole, or individual Members, may undertake such travel as is required to carry out the assigned responsibilities of the committee.
7. The standing committee is empowered to retain the services of such professional staff as deemed advisable by the committee.
8. The standing committee shall have the power to sit during sessions, adjournments and recesses of the House.
9. The necessary administrative support shall be provided by the Legislative Assembly Office.

Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Ernerk. The motion is in order. To the motion.

AN HON. MEMBER: Question.

Motion 18-87(2), Carried

MR. SPEAKER: Question is being called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Item 14, motions. Mr. Richard.

MR. RICHARD: Thank you, Mr. Speaker. I would ask for the unanimous consent of Members to deal with my motion which was scheduled for tomorrow, on the appointments to the Management and Services Board.

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Unanimous consent is being sought. Are there any nays? Mr. Richard, proceed.

Motion 19-87(2): Appointments To The Management And Services Board, Carried

MR. RICHARD: Thank you, Mr. Speaker.

WHEREAS this Assembly is required to appoint Members to the Management and Services Board in accordance with section 35(2) of the Legislative Assembly and Executive Council Act;

AND WHEREAS the Management and Services Board is required to be appointed at the first session of each Legislature;

NOW THEREFORE, I move, seconded by the honourable Member for High Arctic, Mr. Pudluk, that the following Members be appointed to the Management and Services Board of this Assembly: Hon. Red Pedersen, Hon. Gordon Wray, Hon. Jeannie Marie-Jewell, Mr. John Pollard and Mr. Joe Arlooktoo.

MR. SPEAKER: Thank you, Mr. Richard. Your motion is in order. To the motion. Question has been called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Item 14, motions. Mr. Richard.

MR. RICHARD: Thank you, Mr. Speaker. I seek unanimous consent to deal with my motion scheduled for next Monday, appointing Members to the special committee on the northern economy.

MR. SPEAKER: Unanimous consent being sought. Are there any nays? Mr. Richard, you have unanimous consent. Proceed, please.

Motion 22-87(2): Appointments To The Special Committee On The Northern Economy

MR. RICHARD: Thank you, Mr. Speaker.

WHEREAS the Legislative Assembly has adopted Motion 17-87(2) calling for the establishment of a special committee on economic planning;

AND WHEREAS it is desirable to name the membership to the special committee;

NOW THEREFORE, I move, seconded by the honourable Member for High Arctic, that notwithstanding Rule 88(2), the special committee on the northern economy shall consist of seven Members of the Legislative Assembly;

AND FURTHER, that 1) Brian Lewis; 2) Peter Ernerk; 3) Don Morin; 4) Joe Arlooktoo; 5) Tom Butters; 6) Michael Angottitauruq; 7) John Pollard be named as Members of the special committee;

AND FURTHER, that the special committee be authorized to have five alternate Members;

AND FURTHER, that 1) Richard Nerysoo; 2) Bruce McLaughlin; 3) Henry Zoe; 4) Sam Gargan; 5) Ted Richard be named as alternate Members of the special committee on the northern economy.

MR. SPEAKER: Thank you, Mr. Richard. Your motion is in order. To the motion. Mr. Richard.

MR. RICHARD: Mr. Speaker, very briefly, regarding the reference in the motion to the Rules of the Assembly, the rules provide that special committees will be comprised of no more than five Members unless the Assembly otherwise consents. It was felt by the striking committee, Mr. Speaker, that, given the discussion of the last few weeks, and particularly the discussion on Mr. Lewis's motion earlier today, and given the fact that 12 or more Members of this Assembly had volunteered to serve on the special committee, if established, the striking committee felt that we should expand the committee to a membership of seven and also allow five other Members to serve as alternates so that when the special committee meets, there would be a full membership in attendance.

The only other matter that I wish to mention, Mr. Speaker, is the reference that the Government Leader, Mr. Patterson, made during the debate on Mr. Lewis's motion, that being the participation by Ministers of government. I have felt from the beginning that if we establish this special committee on the economy, there should be participation by Members of the Executive Council, working with the special committee on the economy.

As beneficial as the housing special committee was, toward the latter part of the mandate of that special committee on housing, I felt that when it came down to the final few months and the final few reports, there was the special committee on one side and the Housing Minister on the other and there was some antagonism. I would hope that when this special committee is working, there will be one or more Ministers of government sitting with the special committee -- maybe, as Mr. Patterson suggested, in some ex officio capacity, without a vote, but clearly that the Ministers are seen to be working with the special committee and vice versa. So when the special committee comes back to this Assembly with the report it will not be seen as an opposition report but rather as a House or an Assembly position on these economic issues. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Richard. To the motion. Mr. Pudluk, do you wish to speak to the motion?

MR. PUDLUK: Thank you, Mr. Speaker. My colleague, Mr. Richard, said it all and I fully support the motion.

Motion 22-87(2): Appointments To The Special Committee On The Northern Economy, Carried

MR. SPEAKER: Thank you, Mr. Pudluk. To the motion. Question is being called. All those in favour? Opposed, if any? The motion is carried.

---Carried.

Back to orders of the day. Item 19, third reading of bills. Mr. Ballantyne.

ITEM 19: THIRD READING OF BILLS

Third Reading Of Bill 1-87(2): Supplementary Appropriation Act, No. 6, 1986-87

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Sahtu, that Bill 1-87(2), An Act Respecting Supplementary Appropriations for the Government of the Northwest Territories for the Fiscal Year Ending the 31st Day of March, 1987, be read for the third time.

MR. SPEAKER: Thank you, Mr. Minister. Your motion is in order. To the motion. Are you ready for the question? All those in favour? Opposed, if any? Bill 1-87(2) has had third reading.

---Carried

Third reading of bills. Mr. Ballantyne.

Third Reading Of Bill 2-87(2): Supplementary Appropriation Act, No. 3, 1987-88

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Slave River, that Bill 2-87(2), An Act Respecting Supplementary Appropriations for the Government of the Northwest Territories for the Fiscal Year Ending the 31st Day of March, 1988, be read for the third time.

MR. SPEAKER: Thank you, Mr. Minister. Your motion is in order. To the motion. Are you ready for the question? All those in favour? Opposed, if any? Bill 2-87(2) has had third reading.

---Carried

Third reading of bills. Mr. Ballantyne.

Third Reading Of Bill 3-87(2): Revolving Funds Act

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Nunakput, that Bill 3-87(2), An Act to Amend the Revolving Funds Act, be read for the third time.

MR. SPEAKER: Thank you, Mr. Minister. Your motion is in order. To the motion. Are you ready for the question? All those in favour? Opposed, if any? Bill 3-87(2) has had third reading.

---Carried

Third reading of bills. Mr. Ballantyne.

Third Reading Of Bill 4-87(2): Write-Off Of Assets And Debts Act, 1987-88

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Amittuq, that Bill 4-87(2), An Act to Amend the Write-off of Assets and Debts Act, 1987-88, be read for the third time.

MR. SPEAKER: Thank you, Mr. Minister. Your motion is in order. To the motion. Mr. Richard.

MR. RICHARD: Mr. Speaker, we are on third reading of Bill 4-87(2). May I speak to third reading?

MR. SPEAKER: Yes, depending on what you say.

MR. RICHARD: Mr. Speaker, I will not be supporting third reading of this bill for the simple reason that the government which put forward the bill has not satisfied me of any reason why I should support it. It is writing off \$45,000 of government funds. The Minister responsible for that department has explained that he is accepting the proposal from a third party to purchase the secured assets for a reduced value of \$75,000.

Mr. Speaker, the issue is not a matter of sympathy for an elderly couple living in Wrigley or Aklavik, and I am disappointed that the Minister responsible, in seeing perhaps the turn of the debate -- we are all entitled to analyse the bill put in front of us -- would reduce the debate to that. The issue is the recommendation of a Business Loans Board established by the same Minister, the same department, to make recommendations so that this is not a political decision on these matters -- the granting of loans and the forgiving of loans. That Business Loans Board established by the Minister assessed it, he says, and rejected the proposal, which included writing off \$45,000 of government funds. The Minister overruled the Business Loans Board and there has been no explanation as to why he overruled it.

I would ask Members to consider. It may be a rarity but whether it is third reading or not and it is only \$45,000, there is a principle involved and Members should think hard before they support third reading of this bill. Thank you.

MR. SPEAKER: To the motion for third reading of Bill 4-87(2). Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I just want to clarify for the benefit of Members who were not in the room when we were in committee of whole on this debate. There are two issues. I am not arguing with Mr. Richard on the reason he has taken, his principle stand. On the other hand, as Minister of Finance, I think I must point out to the House that on review...

MR. SPEAKER: Mr. Minister, could you confine your comments to what is in the bill, please?

HON. MICHAEL BALLANTYNE: On review of the \$45,000, Mr. Speaker, it was very evident to us that there were limited options. If this is turned down by the House, we will probably be coming back to the House for a much larger sum. So in the interest of financial efficiency, I would recommend that the bill is passed. The other aspects can be discussed, maybe, in the next session, of why loans are made and how Ministers handle debates, but that is separate. The elementary function here is trying to save this government's money. Thank you, Mr. Speaker.

MR. SPEAKER: To third reading of the bill. Mr. Pollard.

MR. POLLARD: On the contrary, Mr. Speaker, I think the bill is quite self-explanatory. It is a write-off of \$45,000. It has nothing to do with financial expediency. I just want to point that out. We are talking about \$45,000.

MR. SPEAKER: Thank you, Mr. Pollard. To the motion. Third reading of Bill 4-87(2). Are you ready for the question? All those in favour? Opposed, if any? The motion is carried.

---Carried

Bill 4-87(2) has now had third reading. Third reading of bills. Mr. Government Leader.

Third Reading Of Bill 5-87(2): Student Financial Assistance Act

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Nunakput, that Bill 5-87(2), An Act to Amend the Student Financial Assistance Act, be read for the third time. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. Your motion is in order. Are you ready for the question? All those in favour? Opposed, if any? Bill 5-87(2) has had third reading.

---Carried

Third reading of bills. Mrs. Marie-Jewell.

HON. JEANNIE MARIE-JEWELL: Mr. Speaker, I ask for unanimous consent to return to Item 4, returns to oral questions.

MR. SPEAKER: Unanimous consent is being sought to return to Item 4, returns to oral questions. Do I have any nays? Mrs. Marie-Jewell, proceed.

REVERT TO ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question 06-87(2): Inclusion Of Inuit Organizations To Do Studies On Child Care

HON. JEANNIE MARIE-JEWELL: Thank you, Mr. Speaker. I would like to reply to Mr. Ernerk in regard to funding for the child care study. The funding of the western NWT child care study was given to the native organizations of the Western Arctic, specifically the Dene Nation and Metis Association and the Native Women's Association, who presented a proposal to the Department of Social Services in May of 1987. This proposal was to jointly study the delivery of child care services in the western NWT. The study will address whether child care services are culturally appropriate, meeting the needs of the native people of the Western Arctic, and whether there is sufficient native involvement and consultation in decision-making and program delivery.

As the study focusses on the Western Arctic, the three organizations conducting the study will not be consulting Inuit organizations. However, organizations in the Eastern Arctic have been consulted on several occasions with regard to input into the Child Day Care Act and regulations, and were represented on the working committee that initially drafted the standards.

In addition, a conference on social issues is being held in the Baffin in January. This conference will enable community representatives to discuss a wide range of social concerns including issues regarding child care. Both the child care study and the social issue conference are being funded in response to requests coming from the specific organizations. Should other regions wish to undertake a similar project, proposals could be considered in the new year if the funding permits. I sincerely hope this will answer your question directed to me yesterday. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Madam Minister. We will now return to orders of the day. Mr. Gargan.

MR. GARGAN: Mr. Speaker, I would like to get unanimous consent to go back to Item 3, Members' statements.

MR. SPEAKER: Unanimous consent is being sought. Do I have any nays? Mr. Gargan.

REVERT TO ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Problems With Nursing Station, Fort Providence

MR. GARGAN: Thank you, Mr. Speaker. In my reply to the Opening Address, November 17th, I mentioned some problems with the nursing station in Fort Providence. These concerns were also reported yesterday by CBC. It is not my intention to create poor working relationships with the nurses in the community. In the November incident which I mentioned, a Sister just happened to be with the nurse at that time to intervene and the patient was able to receive treatment.

The territorial Minister of Social Services has not authority over any activities of nurses in the federal nursing station. I realize that and in the future our government will take over responsibilities for nursing stations. In the meantime, as territorial MLAs, we have difficult times addressing issues concerning the nursing stations and our only recourse is to bring these issues to the public's attention.

Further, Mr. Speaker, I had an opportunity to listen to Mr. Reid on the radio this morning and he implied those complaints were unfounded. Mr. Speaker, I have made complaints and did meet several people in my community who also made the same complaints. Certainly the department has consulted with the nurses only and not with the persons who made these complaints, even though I have named those persons by name.

Further, Mr. Speaker, I also received a phone call from a woman here in Yellowknife who has had the same kind of experience. Her religion does not allow her to drink alcohol, yet she was asked whether or not she had been drinking. When she asked why, the person in charge told her it was a common question they ask everyone in an emergency. Mr. Speaker, the Members can draw their own conclusion from my statement. Perhaps once the health transfer...

MR. SPEAKER: Mr. Gargan, your two minutes for Members' statements is up. Thank you, very much. Orders of the day. Mr. Butters.

MR. BUTTERS: Mr. Speaker, with your indulgence, may I request that the ajauqtit committee meet briefly in the caucus room immediately following prorogation. I believe that interpreter services will be required on that occasion.

MR. SPEAKER: Thank you, Mr. Butters. Mrs. Marie-Jewell.

HON. JEANNIE MARIE-JEWELL: Mr. Speaker, I should have done this under Item 4. I believe I have to again ask for unanimous consent to go back to returns to oral questions.

MR. SPEAKER: The House is obviously generous tonight. Unanimous consent is being sought. Do I have any nays? Proceed.

REVERT TO ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question 011-87(2): Coverage For Soapstone Carvers Through Workers' Compensation

HON. JEANNIE MARIE-JEWELL: Thank you, very much. I apologize. Mr. Speaker, I would like to reply to Mr. Crow's question directed to me on November 18th in regard to workers' compensation coverage for soapstone carvers. Soapstone carvers who are working as employees of a co-operative or any other business are covered for workers' compensation like any other workers. The soapstone carvers who are independent operators can apply to be covered for workers' compensation but they have to pay an assessment fee. The cost to provide the maximum level of coverage is \$15 per month.

I have asked the Workers' Compensation Board to provide the Member with further information about how soapstone carvers who are independent operators can apply to be covered for workers' compensation. I will also look into the possibility of providing automatic coverage for soapstone carvers similar to the coverage provided to hunters and trappers. Thank you.

MR. SPEAKER: Thank you, Madam Minister. Orders of the day. Mr. Gargan.

MR. GARGAN: Mr. Speaker, I would like to get unanimous consent to return to the Member's statement I did not use yesterday.

MR. SPEAKER: Thank you, Mr. Gargan. I am afraid that cannot be done. You do not build up credits by being silent. Orders of the day. Mr. Clerk, would you ascertain if the Commissioner of the NWT is prepared to assent to bills?

DEPUTY COMMISSIONER HANSON: (Translation) Mr. Speaker, Members of the Legislative Assembly. Thank you for the kind words which many of you have expressed with regard to my appointment. Being so new in this position, I know that I will be learning as I go along. There are so many people like you, the staff, and information available to me. I am confident that we will work all together. In the past week I have observed you working together and it makes me a very proud and honoured person to be a part of you.

ASSENT TO BILLS

As Deputy Commissioner of the Northwest Territories I assent to Bills 1-87(2), 2-87(2), 3-87(2), 4-87(2), 5-87(2).

The second session of this Assembly will commence in Yellowknife on February 10th, 1988.

As Deputy Commissioner of the Northwest Territories I prorogue this first session of the 11th Legislative Assembly.

---Applause

---PROROGATION

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