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YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, FEBRUARY 26, 1988

MEMBERS PRESENT

Hon. Titus Allooloo, 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, 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 Friday, February 26th.

Item 2, Ministers' statements. Ministers' statements. Item 3, Members' statements. Mr. Lewis.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Use Of Term "Cabinet"

MR. LEWIS: Mr. Speaker, in my two minutes I would like to express to the acting Government Leader my concern as a new Member of this House about the workings of consensus government in this Assembly. Since November, the Executive Council has referred to itself as a "cabinet". Members on this side of the House have tended to retain the old name of Executive Council. I believe, Mr. Speaker, that the words "Executive Council" fit in far better with the concept of consensus government. It fits in far better with the concept of a smaller Executive carrying out the wishes of this large Assembly. The word "cabinet", on the other hand, conveys the flavour of secretiveness and mystery because that is the origin of that word; it refers to the little apartment to which the king's advisers were set aside in order to advise him; people who were chosen by him. These Members were chosen by all 24. They were not chosen by one person. Therefore they have no right to call themselves a cabinet. So Mr. Speaker, I would like to give notice that that is a concern of mine today and I will be pursuing it later. Thank you.

---Applause

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

Member's Statement On Pangnirtung Hunters Afloat On Ice Floe

MR. KILABUK: (Translation) Mr. Speaker, I would like to advise you that in our community of Pangnirtung the people who were afloat on the ice floe have returned and I am pleased to report that they were in good condition when they returned. Thank you.

MR. SPEAKER: Thank you. Members' statements. Item 4, returns to oral questions. Mr. Kakfwi.

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question 0116-88(1): Collection Of Debts Owed To Housing Association

HON. STEPHEN KAKFWI: In response to a question raised by Mr. Pudluk on the collection of rental arrears from tenants who have left the community. The housing associations or authorities should make every effort to locate and collect rental arrears from tenants who have left the community.

If the tenant is located and refuses to pay, then the housing association or authority can seek legal counsel or the assistance of the rental officer to enforce collection. In cases where the tenant has left the Territories, lawyers may advise not to attempt to collect the arrears in question due to the possibility of high legal costs entailed in out-of-province collections. Where the housing association or authority cannot locate a tenant who has left the Territories, they normally cease to attempt to collect the arrears.

There is a process whereby housing associations or authorities can write off bad debts at the time of the annual audit. However, this process does not forgive the debt, and should the tenant return the housing association or authority would make every effort to collect any rental arrears owed by the tenant.

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

Return To Question 0115-88(1): Guidelines On Write-Offs For Local Housing Authorities

HON. STEPHEN KAKFWI: Mr. Speaker, in further response to the question raised by Mr. Arlooktoo regarding policies and guidelines with respect to write-off of arrears, I offer the following additional information.

The NWT Housing Corporation has a policy and guidelines for forgiveness of rental arrears that may have become uncollectable due to special circumstances. From time to time rental arrears may prove to be uncollectable, and in certain circumstances the debt should be forgiven through a formal process. Usually this would occur if the rent-paying tenant has died while owing for rent and in all likelihood the debt would not be recoverable from the estate or family.

The policy can be used for the purpose of forgiving tenants their rental arrears not only because of death but when such arrears are proven to be uncollectable due to special circumstances, such as the following:

- 1) rental arrears that cannot be proven in a court of law because of incomplete or unclear records and/or because personal names and identification records are not complete, which might make it difficult to identify individual tenants; I understand this is a particular problem in communities when you have huge families with the same last name;
- 2) tenants with arrears who have left the community and attempts to find their whereabouts have proven unsuccessful -- that is, where you cannot find the tenants after they have left the community;
- 3) a court decision in favour of the tenant because of circumstances such as age of arrears;
- 4) lawyers advice to forgive the arrears in question because of the possibility of a larger legal fee or a very strong likelihood that the absconding tenant would have nothing to seize.

The housing associations or authorities initiate and submit a request for forgiveness of rental arrears to the NWT Housing Corporation. The president of the NWT Housing Corporation can approve requests for forgiveness of rental arrears under \$1000. For requests over \$1000, the approval of the NWT Housing Corporation Board of Directors must be obtained. There is a process whereby the housing associations or authorities can write off bad debts at the time of the annual audit, as I said earlier in a separate question. However, this process does not forgive the debt. Should the tenant return, every effort should be made by the local housing association or authority to collect any rental arrears owed by the tenant. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. Item 5, oral questions. Mr. Lewis.

ITEM 5: ORAL QUESTIONS

Question 0163-88(1): Executive Council Called "Cabinet" Incorrectly

MR. LEWIS: Mr. Speaker, I address my question to the Deputy Government Leader because I know for a long time he has been impressing words and the words we use to describe things, and the need to have appropriate words where such words at the moment in his view do not seem to be appropriate to

describe properly the things that go on in our Territories. So my question is this: Since the Executive Council is really not a cabinet chosen by a leader -- I use just a simple little dictionary, not a fancy fat dictionary. But in this dictionary, Mr. Speaker, a cabinet is a group of advisers chosen by the head of the administration of a government. That is not the way in which this particular Executive Council was chosen. So my question to the Deputy Leader is: Is not the word "cabinet" a bit pretentious to describe the group of people that were chosen by the 24 Members? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Lewis. Mr. Deputy Government Leader.

Return To Question 0163-88(1): Executive Council Called "Cabinet" Incorrectly

HON. NICK SIBBESTON: Mr. Speaker, when I came upon the scene in 1970, we had a situation where the territorial Council then existing was composed of 10 elected people and five members of the public. The Executive Council or cabinet of the day consisted of the Commissioner, the Deputy Commissioner, the Assistant Commissioner. The chairman of the territorial Council then was a Commissioner. Since that time we have evolved and made political progress, as it were, and we eventually had elected Members on the Executive Council and, eventually, to the point where we now have a full-fledged elected Government Leader. And now the Executive Council consists totally of elected people. All the advances that I know of the Member is aware of also.

The term "Executive Council" is enshrined in our Legislative Assembly and Executive Council Acts. The term "Executive Council" is also a common term used by provincial cabinets, again in a formal or legislative sense. Informally though, the Executive Council is known as a cabinet. This is a term that has come by convention and practice and is known widely throughout Canada.

So our use of the term to refer to ourselves as cabinet is similar to the practice that is going on in the provinces. It is an informal term. Formally, we still use the term "Executive Council" in our minutes and in any documents that we produce as a government. But informally and in the Assembly we like to have ourselves recognized as a cabinet and see it simply as a process; an evolutionary process, of its political maturity. I hope the day will come in our time when the Leader will also be recognized as the Premier of the NWT. I do trust that this does have public support in the North and I hope that the Member supports this growth.

MR. SPEAKER: Thank you, Mr. Sibbeston. Mr. Lewis, supplementary.

Supplementary To Question 0163-88(1): Executive Council Called "Cabinet" Incorrectly

MR. LEWIS: I take it, then, that the Deputy Leader does not consider this to be pretentious. But my supplementary to my first question is, Mr. Speaker, are we not trying to be like other people that we are not similar to when the whole thrust of this government has been to operate a completely different kind of government from what exists in southern jurisdictions? And we keep on wanting to use words like cabinet and premier and Legislative Assembly. All these words, when really the whole move over the last 15 years is to develop something unique in the Territories. And does the Deputy Leader then admit that what we are trying to do is be like everybody else? Thank you.

Further Return To Question 0163-88(1): Executive Council Called "Cabinet" Incorrectly

HON. NICK SIBBESTON: Mr. Speaker, I think the Member does have a valid point about northerners trying to be different and unique. I am aware that yesterday a couple of people from the South had occasion to come into the Assembly. They told me that they were very impressed with our Assembly in terms of the decor and the fact that we have people sitting from all parts of the North who seem to be able to get along. I guess they must have missed question period. But they were very impressed by the congeniality and just the discussions back and forth and the issues that Members were raising. They thought it was very informal unlike some of the legislatures in the South. So I think someone coming in from the South would see that we do have a unique institution and body.

With respect to formal powers, with respect to growth toward provincial government, there are a number of things that I think are essential, that we copy. Things like the powers that our government has. The powers that come to a cabinet and Executive Council. The powers that the Government Leader has. So there are a number of essential things, I think, we should follow

the provincial path, in as it were, to attain full responsible government. But in doing so, we can still retain our uniqueness in the North. So I think it is possible to retain a uniqueness. At the same time I think it is essential for us to grow and evolve much like other people have toward eventual provincehood.

MR. SPEAKER: Thank you, Mr. Sibbeston. Supplementary. Mr. Lewis.

Supplementary To Question 0163-88(1): Executive Council Called "Cabinet" Incorrectly

MR. LEWIS: A final supplementary, Mr. Speaker. I have always been impressed by Mr. Sibbeston's ability to coin words and his interest in getting new names for things. We on this side do not call ourselves an opposition. We call ourselves "ajauqtit" which means we are going to push you guys to do as good a job as we think you are capable of.

---Laughter

So my question to Mr. Sibbeston is this, because I am impressed by his interest in renaming things: Would he commit himself today to try to get a new name, a better name than cabinet? We have chosen ajauqtit to represent what we want to do. Would he commit himself today to try to get a new name so we do not have to use that old French word cabinet, which means a place where you stick things so that they will be hidden; so that they will not embarrass you? Will he make that commitment today, Mr. Speaker?

AN HON. MEMBER: Hear, hear!

MR. SPEAKER: Thank you, Mr. Lewis. Mr. Deputy Government Leader.

HON. NICK SIBBESTON: Mr. Speaker, the Member, has issued a challenge and I do not mind that challenge, but I am doing this in the absence of the real Government Leader...

AN HON. MEMBER: Exactly!

---Laughter

HON. NICK SIBBESTON: I really should just take the matter as notice...

---Laughter

...and wait until Monday and see what the Government Leader says about it. He can properly respond.

MR. SPEAKER: Item 5, oral questions. Mr. Zoe.

Question 0164-88(1): Tabling Report On Regional And Tribal Councils

MR. ZOE: Mr. Speaker, I have a question directed to the acting Government Leader. It is regarding the tabling of the report on the regional and tribal councils. Mr. Speaker, on the opening day of the session, on February 10th, I asked the Government Leader if he would be tabling a summary of this particular report or else the report itself. Now in response to Mr. Arlooktoo yesterday, the Government Leader indicated that this particular report is being prepared for him and that he is not sure if he is going to be tabling it in this session or not. On the opening day, when I asked for a specific time frame, I asked the Minister if he would be tabling it in this particular session and he indicated yes. Now it appears that he is changing his mind. I cannot understand the rationale behind it. It has been two and a half weeks now since I requested this particular report. I would like to ask the acting Government Leader if he would be prepared to table it in this particular session. Mahsi cho.

MR. SPEAKER: Thank you, Mr. Zoe. Mr. Sibbeston.

HON. NICK SIBBESTON: Mr. Speaker, the Member cannot reasonably expect me to deal with a matter that the Government Leader himself has been dealing with all these weeks. Because of that, I will just take the question as notice.

MR. SPEAKER: Thank you. Oral questions. Mr. Kilabuk.

Question 0165-88(1): Extension Of Pangnirtung Airstrip

MR. KILABUK: (Translation) Thank you, Mr. Speaker. Mr. Speaker, my question is for the Minister of Government Services. I am sorry my voice is not very clear. He and I both are aware that our airstrip is going to be extended. It is funded by municipal services. Since we discussed this, if it can be extended to 350 or 800 feet, have you looked into this further, this matter of the extension of the airstrip in Pangnirtung? Thank you.

MR. SPEAKER: Mr. Wray.

Return To Question 0165-88(1): Extension Of Pangnirtung Airstrip

HON. GORDON WRAY: Thank you, Mr. Speaker. Yes, as the Member knows we were able to convince the Ministry of Transport to reinstate the extension of the runway in Pangnirtung. We were under the impression that it was going to be extended 800 feet; however, we were advised that they were only going to extend it 300 feet. So the extension going ahead at present is only 300 feet but I have written Mr. Crosbie and appealed to him to extend it 800 feet as opposed to 300 feet because Bradley Air Services advises that the extra 300 feet will really not do them much good. They will still not be able to take a big payload in. I have not received any correspondence back from Mr. Crosbie yet.

MR. SPEAKER: Thank you, Mr. Minister. Supplementary, Mr. Kilabuk.

Supplementary To Question 0165-88(1): Extension Of Pangnirtung Airstrip

MR. KILABUK: (Translation) Mr. Speaker, this concerns the same topic. We also are aware that our airport is very small. All of us here would not be able to go into that airport if we were all to bring our suitcases. When the weather is bad, there is a problem because a lot of people have to stay outside. When the federal government agrees to extend the airstrip, have you looked into the possibility of getting the little airport extended also? Thank you.

MR. SPEAKER: Mr. Minister.

Further Return To Question 0165-88(1): Extension Of Pangnirtung Airstrip

HON. GORDON WRAY: Thank you, Mr. Speaker. Pangnirtung has been an ongoing concern for a number of years and the best compromise that we could come up with with the federal government was an extension of 800 feet. Quite frankly, the best alternative in Pangnirtung would be to rebuild the airstrip completely. I am not sure if all Members are aware, but the airstrip in Pangnirtung literally cuts the community in half and it is not an ideal situation. However, the Ministry of Transport advises that to build a new airport in Pangnirtung would cost in the neighbourhood of \$40 million and they are not prepared to expend that kind of money. Therefore, the compromise that we reached was an 800 foot extension. However, as I said before, the MOT have now cut back from 800 feet to 300 feet. So I am attempting to get them to move the 300 feet back to the 800 feet which would, while not ideal, be better than what we have right now. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Supplementary.

Supplementary To Question 0165-88(1): Extension Of Pangnirtung Airstrip

MR. KILABUK: (Translation) Mr. Speaker, maybe you did not fully understand. My question was the airport. Have you considered allotting some funding for getting an extension for the little airport. The building itself is very small and can hold only so many people. My question was: Have you considered, at the same time as the airport is getting the extension, if it is possible to also get an extension for the building itself?

MR. SPEAKER: Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Speaker. Now I understand the terminal building is what the Member is referring to. I am going to have to take that question under notice because once again the provision of an airport terminal building is also a federal responsibility. I am really not aware of the federal plans for Pangnirtung. I will take that question under notice and attempt to find out. Pangnirtung is in the Quebec region so I will attempt to find out from the Quebec office of MOT, what plans they have.

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

Question 0166-88(1): Status Of Federal Policy On Arctic Airports

MR. GARGAN: Thank you, Mr. Speaker. I just wanted to direct my question to the Minister of Municipal and Community Affairs. I would like to ask the Minister whether there is still a federal policy on arctic airports A, B and C, I believe it is, and whether or not this policy is no longer in effect?

MR. SPEAKER: Mr. Minister.

Return To Question 0166-88(1): Status Of Federal Policy On Arctic Airports

HON. GORDON WRAY: Thank you. The federal policy which is called the arctic B and C airports policy came to a grinding halt about two years ago. That was when the policy ran out. No policy is any longer in effect, and the problem was that the policy came to an end before they had completed all the airports under that program. That would be the 10 or 11 airports, which have not been completed. So, no, they no longer have a policy and that is one of the problems that we are having to deal with, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. Pollard.

Question 0167-88(1): Intervention By Bishop Sperry In Fur Labelling Issue

MR. POLLARD: Thank you, Mr. Speaker. My question is for the Minister of Renewable Resources. It deals with his statement yesterday on the British fur labelling initiative. My understanding was that Bishop Sperry was going to take some action in this regard with Prime Minister Thatcher and also the London Times newspaper. I wonder if the Minister could give us an update on that situation. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Pollard. Mr. Minister.

Return To Question 0167-88(1): Intervention By Bishop Sperry In Fur Labelling Issue

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. Yes, as I mentioned yesterday, Bishop Sperry has written to the London Times and his article was published yesterday. I am also pleased to advise you and the House that Bishop Sperry will be interviewed by national radio this afternoon, at 5:00 p.m. Yellowknife time, by the BBC radio, which is quite popular in Britain. Also, the transmission of that radio is quite powerful. In fact, we used to listen to it up in north Baffin sometimes, in that area. If you are away from the city you could receive the radio station on your truck or little radio. The interview will be done this afternoon at 5:00 p.m. Yellowknife time. Thank you, Mr. Speaker.

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

Question 0168-88(1): Ministers' Awareness Of Proposed Federal Legislation

MR. POLLARD: Thank you, Mr. Speaker. My question is to the Deputy Government Leader. It will be in reference to his statement yesterday that he has more important things to do than keep a close eye on what is happening in Ottawa. I think perhaps, Mr. Speaker, the Minister spoke in haste and I would ask him to clarify that situation because we believe there is a lot going on in Ottawa that we should be keeping track of. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Pollard. Mr. Deputy Government Leader.

Return To Question 0168-88(1): Ministers' Awareness Of Proposed Federal Legislation

HON. NICK SIBBESTON: Mr. Speaker, the Member is asking with respect to the situation yesterday where the Member for Pine Point had asked a number of Ministers if they were aware of provisions in a certain Bill C-30 which is presently before Parliament. He asked three Ministers the same question and eventually it got to me and it became obvious what he was doing. I really did not think he was being serious about the matter. Rather, I think he was trying to make a point that our government should be more aware of any bills before Parliament which may have an effect on the North. So I believe the Member has made his point, that as a government we ought to be much more conscious of what is going on in Parliament.

My reply that I am busy and that I have more important things to do and could not pay too much attention to Ottawa, maybe is not the answer the Member was expecting. Maybe I was a bit terse and I apologize to the Member for that. But I think the Member has made his point.

---Applause

MR. SPEAKER: Thank you, Mr. Sibbeston. Oral questions. Mr. Pollard.

Question 0169-88(1): Tax On Small Businesses

MR. POLLARD: Yes, sir, my question is to the Minister of Finance. Mr. Speaker, it has come to my attention that small businesses in the NWT pay five per cent more tax than small businesses in Alberta, in particular. I wonder if the Minister could indicate to the House whether or not that is going to be taken into consideration, considering this new economic thrust of the government. Thank you, Mr. Speaker.

MR. SPEAKER: Mr. Minister.

Return To Question 0169-88(1): Tax On Small Businesses

HON. MICHAEL BALLANTYNE: Mr. Speaker, I think I have said in the House a couple of times that we are doing a review of all the tax options available to this government and I will be tabling those options with the standing committee on finance during this session. That is one of the options that we will be studying but right at this point in time no decision has been made in that area. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. McLaughlin.

Question 0170-88(1): Marketing Of Petroleum Products

MR. McLAUGHLIN: Thank you, Mr. Speaker. I have a question for the Minister responsible for Energy, Mines and Resources. It comes as a consequence of some actions that the Independent Petroleum Association of Canada are taking with regard to lobbying in the United States and working in unison with the Governments of Saskatchewan and Alberta in order to enhance the amount of petroleum products that the US will contract to purchase from Canada. As this will obviously impact the potential for sale of petroleum products from the Beaufort, both natural gas and oil, I was wondering if the Minister has any intentions of meeting with the Alberta and Saskatchewan provincial governments in unison with IPAC in this area.

MR. SPEAKER: Madam Minister.

Return To Question 0170-88(1): Marketing Of Petroleum Products

HON. NELLIE COURNOYEA: Mr. Speaker, we have not worked with the Governments of Alberta and Saskatchewan on this matter and I recognize that the issue is of very great concern to those two provinces. In the future we do intend to identify a strategy in working with the provinces on that issue. At this point in time, as we are not major exporters of oil and gas, we do have some time to get our act in place. But at this time we have not secured that relationship and we have not planned the whole strategy of how we are going to deal with this particular issue.

MR. SPEAKER: Oral questions. Mr. Pollard.

Question 0171-88(1): Economic Development Officer For Clyde River And Broughton Island

MR. POLLARD: Thank you, Mr. Speaker. My question is for the Deputy Government Leader in his capacity as Minister of Economic Development and Tourism. It deals with the situation at Clyde River and Broughton Island. I was wondering if the Minister would reconsider his decision and take another look at that situation there with regard to providing an economic development officer for those communities. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Pollard. Mr. Minister.

Return To Question 0171-88(1): Economic Development Officer For Clyde River And Broughton Island

HON. NICK SIBBESTON: Mr. Speaker, I think as Ministers we generally try to be as accommodating as possible to MLAs and I will certainly reconsider the matter. I will have my officials in Baffin take another look at it and provide me with a report on that.

---Applause

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

Question 0172-88(1): Information On Inuit Deaths In Southern Hospitals

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I am very happy that the other side of this House are getting answers for us finally. When we had a finance committee meeting before Christmas, I asked a question of the Minister of Health. Sometime in the 1950s the Inuit used to go to hospitals in the South. The reason they used to go down south was for treatment of TB. I have asked her to look into this. There are still people living who had family members who went down south and a lot of those people that went down for treatment have not returned to their communities. But the families of those people who went down south would like to know the results of the deaths. Why did they die? They do not know. If it is not confidential, we would like to know if she would bring the information as to the cause of death. Thank you.

MR. SPEAKER: Madam Minister.

Return To Question 0172-88(1): Information On Inuit Deaths In Southern Hospitals

HON. NELLIE COURNOYEA: The honourable Member is right that I did make a commitment that we would begin the process of identifying those people. I have not had sufficient time to do that because we would have to do a certain amount of research in asking and finding out who those people are. This has not been completed at this point in time but my commitment to the honourable Member still is very evident in what we are attempting to do. We just have not had sufficient time to do that research and talk to the people who are concerned in that area.

Upon getting the information, if we are not in session when that information is made available, I will be sending out in a letter and tabling for the next session, that information. But at this time it has not been completed.

MR. SPEAKER: Supplementary, Mr. Pudluk.

Supplementary To Question 0172-88(1): Information On Inuit Deaths In Southern Hospitals

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. This was not my big concern. Last spring I went to an elders' conference in Pelly Bay. This was of great concern to the elders at that conference. I just wanted to raise this during this meeting. Thank you.

MR. SPEAKER: Madam Minister.

Further Return To Question 0172-88(1): Information On Inuit Deaths In Southern Hospitals

HON. NELLIE COURNOYEA: Mr. Speaker, I believe the honourable Member was just making a further point on the issue. I read the minutes of the Pelly Bay conference and I have talked to a number of delegates and they have stated the same issue of concern. I continue to say that I am committed to bringing that information forward and to recognizing the concern of the people who do not know the cause of death of the people who had, many years ago, been sent to the South. I am committed to continue to get that information.

MR. SPEAKER: Thank you, Madam Minister. Oral questions. Mr. Kilabuk.

Question 0173-88(1): Birthing Centres In The North

MR. KILABUK: (Translation) Mr. Speaker, this is a question directed to the Minister of Health and Welfare. In the past when you were planning to move the hospital services to the North, did you ever contemplate establishing birthing centres in the North? Have you ever considered that? There

are a lot of native people who can give birth in the North in their communities. This has been raised a number of times in the past before. They have been asking for this for a long time. I know for sure that they will not provide doctors in the communities. A lot of the local people in the North are very concerned, especially the elders. Have you ever considered bringing in nurses who are experienced in birthing? Have you ever considered that before?

MR. SPEAKER: Madam Minister.

Return To Question 0173-88(1): Birthing Centres In The North

HON. NELLIE COURNOYEA: Mr. Speaker, in reply to the honourable Member's question. In terms of birthing stations, I believe that over the years this has been an active topic with associations like the native women's association in the regional discussions on health. It has been an active topic and is considered a desirable way to go in terms of providing health facilities to communities and to regions. This has been considered and is actively being considered but the question is: How do we do it? How do we get the qualified people who can perform that type of service? So to give assurance to the Member, yes, it is being considered.

This issue has been raised by a number of people and associations. The consideration will be in the overall plan on how we do it, on how do we get the people who would have the qualifications to provide that service and whether we can afford it, once we map out a plan. So it is under active consideration. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Madam Minister. Oral questions. Mr. Gargan.

Question 0174-88(1): Policy On Establishment Of Student Residences

MR. GARGAN: Mr. Speaker. I just wanted to direct my question to the Government Leader. It is with regard to the establishment of hostels or residence facilities for students in the communities. I would like to ask the Minister whether there is any policy with regard to establishing new facilities in the communities.

MR. SPEAKER: Thank you, Mr. Gargan. Mr. Deputy Government Leader.

Return To Question 0174-88(1): Policy On Establishment Of Student Residences

HON. NICK SIBBESTON: Mr. Speaker, there is a government policy on student residences which deals with and governs all the student residences we have in the NWT. As to the establishment of new ones, that is essentially an Executive decision which ultimately rests with the Minister and then the Executive Council. That decision is made when the matter arises as to whether a student residence should be established in a community. So that is the way the government deals with it.

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

Question 0175-88(1): Complaint About NWT Air Services

MR. ERNERK: Mr. Speaker, my question is to the Government Leader. I must explain that it is hard for me to talk on this subject as I have just returned from sitting for about four hours due to deplorable services and attitude of the Northwest Territorial Airways. This is the second time this week in which our people from the Keewatin Region and the Eastern Arctic were made to wait to miss their flights by Northwest Territorial Airways. I have been sitting at the airport since 6:30 a.m. There were about three delays -- 7:30, 8:30, 9:30, 10:00 a.m. and now it is 2:30 this afternoon.

My question is to the Government Leader. Can he advise how the general public can complain about the services of NWT Air and do we have any regulatory power over their airlines? Thank you.

MR. SPEAKER: Thank you, Mr. Ernerk. Mr. Deputy Government Leader.

Return To Question 0175-88(1): Complaint About NWT Air Services

HON. NICK SIBBESTON: Mr. Speaker, firstly, the federal government controls and regulates airlines throughout Canada. So the Canadian Transport Commission or a body such as that controls the activities and governs the NWT airline in question. On the question of how can the general public complain or deal with the delays and problems that obviously exist with NWT Air, the public can write letters to the CTC. Certainly raising it in the Assembly as he has done focusses attention on the matter. The Member is doing quite a bit to pinpoint and outline if there is a problem with NWT Air. If the Member wishes the government to go beyond this and perhaps write a letter on behalf of the MLAs and public of the North, we would be pleased to do so.

MR. SPEAKER: Thank you, Mr. Minister. Supplementary, Mr. Ernerk.

Supplementary To Question 0175-88(1): Complaint About NWT Air Services

MR. ERNERK: Mr. Speaker, I would like to indicate that I speak on behalf of so many passengers this morning and on a previous occasion this week. Can the Government Leader assure me and this House that he will take the question and complain to the CTC on our behalf, immediately? Thank you.

MR. SPEAKER: Thank you, Mr. Ernerk. Mr. Sibbeston.

HON. NICK SIBBESTON: Mr. Speaker, if the Member would be patient in this regard and accept the response of my taking the matter under advisement, we will provide a response to him on Monday in this regard.

MR. SPEAKER: Thank you. Mr. Pollard.

Question 0176-88(1): Government Travel Contracts

MR. POLLARD: In that regard, Mr. Speaker, my question is directed to the Deputy Government Leader or any other Minister who has knowledge. Is this government contractually bound to NWT Air? Does it have any arrangements with NWT Air or any agreements for travel with NWT Air? Thank you, Mr. Speaker.

MR. SPEAKER: Mr. Sibbeston.

Return To Question 0176-88(1): Government Travel Contracts

HON. NICK SIBBESTON: Mr. Speaker, I am not aware of our government's having any contractual relations as the Member has asked.

MR. SPEAKER: Thank you, Mr. Sibbeston. Oral questions. Mr. Ernerk.

Question 0177-88(1): Support For Alternative Airline

MR. ERNERK: Mr. Speaker, can the Government Leader indicate to the House to support another airline's east-west flight between the Eastern Arctic and Yellowknife? Can they support such a proposal if another proposal comes before the CTC?

MR. SPEAKER: Mr. Ernerk, that question is technically out of order because it is based on a hypothetical situation. However, if Minister Sibbeston would like to comment on it.

HON. NICK SIBBESTON: Mr. Speaker, I will take the question under advisement and take notice of the matter.

MR. SPEAKER: Thank you. Item 5, oral questions. This would seem to conclude oral questions for the day.

Item 6, written questions. Item 7, returns to written questions. Mr. Clerk.

ITEM 7: RETURNS TO WRITTEN QUESTIONS

CLERK OF THE HOUSE (Mr. Hamilton): Thank you. Return to written Question W11-88(1) asked by Mr. Pudluk of the Minister of Renewable Resources.

Return To Question W11-88(1): Polar Bear Quota, Grise Fiord

Hon. Titus Alloo'loo's return to Question W11-88(1), asked by Mr. Ludy Pudluk on February 19, 1988, regarding the polar bear quota, Grise Fiord:

Our records do not contain any mention of a recommendation to limit the number of polar bears taken in the Norwegian Bay area to six. Most probably that recommendation came from Dr. C. Jonkel when he did polar bear studies for Canadian Wildlife Service in that area. The recommendation was based on the observation that there is a lower density of polar bears in the Norwegian Bay area than in the Jones Sound and Baffin Bay areas. The thinking behind the recommendation was to spread the harvest out in a way that did not cause local depletion.

The regulations stipulate that at least six of the Grise Fiord quota of 33 must be taken in Norwegian Bay. More than six may be taken from Norwegian Bay, but not more than 27 bears may be taken in the Jones Sound and Baffin Bay areas. All of the Grise Fiord polar bear quota must be taken in hunting zone "A". The 10 year time span was probably given based on an estimate of when researchers would return to the Grise Fiord area and do an inventory study. The work done in 1972 was reconnaissance level only. There have not been any recent studies in Norwegian Bay. Current polar bear work is focussed on the Foxe Basin area.

MR. SPEAKER: Thank you, Mr. Clerk.

Item 8, replies to Opening Address.

Item 9, petitions.

Item 10, reports of standing and special committees.

Item 11, tabling of documents. Item 12, notices of motion. Mr. Richard.

ITEM 12: NOTICES OF MOTION

Notice Of Motion 9-88(1): AIDS Presentation And Briefing

MR. RICHARD: Mr. Speaker, I give notice that on Monday, February 29, I will move the following motion: That this Legislative Assembly receive a presentation and briefing on AIDS in the committee of the whole as the first item of business on Monday, March 7, 1988.

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

Notice Of Motion 10-88(1): Ombudsman For The Northwest Territories

MR. GARGAN: Mr. Speaker, on Monday, February 29, I will move the following motion: Now therefore, I move that this Legislative Assembly recommend that the Executive Council investigate the feasibility of the establishment of an office of ombudsman for the NWT; and further, that this feasibility study be done by an independent body. Thank you.

MR. SPEAKER: Thank you, Mr. Gargan. Notices of motion.

Item 13, notices of motion for first reading of bills. Item 14, motions. Motion 8-88(1), Appointment to NWT Housing Corporation. Mr. Kakfwi.

ITEM 14: MOTIONS

Motion 8-88(1): Appointment To NWT Housing Corporation, Carried

HON. STEPHEN KAKFWI: Mr. Speaker:

WHEREAS there is a vacancy on the board of directors of the NWT Housing Corporation due to the resignation of Tom Owljoot;

AND WHEREAS it is desirable that this vacancy be filled;

NOW THEREFORE, I move, seconded by the honourable Member for Kivallivik, that the Legislative Assembly recommend to the Minister responsible for the NWT Housing Corporation that Peter Kritaqlilik be appointed to the board of directors of the NWT Housing Corporation.

MR. SPEAKER: Thank you, Mr. Kakfwi. Your motion is in order. To the motion, Mr. Kakfwi. Question is being called. All those in favour, please raise your hand. All those opposed? Thank you. The motion is carried.

---Carried

Item 15, first reading of bills.

Item 16, second reading of bills. Item 17, consideration in committee of the whole of bills and other matters: Report of Standing Committee on Finance on the 1988-89 Main Estimates; Bill 1-88(1), Appropriation Act, 1988-89; Ministers' Statement 13-88(1) and Tabled Document 71-88(1): Direction for the 1990s, with Mr. Gargan in the chair.

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

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER REPORT OF STANDING COMMITTEE ON FINANCE ON 1988-89 MAIN ESTIMATES; BILL 1-88(1), APPROPRIATION ACT, 1988-89

CHAIRMAN (Mr. Gargan): The committee will now come to order. Mr. Pudluk.

MR. PUDLUK: Mr. Chairman, do we have a quorum?

CHAIRMAN (Mr. Gargan): Would the Sergeant-at-Arms...

MR. BUTTERS: Round up the government.

AN HON. MEMBER: Yes, where is the government?

SOME HON. MEMBERS: (Inaudible comments)

CHAIRMAN (Mr. Gargan): If we do not have a quorum in two minutes, we will call it. The Chair recognizes a quorum. The committee will now come to order. Does the committee agree that the Minister bring in his witnesses?

Department Of Municipal And Community Affairs

Do you need to make an opening statement, Mr. Minister?

HON. GORDON WRAY: Mr. Chairman, I made my opening statement yesterday and we were still on general comments. Until we get into the details, I do not feel the need to have witnesses.

CHAIRMAN (Mr. Gargan): Okay. We are on Department of Municipal and Community Affairs. Mr. Zoe, general comments.

MR. ZOE: Mahsi cho. Mr. Chairman, I understand that is a paper which the Minister's department produced to put within this regional and tribal councils review. Could the Minister provide to this committee the position of the Municipal and Community Affairs on this particular issue? Mahsi cho.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Departmental Submission To Regional And Tribal Councils Review

HON. GORDON WRAY: Thank you, Mr. Chairman. As a department, we submitted some ideas that we had on regional and tribal councils to the committee that was studying regional and tribal councils. I have had a chance to read the regional and tribal council report only very briefly so far and so I do not know how many of our ideas they incorporated into the actual report, quite frankly. But generally speaking, our advice was that we should take a hard look at the role of regional and

tribal councils because it is our belief that that role has changed over the years. Essentially that was the basis of our submission; that when the committee reviews regional and tribal councils they should be fairly clear on what the role of the regional and tribal council should be at present. When the regional and tribal council first started it was clearly an advisory body to the Department of Local Government. However, over the years that changed and when regional and tribal councils met, the issues that we were dealing with went far outside of the mandate of Municipal and Community Affairs. It was no longer possible for the Minister of Municipal and Community Affairs -- or Local Government -- to be able to respond to the regional and tribal councils, as we were able to do in the past. The regional and tribal councils had taken on a much larger governmental role, as opposed to just a purely advisory role for the department. I think that, essentially, was the basis of our comments to the committee. The roles had expanded and therefore we felt that perhaps the regional and tribal councils should now come under the Department of the Executive or the Government Leader's Office, as opposed to the Minister of Municipal and Community Affairs.

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

MR. ZOE: Thank you, Mr. Chairman. The Minister did not answer my question. I realize the end result of the regional and tribal council report would incorporate the viewpoints of your department but it is of great interest to me, Mr. Chairman, to see where this department is on this particular issue. Again, I would ask the Minister if he would provide this to the Members, to this committee, if not this committee then on a confidential basis to the Members here. Mahsi cho.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Written Comments To Be Provided In Confidence

HON. GORDON WRAY: Thank you. I thought I had just provided our department's viewpoints. Essentially, what I said was the basis of the comments that we made to the committee. If the Member wishes to have the actual written comments that were provided to the committee provided to him in confidence, I do not see any problem with that.

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

MR. ZOE: Mahsi cho. That is good. On another issue, Mr. Chairman. Yesterday I questioned the Minister on whether this department is considering bringing forward new legislation, or an amendment to existing legislation, in regard to property tax rebate for disabled people. Mr. Chairman, in my view this particular idea has a lot of merit and I cannot see why the department would not consider bringing a small amendment or new legislation forward in this regard. We are dealing only with a small group of people; I am referring to disabled home-owners who are living on disabled pension. I do not think it would create a big burden on this particular department if this legislation is brought forward. In other jurisdictions, Mr. Chairman, there are provisions. For example, in BC they incorporated disabled people with the senior citizens. I would stress to this particular department that they bring forward this type of legislation. Mr. Chairman, the Minister may feel that this issue is not relevant at this time, or maybe the department did not have enough time to thoroughly investigate how other jurisdictions are handling this, but I would encourage the Minister to seriously look at this. We are dealing with a special group, disabled people. They are basically in the same category as the senior citizens are. Mr. Chairman, once we get into the detail of the budget, I will be moving a motion to this effect. Thank you.

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

Property Tax Rebate For Disabled Under Active Consideration

HON. GORDON WRAY: Thank you, Mr. Chairman. Quite frankly, it was not something that has ever been brought to my attention before. I welcome the Member's advice and thank him for bringing it to my attention. We have taken it, since his comments yesterday, and will take it under active consideration, and take a look at other jurisdictions and the legislation they have and the wording of that legislation. There may be something that we can do but it was something that we just had not thought of. Thank you.

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

MR. ZOE: Thank you, Mr. Chairman. The Minister indicated that this is the first time he has been notified of this particular issue. I, for one, know for a fact that that department has been well-informed by the NWT Association of Municipalities. There is correspondence between the association and the department which urged his department to investigate and they recommended that this department bring this type of legislation forward, so it has been almost a year now since this issue has been brought forward. It appears, Mr. Chairman, that this particular department is not taking the Association of Municipalities too seriously. It is this department that is supposed to be in close contact with -- they represent all the communities in the Northwest Territories and the Minister tells me now that he has no knowledge of it -- it is not true. So I would...

HON. GORDON WRAY: Point of order.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Point Of Order

HON. GORDON WRAY: Mr. Chairman, the Member just accused me of lying. I would like him to retract that statement, please.

CHAIRMAN (Mr. Gargan): The Member will retract that statement. It is unparliamentary.

MR. ZOE: Mr. Chairman, I did not say that he was lying, I said it is true that his department was well-advised. I did not accuse the Minister of lying. To continue on, Mr. Chairman...

HON. GORDON WRAY: Point of order.

CHAIRMAN (Mr. Gargan): Mr. Minister, your point of order.

HON. GORDON WRAY: Mr. Chairman, the Member implied that my comments were -- that I was not aware of this type of correspondence, personally. In his comments the Member said that what I had said was not true, now that is just another way of saying that I was lying.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Zoe, perhaps you would like to explain what you meant when you referred to the term "untrue"?

MR. ZOE: Mr. Chairman, well the Minister indicated that this was the first time this issue was brought to his attention. I am saying that the NWT Association of Municipalities during their annual general meeting last year provided communications between the association and the department and it has been a full year now. Surely the Minister ought to know what is happening within his department and now he is telling us that he is not well-aware of it and I received communications from the NWTAM stating that they have written to the Minister, directly to the Minister of Municipal and Community Affairs, in this regard but now he is telling me differently. Is that satisfactory? Mahsi cho.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Mr. Chairman, again, I state for the record, I was not personally aware that this recommendation had been made to the department or to me. The Member must appreciate that the Association of Municipalities is only one body in the Northwest Territories that sends written resolutions to the department. We, literally, get hundreds of resolutions on a yearly basis, from every municipality, from every regional council, from the Association of Municipalities. I cannot be expected to know every resolution that is passed in the Northwest Territories at every meeting held by an organized group. I was not aware of this recommendation. Now that I am aware of it, I will act on it. What more does the Member want?

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Once again, when Mr. Zoe mentioned on the whole -- letters not coming to his department -- Mr. Zoe did use the term that this was untrue. The term "untrue" is unparliamentary and Mr. Zoe will have to withdraw that statement that he has made.

MR. ZOE: Well, Mr. Chairman, I do not want to belabour the point, so I will withdraw.

---Applause

CHAIRMAN (Mr. Gargan): Thank you. Mr. Ernerk, general comments.

MR. ERNERK: Thank you, Mr. Chairman. My question is to the Minister of Municipal and Community Affairs. I understand you to say, Mr. Minister, with regard to the issue of tribal councils that -- is there a proposal with regard to tribal councils and regional councils by your department indicating that these organizations should answer -- I do not like the word "answer", personally -- come under the Government Leader?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Department Can No Longer Respond

HON. GORDON WRAY: Yes, Mr. Chairman, the role, as I explained earlier, the role of regional councils has changed so much that as a department we can no longer respond to all of the concerns that the regional and tribal councils have. Many years ago, back in the 1970s when they were first formed, they were more or less an advisory council, an advisory body to the department, but since then regional and tribal councils have expanded their operations and they now deal with environmental issues, health issues, justice issues, economic issues, educational issues. So, as a department, we can no longer respond and our suggestion was that perhaps it would be more appropriate, in terms of at least the budget and the Minister responsible, to move them over to the Government Leader's Office, which is responsible for the whole broad range of government programs and services.

CHAIRMAN (Mr. Gargan): Mr. Ernerk.

MR. ERNERK: Thank you, Mr. Chairman. Does this mean that once the proposal has been accepted by the government, in a sense the regional director will answer in a certain way to the regional councils? That regional councils will obtain more authority, obtain more power, which is something that I support in terms of that kind of move?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: With regard to authority and power, I think that decision is yet to be made. The Executive Council has not considered the regional and tribal council report. I think what we were trying to do was reflect what was happening today in actuality. The regional directors are, in fact, the lead regional government people who respond to regional councils, much more so now than the superintendent of Municipal and Community Affairs. The regional directors, in fact, report to the Government Leader. That is why the regional and tribal councils report is being handled by the Government Leader's Office, recognizing that is no longer solely just a function of Municipal and Community Affairs. I think for the purposes of budget, among other things, you will find the budget for regional and tribal councils in the Department of Municipal and Community Affairs. Our advice was that because they are much more global now and much more all-encompassing, that it would be proper for them to be under the Government Leader's Office and have the budget contained in the Department of the Executive, as opposed to Municipal and Community Affairs. For the last two or three years the regional director really has been the lead person in terms of our government's interaction with the regional councils. So we are just trying to reflect what is happening today.

CHAIRMAN (Mr. Gargan): Mr. Ernerk.

MR. ERNERK: Mr. Chairman, I would like to ask the Minister as to when this proposal would be made public, in terms of the government's final decision for the regional councils to come under the Government Leader's Office.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Executive Summary Being Prepared

HON. GORDON WRAY: This was only one submission that the committee received out of many. At this point in time the Executive Council has not dealt with the regional and tribal councils report. As the Government Leader indicated a couple of days ago, it is a fairly thick document and a lot of it contains just historical data -- how they come into being, budgets, composition. So we have asked the people who wrote the report to do an Executive summary for us, among other things. I suspect

that, quite frankly, with this session in place and the work surrounding the session, it will be some time after the session before we have a chance to thoroughly discuss the report, or the summary. But I would expect that sometime in the next four months, cabinet or Executive Council will be making a decision or letting the public know what their thoughts are on this issue.

CHAIRMAN (Mr. Gargan): Mr. Ernerk.

MR. ERNERK: Mr. Chairman, on another matter. I am wondering if the Minister could explain to me the government's policy on the issue of land leasing and land use. Let me explain. When I was with TFN, I think our directive to the GNWT was, lease all the lands in the NWT, in the meantime, as long as the land claims negotiations are continuing with the Government of Canada. I am particularly interested in this area because as the numbers of home-owners in the Nunavut region increase, obviously the big issue in this regard will be the purchase of the land or long-term lease of the land. What is the Minister's reaction or policy in regard to lease only in the meantime?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Lease-Only Policy Within Municipal Boundaries

HON. GORDON WRAY: The Member is correct. I believe in 1978 we essentially signed an agreement with the Tungavik Federation that until such time as the land claims are settled, we would institute a lease-only policy within municipal boundaries. We have followed that policy and continue to follow that policy to the present date.

The problem we are now experiencing is that because the settlement of land claims has been dragging out for a number of years, we are under increasing pressure to begin selling land to home-owners and people who want to start businesses. We find ourselves in a very uncomfortable position because we have this agreement with one Inuit group saying that they want lease only, but we are under amazing pressure, mostly from Inuit home-owners and businessmen in the communities and some of the hamlet councils who are all Inuit, telling us to do another thing, to allow the sale of land. It is a fairly uncomfortable position for us to be in.

Quite frankly, we could not begin selling land within municipal boundaries unless we broke our agreement with the Tungavik Federation. I have written to the Tungavik Federation a couple of times now, advising them of our dilemma and asking advice on how we should proceed. Unfortunately, I have never had a response to any of my requests or letters. Therefore, I find myself still in the same dilemma. For the time being, all I can do is indicate that we will be honouring the agreement we have with the Tungavik Federation.

CHAIRMAN (Mr. Gargan): Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you. While we are on general comments I would like to make some comments in regard to the mayors' duties at the community level. Smaller communities are run completely differently from larger communities. The mayors are not given any salary during their stay in their office but they are given an honorarium and some money every time they have a meeting. I believe that the mayor is the elected member of the community and head of local government. In talking to some people -- and not only people in the communities I represent; I think this problem is similar across the whole NWT. I was told one time by a hamlet secretary-manager that he does the responding to letters because the mayor does not stay in the office. The secretary is an employee of the mayor. He felt the mayor should come into the office more. I believe the only way that could be would be to change the legislation and maybe impose a salary.

I believe that the mayors are very important people at the community level and there is correspondence that they have to look at and sometimes it requires to be answered at the earliest time. If a mayor is chairing a meeting, he should know what is going on. I guess my message is coming in clear. If the Department of Community and Municipal Affairs is hoping to have a third government running the communities on their behalf, I think the head of the community should have an office and be paid a salary. I believe that many of the mayors say, "Yes, I come to the meetings. That is enough." Some of the mayors are working as construction workers, some have their own businesses and they sometimes would not really have the opportunity to really do some

parts of their duties. I think the Department of Municipal and Community Affairs should research to find out if salaries are needed for the mayors and also so that mayors would go into the office more often to check any correspondence. I think the legislation should also be looked at. I will have a further question, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Enabling Legislation Is Available

HON. GORDON WRAY: Thank you, Mr. Chairman. All of the points that the Member raised are available right now. All of the powers that he talks about are available through the present legislation. If a municipality or a hamlet wishes to pay a salary to a mayor, it can do so. In fact, there are quite a few that do so nowadays. It is a matter of raising a by-law. I have been insistent and continue to take the position that if a hamlet wishes to pay a mayor a salary, then they must do so from within their existing budget. I will not provide extra money for salaries for mayors. I do not believe that the mayor of a small community has a full-time job unless he wishes to assume the role of the secretary-treasurer of that particular municipality.

But all of those powers, all of those responsibilities are quite within the purview of the hamlets and the present legislation. It is the hamlets who dictate the powers and responsibilities of their mayors. They do it through by-laws or they do it through general recommendations. It is the hamlets who can decide whether or not the mayor has an office. It is the hamlets who can decide how much time he spends in the office or how much time he does not spend. It is not something that the Government of the Northwest Territories must do. At the present time the hamlets have more than enough power and responsibility to do that by themselves.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. Yes, I am quite well aware of the Minister's response. When he talks about a small community, it could be true for a small community that it may not be a full-time job. But then again, it does not seem to equalize with other larger communities. Talking to the other councillors, the mayor, just by reason of not having any interest in really doing some work for the community, can easily say to the councillors, "I do not need a salary; I am doing my own job somewhere." What I am really asking is, are some of the mayors really dedicated to serve as local government head of the community? The Minister has said to me a few years back that a community and the councillors can decide on giving the mayor a salary. But if I were a mayor and I am not too interested in going to my office, my councillors might say, "You should spend more time in your office. We will give you half-time pay." What I am getting at is, if I am not too interested, and I am not making too much from honorariums or the few dollars they give me to serve as a mayor, I would tell my councillors, "I do not need it. I can come in at coffee time and do the rest of the work."

Duties And Accountability Of Mayors

What I am really trying to say is, do we really know the accountability of the mayors? The Minister has told me, "Yes, it is up to the communities to decide." That is good enough. I am satisfied with it. But then if any member of the community goes to the hamlet council and says he wants our mayor to stay in the office more often, it is very easy for the mayor to defend himself. Since it is up to the hamlet councils and the municipalities to decide on what they can do about the mayor's salary I think something has to be made more clear. The municipalities should be given more direction as to what the mayor's duties are. So I will be moving on to the other subject here.

Recreation facilities. Right now I guess a lot of communities are requesting recreational facilities. I think my question would be this: What is really the policy of your department and can the Minister explain to me about arenas? The sizes that are given to the communities could be a small, medium and large arena. How does his department arrive at the size a community would require?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. The size is determined by population. Under 200 people get a small facility; between 200 and 600 get a medium facility; and over 600 get a large facility.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. The policy is a good policy but then again really, the communities are always growing. It may be the fairest way of giving the communities what they need. In light of that, I guess I will ask another question.

I have the budget document in front of me that we are discussing right now. My communities are Gjoa Haven, Spence Bay and Pelly Bay. Like most communities, all of them are requesting hockey arenas, because recreation facilities are not available in the communities. In fact, there are two communities that do not have any community halls and they use the school gym. Would the Minister right now if possible give me, for the record, an idea of which communities are going to be getting their arenas and in what years? If he has that available.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. I can only speak to the estimates for 1988-89. There is planning and design money for a medium-sized community hall and arena for the community of Spence Bay for construction in 1989-90.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Angottitauruq.

Fund-Raising For Arena Through Community Effort

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. Right now the community of Gjoa Haven is trying to raise some money toward a hockey arena, showing in their effort that they want one. I will just give the dollar signs of how much they have raised and how much effort they are putting in to show that they want the hockey arena.

They have raised \$100,000 so far and they expect to go much further than that amount. I guess my question would be, if a community is trying to raise some funds by themselves, does the Minister's department recognize that the community is showing a good effort and would that in some way make the decision easier to decide which of the communities in the NWT would get a hockey arena? Or is that completely ignored by the Minister's department, whether the community is showing an effort to really help by raising some funds?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. No, it is not completely ignored. It is certainly one of the factors we take into account when we are making decisions on who gets what facilities. But a community's ability to raise money is by no means the determining factor, simply because, if we used that as a criterion, it would mean that the wealthy communities would get all the facilities and the poor communities would get none. There are many communities around the North who just do not have the financial capability of raising the money necessary for a facility such as that. However, we do recognize it as one of the factors and it does play a part in our decision making but it certainly is not the determining factor. Thank you.

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

Funding Formula For Non-Tax-Based Municipalities

MR. ZOE: Mahsi cho, Mr. Chairman. Mr. Chairman, I wanted to elaborate on a number of points my colleague has raised. I am sort of confused as to where to start. Maybe I will start with the funding formula. Mr. Chairman, I understand that the department was reviewing a funding formula for non-tax-based municipalities. Before I get into specifics, can I request the Minister if he would elaborate on the progress of this review? Mahsi cho.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. During the break, the Member asked me if I could provide him with a copy of the report today and I just wonder if he has been given that already. I asked my department officials to get another copy because apparently they had misplaced the one they provided to the standing committee.

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

MR. ZOE: Mr. Chairman, I am not too sure if this is the review proposal or the actual formula that is being applied today. Well, maybe I can get into specifics if the honourable Member will not reply as to what changes have been made within the formula, what was considered and what was not. That is the type of information I wanted the Minister to elaborate on before I get into specifics of formula financing for non-tax-based municipalities.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Just to provide a little bit of historical back-up. I initiated the review about 18 months, or two years ago because I felt, through personal experience, the formula used by the department was not adequate when it came to funding local governments. It was a fairly standard formula used throughout the North and did not take into account things like weather conditions, age and condition of buildings, and what it meant essentially is that some hamlets continually were able to come up with surpluses and some hamlets were continually running deficits, simply because the formula was not adequate to meet the different needs.

Principle Of Financial Autonomy

The primary principle which is guiding the policy development is with respect to the autonomy of the recipient government, namely the local government. It will define a funding system which addresses the differences between local governments but still allows the recipient the greatest degree of financial autonomy that we can. One of the important elements, if I may add, will be based on the ability of a particular local government to raise its own revenue. We plan to develop a public discussion paper, which we will release in the spring. I have yet to see the final paper that has been prepared. I understand that it is now ready to come to me. After I get it, I intend to release it for public discussion purposes to the various local governments in the North. Once we receive the input from the various municipal governments, then we will finalize the new -- it is called the O and M assistance policy, for final cabinet review sometime in the fall, so that hopefully we will be able to put it in place by April of 1989 or the new fiscal year in 1989. But that essentially is what drives the whole thing, that we have to recognize the differences that exist between communities.

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

MR. ZOE: Mahsi cho. Well, Mr. Chairman, maybe I will get into the specifics of the formula funding for non-tax-based communities. As the Minister indicated, PY positions within the communities vary across the whole Territories but the government has a standard formula for funding these positions. Now, I realize that there is a problem in this area because some -- I will pick secretary-managers -- in the High Arctic would receive more than another person in almost the same distance. I know it varies because of the size of the community and so forth but it appears to me, Mr. Chairman, that the department is not assisting communities in classifying the positions, or assisting the municipalities to classify them, similar to the government positions. So in effect the standard formula does not meet the requirements because some secretary-managers take various courses, like municipal administration courses. Once they get their certificates, they should be adequately paid but it does not reflect in the formula. That is one example I use. In other PY positions that also is the same.

Needs Not Being Met Through Formula

I am not too sure if this formula meets the needs of the municipalities. I am not too sure if the department should be approaching various municipalities and classifying the positions and their work requirements. I wonder if the department has considered doing it in this manner rather than having a standard formula across the Territories for all municipalities. If I am correct, Mr. Chairman, for example, the secretary-manager position in the hamlet status has a basic entitlement of \$25,000 and I know for a fact that various managers make more than that. I know they take the balance out of their O and M, but that should not be the case. I feel the government should be funding hamlets equally or based on their qualifications. Once they get classified by your personnel people or by the Department of Personnel, then the department should fund them accordingly. I would just like to ask the Minister if he would consider this type of funding rather than having it all standardized for all non-tax-based municipalities. Mr. Chairman, the settlement secretary-managers are paid according to the government but that is not the case with the hamlet managers. That is what I am getting at, if I can get the Minister to comment on my concern. Mahsi cho.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. The position of settlement secretary is a government position and as such is classified according to the classification system of the Government of the Northwest Territories. The position of secretary-manager or secretary-treasurer or town manager, whatever that particular community wants to call him, is a position which belongs to the municipality. It is up to them to set the job description, the terms of reference and the salary levels for that particular individual. We do assist the hamlets when they request us to, in drawing up terms of reference and job descriptions, but I stop short of telling them how much they should pay. That is really a decision they should make.

New Funding Policy Contemplated

I think that I have already acknowledged to the Member that I agree the standardized formula is not appropriate for every community in the Northwest Territories. That is the reason why, in fact, this whole discussion is taking place and why a new policy is being contemplated and why a public discussion paper will be put out. I tend to think that the government should fund municipalities based on that particular municipality's needs and go back to a system that was in place probably about 10 years ago, where the funding for a particular hamlet or non-tax-based municipality was more or less the subject of a negotiation between the municipality and the department, based on the municipality's needs and not so much a standardized formula. So I agree with the Member that the standard formula is not appropriate. It does not work in all cases.

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

MR. ZOE: Well, Mr. Chairman, the Minister agrees with me, but how soon do you anticipate having this discussion paper come forward? And just to comment on what the Minister has just said, I am not totally against this standardized formula, only certain sections of it. For example, the salaries of the PYs could be taken out and negotiated with the department. Some things, like O and M for roads, can be all the same across the NWT and can be standardized. There could be an addition to it, depending on weather conditions in the area. Various things can be standardized. What I am saying is that some sections of this formula financing do not work and the Minister agrees with me. How soon do you anticipate having this work finished?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: As I indicated five or 10 minutes ago, I intend to put the public discussion paper on municipal funding out to the municipal governments by the spring of this year, probably by April or May. I have not yet seen the proposed papers, so I am diffident to comment on it. I understand that the paper has now been prepared for my review. Once I have reviewed it I will give it to the municipalities this spring.

Hopefully we will receive input in a couple of months and then we will finalize the policy and it will be taken to cabinet for approval. I hope to have the new formula funding in place by fiscal year 1989, in other words, April 1st, 1989. I do not know if that timetable is possible but that is the one we are shooting for right now.

Major Discrepancies In Funding

Just another comment. I would somehow disagree with the Member when he said that things like funding for roads can be standardized. In fact, roads funding is one of the biggest discrepancies that we have, simply because some communities, for example, Baker Lake, Resolute Bay, Clyde River, get very heavy snowfall, very high winds and much drifting snow. They need much more road maintenance money than other communities who do not get that amount of snow. The other major discrepancy is in the utilities funding. We will provide the same formula to a community that has a brand new garage as to a community that has a 25 year old garage. That is where the major discrepancies are.

I think if there is standardization, it can probably be in the area of how many staff we will fund in a particular community, based on population. But the others are very subjective. That is why I said I think that they should be more or less the subject of negotiation between the municipality and the government, based upon the particular conditions that exist in that community. So maybe the Member and I are not too far apart.

CHAIRMAN (Mr. Gargan): Mr. Zoe.

MR. ZOE: Mr. Chairman, on this particular subject of formula funding, do other Members have any comments before I go on to the next subject? I would like to get the mike back. I raised a certain subject. Are there any comments from other Members or can I continue?

CHAIRMAN (Mr. Gargan): Please continue, Mr. Zoe.

Communication On Capital Planning

MR. ZOE: Mahsi cho. Mr. Chairman, if I can go on to another subject, capital planning. There have been a number of concerns raised, not only in my area but in the Eastern Arctic, in terms of how the five year capital planning is conducted. It appears to me that there are many problems. Each municipality is requested to prioritize their projects on a five year capital plan. Once it is submitted to the government, I do not know how many levels it goes through before it gets to headquarters. It appears that the communication between the various levels is not getting back to the community. If the community puts in a project and it is taken out at the regional level or area level or headquarters level, it appears that the communication does not get back. Only after the fact, they are eventually told that this particular project was not approved or even considered. So communication appears to be a major problem in capital planning. Can I get the Minister to comment as to whether they are contemplating improving the communications and the method of doing their capital planning?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: The Member is correct, inasmuch as capital planning is, or appears to be at some times, an extremely lengthy and complicated process. I guess one of the major reasons for that is that we cannot possibly fund all of the requests that we get from the communities. Even after going through the review at the regional level and then the review at the departmental level, it still comes to -- for example last year, where the requests, after all the other ones had been filtered out, totalled \$58 or \$59 million, and I only had some \$30 million available. Then a headquarters decision has to be made on what has to go.

Budget Secret Until Tabled

Once it is decided what goes into the budget, then the whole aspect of the budget secrecy kicks in and essentially I cannot disclose to the communities what is in the budget until we table it in this House. When you are talking about the communities not being aware of what finally ends up in the budget, I think that is quite true, but they find out at the same time as the rest of the residents of the NWT do. The problem essentially is that there is just not enough money to meet all the requests and that is the hard and true fact of the matter.

CHAIRMAN (Mr. Gargan): Mr. Richard.

Disclosure Of Proposed Capital Project

MR. RICHARD: Thank you, Mr. Chairman. Mr. Zoe has raised the issue of the capital estimates. I do have some general questions on that. I appreciate that we are going to get into capital after O and M. I did not have the pleasure this year of being on the standing committee on finance, so I have not had the benefit of the Minister's explanation with the problems of meeting all of the demands for capital project moneys. I would like to ask the Minister to give me some explanation, to assist me and my constituents in understanding why things are turning out the way they are in the capital estimates document. The Minister just made reference to budget secrecy and maybe one day when we have nothing else to do, we should address that issue, because in my quick review of the main estimates and capital estimates, as I look through those documents to see how they may affect my constituency, I see a major project planned for Yellowknife South, is the construction of the young offenders facility. I saw it there, but I heard secondhand that the Minister responsible for that particular matter said on CBC radio this morning that that is not going to happen. So I hope we do get back to this notion of budget secrecy one day, as to where these announcements are to be made and disclosed.

Back to the MACA budget of \$38 million, because the Minister is aware that I have a problem with one particular decision he has made, as it affects the capital contribution to the City of Yellowknife. Can I ask, generally, how is the \$38 million allocated between divisions of government? I see that the sport and recreation division and the community works and capital planning division are the two big draws on the \$38 million. How is the allocation initially done among the divisions? If it is done firstly that way, how is it allocated between geographic regions of the NWT, and between communities within the regions? I guess I could start even before that and say, of the total capital budget of \$117 million, how is it that MACA ends up with \$38 million, not \$36 million or \$40 million? I wonder if the Minister could address those general questions.

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: Thank you. To answer the first part of the question. Municipal and Community Affairs is assigned a target budget by the Financial Management Board and that target that we are assigned is \$36 million, into which we then have to fit all of our requests. Perhaps the Minister of Finance could answer on the process of setting targets for departments.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. The Financial Management Board decides what they think the expenditure level will be in a given year and each department is given a target. Then it is the responsibility of that department, based on their priority exercise, to actually achieve that target and bring back the details of that target to the FMB.

CHAIRMAN (Mr. Gargan): Mr. Richard.

MR. RICHARD: Well, now we have \$38 million and we are back to MACA, so I want to know what he does with it then.

Basis For Allotment Of Capital

HON. GORDON WRAY: What has happened before this is, we essentially have taken their requests from each community in the Northwest Territories on a regional basis and on a regional basis we assign them priorities. They then submit those to headquarters. Then headquarters has to sit down and make very subjective decisions on what goes where and who gets what. We base it on a whole bunch of factors, you know, obviously amounts...

HON. MICHAEL BALLANTYNE: Subjective is what he meant, I just want to clear that up.

HON. GORDON WRAY: Well, there are some subjective factors there as well...

HON. MICHAEL BALLANTYNE: Slip, grammatical slip.

HON. GORDON WRAY: No, it is not. The problems are, of course, when you are trying to fit \$36 million into \$300 million worth of requests, things like how much goes to each region, how much to communities. How do you base your priorities? Do you base it on community population? Is it based on a community's ability to pay? There is a certain element of what a community has in the way of facilities at the present time, or what it does not have. What is the population growth of that community? Is the money they are requesting for replacement as opposed to new, as you have to compare replacement items against new items? In other words, if a community is requesting significant dollars to replace a certain system, we have to compare that against a community that perhaps is requesting dollars for a brand new system it does not have. So it is a very difficult and complicated process, simply because of the large number of demands and the very small amount of money. We try to be as objective as possible in doing it, but obviously you get and will always continue to get criticism, from communities and from regions, that they are not getting their fair share of the pie and it is simply because there just is not enough money to meet the demands at the present time.

Allocation Within Departments

In terms of the allocation within departments, as I said in my opening remarks, I have made it a political priority and I convinced the cabinet to share my view that, at least in Municipal and Community Affairs, one of the major priorities should be in the sport and recreation area. In

other words, the construction of recreation facilities. So that is reflected in the allocation of money within the \$36 million to the various divisions. Essentially again when we are allocating money among the various divisions, it is based on the real, the highest needs of communities. Recreation and things like water and sewer take priority; basic needs. In some cases like firefighting equipment, needs that are necessary for the preservation of life and safety in communities. At times it is very subjective -- and I did not misquote or use a grammatical mistake when I said that -- it is at times a very subjective process, trying to use objective priorities and objective means to get there.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Richard.

MR. RICHARD: Mr. Chairman, I appreciate some of the detail that the Minister mentioned and none of it comes as any surprise to me. He has not quite answered my question but perhaps I have not explained it well enough. But when he did list the various criteria that go into the decision, I was pleased that he did not mention that it is not a factor, for example, whether that community has an MLA on the Executive Council. So I am going to assume that that is not a factor in the decision.

Mr. Chairman, really my question of Mr. Wray is this prioritization that he is doing. I guess what I would like to know is whether there is one list within MACA for capital projects and that list covers both water and sewer projects, and recreation projects, and road and sidewalk projects. Is there one prioritization list or is there a separate prioritization list for each division within MACA? Because that is really what I want to address in this question, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. There is a separate priorities list for every division. In other words, we have the water and sewer division and all their projects and priorities are listed. We have the sport and recreation division and all their priorities are listed. Essentially what we do with each division and the money that is allocated, we take the top priorities and fit them into the available funding. I apologize to the Member, inasmuch as I have not replied to his letter which he sent me, but when I do reply to his letter -- and I have the draft response here -- I will be supplying him with the list as it pertains to his particular subject, which is the water and sewer.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. Then I appreciate that. There is a prioritization list for each one of these divisions. Now, I appreciate that you have a sport and recreation prioritization list, for example, and I see that you have arrived at \$14 million worth of projects. So of the total list, let us assume that there is a million dollars' worth of requests, you prioritize them, and you are funding the top \$14 million on that list. My question is, where do you get the \$14 million figure or the \$18 million figure for the community works and capital planning? In other words, how did you first divide up your \$38 million among your seven divisions?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. I guess that is where some of the subjectivity comes in. It is essentially done on the political priorities of the government, based on the total requests for that particular division. You know, obviously there are more requests in the water and sewer and recreation areas than there are in, say, surveys and mapping. So proportionately the allocation to those divisions would be greater than surveys and mapping and it is done based on the historical expenditures within each division. So that is where the allocation comes from. We try to proportion it out based on the request, demand and the money available.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Richard.

MR. RICHARD: Well, it becomes then, Mr. Chairman, a question of how do the Minister and his officials decide between, let us say, number 10 on the water and sanitation list and number eight on the sport and recreation list. How is that process handled?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Essentially that is based on historical trends. For example, the capital funding for Municipal and Community Affairs has been fairly standard for the last few years. Therefore, if you know last year we spent six or eight million dollars on water and sewer and we had a three or four per cent increase in our budget, most times we will simply just add the extra money we received on to each of the divisions and use those figures. Unless something happened that was extraordinary and would require a major bump in one particular area.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Richard.

Allocations To Tax-Based And Non-Tax-Based Communities

MR. RICHARD: Mr. Chairman, I want to now ask the Minister, in this process that we have been speaking of for the last 10 minutes or so, is there any deliberate allocation of the capital moneys between tax-based municipalities as a group, and non-tax-based municipalities as a group? Because historically I see in the last eight or 10 years of MACA's capital budget, a fairly consistent percentage of between 80 and 85 per cent of the capital moneys go to non-tax-based municipalities whose population totals roughly 50 per cent of the population of the NWT. And between 15 and 20 per cent of MACA's capital moneys historically in the last eight or 10 years have gone to tax-based municipalities whose population totals approximately 50 per cent of the population. Is that, Mr. Chairman, a deliberate allocation as between those two groups of municipalities in these deliberations within the department?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I would not say deliberate. What it reflects is the fact that the tax-based comprises seven out of 55 communities. In other words, about one seventh of the communities. They may have 50 per cent of the population but they only comprise about 10 or 15 per cent of the total number of communities in the NWT. When we are allocating funding, whether it is the water and sewer system in Grise Fiord or the water and sewer system in Yellowknife or Fort Smith, the fact is that I have 50 water and sewer systems to build and I have 50 community halls. Regardless of the population, I still have to build a facility. So it reflects that.

It also reflects the fact that tax-based municipalities are able to assume more of the costs themselves than the non-tax-based. There are things that we fund in the non-tax-based that we simply do not fund in tax-based. In terms of, say roads and sidewalks, we fund almost 100 per cent in non-tax-based and in tax-based, only 50 per cent. We do not fund firefighting equipment in tax-based. We fund 100 per cent of firefighting equipment in non-tax-based. What it reflects is the fact that in non-tax-based we fund almost 100 per cent of the capital items. In the tax-based we do not.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Butters.

Determining Regional Priorities

MR. BUTTERS: Thank you, Mr. Chairman. On the capital planning process which I know is being implemented in the communities to the extent possible, on a regional basis, how do you work out which projects have priorities within the region itself? Is this done at a conference of communities that lie within that specific region? I know the BRC has a method for dealing with capital but I wonder how it is done in other regions.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. I do not know if I can specifically address each region but generally speaking, we attempt to do it through the regional council, if there happens to be one for that particular area. Our own staff have input and some of it is based on technical considerations. We know, for example, if a water and sewer system or a particular truck is on its last legs, and that is very much used in the determination. But with the best available means, we attempt to run it past community representatives essentially. In Baffin it works fairly well and in Keewatin, Kitikmeot and some of the other regions, that is what we attempt to do.

We try to get the region to tell us what the regional priorities would be. That sometimes does not work simply because every community has its own self-interests at stake. I think Baffin has probably been more successful than any other region of communities in swallowing that self-interest

and saying they are willing to let a project go ahead in another community as opposed to their own particular community. A lot of the things that we put in, vehicles and water and sewer systems, are based on technical considerations.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Butters.

Input From MLAs

MR. BUTTERS: Secondary, Mr. Chairman. I realize the government is attempting to consult with the communities, which is only common sense because it is the people of the communities which we are serving. I do understand that the BRC has developed a process for dealing with that very difficult problem of allocation of capital infrastructure. What I was wondering, and I do not think that the government had finalized its capital allocation process, but is there a point in time at which the MLA is involved for each constituency? I believe that the BRC has solved it by including the MLAs as members of the council. How are the MLAs in other regions involved in that process?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I think that the ones that are involved in regional councils get their input there. Other MLAs, I guess quite frankly, not at all times. Informally, I would approach them, once the determination is made as to what is going into the budget, and ask for their comments. Because obviously, for the final determination and approval of the budget, it goes before this House so if the MLA is not concurring with what I am bringing forward, then it means that I have to re-think what I put in my budget. But it has been informal. Other than the MLAs sitting on the regional councils, there is no formal process that we have for involving the MLAs, although most MLAs are pretty good at letting the department know what they think the priority should be.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. Butters.

Funding For Basic Municipal Infrastructure

MR. BUTTERS: Pretty good. That is a subjective word too. I have a question of a general nature. I have some other specific questions which I will leave to the detail. The Minister indicated that to put in place a capital program for the basic municipal infrastructure in communities in the NWT would cost some \$300 million. I believe he has also indicated that if you were to put in the infrastructure to fulfil the department's mandate, it would cost some \$600 million. How does the government see that expenditure being achieved? Obviously it cannot be found within the current formula process which we have with the federal government. Has there to be a special initiative developed with the federal government? The first Minister indicated that he was aware of this when he spoke earlier in this House, but how does the Minister of Municipal and Community Affairs see this problem being addressed? It is a very serious problem; not for today or tomorrow, but 10 years from now, because the capital facilities you put in place are deteriorating all the time.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I think that is probably the most compelling and worrisome aspect for me, being Minister of Municipal and Community Affairs. I probably know better than most the requirements that have been asked for. I know how quickly existing systems are deteriorating, but I also know the reality of how much money is available to repair them. As Mr. Butters well knows, I have racked my brains and those of others for the last two years in attempting to find a solution. With the provincial and territorial Ministers of Municipal and Community Affairs, we have been part of preparing a brief and submission to the federal government for extraordinary funding in this area because it is not only a problem in the NWT, it is a problem right across Canada. The extent of the problem, depending on whom you talk to, is anywhere between \$6 billion and \$12 billion. If you talk to the Canadian Association of Municipalities it is \$12 billion, if you talk to the Ministers of Municipal and Community Affairs for the various provincial governments, it is \$6 billion. But whatever it is, it is an extremely large problem.

So far the federal government has rebuffed any attempt by the provincial and territorial governments to acquire extraordinary funding from the federal government. We have been brainstorming within the department and within the Department of Finance and FMS as to possible solutions. One is, of course, the territorial government -- and the Member is quite correct, \$300

million would buy me basic infrastructure. As I said yesterday, it would not provide piped water and sewer to most of the communities, it would not provide paved roads. It would provide essentially a basic level of service that we are supposed to be providing right now. The Member is further correct in his estimation that to meet our complete mandate, the bill would be somewhere between \$500 and \$600 million.

This is a major problem for us today, but what worries me more than that is the fact that if you look at the demographics of the NWT, our population in the small communities is growing by leaps and bounds. If we cannot keep up today then I can tell you that we have no chance of keeping up three years from now, five years from now or even 10 years from now. That is why I indicated I was so worried about the fact that now 22 per cent of my budget is going to replacing existing infrastructure and you are going to see that percentage increase every year. I would speculate that within seven years, 70 per cent of Municipal and Community Affairs budget is going to be replacing infrastructure and we are still going to have many communities who have not even received their first piece of infrastructure.

Options For Acquiring Needed Capital

We have looked at various options. One option is for this government to go out and borrow on the market a massive amount of money, I would say, at a minimum, \$150 million, and attempt to put that infrastructure in place and then repay it over the course of say, a 20 year amortization scheme. But that, of course, impacts the O and M capability of the government and as you can see in the budget that has been presented, the flexibility we have in O and M is already non-existent. Quite frankly, we will have to take a very serious look at whichever communities can afford to pay their own way, having to do that. As much as I think that it is unfortunate that communities that have to pay their own way get penalized, it may come down to this, that if you do not pay your own way, you are not going to be getting anything. It may very well come down to that. We have looked at options of perhaps the municipalities going out and borrowing the money on their own and our repaying their debenture costs through the form of an O and M grant, which really is just a back door way of doing the first option, and that is the government borrowing the \$150 million. There is the option which we have now provided in the hamlet legislation, of at least hamlets being able to borrow a certain amount of money that can go into municipal infrastructure.

To me the real solution, quite frankly, the long-term solution, is to make our communities self-sufficient so that they can provide for their own infrastructure. Provide them with a proper economic base, provide them with a proper tax base so that they can pay their own way. That, to me, is the long-term solution. Quite frankly, I have to admit, I do not think the GNWT with its present fiscal capabilities is going to be able to provide the infrastructure that is needed.

CHAIRMAN (Mr. Gargan): Mr. Pudluk.

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I would like to thank Mr. Minister for what he has done for the communities. The two communities in the High Arctic finally have hamlet status. I am sorry that you could not attend the opening in those two communities. We appreciated that your deputy minister was there during the opening. This has solved a lot of concerns in the communities.

I have a lot of concerns under your department that could be solved sometime in the future. In Arctic Bay they have a concern about the lack of garages. In the winter this is a problem because they have to leave their vehicles outside. There is still no money allocated for this in the capital five year plan. I would like you to consider this funding for the communities that need assistance. I would also like to thank you that the Inuit in one of my communities are looking forward to getting a recreation community hall. The hamlet council in the community has seen the blueprints. They were not very happy with it because there were too many washrooms. That creates a problem in having less room for the audience that would be there. This was a big concern I had to bring to you.

Concerns With Local Contractors

Also, there was another concern. You said earlier that there are three communities that have a problem in winter in terms of weather. One of them is Grise Fiord, another Resolute Bay. During the wintertime the snowploughs do good jobs. The only problem is that they have to be paid on a monthly basis but during the summertime, they hardly do anything at all. Under the contract it

states that if there are any technicalities or difficulties on the road construction they can renegotiate the contract. Occasionally they plough or do road construction. They have been asked that, in those smaller areas, the contracts can be ratified and maybe perhaps they could reconstruct the roads in the communities and they say that there will be overexpenditures if they do that.

Also, there is another concern. We all know that in Resolute Bay the government has a policy that states that if there are eligible contractors in the communities they should be the priority for the government and looking at the contract policies, sometimes they do not follow them to the last detail. If the hamlet is looking after the community and if they have the responsibility of the road construction during the summertime and in this way they were given that responsibility, they would use the money more wisely. It would also be better jobwise in the communities. Those contractors in the communities do not give jobs to the local people and that is the problem. What the contractors do is import people from down south instead of hiring local people. They just import people from down south and in this way it creates a problem. This is my summarized concern. I will stop for now and I will carry on later.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. I really think the Member was just advising me of some concerns he has. I have certainly taken note of them, my officials have, and we will look into them. I would agree on the one point that he makes about the importation of people to drive heavy equipment. If there is one thing that we have in the North it is lots of heavy equipment operators. I do not see why they should be brought in from the South. I am not quite sure how the contract now works in Resolute. At one time it was a contract with the Department of Municipal and Community Affairs but I do not know if we work it through the hamlet. Perhaps within the context of the fact that whoever -- either ourselves or the hamlet -- controls the contract, we may be able to take some action using the contract as a means to make some changes there.

Tax Relief For Disabled Persons

Mr. Chairman, I would like at this time to do a couple of things. First of all, I wish to apologize to this House and to the Member for Rae-Lac la Martre on the subject of tax relief for disabled persons. On July 15th a letter was written to me by Mr. Miltenberger, the mayor of the town of Fort Smith, requesting or indicating some concern about relief for disabled people. I did not see that letter. That letter came in during the election campaign and was answered by my deputy minister. However, a letter did come in on December 17th from Mr. Walter Kudelik, the president of the Northwest Territories Association of Municipalities. I obviously saw this letter because on the bottom of the letter are comments of mine to the department to provide me with comments and to provide me with an action plan, which has not been done yet. However, I can indicate to the Member that Mr. Kevin Campbell of municipal affairs has approached the intergovernmental committee on urban and regional research, ICURR, and asked for information concerning tax relief for disabled persons in other jurisdictions. However, we have not received any information from ICURR at this point in time. So the matter is being actively considered in the department and at this point in time I wish, on the record, to extend my apologies to the House and to the Member. I do not make many mistakes but I obviously made one this time.

CHAIRMAN (Mr. Angottitauruq): Does the honourable Member accept the apology?

---Laughter

Go ahead, Mr. Zoe.

MR. ZOE: Mr. Chairman, I will let it go for this time.

AN HON. MEMBER: He is taking it as notice.

---Laughter

MR. ZOE: I will accept it. I have various copies of the acts from the other jurisdictions. The Members are all welcome to them if they like. While I have the microphone, Mr. Chairman, if I can get back to the subject of capital planning. I would like to continue on with this particular issue here.

Capital Funding For Band Councils

In regard to capital planning, Mr. Minister, at one time I questioned you during our standing committee on finance meetings in regard to community band offices. I understand there is some correspondence between the Department of Indian and Northern Affairs and your department. It appeared that the two departments were blaming each other as to who was responsible to provide band offices. Has this issue been resolved? What is the status of this issue? It is of great concern to me because all of the Western Arctic is waiting for a decision to be made between your department and Indian and Northern Affairs, that is, to see who is responsible. Indian Affairs is claiming that they do not get any capital funding for band offices. It was part of the transfer that the territorial government has taken on. But on the other hand, I assume it falls under your department because you deal with community affairs. Your department is claiming that that was not part of the deal with the Government of the NWT. Now, can the Minister elaborate as to where this issue is going or how far it has gone?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. This issue has been an ongoing issue for at least eight years that I know of and there is more than just correspondence. There are whole filing cabinets of correspondence between ourselves and Indian Affairs. It is not so much each government blaming the other. The law is clear. The federal government is clearly responsible for the provision of capital funding to band councils. Band councils are created by federal legislation and bands are still the responsibility of the federal government.

Federal Government Abrogating Responsibility

What the federal government has tried to do in the NWT is abrogate their responsibilities to the bands and essentially claim that the GNWT should be responsible for capital. Now they are doing this by saying that in 1968 when they created the GNWT they turned over all funding for band capital to the GNWT. The GNWT went back to 1968 and luckily for us, until three years ago, every capital project, every water truck, every office, had to be approved on a project-by-project basis by the Treasury Board of the federal government. There has never been one penny of funding provided to the GNWT since 1968 for the provision of band capital by the federal government. It has not provided the money.

So essentially our position under Mr. Wah-Shee, under Mr. Sibbeston and under myself, is that it clearly is a federal responsibility to provide the capital funding for bands. It is in the federal government's half of the ball park. They are responsible for it. We have indicated that to them and as usual the correspondence is still going back and forth between us, each saying, "No, you are responsible." But I can tell you that the policy and the direction of this government is no different than that of the last three governments of the NWT. It is not our responsibility.

CHAIRMAN (Mr. Angottitauruq): General comments. Mr. Kilabuk, anything to add? Mr. Zoe.

MR. ZOE: Thank you, Mr. Chairman. While the Minister indicated the position of the government, that still does not solve the problem. What other initiatives would his department take in trying to resolve this particular issue? It is related to their department as Municipal and Community Affairs. And surely as it is eight years that the ball has been bouncing back and forth between the feds and your department, surely something could be done about it. It appears, Mr. Chairman, that they are not getting together to try to resolve it rather than blaming each other. As the Minister indicated, they have a drawer full of correspondence between the two departments. But they are not trying to work to rectify this problem. If it is eight years, surely something ought to have happened. This is affecting a lot of bands, especially in the Western Arctic.

A number of municipalities have approached me. Not only ones in my riding but a lot of municipalities in the Sahtu region and the South Slave region. So I still would encourage the Minister to take a different stance or a different attitude toward trying to resolve this particular problem that we have with the federal government. It might be that your department would try to negotiate to devolve that particular program under MACA and if that is the end result, so be it. There should be a stance from your department initiating this role. Mahsi cho.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

Initiatives Taken By Department

HON. GORDON WRAY: We have taken two initiatives recently. We have formed a joint committee between ourselves, the Department of Finance and Indian Affairs to try and reach a resolution on the matter. We have also made the offer to the federal government that as a government we would take responsibility for the construction of those facilities and we would supervise them and we would do all the work, if they were to provide the money.

The third initiative that we have taken and we have taken over the last few of years, as the Member knows, is that in some communities where we build community government offices, we have included some facilities for our band councils. But obviously as a government we have to be careful we do not in fact assume responsibility for a federal program without the appropriate level of federal funding. So there are a number of issues. The paper battle still goes on but we are plugging away at several different initiatives to try and resolve it.

CHAIRMAN (Mr. Angottitauruq): Mr. Zoe.

MR. ZOE: Mahsi cho. Mr. Chairman, maybe I can advise or give a suggestion to the Minister that will be helpful to his department. That is that he can consult with the Dene Nation for support and also with the band councils of the Western Arctic. Maybe that would help you in resolving this particular issue. I am not too sure if your department has consulted these groups that are affected. And surely, the Department of Indian and Northern Affairs, which has an office here, would support you also. I am sure they would like to have this issue resolved too. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: There has been some consultation with the Dene Nation and we have corresponded with them on this issue. I think what the Member suggests is that perhaps we sit down and talk with them about a strategy to resolve the issue, and that is good advice.

Determining Capital Priorities

On another issue. I have received some more information on Mr. Richard's question on how the capital priorities are done. If I may, Mr. Chairman, I would just like to report this. Project needs are identified by all NWT community councils during January to March and are represented in the capital planning report. This report represents the capital needs by program for planning year one, and planning year one is 1988-89 -- that is, for this coming fiscal year -- on an accumulative basis and includes project priorities within each program. All projects are prioritized by using sequential numbers except for projects in the water and sanitation program, which are prioritized using seven main categories: ongoing technical studies; ongoing projects in the construction stage; projects commencing in year one to meet basic needs; projects commencing in year one to meet forced growth; projects commencing in year one for renovation; projects commencing in year one for renovation and expansion; and projects commencing in year one for other than forced growth.

The report forms the basis for discussion in the three day capital planning meetings held by the senior management committee of the department, which occurred for 1988-89 on April 7th to the 9th in 1987. On the five year capital plan, program targets, and these are the dollar amounts that each division is allocated, are compared with the program needs for each division. By using project priorities, decisions are made on whether a project should be in year one or in years two to five of the capital plan. The projects that remain in year one all receive a priority one rating, while the projects in years two to five are assigned a priority greater than one. This draft capital plan, at the end of the third day, is recommended to the Minister for his approval.

So as the Member can see, it is an extremely technical process and in no way, shape or form is it done on the basis of constituency and who represents the constituency. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Kilabuk.

Water Reservoir In Pangnirtung

MR. KILABUK: (Translation) Mr. Chairman, I would like to thank the Minister for the water reservoir in Pangnirtung. The former Government Leader was the first person to drink from it. I think he believes we have very good water in Pangnirtung. We thank the government for this project. We tried to get it for so many years and it is now completed. The people in Pangnirtung are very pleased and thankful to the government for having the project completed.

There are several projects in this department. Some are very good and some are not satisfactory. You will have to contemplate on getting mayors who are more capable of handling affairs and capable of knowing what legalities to follow or there will be more complaints from the communities in regard to the municipal legislation. People have concerns about this legislation. Clause 57 of the present legislation regarding by-laws is one. When you read the clause -- they are not happy with that clause. Is this the final act that is going to be followed by the communities? If all the councillors are present, you can pass a by-law with only one reading. That would not stand very well in a community that had not been consulted. They are not satisfied with that clause.

In regard to the water reservoir, we have sufficient water in our community now. If someone wants to start a private business, the community would have to come up with some funding. I would like to ask you if you would be in support of this.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: What project was the Minister requesting funding for?

CHAIRMAN (Mr. Angottitauruq): Mr. Kilabuk.

MR. KILABUK: (Translation) What I was trying to say, Mr. Chairman, was if someone in the private sector or the hamlet council wanted to get a swimming pool, would you probably be in support of this project? The recreation area is very important everywhere in the world. Sometime in the future there may be a request for a swimming pool. This was my question.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

Municipal Legislation On By-Laws

HON. GORDON WRAY: On the first part, with regard to municipal legislation. The section that the Member is referring to is a section in the present legislation which requires that if council wishes to give third reading to a by-law at the same time as the first two readings, then all members of council have to be present and must give unanimous consent. Previously it was just unanimous consent from members who were present, not unanimous consent from all members of council. Some of the municipalities, about six of them to date, have written to me and said that that particular section is causing them some problems, simply because many of the by-laws that they deal with are very technical by-laws. If they wish to purchase a particular piece of equipment or something like that, they have to do it by by-law and therefore they are finding it difficult to be able to do that in an ongoing way because of the requirement to have all members of council present.

The intention of that particular piece was to ensure that the public interest was protected because the process usually is that after second reading, notice is posted around the municipality that such a by-law is being contemplated. Before it is given third and final reading, input is usually asked for from the public, and to protect the interests of a council member who may happen to be missing on that particular day. Two council members or even three could be missing, and there may be something happening within that particular council that they did not particularly wish the other council members to know about, or if they knew the one or two council members who were missing are in opposition to a particular course of action, they may take advantage of the legislation to pass a by-law and give it third and final reading before proper input was received. I think the initial attempt by the department was to try to ensure that something like that could not take place, so we put the requirement in, that in order to get third reading there had to be a unanimous decision of all members of council. Obviously, it is causing some municipalities problems and it is something that I am relooking at and I am considering amendments on that particular piece in the fall session.

It is something that I have to think about because not all municipalities have complained. As I say, only six out of the 48 have, and I should indicate that the reason we are not rushing on it is because the City of Yellowknife actually found a way around it. That was that after the second reading of the by-law, they essentially closed their meeting and then called a new meeting that very same day within minutes of closing the old meeting; then in that second meeting they proceeded to give the by-law third reading. So there is a loophole which allows a municipality to operate. But obviously the intent was not to create any discomfort or any hardship for municipalities, so

that section will be looked at and if the general consensus from the municipalities is that we should amend it, then we will go ahead and do so because the principle of the municipal legislation was, and is, that it is for the municipalities more than it is for the government. So we will be looking at perhaps bringing in an amendment in the fall.

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

MR. KILABUK: (Translation) Thank you, Mr. Chairman. Thank you, Mr. Minister, for responding that you will be working closely with the communities. I am very happy about that.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

Swimming Pool Program

HON. GORDON WRAY: The second part of Mr. Kilabuk's question on swimming pools -- the swimming pool program has become one of the most popular programs that we have. Unfortunately, again because of funding, we are only able to allocate enough money for two swimming pools a year. I do not know if we have received a request from Pangnirtung, or I do not know where it would be in the planning cycle, but it is certainly something that he has now advised me of and I will take it under consideration and see what we have planned.

With regard to the private sector owning swimming pools, I would caution against it. The operation and maintenance of a swimming pool and the costs are very, very high and I do not think it is a business that could be run all year round very profitably. I think that the O and M expenses would result in extremely high admission charges, for example, and the only community that I am aware of right now -- I think now Hay River has a year-round swimming pool as well, but I think Yellowknife and Hay River are the only two communities that have year-round swimming pools. I think that Mr. Pollard would probably confirm that the O and M of keeping a swimming pool going, particularly in the wintertime, is an extremely high budget item.

CHAIRMAN (Mr. Angottitauruq): General comments. I have Mr. Zoe and I have your name, Mr. Pollard. Mr. Zoe.

MR. ZOE: Mahsi cho. Mr. Chairman, on that issue of the amendment to the municipal legislation, the Minister indicated that the City of Yellowknife has found a way to get around section 57 of the municipal legislation. Has he communicated that to the NWT Association of Municipalities? Have you communicated that there is a way to get around this particular section and did you also communicate to them that you are considering amending section 57 of the municipal legislation?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: No, I have not formally communicated that. I think my response in terms of amendments was that I was not prepared to make amendments this session and I would consider the amendments on section 57. As to Yellowknife finding a way around it, I asked my department to get the exact details about how they did it because I actually heard about it on CBC, quite frankly.

CHAIRMAN (Mr. Angottitauruq): Mr. Zoe.

MR. ZOE: Mr. Chairman, this issue was raised by the tax-based municipalities that were concerned, because they are the ones that deal specifically with acquisition and disposal of real property. I guess their by-laws to that effect are really straightforward. I will reiterate my suggestion to the Minister again to get in touch with the NWTAM to inform them that there is a way around it.

Mr. Chairman, while I have the mike, maybe I can proceed to another topic if Mr. Pollard's question is not related to municipal legislation.

CHAIRMAN (Mr. Angottitauruq): You have the floor, Mr. Zoe.

Fire Alerting Systems

MR. ZOE: Thank you, Mr. Chairman. This concern was raised to me by the association again. It is regarding the Wescom fire phone system. There is communication between your department and the NWTAM indicating that various municipalities, especially in the Sahtu region, are having problems

with the phone system. You indicated to them that your department was doing an evaluation of the operations of the Wescom system. You indicated to them that a plan of action will be developed and you will undertake to advise the association. Can the Minister elaborate as to where this particular thing stands? And has the department undertaken evaluation of other systems that are in place, rather than only the Wescom system?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: I can indicate at this time where we are in that scheme of things. We are getting into fairly detailed specifics on individual issues and if we are going to move into specifics then I would request that I be allowed to bring officials in. I can handle general comments, but when we get into specifics like that I cannot.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister, you want to bring in your witnesses. Mr. Minister, would you introduce your witnesses to the committee?

HON. GORDON WRAY: Thank you, Mr. Chairman. On my right I have Mr. Hal Gerein, assistant deputy minister of Municipal and Community Affairs and on my left, Mr. Joe Kronstal, director of finance and administration.

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

MR. ZOE: Thank you. Maybe I can rephrase my question to the Minister. There have been problems experienced with the Wescom systems in the Sahtu region and that was communicated to Municipal and Community Affairs. The Minister's response was that his department was aware of some difficulties being experienced and a comprehensive evaluation of the operational experience with the Wescom system and other fire alerting systems is presently under way. My question is: Has this evaluation been completed, and what plan of action has been implemented?

HON. GORDON WRAY: The process of evaluation is still taking place; however, I am advised that the evaluations will be completed shortly and once that is done, we will be responding formally to the NWT Association of Municipalities.

CHAIRMAN (Mr. Angottitauruq): Mr. Zoe.

MR. ZOE: Mr. Chairman, they have been having great difficulties with the Wescom system that is in place in the Sahtu. It was raised at the annual general meeting of the association. My understanding is that you were doing an evaluation of this particular region and then you were going to do evaluations of the other fire alerting systems. Has this evaluation for the Sahtu region been completed? What is the department doing temporarily while they are conducting this study of all the systems?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Mr. Chairman, with respect, I am going to have to take that under advice and get back to the Member. We just do not have that kind of detail available to us right now.

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

Training And Maintenance For Fire Departments

MR. ZOE: Thank you, Mr. Chairman. While I am dealing with fire and phones and so forth, maybe I can get into another area that is of great concern to me. It is related to the fire department in various municipalities. I raised this concern earlier when the Department of Justice appeared before us, under the fire marshal task. Again I would like to stress the importance of fire safety, maintenance, and the training of the volunteer firefighters. What initiative or co-operation is there between MACA and the Department of Justice in relation to fire? Maybe I can give you an example as to what I am getting at. I believe there was an incident in Fort Franklin not too long ago where a fire in a household occurred. It was a small fire and it eventually gutted the whole house. If the fire department could have had the fire truck running, they would have prevented this building from being fully gutted. I have great concern in this area. It is a good thing that no lives were lost in this fire. I have had instances in my home community where

we did lose a number of lives in house fires. So I am stressing this. What plans does your department have, in conjunction with the fire marshal's office, in terms of training and upkeeping of fire equipment, mobile equipment in various fire departments? If I can get the Minister to elaborate a little on this.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: I think the Member picks on an unfortunate incident that did occur. But I think we have to be careful inasmuch as nearly all our fire departments in the NWT are volunteer departments and for the most part have done a commendable job. There are times when unfortunate accidents happen, when life is lost. That is one of the hazards of firefighting. By and large I would like to say that I think that the volunteer fire departments in the North do a hell of a good job, given the limited training and the limited resources and the extremely difficult conditions under which they must operate, particularly in the wintertime. The Department of Justice, through the fire marshal's office, and ourselves work very closely together. We, as you know, provide the funding for fire equipment and we help to co-ordinate the training that the fire marshal's office puts on. In fact, at present, a proposal is being jointly developed between the fire marshal's office and the Department of Municipal and Community Affairs to co-ordinate or consolidate all of the firefighting functions and training aspects under one roof and that proposal is currently being prepared jointly by both departments; we do have a very close relationship with them.

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

Preventive Measures To Save Lives

MR. ZOE: Mahsi cho, Mr. Chairman. As the Minister indicated, I also commend the volunteer people involved in the fire departments. They do a good job in that area but I am trying to stress the importance of training these particular groups, giving extensive training, because we are dealing with lives that could be lost and it is preventive measures that I am quite concerned about. I stress this because a number of fires have occurred in the last few years in my constituency where lives were lost because some communities did not have adequate training in operation of the mobile equipment available or because there was no mobile equipment available. So I am stressing the importance of preventive measures that this department could undertake in conjunction with the fire marshal's office. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you. I think it goes without saying that ongoing training is vitally important for the volunteer fire departments and it is done to the best of our ability. We do have some problems, particularly with the high turnover in fire departments. That is one of our problems. It is not a case of being able to train a fire department and then go to another community and train the fire department there. We are essentially on an ongoing, continuous training process with fire departments but I think it goes without being said that training for the volunteer fire departments is essential because we are obviously asking these people to put their lives at risk and it is incumbent upon us to provide them with the best possible training, not only to save other people's lives but to save their own if necessary.

CHAIRMAN (Mr. Angottitauruq): General comments. Department of Municipal and Community Affairs. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. During standing committee on finance meetings in January, the Minister of Finance indicated the long process of the budget; the capital budget being put together and so on and so forth. I would just like to compliment the Minister on his planning because he has planned the opening of all these things across the Northwest Territories on the weekend or the days that his department is appearing before the Legislature. That takes people who can ask questions out of the Legislature and makes people feel happy. So I would just like to compliment the department and the Minister on their planning.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: I would not touch that one, if you asked me.

CHAIRMAN (Mr. Angottitauruq): General comments. Are there any further general comments on Municipal and Community Affairs? Mr. Richard.

Watson Report On Property Assessment And Taxation

MR. RICHARD: Mr. Chairman, I can help to use up the final seven minutes. I want to ask the Minister about the action he and his department have taken as a result of the Watson report on property assessment and taxation in the NWT. This report, Mr. Chairman, was referred to in the Assembly last year.

It makes a number of fairly important recommendations about changes that should be made in our taxation regimen. It points out a number of weaknesses in the property tax system we have. Without getting into the specific recommendations yet, could the Minister indicate what has been done since the receipt of this three volume report?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. The Watson report essentially recommended the expansion of property assessment and taxation in the NWT subject to three major conditions: the retention of the local property tax revenue by hamlets and chartered communities; a full program of public education prior to the implementation of taxation in communities; and a phasing in of property tax and assessment in smaller communities where it had not been known before.

Although a comprehensive report has not been written to respond to the Watson report, I am advised that response is either in my office or on the way to my office. But I will indicate that in response to the Watson report, the Property Assessment and Taxation Act passed last year, which was initiated by the department, addressed 13 out of the 16 recommendations of the Watson report. We are now planning to phase in property assessment in the 17 remaining communities, which have never been assessed, over the next three years. We are also undertaking to improve a public information program on the role of property assessment and taxation. So we have addressed through legislation, essentially a year ago, 13 of the 16 recommendations.

CHAIRMAN (Mr. Angottitauruq): General comments. Mr. Richard.

MR. RICHARD: Mr. Chairman, one of the observations that the Watson report made was that the government had for many, many years kept constant, a mill rate in the non-tax-based municipalities and whatever it is called, the general area, of 25 mills. The report recommended that they move to bring that up to a more realistic mill rate. I recall, I think it was a year ago, that the Minister of Finance, then Mr. Butters, in his Budget Address, or perhaps as Minister of Finance in the main estimates, indicated that last year they were going to start the incremental raising of that mill rate, bringing it in gradually.

Phasing In Of Realistic Mill Rate

My question is whether that is continuing in this coming year and in future years. The Watson report pointed out that with these mill rates, although places in the NWT, like Iqaluit and Yellowknife, pay property tax mill rates on a level consistent with similar municipalities in the Province of Ontario or Alberta, the mill rates that the government administers outside of the tax-based municipalities, is only equivalent to about 10 or 15 per cent of those levels. So can the Minister indicate whether the initial step taken by Mr. Butters, I believe it was last year, is being continued and there will be incremental, gradual increases to bring these mill rates up to a more realistic level. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. Perhaps I could ask the Minister of Finance to respond to that as this is his responsibility.

CHAIRMAN (Mr. Angottitauruq): Mr. Finance Minister. Are you ready to take the question?

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. When I took over the portfolio there were many initiatives that had been started by Mr. Butters. What I decided to do and what I announced in my Budget Address is that there would be, this year, no tax increases including no increases to property tax. What I want to do in conjunction with the standing committee on finance is to include that area in the whole area of taxes. What I want to propose for next year is a tax package, including property tax as one important component of that. I want to put it altogether, hopefully in some sort of a logical package, after having vented it with the standing committee on finance. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Richard, one last, final question.

MR. RICHARD: Well, if it is my last question, Mr. Chairman, I would rather end with a comment than a question. I am disappointed to hear that. I know the Minister said generally in his Budget Address that there are no tax increases for the public of the NWT in the coming year. But that was an initiative that, through the last Minister of Finance, was addressing an observation by people like the authors of the Watson report -- and I think for good reason -- that they were going to go gradually to bring up that school tax levy and the property tax aspect of it to a more realistic level. Rather than have the people in the communities be subjected to a tripling or quadrupling of the thing, it was to be brought in gradually. Now the Minister has diminished the effect of that by not doing it in the second year. It is a very minimal rate but there was a principle there, aiming at a realistic level after five or six years. I will leave it on that, Mr. Chairman, thank you.

CHAIRMAN (Mr. Angottitauruq): The Chair recognizes the clock. Thank you, Mr. Minister and his witnesses. I will rise to report progress.

MR. SPEAKER: Mr. Angottitauruq.

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF REPORT OF STANDING COMMITTEE ON FINANCE ON THE 1988-89 MAIN ESTIMATES; BILL 1-88(1), APPROPRIATION ACT, 1988-89

MR. ANGOTTITAUURUQ: Mr. Speaker, your committee has been considering Report of Standing Committee on Finance on the 1988-89 Main Estimates and Bill 1-88(1).

Motion To Accept Report Of Committee Of The Whole, Carried

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

MR. SPEAKER: Thank you, Mr. Angottitauruq. Secunder to the motion? Mr. Zoe. Thank you. To the motion. All those in favour, please signify. Those opposed? Thank you. The motion is carried.

---Carried

Ms Cournoyea.

HON. NELLIE COURNOYEA: Mr. Speaker, point of order.

MR. SPEAKER: Proceed.

HON. NELLIE COURNOYEA: Mr. Speaker, I wish to clarify an issue that was discussed earlier in regard to contracts with NWT Air. Mr. Ernerk was asking about what we had within the NWT and then later the Member, Mr. Pollard, also requested clarification of whether we had contracts with NWT Air. My understanding of the question was "within" the NWT. I wish to clarify that the Department of Health does have a contract with NWT Air to transport patients between Edmonton and Yellowknife. Thank you.

MR. SPEAKER: Thank you, Ms Cournoyea. That perhaps was more rightly a Ministers' statement. Order! Mr. Clerk, orders of the day.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a meeting of the standing committee on rules, procedures and privileges at 2:00 p.m. today. On Monday morning at 9:00 a.m. there is a meeting of the ordinary Members' committee and at 10:00 a.m., a meeting of the standing committee on legislation.

ITEM 19: ORDERS OF THE DAY

Orders of the day for Monday, February 29, at 1:00 p.m.

1. Prayer
2. Ministers' Statements

3. Members' Statements
4. Returns to Oral Questions
5. Oral Questions
6. Written Questions
7. Returns to Written Questions
8. Replies to Opening Address
9. Petitions
10. Reports of Standing and Special Committees
11. Tabling of Documents
12. Notices of Motion
13. Notices of Motion for First Reading of Bills
14. Motions
15. First Reading of Bills
16. Second Reading of Bills
17. Consideration in Committee of the Whole of Bills and Other Matters: Report of Standing Committee on Finance on 1988-89 Main Estimates; Bill 1-88(1); Ministers' Statement 13-88(1); Tabled Document 71-88(1)
18. Report of Committee of the Whole
19. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Monday, February 29, at 1:00 p.m.

---ADJOURNMENT

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