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

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YELLOWKNIFE, NORTHWEST TERRITORIES

MONDAY, OCTOBER 31, 1988

MEMBERS PRESENT

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

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Red Pedersen): Orders of the day for Monday, October 31, 1988.

Item 2, Ministers' statements. Ministers' statements.

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

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question O137-88(2): Plans For WCB Headquarters

HON. NELLIE COURNOYEA: I have a return to Question O137-88(2), asked by Mr. Zoe, on October 26, regarding the Workers' Compensation Board headquarters. Mr. Zoe inquired about future plans for Workers' Compensation Board headquarters and particularly whether the board has considered the possibility of communities bidding on the location. I would like to confirm to Mr. Zoe that this matter has been considered by the Workers' Compensation Board. However, the Workers' Compensation Act stipulates that the board's offices shall be located in Yellowknife and no changes to this requirement are planned at this time.

The board's offices are presently in the city hall building under a lease agreement with city council. This agreement expires at the end of 1989 and will not be renewed. The Workers' Compensation Board and the City of Yellowknife have signed an agreement in principle with Clark-Bowler Construction, in May 1988, which provides for board office space in the proposed city centre development. If this development is cancelled or delayed city council has agreed to extend the current Workers' Compensation Board lease at city hall for up to one year. Thank you.

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

ITEM 5: ORAL QUESTIONS

Question O179-88(2): Date Of Tabling Of Regional And Tribal Councils Report

MR. ZOE: Thank you, Mr. Speaker. My question is to the Government Leader. Is the Government Leader aware that this is the week that he is supposed to be tabling the regional and tribal councils report and the government response? Thank you.

MR. SPEAKER: Mr. Government Leader.

Return To Question O179-88(2): Date Of Tabling Of Regional And Tribal Councils Report

HON. DENNIS PATTERSON: Yes, I am, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. Government Leader. Oral questions. Mr. Pollard.

Question O180-88(2): Reason For Location Of Workers' Compensation Board Headquarters

MR. POLLARD: Thank you, Mr. Speaker. My question is for the Minister responsible for the Workers' Compensation Board. Is there a particular reason that it is in legislation that the Workers' Compensation Board should reside in Yellowknife?

MR. SPEAKER: Madam Minister.

HON. NELLIE COURNOYEA: Mr. Speaker, my apologies. Could the Member please repeat the question?

MR. SPEAKER: Mr. Pollard, could you repeat, please?

MR. POLLARD: Thank you, Mr. Speaker. My question was: Is there a particular reason that it would be in legislation that Workers' Compensation Board headquarters be in Yellowknife?

MR. SPEAKER: Thank you. Madam Minister.

Return To Question O180-88(2): Reason For Location Of Workers' Compensation Board Headquarters

HON. NELLIE COURNOYEA: Mr. Speaker, before my time, the legislation states that the headquarters is in Yellowknife -- under legislation.

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

Question O181-88(2): Review Of Legislation Designating Headquarters

MR. POLLARD: Thank you, Mr. Speaker. Perhaps, this time to the Government Leader. Is the Government Leader prepared to look at pieces of legislation, such as this, that designate where a particular headquarters of a department of the government should be? Thank you, Mr. Speaker.

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

Return To Question O181-88(2): Review Of Legislation Designating Headquarters

HON. DENNIS PATTERSON: Mr. Speaker, as I indicated the other day, the government is developing guidelines for decentralization. We will be endeavouring with all our activities to avoid locating functions of government and positions of government in future in an already crowded headquarters, wherever possible. Mr. Speaker, with respect to the Workers' Compensation Board, I think the honourable Member can probably appreciate that for better or for worse, because most of the unionized workers in the NWT are located in or near this community and because most of the employers are located in or near this community, the consequences of moving that particular function would be considerable. I have heard representations from employers who, of course, pay a substantial part of the costs of the operation of the WCB, it is not an entirely publicly funded body, that someone would have to bear the consequences of the costs of moving that particular function into a location that might not be as cheap or as easy to travel to or communicate with. There are also other factors such as the existence of medical facilities that are important to workers being examined and receiving treatment. So that particular issue, Mr. Speaker, is complicated and needs special attention. But I would say that generally, indeed the government is open to, not only in new functions that we acquire but also in some of the existing functions, looking at any opportunity where it would be cost effective and provide efficient service to the

public. We are open to looking at opportunities for decentralization but we want to do that, as I indicated the other day, with care and with guidelines that will ensure that there is some justification for such moves. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Government Leader. Mr. Pollard, I think your answer was generally, yes. Oral questions. Mr. Angottitauruq.

Question O182-88(2): Transfer Of RCMP Position From Grise Fiord To Pelly Bay

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker. This is not a new question. It is directed to the Minister of Justice. Pelly Bay has been asking for a permanent RCMP to be posted there. I understand that Grise Fiord has a population of approximately 87 and they have one. In this reply, he said there is not enough crime, and a small community like that surely does not have as much crime as the community of Pelly Bay. I am not saying there is a lot of crime there, as the Minister knows. But would he be able to transfer that position from Grise Fiord to Pelly Bay for the satisfaction of the community of Pelly Bay? Thank you.

MR. SPEAKER: Mr. Ballantyne.

Return To Question O182-88(2): Transfer Of RCMP Position From Grise Fiord To Pelly Bay

HON. MICHAEL BALLANTYNE: The only way that the RCMP would transfer a position from one community to another is if it is demonstrated to our satisfaction, to the RCMP's satisfaction, that doing so would not harm the police capability in the community from which you are trying to move the position. In this year's budget review we are looking at where positions are allocated across the Territories and we are constantly trying to find the fairest and the most effective way to place the personnel that we have. I could not give you a definitive answer that we would move an RCMP position from one community to the other. That would take a lot of thought before we would do that. I am aware of the Member's concern and within the limitations of our budget we are trying to address that concern. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Oral Questions. Mr. Kilabuk.

Question O183-88(2): Plans For Staff Housing

MR. KILABUK: (Translation) Thank you, Mr. Speaker. My question is to the Government Leader. He indicated that there are position vacancies due to the lack of housing. There is a shortage of government staff housing. Will you be making plans to provide for your staff? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Kilabuk. This is directed to the Government Leader. Mr. Patterson.

Return To Question O183-88(2): Plans For Staff Housing

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I want to assure the honourable Member that the government is well aware of the acute staff housing shortages in almost all regions of the NWT, including the Baffin Region. Mr. Speaker, a task force has been appointed within the government to tackle this problem and come up with solutions which will address this urgent problem. I am working with the Minister of Personnel and the Minister of Public Works and we expect to have a plan presented to the cabinet within the next few months which will tackle this problem and will provide short and long-term solutions to this issue of major concern. So we are working on the problem, Mr. Speaker. We are well aware of it, and I hope to have solutions to announce as soon as we can identify the best approach to take. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. Oral questions.

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

ITEM 7: RETURNS TO WRITTEN QUESTIONS

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, return to written Question W11-88(2), asked by Mr. Nerysoo to the Minister of Economic Development and Tourism; return to written Question W17-88(2), to the Minister of Municipal and Community Affairs; return to written Question W18-88(2), asked by Mr. Angottitauruq to the Minister of Municipal and Community Affairs.

Return To Question W11-88(2): Commercial Fisheries Development In The NWT

Hon. Gordon Wray's return to Question W11-88(2), asked by Mr. Nerysoo on October 20, 1988, regarding commercial fisheries development in the NWT. In response to part one of the question, yes, there are studies being conducted on commercial fisheries development in the NWT in addition to the Great Slave Lake fishery study. In the Keewatin Region, a comprehensive development strategy is being constructed encompassing resource assessment, fishing technology, economic and social benefits and marketing.

In response to the second part of the question, the Great Slave Lake study on alternative markets for freshwater fish production in the NWT will consider production throughout the Territories. The study will focus, but not exclusively, on Great Slave Lake because this fishery accounts for the vast majority of commercial freshwater production in the NWT.

Return To Question W17-88(2): Policy On Water Charges

Hon. Gordon Wray's return to Question W17-88(2), asked by Mr. Ernerk on October 26, 1988, regarding policy on water charges. The water charges in hamlets and settlements are based on a new subsidy and financing arrangement that was approved by the Financial Management Board and initiated April 1, 1987. The water charges for the various categories of consumers are as follows: private non-commercial, 0.2 cents per litre; private commercial, 0.4 cents per litre; government, economic rate; industrial, economic rate.

The GNWT provides a subsidy payment to hamlets based on the difference between the subsidized rate and the economic rate. As indicated above, the subsidized rate for private non-commercial consumers is 0.2 cents per litre. The subsidized rate for private commercial consumers is 0.4 cents per litre. The economic rate is the full cost to provide water and sewage services. Water charges to government and industrial consumers are not subsidized and they are charged the economic rate.

The current water/sewage charges in hamlets and settlements are detailed in the attached table. (See appendix)

Return To Question W18-88(2): Water Supply, Gjoa Haven

Hon. Gordon Wray's return to Question W18-88(2), asked by Mr. Angottitauruq on October 27, 1988, regarding water supply, Gjoa Haven. The Department of Municipal and Community Affairs recognizes the need for improvements to the hamlet of Gjoa Haven's water supply. Although the present water lake source meets health standards and consumption requirements, it has been determined that increased capacity will be needed within the next few years.

Expansion of the Gjoa Haven water supply facility has been identified in the department's capital forecasting plan. The required improvements have been tentatively scheduled for: 1989-90, pre-design, \$15,000; 1990-91, design, \$100,000; 1991-92, construction, \$1,000,000; 1992-93, construction, \$500,000; 1993-94, warranty inspection, \$20,000.

The Department of Municipal and Community Affairs regional office in Cambridge Bay is presently reviewing the situation and will be meeting with the Gjoa Haven hamlet council during the coming year to discuss various design alternatives that are available for consideration.

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

Item 8, replies to Opening Address.

Item 9, petitions. Item 10, reports of standing and special committees. Mr. Lewis.

ITEM 10: REPORTS OF STANDING AND SPECIAL COMMITTEES

Report Of Special Committee On The Northern Economy

MR. LEWIS: Mr. Speaker, I would like to read the report of the special committee on the northern economy. Mr. Speaker, last fall this House created the special committee on the northern economy, told us to study the economy of the Northwest Territories and to report back with suggestions for a long-term economic development strategy. On behalf of myself and the other two co-chairmen, Mr. Peter Ernerk, MLA for Aivilik and Mr. Don Morin, MLA for Tu Nede, I wish to provide the Members of this House with a brief progress report.

The economy of the Northwest Territories is a very broad subject. We knew from the outset that we could not study everything. We had to make some choices about what to study and how to go about doing it.

The June Workshop

To help our Members make these decisions and become better informed about the nature of our economy, we held a four day workshop on the economy in early June. We brought in some outside resource persons, specialists on our economy. We also invited some of our own people: the Commissioner, John Parker; the Minister of Economic Development and his deputy minister; and officials from the Department of Finance.

The workshop was excellent. It helped us identify and discuss some of the major issues. It gave us a better perspective on how to carry out our mandate. As a result of our deliberations we decided upon a two-pronged strategy. First, we would hold a series of public meetings in each constituency to get suggestions and recommendations from the public at large and from special interest groups. Second, we would conduct a number of special studies on specific areas of the economy. Mr. Speaker, because I know that the Members of this House will be interested in knowing specifically how the committee intends to fulfil its mandate, I would like to discuss these two areas in a bit more detail.

Special Studies

After considering some 20 areas for special study, our Members narrowed the list down to seven priority areas. Here is a brief summary.

1) Training Programs. We all know that people need skills and training to get jobs and keep them. We also know that our government, the federal government, and private industry spend hundreds of thousands of dollars each year delivering training programs. We wanted to know whether these training programs are effective. Are they targeted toward the right job opportunities? Do they help people get and keep jobs? That is what we want to find out with our study of training programs.

2) The Department of Economic Development and Tourism, programs and services. Because this department is the government's lead agency in developing a viable economy, we have a special interest in studying its programs and services. What are the goals of these programs? How are they targeted? Are the programs effective? Are they doing the kinds of things we want them to do? What strategies is the department using to help improve the economy? Are these strategies producing results?

3) A review of the native employment policy and the work of the equal employment directorate. One of the facts that jumps right out at you when you start looking at our economy is how poorly native people are doing, especially those in small communities, compared to non-native people and those who are living in larger communities. The Government of the Northwest Territories has realized the seriousness of this problem for a number of years. That is why it created its native employment policy and set up the equal employment directorate. Is the policy working? How well is it working? How is the policy being implemented? Are there any improvements that can be made? Because the native employment policy is one of the government's main tools for helping native people benefit from economic opportunities, we are keenly interested in looking at the effectiveness of this policy.

4) The impact of land claims on the economy. How will the signing of land claim agreements with the Dene/Metis and the Inuit affect the economy of the NWT? Because these claims have not yet been settled, it is difficult to answer this question in exact detail. Yet we cannot ignore this issue because of its great importance. The signing of these two outstanding claims will have a significant impact upon the beneficiaries, our government, and the economy as a whole. In terms of the impact of land claims on our economy, a lot will depend upon how native peoples choose to invest their moneys. We are going to look at what other native groups have done with their moneys and resources. This will allow us to develop various scenarios and get a much better picture of how land claims will likely affect the economy of the NWT.

5) Support for the traditional economy. As we move from community to community, we get all kinds of comments about the importance of the traditional economy. There is no shortage of ideas of how to go about supporting the hunters, trappers, those who fish, and those who are involved in the making and sale of native arts and crafts. Our committee recognizes the importance of the traditional economy. We want to find ways and means to support it. But what is the best way of doing this? Over the years all kinds of ideas have been put forward. There have been numerous pilot projects and experiences; the same suggestions seem to come up time and time again. We are going to commission a study to give us an overview -- to take a look at the past, to examine those ideas that seem to have the best chance of succeeding. This will help us make sensible, informed recommendations.

6) Regulatory requirements and the environment. Concern for the environment is one of the highest priorities of NWT residents. Yet most of us also recognize the need to develop our natural resources. But there seems to be a jungle of regulatory requirements, many of them overlapping. The situation may get worse before it gets better. Devolution, the Northern Accord, and the settlement of land claims will change the rules even more and will introduce new participants with regulatory responsibilities.

We need to do something. We need to find ways and means of streamlining regulatory processes. We have to come up with solutions that will encourage industry to develop our natural resources while, at the same time, ensuring that our environment will be protected for future generations. We are commissioning a study to look at existing regulatory processes, identify the changes that are going to come about, and come up with some positive recommendations.

7) Regional economic development. Mr. Speaker, as we have visited various communities to investigate the economy, we have noticed a pattern developing. Many of the issues brought to our attention are regional issues. These issues affect a number of communities, in a given region, at the same time. Solving these issues will require co-ordinated planning, good co-operation, and sharing of expertise among a number of communities and organizations working together on some kind of regional basis. In each region within the NWT there may be several regional organizations. But there seems to be no one group or mechanism with a mandate to plan, co-ordinate and implement regional economic development projects. That is why we have decided to launch a small study to investigate ways and means of facilitating regional economic development.

Public Meetings

Mr. Speaker, we plan to visit every constituency in the NWT so we can get suggestions and recommendations from the public on how to improve the economy. So far we have visited five communities: Fort Smith, Hay River, Fort Providence, Fort Simpson and Snowdrift. We also travelled to Wrigley to meet with the Deh Cho Regional Council.

Our first tour has helped us work out a particular format. Here is what happens on a typical visit to a community. We like to spend two days in each community. We try to arrive in the early afternoon so we can have a tour of the community. On the first evening there is a public meeting. The local MLA, the mayor and the chief usually make introductory remarks. Next we give a short visual presentation explaining our mandate, why we have come to the community and aspects of our economy that are a particular cause for concern. We then throw the meeting open to hear presentations from the public. On the second day we run a day-long meeting. This is open to all members of the public who wish to attend. It differs from the preceding evening only in that with a smaller group and more time, we get to discuss issues in more detail.

The public meetings and workshops have been well attended. Much of this is thanks to the work of the local MLA, who helps organize the sessions and chooses representatives from other communities within his or her constituency. It is obvious that the economy is of great interest and concern. As to what we are discovering about the economy, it is much too early to draw a conclusion. We can say that certain patterns are beginning to emerge. We will document and study these details as we develop a long-term strategy.

Future Plans

A brief word about our plan for the future. After this session, in mid-November, we will be visiting the constituencies in the Inuvik Region. During the budget session, from February to mid-March, we will hold public meetings in Yellowknife and Rae-Lac la Martre. We will visit the constituencies in the East during the months of April, May and June and maybe a little bit later in the summer as well. Early in the new year we will also begin holding special sessions to hear from the wide range of special interest groups that want the opportunity to address our committee. We plan to table our final report at the fall session of 1989.

Interim Recommendation

There is one interim recommendation, Mr. Speaker. In keeping with our mandate to bring significant recommendations forward to this House in a timely manner, we wish to make one interim recommendation.

As the Members of this House are aware, most communities within the NWT do not have local banking services. This deprives local residents of a very important service. The development of our northern economy depends on our people learning good personal economy. This is difficult when there are no financial services available.

Now that Canada Post is being privatized, we recommend that the Government of the Northwest Territories examine the feasibility of establishing a postal corporation incorporating basic banking services throughout the Northwest Territories. Thank you, Mr. Speaker.

Motion To Receive And Adopt First Report Of Special Committee On The Northern Economy, Carried

I would now like to move, seconded by the honourable Member for Aivilik, that the first report of the special committee on the northern economy be received and adopted. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Lewis. You have heard the motion. To the motion.

AN HON. MEMBER: Question.

MR. SPEAKER: Question being called. All those in favour? Thank you. All those opposed? The motion is carried.

--Carried

Item 10, reports of standing and special committees.

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

ITEM 12: NOTICES OF MOTION

Notice Of Motion O24-88(2): Repatriation Of Inuit Art And Artifacts

MR. CROW: Thank you, Mr. Speaker. I give notice that on Wednesday, November 2nd, 1988, I will move the following motion: Now therefore, I move, seconded by the honourable Member for Aivilik, that this Legislative Assembly commends the communities on the Arctic Coast, and the Eastern Arctic, and the Government of the Northwest Territories in their efforts to repatriate Inuit artifacts and art and preserve Inuit heritage so that future generations may have access to it and be proud of it. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Crow. Notices of motion. Mr. Lewis.

Notice Of Motion O25-88(2): Appointment As Alternate To Standing Committees On Legislation And Finance

MR. LEWIS: Mr. Speaker, I give notice that on Wednesday, November 2nd, I will move the following motion: Now therefore, I move, seconded by the honourable Member for Mackenzie Delta, that the honourable Member for Nahendeh, Mr. Sibbeston, be appointed as an alternate Member to the standing committee on legislation; and further, notwithstanding Rule 87(2), that Mr. Sibbeston be appointed as an alternate to the standing committee on finance.

MR. SPEAKER: Thank you, Mr. Lewis. Notices of motion. Mr. Pollard.

Notice Of Motion 26-88(2): Priorities In The 1989-90 Budget

MR. POLLARD: Thank you, Mr. Speaker. Mr. Speaker, I give notice that on Wednesday, November 2nd, 1988, I will move the following motion: Now therefore, I move, seconded by the honourable Member for Deh Cho, that this Assembly recommends to the Executive Council that it consider that the priorities in the 1989-90 budget of this government be day-care services, Education capital facilities and housing capital construction; and further, that the Executive Council consider adding additional resources to these priorities including utilization of the projected surplus in order to address these priorities. Thank you, Mr. Speaker.

---Applause

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

Item 13, notices of motion for first reading of bills. Mr. Butters.

HON. TOM BUTTERS: Sorry, Mr. Speaker, I am ahead of myself.

MR. SPEAKER: Notices of motion for first reading of bills.

MR. SPEAKER: Notices of motion for first reading of bills.

Item 14, motions. Motion 20-88(2). Motion 22-88(2), Mr. Butters.

HON. TOM BUTTERS: Tomorrow, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Butters. Motion 23-88(2). Mr. Kilabuk.

MR. KILABUK: (Translation) I will defer this motion. I will be moving this motion tomorrow.

MR. SPEAKER: Item 15, first reading of bills. Mr. Butters.

ITEM 15: FIRST READING OF BILLS

First Reading Of Bill 1-88(2): All-terrain Vehicles Act

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Yellowknife North, that Bill 1-88(2), An Act to Amend the All-terrain Vehicles Act, be read for the first time.

MR. SPEAKER: Thank you, Mr. Minister. All those in favour? Thank you. All those opposed? The motion is carried.

---Carried

Bill 1-88(2) has had first reading. First reading of bills.

Item 16, second reading of bills. Item 17, consideration in committee of the whole of bills and other matters: Committee Report 1-88(2), Tabled Document 2-88(2), Tabled Document 15-88(2), Tabled Document 21-88(2), Tabled Document 16-88(2), Tabled Document 10-88(2), Tabled Document 11-88(2), Tabled Document 28-88(2) and Bill 26-88(2), 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 TABLED DOCUMENT 2-88(2), AN ENABLING AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GNWT RESPECTING OIL AND GAS RESOURCE MANAGEMENT AND REVENUES

CHAIRMAN (Mr. Gargan): The committee will now come to order. On Friday when we concluded the committee we were dealing with Tabled Documents 10-88(2) and 11-88(2). Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. Mr. Chairman, in discussions with Mr. Nerysoo, chairman of the ordinary Members committee, I understand that there was an agreement to stand down Tabled Documents 10-88(2) and 11-88(2) to proceed with Tabled Document 2-88(2), with witnesses, which is the agreement between the Government of Canada and the GNWT respecting oil and gas management and revenues. From my understanding this will be a two day debate. Today we will be dealing with clarification and questions of the leaders of the native organizations and tomorrow a debate here in the Legislative Assembly. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you. Does the committee agree, then, that we stand down Tabled Documents 10-88(2) and 11-88(2)? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree to deal with Tabled Document 2-88(2)? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Tabled Document 2-88(2): An Enabling Agreement Between The Government Of Canada And The GNWT Respecting Oil And Gas Resource Management And Revenues

CHAIRMAN (Mr. Gargan): Mr. Government Leader, Mr. Patterson.

Introduction By Government Leader

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. Ms Cournoyea, who is the Minister of Energy, Mines and Resources and will be the lead Minister responsible for negotiations respecting the enabling agreement to negotiate a northern energy accord, will be making opening remarks. But, Mr. Chairman, I would like to simply say that I am very pleased that we are finally having the opportunity to have this public discussion in the Legislature. There have been, as I think Ms Cournoyea will outline, a tremendous number of meetings taking place over the past number of years with respect to the long-sought goal of northern people acquiring control, for the first time, over oil and gas management and a share of revenues from oil and gas developments.

Discussions have taken place with industry, with government and with aboriginal organizations. So I am very pleased today that since many of these were private discussions, today we will have an opportunity to report to the Legislature and through you, Mr. Chairman, to the people of the NWT on the results of the tremendous amount of work that has gone into the issue to date and, of course, the tremendous challenges that lie ahead of us toward concluding a final agreement.

Mr. Chairman, I would just like to say that I am particularly pleased that today we will have an opportunity to hear from the leaders of the aboriginal organizations in the NWT. Since I joined this Legislature in 1979 I think that the NWT Legislative Assembly has had a very good relationship with those aboriginal organizations. I think it is important that the 11th Assembly should continue to cultivate and work on developing a close working relationship with respect to matters such as these and, of course, with respect to the all-important issue for them of the settlement of aboriginal claims.

Mr. Chairman, I just wanted to say that I am pleased that we can have this discussion today because it is extremely important to our government that there be a close and co-operative working relationship with aboriginal organizations in this and other matters. Mr. Chairman, we have to stand together and work together if we are going to negotiate a successful conclusion to the northern energy accord. The enabling agreement gives us an opportunity to negotiate, for the first time, management powers and revenues and northern benefits for the people of the Northwest Territories, but there is a long road of difficult and challenging negotiations ahead. There are people in Canada who feel that we are not ready for this responsibility. There are people in this country who feel that the federal government should continue to retain those powers. Northern people are united, I believe; we are prepared and we are ready and we are better able to discharge those responsibilities, but we are going to have to be united if we are going to succeed.

Mr. Chairman, I welcome this opportunity to begin what I hope will be a constructive and positive dialogue toward developing the kind of co-operative working relationship that is essential if we are going to succeed. Now I would like to ask that Ms Cournoyea make some opening remarks before we hear from the leaders of aboriginal organizations. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Patterson. The Minister of Energy, Mines and Resources, Ms Cournoyea.

Minister's Opening Remarks

HON. NELLIE COURNOYEA: Thank you, Mr. Chairman. Before we begin, my understanding is that this discussion will be twofold. Today we will hear from the aboriginal organizations and we will be making some clarification points, but tomorrow the Legislative Assembly will be discussing this same topic. That is my understanding. I would now like to provide a brief overview because there is some misunderstanding that all this has just happened yesterday. I believe the Government of the Northwest Territories over the last while, and before my time, went forward in levels of discussion with the federal government on exactly where the NWT government stood in terms of oil and gas development.

Way back in 1983, when the Government Leader was Mr. Nerysoo, a proposal for resource revenue sharing was presented to the Government of Canada and to Indian Affairs, and in November that same year Al Zariwny presented the Government of the Northwest Territories concerns about the Canadian oil and gas legislation to the Department of Indian Affairs subpanel, I believe. In 1983, the Department of Indian Affairs Minister Munro tried to get Government of the NWT support for the northern benefits committee. It was an advisory benefits committee, and I think it fell far short of things that we felt we needed as a government to represent people in the NWT and their involvement in oil and gas development.

After the federal/territorial discussions about the Bent Horn project approval, Minister Crombie at that time, in February 1985, made a commitment to take recommendations about the reorganization of oil and gas administration to the Cabinet. In October 1985, Minister Carney and the Department of Indian Affairs Minister Crombie announced the frontier energy policy, all this having an impact on what the present Ministers responsible for this particular area in the Government of the NWT were up against. In October 1986, Mr. Butters assumed the Energy portfolio and advised industry and aboriginal groups of his accord interests. In December 1986, Mr. Butters, with his responsibility, took on Mr. Lougheed as a political adviser for the accord, not a negotiator, but a political adviser at that time. On April 7, 1987, Mr. Lougheed met with the Executive Council about the proposed accord request to the Department of Indian Affairs. In May 1987, the Government of the Northwest Territories sent an accord statement signed by all Members of the Executive Council to the Minister of Indian Affairs, at that time, Mr. McKnight. There was a Government of the NWT proposal for a framework for a northern oil and gas accord sent to Mr. McKnight, and the document on June 24, 1987, was also sent to aboriginal organizations and to the industry as well. In July 1987, the federal cabinet reviewed and approved the economic and political strategy policy.

Since early in 1987, the cabinet recognized the special opportunity available to the Government of the NWT to pursue a northern accord. There was a supportive Minister of Indian Affairs and a federal Cabinet that had signed two Atlantic Accords, a Western Accord and was developing at that time a Pacific Accord. An initial statement of the Government of the NWT interest in the transfer of provincial-type oil and gas responsibility was signed by all GNWT cabinet Members and submitted to the Hon. Bill McKnight in May 1987. In July 1987, Mr. Butters, then the Minister of Energy, forwarded Mr. McKnight that framework proposal, which was a broad statement of accord objectives. Throughout the summer and fall of 1987, Mr. Butters and the Government of the NWT staff, with representatives of NWT aboriginal groups, met to consider their perspectives on the accord. In the fall of 1987, Mr. McKnight advised the Government of the NWT Executive that he was proceeding, or attempting to proceed, to Cabinet with accord recommendations based on the GNWT request.

As I reported to this Legislative Assembly before, through the next 10 months, Mr. McKnight's recommendations slowly, or hardly at all, advanced through Cabinet discussions and ministerial department meetings. Mr. Chairman, at that time the Government of the NWT did not aggressively pursue the accord in deference to the fact that Mr. McKnight had several objectives on his agenda, one being the agreement in principle for the Dene/Metis claim. Although we continued to advise Mr. McKnight of our interest, we did not, at any time, suggest to him that the Northern Accord should come before the agreement in principle of the Dene/Metis claim.

The Government of the Northwest Territories further developed a memorandum of understanding with the Tungavik Federation of Nunavut and participated in numerous discussions with the Inuvialuit Regional Corporation and the Dene/Metis. Industry representations were also kept up to date by federal and territorial representatives. Mr. Chairman, again I would like to bring to your attention, and to the attention of the Legislative Assembly, that there was not much to keep up to date with anyone because basically nothing was happening. By late summer of 1988 it was evident, with a federal election fast approaching, there would not be an opportunity, even with a positive federal Cabinet decision, to start and complete any substantial accord negotiations within the life of the federal government. We understood that. Both federal and territorial Ministers agreed that developing a brief political statement of direction, which is now termed as the enabling agreement, on the accord was essential to maintain momentum through the transition of a federal election. Federal and territorial cabinet decisions were made in late August and this, combined with the unique opportunity of Prime Minister Mulroney's visit --and yes, we did take advantage of the fact that Mr. Mulroney would be coming north -- the Government of Canada and the Government of the Northwest Territories signed the enabling document on September 6, 1988, in Yellowknife, after the signing of the Dene/Metis agreement in Fort Rae. The enabling document remains consistent with the Government of the NWT cabinet objectives of provincial-type responsibilities. Other elements of the initial agreement identify the principles for a careful, phased transfer of these responsibilities.

Mr. Chairman, the Government of the NWT does not assume or presume that these negotiations will be very quick and will be concluded in a very fast time frame. Detailed negotiations over the next year will develop the specific provisions for the management and fiscal issues. The Government of the Northwest Territories has agreed to include representatives of aboriginal groups in the accord team in order to ensure that aboriginal rights and interests are respected, and that resource management mechanisms are able to be complemented and not in conflict with each other. As a result of a final accord, the Government of the NWT will have new legislative powers, access to new revenues, new and skilled staff managing oil and gas responsibilities, and a new administration.

CHAIRMAN (Mr. Gargan): Excuse me, Ms Cournoyea, could you hold on a bit for the benefit of the translators? Thank you.

HON. NELLIE COURNOYEA: Mr. Chairman, hopefully many of the problems that have plagued northern oil and gas development will be resolved. Mr. Chairman, I know we will be hearing from the aboriginal organizations. I certainly appreciate at this time that the Legislative Assembly Members will be asking these representatives of these very important groups to address us today.

Mr. Chairman, as we go along in addressing the Northern Accord, I would like to say that the Government of the NWT, with the Legislative Members, has never taken the position to interfere with claims. In the Northern Accord, we do not pursue ownership in deference to the fact that the Dene and Metis have not selected their land; the ownership question is still to be resolved. The TFN also has not selected their land. So, in these Northern Accord negotiations we have not pursued ownership. Once the organizations have selected their land and they know what they have, the Northwest Territories will have what is left over. That is the reason that we are not pursuing ownership at this time.

Mr. Chairman, as well, other decisions affect the Northern Accord negotiations. The Northwest Territories has no third party status with the negotiations and we feel that this, also, gives the aboriginal groups a clearer line of settling their claims and their special interests.

I know tomorrow we will probably have a little more time to deal with the specific details of the enabling agreement. Today, I wanted to outline the past actions of the territorial government and Legislative Assembly, and cabinet's efforts to respect the views of aboriginal groups. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Ms Cournoyea. What is the wish of the committee? Does the committee agree that we invite the witnesses in?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Sergeant-at-Arms, bring in the witnesses. That will be Donat Milortok, Bill Erasmus, Mike Paulette and Roger Gruben. Last week, I believe, we did postpone the presentations being made by native organizations, primarily because -- Mr. Erasmus is here now so perhaps we should invite Mr. Erasmus in first. I would like to say to the native leaders that there is a rule in the House with regard to presentations and that is that the time limit is 10 minutes.

HON. TOM BUTTERS: Mr. Chairman, I move that we waive the rule for our witnesses.

CHAIRMAN (Mr. Gargan): Does the committee agree that we waive the rule to the native organizations and give them all the time they need to make their presentations?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Just for the record, perhaps the native leaders could just introduce themselves and who they represent. I do not know who is going to be the first person to be making a presentation but perhaps, Mr. Erasmus, you might want to start by introducing yourself, and going down that way, who you represent. Just introduce yourself and your native organizations for now.

MR. ERASMUS: Thank you, Mr. Chairman. My name is Bill Erasmus, president of the Dene Nation.

CHAIRMAN (Mr. Gargan): Thank you.

MR. PAULETTE: Mike Paulette, president of the Metis Association.

CHAIRMAN (Mr. Gargan): Thank you.

MR. GRUBEN: Roger Gruben, chief regional councillor of the Inuvialuit Regional Corporation.

CHAIRMAN (Mr. Gargan): Thank you.

MR. MILORTOK: Donat Milortok, from Tungavik Federation of Nunavut.

CHAIRMAN (Mr. Gargan): Thank you. Which person is going to start off?

Presentation By Mr. Paulette

MR. PAULETTE: Thank you, Mr. Chairman. First of all, I would like to thank the Legislative Assembly for allowing us to appear here as witnesses. I think there are a couple of things that we, as native leaders, want to accomplish during the discussions and the debate we will be involved in. I think a couple of the major objectives would probably be to clarify some of the positions or some of the correspondence and comments that may have been made by either ourselves or other members of the public or the Executive Council. I think we, as native leaders, want to make it clear what our intentions were in presenting a unified position with respect to the Northern Accord.

Over the last several years, in speaking on behalf of the Metis Association and the Dene Nation, we have been involved in very detailed and comprehensive negotiations leading up to the agreement in principle. A number of the leaders here have been involved in that process. Over the years, I believe, there has been a horrendous amount of work that has gone into where we

want to go as native people. The claims have always been a priority for us and whatever results from those claims, we hope to work toward the benefit of all our people, including self-government as it is defined by each and every one of our communities. I think it is critical and it is important that the native organizations, our organization, in light of the agreement in principle and the time frame that we are faced with, in trying to achieve the final agreement -- it is critical that we be involved in discussions, in positions, even in debates that affect the people in our communities.

Self-government is something that has been discussed for some time. We view our participation as necessary for our communities to achieve some sort of self-government. I think that is probably one of the points that we wanted to get across; that we want to be involved in a co-operative and meaningful manner when we talk about Northern Accord and Northern Accord negotiations. I do not think there was ever any thought on our part that we would have a veto over any decisions that were going to be made in this Legislative Assembly. I think the point that we wanted to make was that we wanted to be involved. It is critical to us, especially in light of our claims. Thank you, very much.

---Applause

CHAIRMAN (Mr. Gargan): Thank you, Mr. Paulette. Mr. Gruben.

Presentation By Mr. Gruben

MR. GRUBEN: Thank you, Mr. Chairman. As Mr. Paulette has outlined so clearly, I want to express my appreciation on behalf of the Inuvialuit to be able to go and present our viewpoints to the Members of the Legislative Assembly and this committee. Mr. Chairman, I start off by saying that the Inuvialuit are in a very unique position. We are in a different situation than the other aboriginal groups in the North because we have a claim that is settled. We also have been involved in the midst of activity in the Beaufort Sea area as it relates to oil and gas. We have been involved in decision-making and we have been involved in certain activities as we relate to oil and gas development in the Beaufort Sea area.

I would like to make it very clear, Mr. Chairman, that from the Inuvialuit point of view, we want to have a Northern Accord that is going to be of net benefit to the people of the North. I always view the Northern Accord as an opportunity to provide further benefits to all peoples of the North, including the aboriginal groups. The Northern Accord should be seen as an opportunity to enhance what the aboriginal groups are able to get in their own claims negotiations, although I do say that we should attempt to differentiate the issues that are being negotiated through a Northern Accord and the issues that are going to be negotiated through another forum.

Mr. Chairman, there are a number of issues that I would like to lay out now, for the consideration of the Members around the table as to process and I would hope to add to some clarification as to some misunderstandings that may have been generated over the last week. I suppose, first of all, my apologies for not being able to be here on Friday, as was originally planned. That should not be interpreted as the beginnings of disagreements between the members of the aboriginal groups here at this table. The issue of not being here on Friday is something that even we do not have control over at certain times.

Process Should Benefit All Peoples Of The North

Mr. Chairman, I agree about the viewpoint that we are embarked on a process that should be for the benefit of all peoples of the North, that we should put aside, at least for the moment and hopefully laid to rest, our disagreement over the events that led up to the signing of that enabling document. From the IRC point of view I would like to leave that aside. We should be concentrating now on the contents of the position that the GNWT will have to go and negotiate with the federal government.

As to process, I feel very strongly that the aboriginal groups should be represented on the Northern Accord negotiating team. They should be represented, Mr. Chairman, not because they are aboriginal groups, but because they are representatives of very significant portions of the population of the NWT. I make the distinction, Mr. Chairman, of being on the negotiating team as aboriginal groups and as northerners. If we are going to be members of the negotiating team because we are aboriginal groups, then one can raise, very successfully, the argument that we should limit our participation to those issues that affect aboriginal groups throughout the NWT. I certainly disagree with that process.

Aboriginal people should be represented on that negotiating team because they have a vested interest, like any other northerner, on what is negotiated within a Northern Accord. We should be involved in the development of a very comprehensive position on energy matters for the NWT. And when I talk about the team, I look at the IRC, TFN, Dene, Metis and, as well, the Government of the NWT and its resources to work together as a team. The government can co-ordinate the activities. I do not believe that any one member should be given the ability to stall negotiations or completely derail negotiations because they do not agree with a particular position. As much as possible we should strive for consensus, Mr. Chairman, although in issues where we are unable to achieve consensus, the decisions are still able to be made.

Principles To Develop Comprehensive Position

Mr. Chairman, what we need is to send a very clear message to Ottawa. A simple message and a very strong message, with certain points that we as the aboriginal groups and you, as Members of the Assembly on this committee of the whole, will have agreed upon and that we can send those messages down to Ottawa saying that we, as peoples of the North, are ready to negotiate a Northern Accord on energy matters. I put across the suggestion, Mr. Chairman, that in a document that was released by the four aboriginal groups, dated September 27 -- and it was a press release which I will be passing on to a Member later on to table for the Assembly -- the document very clearly specifies that we should have as starting points, certain principles that will be used and expanded upon to develop the comprehensive position of the GNWT. I will raise those four points now, Mr. Chairman. When I raise these issues, Mr. Chairman, we should recognize that we are looking for a process that is simple, efficient and effective and then we are looking for some very strong and simple principles that will get our message across that will be the building blocks of our overall GNWT position.

Point number one is that northerners should receive a net financial benefit from the onshore and offshore oil and gas resources, including the lands and waters of Hudson Bay and Hudson Strait and in any year of production, at least 10 per cent of the revenues generated at the Canada/US border. By way of a little bit of explanation here, Mr. Chairman. If you have a barrel of oil that cost you \$30 at the Canada/US border, a very simple mathematical deduction saying that you want 10 per cent of that cost of the barrel at that border as royalties to the GNWT, that is three dollars on every barrel that is going over the US border. That is simple. That gives a good, clear message to the federal government and, Mr. Chairman, I do not know about the rest of the Assembly Members around the table, but I can relate to money. I hope that all members of the Territories can relate to money as well, that we can be a very wealthy territory and, eventually, province.

Unique Northern-Style Legislation

Secondly, northerners should have the right to make their own northern-style legislation for onshore areas without restrictions. Again, by way of some explanation, Mr. Chairman, when one looks at the ability of the developers to carry on with exploration, to carry on with production of oil and gas reserves in the North, we have very unique circumstances in the North, such as peoples. These people have very unique needs, one of them being a high rate of unemployment, and they are looking at the development of oil and gas reserves to deal with the issue of unemployment. We have a very unique environment. Environment that, in many ways, prohibits the southern way of dealing with oil and gas exploration and production. Mr. Chairman, we have a unique way of actually having to deal with the unique environment. When you consider those

unique points of being in the Northwest Territories, I think there is argument enough, Mr. Chairman, that we should develop unique northern-style legislation to suit our own needs as we, as northerners, define.

Point number three, I am pleased to hear from the Minister of Energy, Mines and Resources, that the Northern Accord should not impact negatively on the land claims process.

Point number four, the northern benefits program should be community-based and it should provide economic stability, growth and diversification. That fourth point enables all people of the Territories to gain substantial benefits out of the revenues and royalties generated out of oil and gas production and to use those revenues and royalties to stimulate other sectors of the Canadian North's economy, such as agriculture, such as northern crafts. We should use the money that is going to be gained out of a Northern Accord to boost the economy. I use the example of, say, the Baffin area. They may wish to get assistance from the federal government, territorial government, to develop their renewable resources. A Northern Accord should be able to provide you with that opportunity to develop those resources if the overall territorial government agrees.

Northern Accord Structures And Institutions Should Be Compatible With Others

Mr. Chairman, there is an issue which I think is of paramount importance when we are looking at those regions of the North who have a settled claim and, as well, those regions of the North who are now currently negotiating a claim. It is very, very important that the Northern Accord, when negotiating structure or institutions, as much as possible negotiate those structures and those institutions to be compatible with those institutions or structures that are going to be created under a final agreement or those institutions or structures that have already been created through the settlement of a final agreement. In the areas where it is very, very difficult to draw that line of compatibility, then the Northern Accord process should respect the jurisdiction of those management institutions or structures that are created under the final agreements.

Finally, Mr. Chairman, I would like to indicate from the Inuvialuit that we have all the confidence in the world in the Executive to put together a process and to negotiate a Northern Accord that will be for the benefit of all peoples of the North. I have all the confidence in the world that they will effectively involve all interests in the North, aboriginal groups being one of those interests, and I have all the confidence in the world, Mr. Chairman, that in the end it is going to be the Legislative Assembly who will be approving of a negotiated accord, provided that they have the support of the peoples of the North.

The Legislative Assembly is the body that is democratically elected to represent all interests of the people of the North. I would say that it is that body that should approve of any negotiated agreement between the territorial government and the federal government. I thank you.

---Applause

CHAIRMAN (Mr. Gargan): Thank you, Mr. Gruben. Mr. Milortok.

Presentation By Mr. Milortok

MR. MILORTOK: (Translation) Thank you, Mr. Chairman. First of all I would like to thank the Legislative Assembly in that I am given an opportunity to speak to you. I will be discussing something that I have been working very hard on concerning the TFN and the agreement, especially concerning the Northwest Territories and especially the Hudson Bay area; representing to aboriginal people that they should be participating in these negotiations. We are not trying to have veto power in this Northern Accord but we, as aboriginal organizations, should be included in the negotiations so that the aboriginal people will be represented as TFN has requested, and we would like you to understand that we do not want veto power; it is just that we want to be included in negotiations for the benefit of the future.

TFN was very concerned about this Northern Accord. For example, there were three areas we were concerned about in the Northern Accord, and we are going to be working very hard on this. We have been having lengthy discussions since the signing of the Northern Accord and we have been discussing plans for our future. We want to be included in the negotiations because in the agreement there was something that would have a big impact for the future. TFN was working with the aboriginal organizations and we would like to tell the Legislature about the concerns we had and we worked really hard. We are not trying to oppose the Legislature but we were very concerned. I am sorry and I would like to apologize that there was a misunderstanding but we would like to be included in the negotiations before the Northern Accord is signed. We would really like to be included in the planning process and we will not be opposing the Legislature. We would just like to be part of the negotiations. For example, the Hudson Bay and Hudson Strait area and the islands in Hudson Bay. We have to think about the future and that is why we stress that we would like to be included in negotiations, when they are going to be negotiating with the federal government. We would like you to support TFN and the aboriginal people in our concerns. In the Northern Accord there are three major items that we are concerned about. The resolutions that we have from TFN, I would like some support on. We had a committee meeting this morning, and we would really like to have this approved, and we would like to get some clarification from the government. Also, we would really like to be included in negotiations. For these reasons, we have been working very hard on this as TFN, and I am commenting on behalf of the board. We will be working hard on this and it is going to be an ongoing process, and we would like to be included in negotiations, and in the planning process. We would like to get support for the proposals or recommendations that we have, and to be included in negotiations and the planning process. This is our request from TFN. When there are resolutions made, I would really like it to be approved. That is all I have for now. Thank you.

---Applause

CHAIRMAN (Mr. Gargan): Thank you, Mr. Milortok. Mr. Erasmus.

Presentation By Mr. Erasmus

MR. ERASMUS: Thank you, Mr. Chairman. I apologize for being late. I feel quite privileged to have this opportunity to speak and make the concerns of the Dene Nation known to the Legislative Assembly. I am trying to remember the last time a representative of the Dene Nation sat before the Assembly, and I believe it was in 1979 when Robert Overvold spoke before the Ninth Assembly, speaking about what our land claim was supposed to look like. Since then, Robert Overvold has moved a long way. He was our chief negotiator for some time, now he works for the Government Leader. It has been a little while, almost 10 years.

I would like to make some comments on the reasoning behind why we, as aboriginal people, are sitting before you today. I think it is quite important. It is a very historical period in the development of self-government in the Northwest Territories. We have been, as you know, discussing how we, as aboriginal people, could participate and become a part of a system in the North that would be unique, a system that would allow for a public government to develop, while at the same time respecting, entrenching and protecting what we call aboriginal rights, something that has yet to be defined. We have always envisioned that we would work hand in hand with other peoples, regardless of their background, regardless of their culture, regardless of their origin. That has not changed.

Concerns Of Aboriginal People Must Be Understood

We feel that it is important at this juncture that it is clearly understood why we have taken this position, why we feel that our concerns as aboriginal people have to be expressed and totally and clearly understood; because if they are not, then how are we to move forward, how are we to develop as people in the country call it, working toward nation building? How can we do that without dealing with the most important item at the table, an energy accord that would most likely define our future economically, that would most likely determine and allow us to have a certain amount of diversity in the economy, allow us to take the next step toward provincehood,

allow us to become recognized finally in this country as a voice and not part of that big wilderness that we learned of when we were children in school? We learned it is a land of ice and snow, right in Yellowknife here.

This is the opportunity where we can say for once, in this country, probably for once in the world, the first peoples sat down with existing government and worked out a deal step by step, right from the beginning; and in the end they agreed that in the interests of everyone we have something that makes sense to us, something that is within the national interest, something that protects our people so that we have a future in front of us. Every time we do something we do not have to look behind us, asking "Are non-native people supporting us, is the rest of the country supporting us, are we allowed to be democratic?" We are tired of worrying about that, we are tired and we want to be a positive entity in this country. We do not want to be fighting this Legislative Assembly. We look at you, many of you we are related to. Many of you we have known for years. No one is asking you to step down, that is the last thing on our minds. You read the letter that we sent to you, look at the pros, look at the cons of that letter. Nowhere in there does it say that we want the last say, or we want to sign that final accord. It does not say that. It says we have to design a process where we are included because we represent our people, just as much as you represent the public, just as much when it comes to talking to Ottawa. How do we set up that process that is fair to you, fair to us, and makes sense? How do we protect, for instance, the waters in the East and the waters North of 60, so that we do not have to think or worry about them in the context of the provinces extending their jurisdiction north.

Co-operation Of All Groups Is Required

Meech Lake we all complained about. The government even took it to court. Why? Because we are afraid that not only the Americans may use that to their advantage but obviously the South can. The South can extend their boundaries. We all complained about it. It did not matter what colour we were, we worked together on it. We did not ask, "Were you representing that group, were you representing another?" We said, "Let us work together on it", and we did. And we told the country what we thought. That is a public process. How, in this Northern Accord, can we include the opportunity for the Inuit who have always used that land, who have always used the Hudson Strait, who have always used the Hudson Bay, how can we protect their land? That is where they have always been. I am secure in the West over here. I have an agreement in principle that protects me. I signed that a month ago. I also have the accord that protects me because it does not bother my waters. It does not bother the opportunity for me to sit at that table and negotiate but it bothers them. I think it is a fundamental question. It is not an argument between our Government Leader and the Inuit. It is an argument that we all have to understand and this is why we decided to get involved.

We as Dene/Metis have a deadline. We have to have our final agreement signed by March of 1990. Now try and look at that big picture, what that means to us. Hopefully by then we have what we call the definition of aboriginal rights, the definition of self-government; hopefully we know what we want in a public government; hopefully we know what kind of jurisdiction we are going to have on our claim and at the same time, hopefully we have something on the Northern Accord. We have to have all that before us, otherwise how can we sign an agreement? An agreement is not in isolation. An agreement has to guarantee us some political value, economic value, traditional value. It has got to be a complete package and you cannot look at an accord in isolation. You have got to look at the big picture. You have got to understand how it affects people in the West, in the East regardless of your colour, regardless of what language you speak, in the best interests of all of us.

Many Questions Unresolved

I am trying to understand comments that were made and I have been trying to understand them for many, many years. The question of consensus. Now, we live within a democracy and within a democracy we are supposed to allow everyone to have their say, everyone to be involved in the process. A lot of times you keep your fingers crossed and you hope that an agreement that you make is going to last for a long time, and that there do not have to be amendments, and that it

makes sense to people. Now if that is the case, then consensus is not far away from what people have been trying to develop in the North for years. I have heard people in the Legislature say, and I have read in Hansard that people in the Legislature have said, "We are striving toward consensus. We are striving toward consensus-building so that people in our communities feel comfortable; people in our communities feel good when a decision is made here." Because in the end, you, the Members who decide for us, have to answer to the little guys. You are here representing all of us. Now if that is the case, if you are really striving for consensus, then how do you allow for your people out there to be represented when there are so many things that are unresolved? The question of aboriginal rights is still unresolved. The question of when we are moving toward provincehood is unresolved. We are still involved in the Legislature. We all recognize that this is an interim government designed to answer our needs as best it can.

So how do you allow the people that we represent to be involved? You fund us is what you do. You provide us with money so that we can gather the interests of the people that we represent. We can gather their thinking. We bring that forth, not because we want to be negative; not because we want to say we are different; not because we speak different languages, but because that is the way this country is built. The country has been designed this way since 1867. We have had an Indian Act since 1867. We, as status people, have had to follow that for over 100 years. It has been entrenched into our Constitution. So the realities are that, yes, we do have to represent people and no, we cannot sit where you are sitting because this country is not ready for that. So how do we make this country ready? I keep saying, and I am going to keep on saying, I think people have to be educated. I keep on saying that we have an opportunity here in the North to educate people in the South, to educate the rest of the country. Let us make use of that opportunity.

Participation In Negotiating Team

No one is demanding that we have the final say in this Northern Accord. We are not saying that. We are saying, as my great friend, our Minister of Energy, Nellie Cournoyea, indicated to us last week in a letter, she said that we will work as much as we can toward consensus in this negotiating team that is going to negotiate the Northern Accord. We thought that was understood. I hope I am not surprising anyone. I hope people do not think that we, as aboriginal people, are trying to do something that is out of order, does not lie within the jurisdiction that we see for ourselves, because we have been actually quite silent on this issue and it has been said ahead of me. We are not concerned so much any more as to what happened leading up to this AIP and accord. That is a given. It happened. The agreement was signed. We had minimum participation. That is a given. Let us forget that. That has happened.

But from now until the final agreement, for God's sake, let us work together on it. Let us agree on who our chief negotiator is going to be. Let us agree on who this team is going to be, trying to get this accord in the North so that we can take care of our own oil and gas issues; so that we do not have to look toward Ottawa, someone living in Ottawa deciding for us. Let us participate together as a team. That is what we want. You will sign the final accord. You have that last say. The Legislature will decide on that. Not us. But we have our own internal procedures that we have to follow. I have an assembly that I have to answer to. I have 28 communities that I have to answer to. Allow us to work with this Assembly so that when we do finally have an accord that makes sense to us, it will be a final accord then that we will be happy with. We will not have to take you to court in the future. That is what we are concerned about. I do not want to take you to court but if I must, then life goes on.

I started off today saying I can remember when a Dene person made a comment to this Assembly, on behalf of the Dene. I can only say that I wished it was sooner. Not that you have not done well, as an Assembly. I must commend you for the great work in the short time that you have been here and I only hope that we have more opportunities like this, because we are involved in a public process. It is to no one's advantage to isolate ourselves. We have to work together as people in the North and I always maintain that we, as aboriginal people, have nowhere else to go.

We may go south for a while but it seems that we always come back. This is our home and we intend to make it a home that is desirable for everyone. Thank you, very much.

---Applause

CHAIRMAN (Mr. Gargan): Thank you, Mr. Erasmus. I will now have general comments by the Members. Mr. Sibbeston.

Input Sought As To Major Concern

MR. SIBBESTON: Mr. Chairman, firstly I say that I very much respect the aboriginal leaders that are here before us today. In some respects I am a bit surprised in that I know the reaction of the aboriginal leaders, some of them, initially when the accord was publicized, was one of outrage. I see the leaders here today very calm and collected and rational and I do not see anything, I do not sense or I have not gathered from them as to what they want us, as a Legislative Assembly, to do.

I have heard some of the comments with respect to the accord, that it ought to be beneficial to northerners and not negatively impact on land claims and things of that sort, I think, which the agreement provides for. I am aware, too, that the Government Leader and Ms Cournoyea have met with the aboriginal leaders in the last few weeks. I am just wondering, has the outrage, has the tremendous concern that the leaders had initially, have the concerns been dealt with, apart from the fact that there was not the required consultation? You have obviously been consulted now and I just want to know, are the leaders now satisfied with the general terms of the accord or are there still some things of substance with respect to the terms of the agreement that they are not happy with and are coming to meet with us today, to the Assembly, to see if they can persuade us of some of the changes that are still required?

I am aware of the agreement that Ms Cournoyea has made with the understanding that it was between her and some of the native leaders which seems to take care of the process, and in negotiating the form or structure that is to be put in place.

So, in coming before us today, what can we do for you? I take it that the outrage is gone now. You appear much calmer and rational, as it were, and I do not hear any real major concern that you have and maybe you would like us to deal with and consider.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Sibbeston. Mr. Gruben.

Team Wanted For Developing Comprehensive Position

MR. GRUBEN: Thank you very much, Mr. Chairman. The IRC is still not pleased with the contents of that agreement that was signed on September 6th. However, if we were able to put together the team that will be responsible for developing a very comprehensive position for the people of the North overall, we feel that a lot of our concerns can be addressed at that particular level.

In some detail as to what we are disagreeing with here, Mr. Chairman, on the agreement in principle. Number one, on behalf of the Inuvialuit, I do not see how the negotiating team that is going to be put together should be locked into the contents of that agreement in principle or that enabling document. By that I mean, for instance, that it says in the agreement that you must model your northern legislation on existing legislation in the South. There is a further statement in the enabling document saying that the territorial government agrees to refer to or agree with the contents of the Canada Petroleum Resources Act in the development of their own negotiating position.

Act Specifies How Royalties Generated

Mr. Chairman, I have to say, without getting into a lot of detail, the Canada Petroleum Resources Act is very, very specific in terms of how one, for instance, can generate royalties out of any kind of a specific project. I will get into detail on the particular issue.

In the enabling document there is reference made to five per cent of royalties that will be paid out to the territorial government coffers. However, when you are discussing the Canada Petroleum Resources Act -- and I guess there is another reference made to another document, that is the Oil and Gas Production and Conservation Act -- what is being contemplated in terms of royalties only, is that before there can be any royalties paid out, those investors on a specific project -- and I use for example, Amauligak, in the Beaufort Sea area. If it costs the investors \$50 million to bring that well up to production, these two acts have locked the government to say that before you can get royalties, the investors have to get their initial investment back. So that is \$50 million before you get royalties.

Another example, now, before you can get your royalties the investors have to get a certain rate of return and the Canada Petroleum Resources Act specifically says that you use the Canadian bond rate which is, at this time, about 10 per cent; then on top of that you give them a rate of return of about another 10 per cent, so really you are looking at a rate of return of 20 per cent on your initial \$50 million investment before you get royalties. Those are two steps. Now your third step is that if the developer does not want to get to the issue of paying out royalties quickly, again those two acts make specific reference that the developer can continue to drill exploratory wells up to a maximum of 10 wells, and to a maximum of five million dollars per well. So that is another \$50 million that has to be tacked onto your project before you get to royalties. We all know that in some cases, the projects never achieve, number one, their initial return on investment; number two the rate of return that is being expected here; and number three, exploration is a fact of life that continues.

Royalties To Be Taken Into Account In Formula Financing Agreement

Now on top of that, with the royalties that eventually can accrue into the government coffers after those three steps are met, there is a very specific reference that the royalties will be taken into account when the GNWT and the federal government are looking at your formula financing agreement, meaning that if you reach a certain level of royalties, you will have to accept, in my own interpretation, a lesser amount of transfer payments because you have received more money from those royalties.

I think that is wrong. You should receive your royalties just like any other province can, like any other region of the country can, as an opportunity for you to increase the benefits to the people that you represent. You should not be treated negatively because you have had a windfall of royalties and because you happen to be in a certain part of the Territories where oil and gas reserves are in abundance, meaning that if there is any program that is going to be offered to any region of the country, that you, like any other Canadians, should be beneficiaries of that program and that you should not have to step into the federal government shoes and pay for some of that program because you have received royalties from your oil and gas reserves.

Negotiating Team Should Not Be Limited In Approach

So, I guess, Mr. Sibbeston, in some sense you allowed me to get technical on this one here; I hope it will indicate to you that we should not lock ourselves into a negotiating position before we have even begun to negotiate. I would hope that you, as the Assembly, will give the negotiating team that responsibility to deal with oil and gas matters in the North that will provide a benefit to the people of the North, notwithstanding the agreement in principle or the enabling document that was signed. I would hate to see the negotiating team being limited in its approach as to how they can deal with certain issues, and I guess I would ask the question of the Assembly Members, number one, do you feel that it is fair to limit yourselves in these negotiations when you are dealing with a very important issue for the future generations of the people of the North? So,

number one, I would hope that you will give the ability to the negotiating team to deal effectively with our oil and gas matters in the North.

When dealing effectively with all those oil and gas matters, we will include in the comprehensive position the enabling document, but we should also have the ability to add to it. I hope that maybe the Executive might provide some ideas as to how we might add to that document, as we have always heard -- I have been told anyway -- that it was an opportunity that we could not miss. I agree with them on that. The enabling document was an opportunity for us to get a foot in the door and then, once we get our foot in the door, we can begin to negotiate all aspects of oil and gas matters in the North.

In that one sense, Mr. Chairman, I have taken some liberty in outlining how we have certain difficulties with the enabling agreement. I guess as another example you have the reference in the enabling document to northern benefits, but there is no mention as to how we get financing for those northern benefits. I am optimistic, and I hope we can get those funds to administer those northern benefits out of the revenues and royalties generated out of oil and gas production in the North. But under the scenario I outlined to you a minute ago, it may be difficult. So what we should look for is -- like they have done in the Atlantic Accord, like they have done in the Newfoundland and Nova Scotia accords -- let us up front allow for X number of dollars, X millions of dollars that you as the territorial government can use to upgrade services that you offer to the people that you represent, services such as education, services such as housing.

Assistance To Northern Oil Companies

I also see the opportunity for the Assembly to allow the negotiating team, as one of the components of developing the very comprehensive position on oil and gas matters, that you may wish to instruct your negotiators to negotiate assistance that can be given to northern oil companies. You look right now at how many northern oil companies there are in the North, legitimate northern oil companies, and all the reserves that we have in the North, and the only oil company that is operating right now is the one that the Inuvialuit own. I would hope that you may wish to look at possibilities of creating an oil company that either can be under the direction of the Legislative Assembly, or you may wish to look at negotiating a package that can legitimately be used to assist agencies in the North to develop a northern oil company.

I would like to turn over to Bill Erasmus to give us more comments, Mr. Chairman, on specifically what we want in terms of maybe a couple of motions from the Assembly to assist us to be partners in this process, and I am sure that Mr. Milortok would like to address the issue of how you can provide assistance to us.

Finally, in conclusion, Mr. Chairman, we as the Inuvialuit certainly have not come to agreement on the contents of the enabling document, but we are willing to work with it and expand on it, and I bring you back again to the four points that I would see you, as Assembly Members, addressing. Those four points are contained in that press release from the four aboriginal groups dated September 27.

CHAIRMAN (Mr. Gargan): Thank you. Ms Cournoyea.

Flexibility In Enabling Agreement

HON. NELLIE COURNOYEA: Mr. Chairman, I realize that Mr. Gruben would like to pass the mike on and we are not getting into an argument on formula financing or the regulatory regime. We have been discussing the fact that although there are procedures in Canada and accepted formulas such as the frontier royalty regulations, there is, to us, in the enabling agreement flexibility to deal with that in regulation. We have not determined exactly how we are going to apply those particular regimes to what we would have in the NWT. I suppose it is a matter of trying to say what is really in this enabling agreement. What we have offered to Mr. Gruben and the other groups is that we will sit down and work this out, not only with the four points they have,

but with other things that are happening in Canada that set the general tone. We have not done that yet, mainly because key people could not get together because of their other responsibilities. As for oil companies operating in the North, Amoco, Gulf and Esso are still operating in the North. I do not know if Mr. Gruben is saying they are not "legitimate". Maybe it is just a word.

Negotiating Team To Consider Four Points And Other Issues

We have offered that when we sit down and set up our negotiating team, not only the four points but also the issues that are addressed in the enabling agreement will be put together to determine the best way to maximize benefit for the residents of the NWT. We have offered that. It may be that when we really look at all the responsibilities and all the different problems that exist in view of what we have got and with the price of oil going down, that we may come to some conclusion that is not very progressive. I am just going to note that a certain amount of stability to the oil and gas industry must be maintained while the offer that we made in terms of setting the negotiating team up to address not only the four points but the deluge of other things that are given to us, and while the claims process is in place. The regimens that exist across Canada can be moved up and down according to the regulations or whatever provincial regulations you set up. With all those together, and not dismissing other areas of interest, would not we be the ones to sit down, was it not enough that the government has offered that as a team we sit down and address where we have to go from here? I thought we had agreed that this is what we would do. I am concerned that there is an assumption that we have not made that agreement.

With respect to the Hudson Bay/Hudson Strait, yes, we should take that and go as far as we can with it. I understand that, but we cannot do that until we agree, as a negotiating team, to sit down and address those issues. It is very technical and there are a lot of things we have to consider, including the government's future financial resources. So I thought we had agreed a couple of months ago that we would work toward setting up a working arrangement that would be satisfactory to everybody and not take away from anybody their own thrust in their claims or other issues. The financial support has certainly been brought through for supplements to deal with this issue. I am just wondering, given that we have discussed this issue and given respect to Mr. Gruben for bringing it forth to this Legislative Assembly, which I feel is good, have we not agreed already on the process that is going to be set up to deal with this? I thought we had, but I am just wondering if I have left out something.

CHAIRMAN (Mr. Gargan): Thank you, Ms Cournoyea. Mr. Erasmus.

Two Questions Need To Be Answered

MR. ERASMUS: Thank you, Mr. Chairman. Just to continue on where Mr. Gruben was leading us. There are two questions that I think we need answered and hopefully we can get them in the form of two motions that can be put before the House. One is the question of process, which you do mention, Ms Cournoyea, and you are right. We basically have made arrangement to deal with how we will negotiate, how we will arrive at an agreement that makes sense to all of us. The assurance that is required is that, and the understanding necessary is one where we are, in fact, working together. Let us make it clear in plain English so that everyone understands. We are all a part of a negotiating team. We are provided with the resources so that we can develop positions. We can go forward to the table with the federal government. There are only two parties. One, the territorial government and the other, the federal government. We as aboriginal people are part of the GNWT team. We are not a third party.

Consensus Sought As To Negotiating Process

In that process we are asking that we all agree before we sign that final agreement and we are maintaining that if we begin at this stage now, we help participate in choosing a chief negotiator; we help participate in some of the specifics that Mr. Gruben mentioned on royalties, for example; we participate on how the revenue sharing will be; how we want to develop the economy, etc. All those things, as we go along, we develop them as a team. If you are doing that in the spirit of co-operation, then there should not be a problem in the end. We should all agree and, yes, the

accord can be signed. So I think the word in there and the intent has to be understood. The word we are talking about is consensus. And it is not a new word to the Legislative Assembly. It is not a new word to the Constitutional Alliance. We as aboriginal people sitting at this table and Members that represent you, sit at the Constitutional Alliance table. We have Members present here. They can speak of it. We have made progress in the last few months and it is all based on consensus. It is not a new thing. The new thing is that we are dealing with oil and gas. So if we can have one motion that deals with that, I think, to clearly outline that, we would be quite pleased.

The other motion then would deal with the question of water. My understanding at this point is not to ask for a clear amendment to the Northern Accord. I think it would be off the wall to expect the Prime Minister to give an amendment to the Northern Accord at this stage of the game especially when an election is just around the corner. I do not think we can ask for an amendment to deal clearly with the waters. I think what we need is a commitment from Ottawa, a commitment from the Prime Minister that says, "Yes, when we do sit down and begin negotiating we will look at the parameters of that, of the waters North of 60. What does it mean? If it means so much to you, yes, we will commit to you." It would be much like the approach the Dene/Metis took dealing with their agreement in principle. Many of our people wanted clear amendments to it. Now we ended up saying, "We do not have to tear that agreement up. We do not have to chuck that agreement out." What you do with it, is you develop it. You change it. You get a commitment from government saying, "Yes in fact we will work with you. We will commit ourselves in the spirit of co-operation and we will try and change it." I think that is what we need here. One motion then that would deal with process, and a second one, with water.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Erasmus. Mr. Milortok.

TFN Concern Re Hudson Bay/Hudson Strait

MR. MILORTOK: (Translation) Thank you, Mr. Chairman. Because of the Hudson Bay/Hudson Strait, the TFN is working very hard on this. The Baffin people make a livelihood from this region and we would like to include this as it has already being made aware. It is part of the livelihood for the Baffin Region and this is why we wanted this to be included in the agreement. Maybe perhaps this motion can be made in this House and brought to your attention to include the Hudson Bay/Hudson Strait. I do not want to see any obstacles in the way when we are debating this. The aboriginals and the territorial government can debate on it. We should represent the Inuit, and the territorial government and the aboriginal people can work on this together. Thank you.

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

HON. MICHAEL BALLANTYNE: If I could, Mr. Chairman, just make a couple of comments on the issue of Hudson Bay and Hudson Strait. First of all I want to say that this government shares with TFN, concern for the ultimate resolution of jurisdiction in Hudson Bay and Hudson Strait. If I could just very briefly, try to explain our position and why we think that reference in the enabling agreement strengthens our case, rather than weakens our case.

I think there is one thing that people should understand. There is an administrative problem between two federal departments, between DIAND and the Department of Energy, Mines and Resources. Energy, Mines and Resources has the responsibility for oil and gas in Hudson Bay and Hudson Strait. DIAND has the responsibility for the other areas covered by the accord North of 60.

No Clear Definition Of NWT Jurisdiction

The definition of "Territories" that we are basing everything on is in section 2 of the NWT Act. There are two parts to that definition. One part speaks of all that part of Canada north of the 60th parallel, not within a province or the Yukon. So that is one part that we talk about. The second part speaks of the islands in Hudson, James and Ungava Bays, except islands which are part of

Manitoba, Ontario or Quebec. Because of the two part definition, there has not been, historically, a clearly defined definition of Northwest Territories jurisdictions. We have assumed, at the very least, that North of 60, both land and water which are part of Canada are also, by definition, part of the NWT, but the federal government has never cleanly and clearly acknowledged that. It has been left really silent.

South of 60, it could be that there are waters in Hudson Bay which are Canadian, and not part of the Territories or part of any province. Even Nigel Banks who, I think, is sometimes a lawyer for TFN, calls Hudson Bay a jurisdictional no-man's-land. The jurisdiction of Hudson Bay has been in question for many years.

Another political reality that we should acknowledge is that even though it has been our feeling that neither Ontario nor Quebec can claim Hudson Bay waters, that they are not within their provincial boundaries, the reality is that the Government of Canada has for 20 years assumed that coastal provinces will share offshore oil and gas. So, there has been that policy precedent. There is also the political reality of two very large provinces and a medium-sized province, Manitoba, which have a lot of clout in Ottawa.

Something happened to worry us and also worry TFN a couple of years ago. It is one area where we worked, I think, very closely and quite effectively, with TFN when the federal government brought forward the Canadian Laws Offshore Application Act a couple of years ago. That act was going to amend the NWT Act and defined NWT as including only the land portion of the mainland. So, that means all the water in the Northwest Territories, all the offshore water, the Arctic Archipelago, the Amundsen Gulf, Foxe Basin, Hudson Bay and Hudson Strait would have been removed from the jurisdiction of the Northwest Territories and would have only been Canadian waters.

At that time, our government and TFN made very strong presentations to the federal government saying that we absolutely disagreed with that legislation. After some very tough negotiations, very reluctantly, the federal government agreed that the waters of the Arctic Archipelago and the waters in the Amundsen Gulf would be included in the definition of the Northwest Territories. We were in the process of getting the federal government to confirm that Foxe Basin would be in that definition of the territorial government. Outstanding were still Hudson Bay and Hudson Strait and there was a very strong reluctance by the federal government to acknowledge any sort of rights of our government or Inuit people in that area.

No Protection Up Until This Accord

Mr. Erasmus talks about the Meech Lake scenario. I think there may be some relevance in that. We fear that perhaps, in the long term, Quebec especially, might have some aspirations to move their boundaries northward. Up until this accord we had absolutely no protection whatsoever. We had quasi-protection North of 60 in the NWT Act, which has never been acknowledged. Remember the NWT Act can and was about to be changed by the federal government with no recourse by us; it is absolutely up to the federal government. So, it is not a very strong protection, the wording in the NWT Act.

In this particular discussion on the accord, for the first time ever, we got the federal government to acknowledge the interest of the NWT in Hudson Bay and Hudson Strait. We think it is a major breakthrough because there has never ever been that acknowledgement before of those interests. We think, and I think we can agree with TFN, that we have to work on that acknowledgement, broaden that acknowledgement. I think that in discussions between us and TFN we can come to a common approach of how we deal with that. The concerns of the Inuit people and the TFN are also our concerns. The concerns come together, I think, in this area. By putting together a joint approach, I think that we can come to a positive resolution of that problem.

The question of Sanikiluaq and the islands is a question that we feel that in the negotiations themselves, it makes sense that they could be included in the definition of onshore. There is really no definition now but we think that that particular problem can be resolved before there is

a final agreement. As for TFN's concerns, the government has no problem with coming up with a positive approach to deal with those concerns. We share those concerns but I want to say that we think this agreement strengthens our position with Ottawa rather than weakens it in this area. That is all I have to say. We are prepared to work with TFN and the aboriginal groups to pursue those ends in Hudson Bay and Hudson Strait and the islands. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. We will take a 15 minute coffee break.

--SHORT RECESS

CHAIRMAN (Mr. Gargan): The committee will now come back to order. Mr. Gruben, I believe you want to say something.

MR. GRUBEN: Thank you, Mr. Chairman. A question was asked before as to what we as the aboriginal groups would like in terms of assistance from the Members of the Assembly. I think I started to say earlier on, Mr. Chairman, that from the IRC point of view, we certainly have some very grave disagreement with the contents of the enabling document. I would hope that, Members of the Assembly, you may appoint or give the responsibility to your Executive to put together the negotiating team. I would say that negotiating team should contain representation from the aboriginal groups. Not to represent necessarily the interests of aboriginal groups but to represent the interests of northerners. Again, Mr. Chairman, earlier on I indicated that I did not want to have the aboriginal groups as part of the team and then limit their input into the development of the comprehensive position.

It was about a year ago, the staff of Energy, Mines and Resources at that time were clearly telling us as aboriginal groups that we would be a part of the process but we would only participate in the development of the overall GNWT position on matters that impact on aboriginal groups. So I guess I have to ask the question, if we are talking a Northern Accord, if that accord does not impact on all peoples of the North, then you would not have generated as much interest in this issue as we have done. When the ability is given to the Executive to put together that negotiating team, we should also allow the negotiating team the flexibility to deviate or expand from that enabling document, as they see fit, to enhance the position of the people of the North.

Need For Resolutions Agreeable To All Parties

I would say, Mr. Chairman, that we should, as aboriginal groups, work with you either tonight or tomorrow to put together a resolution or resolutions that will reflect the interests of all parties and that is going to be agreeable to all parties. One, to define the process of involvement of the aboriginal groups, and I have talked about that already. Number two, to define the interests of the TFN area. Number three, to enable the aboriginal groups, as you would any other interest group on that negotiating team, to have the proper resources to participate effectively within the framework of developing your comprehensive position. And participating adequately means the allocation of moneys. I would also say that we have got to get this negotiating team going very quickly to rough out or to outline certain steps that have to be done very quickly to indicate to the federal government that we are prepared to negotiate. And again, I come back to those four points that I keep referring to on that press release from the aboriginal groups dated September 27. If we can put together this team, then we can look at developing components of the overall strategy or position that the GNWT will present to the federal government. Then, as I have heard one Executive Council Member say, "You know, we have got to take the opportunity now while the representatives of the three federal parties are making promises across the country, to attempt to blow a hole or make some very significant progress on certain items and initiatives that we define as part of that overall strategy." Time is of the essence. We have to develop that very quickly.

Quick Action Needed

I would urge the Members of the Assembly to enable your Executive Council to appoint very quickly, the chief negotiator. We have to start moving on that very quickly. But I am sure that chief negotiator is not going to be chosen by the Executive Council unless they have had at least an opportunity to consult with other Members about who could be on that negotiating team. What we are saying, I guess, is that we develop the negotiating plan and strategy; that we try to negotiate certain components of that negotiating strategy very quickly. We must determine the role of the aboriginal groups in terms of what kind of input they can have into the entire process and how they can enhance the GNWT position. But we do not want to limit them. They have got to be involved in all major decisions and major initiatives developed in the GNWT position. Then we can put together a time table as to negotiations. I think Bill Erasmus outlined a bit of a time frame when he was talking about attempting to make some headway on the Northern Accord, to somehow dovetail some of those institutions and some of the management programs under the

institution with what is being negotiated into his claim. He has a deadline of March, 1990, so there is a bit of a time frame. I guess my feeling is that may be a bit early if you go on the history of how long it took Newfoundland to negotiate their accord. It took them 15 years.

Points From Minister's Letter

So maybe now if I can get to some of the comments from Ms Cournoyea. There is a letter that has been sent from Ms Cournoyea to Mr. Erasmus of the Dene Nation, Mr. Paulette of the Metis Association, and myself, of the IRC, that was dated the 24th of October. I do not know at this point if TFN has seen the contents of this letter, but it was as a result of some meetings that we had with Members of the Executive.

Some of the points I will allude to here. I guess on item one of that letter, dated the 24th of October, where it says, "Aboriginal groups will be a part of the team that develops, with the resources of the Government of the NWT, that comprehensive position. And then as much as possible this position will be developed and agreed to by all parties prior to the commencement of negotiations." I think we can agree with that. Paragraph number two, Mr. Chairman, I am not going to get into much detail except by making reference to this letter to say that in paragraph number two, for the most part we agreed to the intent of what is being suggested here, that the four points that are contained in that press release of September 27 from the aboriginal groups can be built into the overall comprehensive position of the GNWT. I would go one step further by saying, let us highlight those four points as your building blocks for your comprehensive position. Let us put them out front. I think it is very important that the aboriginal groups, with the Executive, would forward names for the choosing of a chief negotiator. We have got to do that very quickly. I agree that this chief negotiator should have the ability to choose from amongst that negotiating team, certain members from that team, to help him or her negotiate components of that comprehensive position.

Number five, I really believe that the chief negotiator should have the ability to tap into any and all expertise to negotiate the position. I have a little difficulty in item number six, where it says that the position taken as developed by the team will be approved by the above mentioned cabinet subcommittee, which will consist at this time, as I understand it, of Ms Cournoyea, Mr. Patterson, Mr. Ballantyne and Mr. Kakfwi. I really think that the negotiating team can develop that position, that it can be passed up to the Executive subcommittee. I would hope that they would not be given the unilateral ability to make significant changes to it; otherwise we will be negotiating a very different package than what we as members of the negotiating team had put together and agreed upon.

Number seven is very agreeable. Paragraph number eight is agreeable. On number nine I think it is very important that we address the issue. Once we come up with agreeable resolutions to all parties as to process and as to certain definitions of roles and responsibilities, outlines of goals and objectives, it would be very beneficial that the people of the North, and indeed the federal government in Ottawa, know that the Legislative Assembly, the Executive Council and the members of the aboriginal groups are in agreement on the process, that we are in agreement on negotiating a Northern Accord. I think it would be very beneficial for the Government Leader to indicate that unity and that agreement in the Legislative Assembly, to send a very clear and strong message to Ottawa that we are indeed prepared to negotiate as a team. Thank you.

CHAIRMAN (Mr. Gargan): Thank you. Ms Cournoyea.

HON. NELLIE COURNOYEA: Mr. Chairman, the process that has been outlined and the request from this Legislative Assembly is exactly what I thought we had agreed on with all the aboriginal groups. The Legislative Assembly has entrusted these negotiations to the cabinet, and the cabinet acts on behalf of the Legislative Assembly. As Minister responsible, or Executive Council Member responsible for these negotiations, I have to report to the cabinet, and subsequently the cabinet reports to this Legislative Assembly. That is the way our government is made up. In the team approach to looking at what we have now, if we were not sitting here we might be sitting over there in the offices working out the issues that the organizations would like to have incorporated

into that framework that will go to the federal government. From my understanding I already have been mandated to do that.

Further Details To Be Considered

Up to this point, to a certain degree, we have struck some understanding, but we have not sat down and worked it out in detail. In a letter on October 24, these issues were brought forward after a meeting that we had with the Dene/Metis and the Inuvialuit. What we took in here is the value of what was being said, equally with other issues that are being brought forward. There are not only the four points that we have to consider, in working with the groups, to feel the most protected or comfortable in going forward in the position. I thought we had agreed on that already.

In its political regime, if the Members of the Legislative Assembly decide to do something, then cabinet is entrusted to do it. If I do not do a good job I get kicked out, or if I mess up. I understand that. What we have committed is that the cabinet has struck up a subcommittee, so when things move quickly the Ministers responsible for Aboriginal Rights and for Justice, and for the financial purse of this Legislative Assembly can sit down. Is this going to have an effect if we have to make a change? If it is not a significant change, is this going to affect the government's coffers? Getting everybody together often is difficult. The way we are doing this approach is as cumbersome as it is because we have a team; we work our position together. We have a framework that was put forward before by previous Ministers; we have some requests from the IRC and some requests from TFN, and perhaps now with the price of oil down, we might have to take into consideration other elements to put together another package, or build on the package. I understand that. I was committed to do that, and to a certain degree I think we have done some of that.

Claims Of Tungavik Federation Of Nunavut

I certainly respect the position of the people who are connected to the Hudson Bay and Hudson Strait area, and we are going to do the best we can in that area. But I have the feeling that as an aboriginal group interested in that area, they have more opportunity to extend their interest. In looking at this, there might have been a problem if we had insisted that we had no accord, but we wanted Hudson Bay and Hudson Strait. Then it would be a provincial question, and then Manitoba would come in and say, "What about our rights?" I do not think that we left anything out because TFN can still, as an aboriginal group, extend past any provincial boundaries, the same as the Inuvialuit have extended past the Yukon.

As a political jurisdiction, when we start messing up with other people's political hats, we could jeopardize the TFN claim, too. As we are going along, I am committed to move with TFN so that we do not upset whatever there is there that allows them as one single group, outside of being part of the Territories, to adjust their claim in other waters. In all the elements, I am prepared, at any time, to sit down and say, let us work it out and let us work the process out. There are a lot of little things that we may not know are happening with TFN right now, or with the Dene/Metis. In broad perspective we know where you are, but at the same time there are other elements, like the Yukon issue, that we still have to address; how we are going to address that, in view of what the Inuvialuit have and certain regimes that are into that area in terms of the environmental review process. I think it is not only the four points, plus the framework we have, but other things we have to consider that have happened in the last year and a half that must be addressed.

Negotiating Team Will Include Aboriginal Groups

We are committed to set that framework up where the Legislative Assembly is the Government of the Northwest Territories. This cabinet reports to the Legislative Assembly. As the Minister responsible, I report to the cabinet. The government will negotiate with the federal government, but part of the team with the negotiator will be a team which includes the aboriginal groups and we will build on it. I do not know whether I can say that total consensus is going to be reached in any given time, but as close as we can get to it, we sure would want to do that.

I know those are the reporting authorities that I have to operate under, and I am committed to work, as much as possible, to resolve it. My feeling was that we should have worked this out first among ourselves. Then if we did not just strike pay dirt, the Legislative Assembly should have been told that the cabinet was not willing to agree to this or the cabinet could not do that; but we have not come to that point yet. Certainly, in all the points that Mr. Gruben has referred to, we have tentatively agreed that is the approach we are going to take, among other things as well, because there might be some other things that have to be brought to the table when setting it up. I just wanted to express to you how I feel my line of authority goes. Thank you.

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

MR. PAULETTE: Thank you, Mr. Chairman. I wanted to make some general comments with respect to the accord itself and the experiences we as aboriginal groups have had in the past in dealing with this whole question of devolution, our involvement and our participation. I do not think there is any doubt in anybody's mind here that this is probably the most important agreement or deal that the Government of the Northwest Territories has made to date. We do not dispute that. As far as the process goes, I do not think we are objecting to that. The process, as Mr. Erasmus said and as Mr. Gruben has indicated, should be made as close or as near to consensus as possible. I do not have any doubt about the results of the final negotiations after that hurdle is passed. But, I wanted to comment about how important this deal was, or is, or will be, and how it is going to impact on, not only the GNWT but on our communities, our claim, the TFN claim. Our participation in the other devolution matters has been somewhat limited and I am not happy or convinced that our participation was to our fullest or the most that it could have been. Maybe that is why we, as aboriginal groups, have come together on this issue because we recognize the importance of it and we have to be and want to be involved.

Aboriginal Groups Aim At Co-operation

As I mentioned before, our involvement is one of co-operation to try to ensure that we end up with the best possible deal. It was never our intention, as I said, to try to derail the process or the whole accord. But, at the same time, I wanted to make the point that as far as devolution goes, in general, I think the Legislative Assembly now appreciates how important it is to us and that I am not totally satisfied with our participation in the past. I do not have to go into specifics or details about that, but it is important to us. I think that the resolution of some of these issues can be made in a co-operative manner and as we work together in trying to negotiate this deal, we will end up with a deal that will benefit everybody. Thank you, very much.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Paulette. Mr. Erasmus.

MR. ERASMUS: Thank you, Mr. Chairman. I want to very quickly just help to make you understand what we are trying to say. I understood Mr. Ballantyne to say that there should be no problem to work out the question with TFN, on the question of waters North of 60...

AN HON. MEMBER: South of 60.

MR. ERASMUS: South of 60. I think that gives us some reassurance. The question then is to work out how the motion would be worded and Mr. Gruben has made a suggestion as to putting the working group together that could work out the specific wording.

Now, Minister Cournoyea also mentioned that we are very close in our understanding toward what the process would be and how that would be involved and, again, Mr. Gruben made comments as to the letter she sent us. It is not totally worked out yet. We have not had a chance to officially respond to that, so that we can work it out. Those specifics, we believe, will work out once we get our team together, once we sit down and begin to put a position together on the accord. I, personally, feel some reassurance sitting here now, from hearing -- and I may be saying this prematurely but I do feel that the Legislature is trying to tell us this can be worked out.

Tabling Of Pertinent Documents

I want to make reference to some documents that we have referred to or would like to have reference made to. We have made reference to, for example, our memorandum of understanding with the GNWT between the Dene/ Metis and the government. It deals specifically with devolution matters, the question of devolving authority to the territorial government. If we may, we would like to have that tabled. We also mentioned the letter that Ms Cournoyea signed to us, if that could be tabled. Also, a document that was presented yesterday to the Constitutional Alliance when we met yesterday. It is a discussion paper prepared by the Dene and the Metis. It is entitled "Devolution of Powers to the Government of the Northwest Territories, Provincehood and Aboriginal Self-Government". These documents we would like to have tabled so that they are distributed and you can have them before you, prior to putting the motion into effect.

Also, I think there should be reference made to the Iqaluit agreement, specifically in Part II, section 1(c)(5), that was approved by the Legislative Assembly in April 1987, the 10th Legislative Assembly, making reference specifically to aboriginal self-government and if you have patience I will read it in part. It says: "In the context of recognizing aboriginal self-government and without prejudice to the negotiations of land claims, the further transfer of powers and jurisdictions from Ottawa shall be vigorously pursued." I think it is important that these documents be before you so that when you do, in the final analysis, make a decision, it is in fairness and that it is pertaining to agreements that have already been made between all the parties present today and that, in fact, it reflects our necessary concerns. Thank you.

CHAIRMAN (Mr. Gargan): Thank you. General comments. Mr. Ernerk.

MR. ERNERK: (Translation) Thank you, Mr. Chairman. How pleasant that we can talk to the aboriginal leaders. The Inuit are the hunters and that is the livelihood. I also understand Mr. Milortok concerning the offshore and onshore issue. This has been utilized by the Inuit for many, many years. There are many more years that we are going to be dealing with that.

I would like you to understand, Mr. Milortok, that I am an Inuk and it is hard for me to separate when we discuss what we are interested in, because it affects both offshore and onshore. I also understood from Mr. Milortok and his colleagues that the Inuit would like to participate through territorial government as the part of the team for the negotiators because of the onshore and offshore issues. I also understood that you are not here to have the veto, but that you would like to have an equal voice and to be treated justly. You came yesterday and today in this House.

Support For Suggested Motions

Also, Mr. Milortok stated that he wanted to see two motions put forward. The first, wanting to be participants to the negotiating team for the energy accord and including all the aboriginal organization leaders, I fully support. When we are voting on the motion I will raise my hand and support this because I believe in it.

Also, Mr. Chairman, the other topic, as Mr. Milortok has stressed on behalf of TFN, is that he would like to see a motion concerning the Hudson Bay and Hudson Strait, to include them in this agreement in principle. I also understood Hudson Bay and Hudson Strait to be included in negotiations. I would like to inform you that what the Tungavik Federation is saying, I cannot oppose, because this is utilized by aboriginal people for hunting and fishing. For those reasons I will support it. Mr. Milortok, I am not talking to you directly, only yourself, on this. The way I understood, these two resolutions that you talked about, are one of the major reasons why you are here today. Thank you. I will have some more comments to make tomorrow. Thank you, Mr. Chairman.

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

MR. LEWIS: Mr. Chairman, when I first heard about this accord being signed, I was very pleased because this was one of the things that, for many years now, people had said was going to make

a big difference to our development as Territories. When I further heard that Mr. Patterson had arranged this deal with the federal government, I heard some concerns expressed that consultation, which had been agreed on in writing, had not taken place. I knew that several people were upset by that, and were very concerned about it. But the more I thought about it, the more I thought he has made an attempt to contact everybody. It is the Prime Minister's timetable, not his. You do the best you can to live up to your agreements as honourable men, and it is very difficult to say, "Well, this is something that I do not want to do right now. I will do it some other time," because that time may never come again. We expect our leaders to take chances like that. I made up my mind if this became a big issue, that I would say it is a tough one, that is the tough problem that every leader has to face. He must have agonized about it, and thought about it, before he finally decided he was going to sign this.

Interpretation Of Mr. Gruben's Analysis

Having said that, Mr. Chairman, I would like to get some further enlightenment about several of the comments made by Mr. Gruben when he gave us his analysis of the agreement. Although we can forgive our leader for taking a chance and taking a risk to get something done for the benefit of all our people, we would all want to know whether in taking that risk, taking that chance, he was able to get a good deal. I think that all Members in the House who were listening to this discussion today are asking that question. Is this a good deal or a bad deal? Although Mr. Gruben did not say this, I interpret his words to mean that in agreeing to all these principles in the enabling agreement, what our government has done, our Executive Council has done, is to agree to a set of ground rules which really are not very good ground rules, because they very much limit the ability of whatever team is set up to negotiate a good deal. Mr. Gruben has pointed out several of those limiting factors in this enabling agreement. I would wonder if we could get that straight on the record today that what Mr. Gruben has really said is that this is not an enabling agreement, but a disabling agreement, because it certainly prevents you from doing many things that you would like to do.

On the other hand, when we -- and this is an important point, Mr. Chairman -- choose a government to do something, we give them a mandate and we say that you are acting on our behalf and we trust you until you prove that your trust can no longer be earned and respected. In doing what our Executive Council has done, they have taken that responsibility and they have made a deal, and if we really try to pull this enabling agreement apart, we are questioning their mandate to govern and to sit down with another leader to make a deal. I would compare this in some ways with the problems that maybe Mr. Erasmus is familiar with, when you give a negotiating team a mandate to negotiate something, and they come back with a set of principles for an agreement in principle to a general assembly. Then you find there are seven or eight things in that agreement in principle that your people do not like. The negotiators who sat down to work out that agreement in principle felt they had a mandate to negotiate something which, when they brought it back to the Assembly, would only need a bit of refinement or a few changes here and there, but not to have it questioned on seven or eight major points.

This is one more crisis, Mr. Chairman, for our government. We have given our government a mandate to govern on our behalf, and this one may not have turned out as well perhaps, as we would want it to. But that is the principle on which we are operating, that they have got the deal that they could get at the time when it was offered. We are not spending a lot of time today, Mr. Chairman, really debating or discussing, we are here to learn. But would that sum up what Mr. Gruben was getting at, that the ground rules that have been agreed to by our government are ground rules that provide too many limitations, so that this team, when it is established, really is not going to be able to get the kind of deal that he thinks we should be trying to get?

CHAIRMAN (Mr. Gargan): Mr. Gruben.

Question Puts Issues Into Perspective

MR. GRUBEN: Thank you, Mr. Chairman. I think that it was a very clear question and one that I was hoping would come out from our discussion here today. It very clearly puts into perspective

some of the issues that have been raised in regard to the signing of the -- I better quit calling it the enabling document. I think I heard somebody say that earlier on so I used it. I will call it an outline for negotiations. I heard somebody else use that too. Earlier on I mentioned that we were very disappointed with the process and the events that led up to the signing of this agreement in principle, but we decided to leave that out of the way or lay that to rest because that is old business. It has happened. You cannot undo what has happened already.

Now, as far as the document itself, my own perspective is that it is a very limiting document. It is a document that should have been given more thought before it was actually signed but I would say that it is very unwise at this particular time to take that document off the table. It is a document that has been seen and agreed to by Ottawa and it is a document that has been agreed to by the Government Leader because he has certain responsibilities mandated to him by the Legislative Assembly. As part of his mandate, he took the risk of signing this document I suppose at that time, because it was an opportunity that could not be missed. It brought us one step closer to provincehood. In all the comments that have been made by myself and by those people who work for me, in terms of the document that was signed, we have always felt that it is not a very good idea to attempt to get that document off the table.

Flexibility Lacking In Document

As much as we are disappointed with the contents of the document, we are trying to put together a process that will allow flexibility. I think I heard the Minister of Energy, Mines and Resources say that flexibility would be granted when negotiating the contents of that document with Ottawa. So, in a nutshell, we are unhappy with the document. We do not want to take it off the table. We want to offer our support to the GNWT to make positive steps forward on negotiating, with the federal government, a Northern Accord.

I guess that comes back to my earlier point again, when we put together the negotiating team you must allow them the flexibility to deviate from that document because of some of the problems I have outlined with it. Mr. Chairman, we all realize it was a very difficult issue. It is a tough problem that we have to deal with but I think it does say something that we are prepared to go and sit down and work this out together. Which is why we are here today. The document does lay out some ground rules. Ground rules, I would hope that can be changed or amended or added to during the course of negotiations, because as you know, negotiations are a two-way street. You may have started off attempting to negotiate a certain deal but in the end you come up with a very, very different deal. But to give us more credibility here as people who represent the interests of the North, we have to give ourselves a shot in the arm by telling Ottawa that we realize we have a document here that enables us to get closer to provincehood, but after further consideration we have come up with some further ideas, very simple ideas on what we would like to tell you that we are prepared to negotiate, and those four points. Again I come back to the four points in addition to what is contained in the document.

Finally, Mr. Chairman, I come back to the whole issue of devolution. This Legislative Assembly has embarked on attempting to get devolution from the federal government down to the GNWT, certain authorities and responsibilities. We at the IRC level, can support that, provided devolution does not stop here at the GNWT but that it continues to move further downwards to the regional levels.

Input Into Document On Political Development

We have been hearing that the Executive Council will be tabling a document, possibly later on during the session, dealing with political development of the NWT on a status quo basis. So I feel that the document should have been passed through for some comment by members of the Constitutional Alliance because we have been mandated, at least as I understood it earlier on by this Assembly, to deal with the development of constitutional structures for the Territories to meet the needs of the people of the Territories. And if that paper is being tabled here by the Assembly without full comment from affected parties who have been given a very clear mandate, then it brings to question the viability of that alliance process. However, I still feel that there is an

opportunity for outside interests, such as the Inuvialuit, to pass comment on certain principles of devolution that I would hope the Members of the Legislative Assembly might consider when you are entering discussion on that paper that is being presented by the Executive cabinet. I would be requesting support from Members to table that document for consideration by the other MLAs within the next day or so. Thank you.

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

MR. ERASMUS: Thank you, Mr. Chairman. I just want to make one quick comment as to the mandate of the government that Mr. Lewis made reference to. I have always maintained that in a democratic society regardless of your position, we have the authority to be able to question government on any decision that is made. That is part of the accountability process. Again I think it is necessary for us to be specific in that regard and to make the House understand that by going through this process that we are involved in here, where we have asked you to invite us, it is so that we can discuss this in public and allow people in their homes, allow people on the streets to understand this. What is this process all about? What is this Northern Accord? What does it mean to all of us? It is a public process and we are quite glad that we are able to do this.

So, whether or not we are questioning the mandate of government is a moot point and so I insist that it must be understood that we are here to make you understand that. Because we are not a province, because we are still in the infancy stage of becoming a province, it is terribly necessary for all of us to understand and to work together as northerners and it is quite simple. The country finally understands that we have these special rights. People in this Legislature have argued for us in the South at constitutional conferences. They have argued for us because they were one of the first ones in the country that recognized that we had these special rights and that is why we are here. We are here because we have always recognized that and we are prepared to take another step. Let us take that step forward.

Involvement In All Aspects Of Accord

I understand from the comments I heard from the previous Ministers that we will be involved in all aspects of developing the accord, and it will not be limited to the specific aspects. Correct me if I am wrong. Also with the question of jurisdiction of waters, again, the House is prepared to deal with that. So, I feel confident that we can develop it.

It is not a question of whether or not the mandate is being fulfilled. If it was then we would have done something when the accord was signed or prior to it being signed. We would have done something even beyond that. We would have done something when forestry was devolved or we would have done something when health was devolved. When the policy came forth that underlined the health transfer. So, we have had ample time to try and take this House apart, if that was the intent. Obviously, it is not. So, again, I try and make that known. Thank you.

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

MR. McLAUGHLIN: Thank you, Mr. Chairman. I would just like to thank the four leaders for being here today. It is a good opportunity for myself and other Members to hear your point of view directly, rather than hear your viewpoints and your arguments about the Executive through the media, that we all heard for a while. The thing is that it now gives us a chance to hear you directly, as I said before, rather than through the media.

I think that I would like to look at the positive side of the thing. I know there is an argument on the memorandum of understanding that was signed, and I do not want to get involved in an argument on whether negotiations started without you or now the door is open there for negotiations to start. I think those can be argued successfully either way, depending upon which side of the door you are on.

Executive Council Had Attention Of Prime Minister

I would like to say that I think the Executive Council had to take advantage of the fact that the Prime Minister was up here and they had his attention on this matter. I think that with previous signings of accords or enabling documents like this, there has been some similar precedents even though there were some guidelines built into them, if you want to call them that. I think when the Inuvialuit signed their first document on their land claims with an outgoing Liberal Minister right before the 1979 federal election, that then committed subsequent federal Cabinets to deal with the issue and they were successful in changing some of the underpinnings to that agreement and changed it and enhanced it over the five years before they signed a final agreement.

Again, I think you could make a similar comparison to what the then opposition leader, Brian Mulroney, signed as an accord with the province of Newfoundland. Subsequent to that, the Government of Canada and Newfoundland signed an agreement which enhanced and improved things for Newfoundland in that area, too. So, I think that I want to look on the positive side, that they have taken an opportunity here which I think they had to take. Certainly I think everyone in the Northwest Territories would like to say that we want to have full ownership of all the resources and all islands and a share in all the offshore between every island in the Arctic and between all islands in the Hudson Bay.

Constitutional History In Canada

In reality you have to look at constitutional history in this country. The provinces of Alberta and Saskatchewan, for example, were 25 years as provinces before they got a share in those types of resources, so this has been given to us in advance of our becoming a province. There may be a down side to that. It may indicate that we will never be a province. There are some down sides to all these negotiations, but we have acknowledgment from the federal government that we are going to get this before we become a province, that we have a say in the offshore and we have an acknowledged interest in the Hudson Bay. I know, when I was on the cabinet, which Mr. Ballantyne just outlined, it was tough to get them to even agree to anything with us in the Hudson Bay as far as the international waters, and when that whole issue was going on through Parliament, and the international agreement they were trying to reach on that.

So, I think we have to look at the positive side of this. We have something that the province of Alberta and Saskatchewan never got until 25 years after they entered into Confederation; that some provinces with the offshore have just got. I do not know where BC is in this but I do not think they are anywhere yet. So, I would like to look at the positive side and I am sure that the Executive Council will take advantage of the expertise and interest that you people have in this and that negotiations with the federal government, after this election, will take place. I think that that is the most important thing. This accord is signed by Canada and no matter what the new Minister after the federal election thinks about it, whoever that Minister might be, in charge of Indian and Northern Affairs, there is a commitment there by Canada that negotiations have to take place and that the GNWT has an interest in these items. So, I want to look to the positive side and hope that the Executive and the native organizations can resolve this and participate together in negotiations, in a positive manner. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. McLaughlin. Mr. Patterson.

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. I would like to specifically respond to the concerns expressed by Mr. Lewis and some of the concerns expressed by Mr. Gruben.

NWT On Outside Of Negotiations Until Now

Mr. Chairman, Mr. Lewis has suggested that this could be a disabling agreement. I would like to suggest that actually, up until now, we have been on the outside wondering what was happening with negotiations that have taken place in other rooms, other places, namely Ottawa. I think up until now, with regard to oil and gas management decisions and, of course, revenues, we have

not only been disabled but we have been totally emasculated, up until now. We have been left out of these discussions, totally. These decisions have been made by an animal called COGLA, Canadian Oil And Gas Lands Administration, in Ottawa, without our involvement whatsoever. Now, through this enabling agreement, we have an opportunity to influence what happens. It certainly is not going to be easy; it may be very difficult to get a favourable deal, but we now have an ability to influence what happens.

I would like to remind the House, Mr. Chairman, that I believe this agreement provides a great deal of flexibility. The first clause identifies principles for negotiating a Northern Accord. The particular clause that deals with the legislative regimes onshore and offshore refers to an initial regime being modelled after -- and I emphasize the words "modelled after" because I think there is a lot of room for flexibility on how you model something after a regime. It will be modelled after the Canada Petroleum Resources Act and the Oil and Gas Production and Conservation Act, and eventually our legislation would kick in, which would be modelled after existing regimes in Canada.

A Lot Of Room For Negotiation

Mr. Chairman, I think there is a lot of room for negotiation there, and I think Mr. Gruben agrees with me, that we should press our negotiating flexibility as much as possible, and I agree with that. I would like to say that I do not think it is a terribly confining limitation to be required to model our onshore regime, for example, after existing regimes in Canada. Alberta, for example, which has provided us with some advice up till now in these matters, has a reputation, I believe, in the oil industry, for having quite effectively exploited to the maximum, revenues from oil and gas. In fact, Mr. Lougheed established quite a sizeable Heritage Fund using a regime that, on the onshore at least, we will be quite capable of modelling our regime after.

The other thing I would like to point out is that although I have already heard some predictions about revenues that might flow, I think it is very premature at this point to forecast revenues with respect to developments that are some distance off. I think Members will agree that anything could happen to the price of oil between now and the number of years before we are at the stage of production in, for example, the Beaufort Sea.

Legislative Regimes Not Cast In Stone

I would also like to point out that the legislative regimes Mr. Gruben referred to are themselves not cast in stone. The regulations that he referred to with reference to detailed calculations on revenues and offsets are only draft regulations. Mr. Chairman, I think, in sum, that there is quite a good deal of room for flexibility and I think we should, together, exploit it to the maximum and get the very best deal that we can for the people of the Northwest Territories. It may not be easy, but I think that if we work together in the spirit that has been discussed here this afternoon, that we can do well.

Just generally, I would like to state that this thing, as Ms Cournoyea has suggested, came together rather quickly. We had very little opportunity to actually influence the content of the document, although we exploited the very short period of time that we had, I think, to great effect. One can never get exactly what one wants in negotiations. That is the nature of negotiation. I think we have the basis for getting all the things that we hope for, if we work together and if we work extremely hard, and if we have a united voice in the Territories. I am optimistic, and I think Mr. Gruben is optimistic as well. He is not recommending that we tear this document up, or remove it from the table. He is pointing out, as I think we have agreed from the beginning, that it may not be perfect in all respects. There certainly are some limitations -- some of which will be discussed in this debate and some of which may not be discussed -- but I think it is something that we can work with, and as Mr. McLaughlin has said, we are a lot further ahead now than we would have been had there been no agreement whatsoever. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Patterson. Mr. Erasmus.

Final Agreement Should Reflect Special Interests In North

MR. ERASMUS: Thank you, Mr. Chairman. I just want to make some quick comments concerning what the Government Leader has just said. I am glad to hear that he is using terminology that is happily received on our part, such as flexibility. I think we are all looking for flexibility. I agree, I think we all agree, that we do not have to develop something that has already been moulded elsewhere. We have different concerns. In the first instance, we may look at other models, we may look at what has already developed in a country, but in the end the final agreement will have to reflect the special interests that we have in the North, and that is good. I agree with that. The specifics that you mentioned concerning the royalties, again that will be developed at the table. We do not know what the percentage will turn out to be. We think that, in the best interests of the North, obviously the aboriginal people will have to have a healthy percentage so that we can develop the economy.

Mr. Ernerk mentioned the importance of hunting and trapping. We are very concerned that that aspect of the economy will always be valued and protected, as your government has said in recent months. We, through our agreements, have an opportunity to support our traditional economy and hopefully, with this, that can continue to happen.

You mentioned the united voice. That is exactly what we are looking for. I think it takes this kind of debate where we are able to discuss in the open, or able to bring our concerns forward, where your Members here can see us in the flesh and ask us questions. It is only healthy, and in the long run you win and we win. Thank you.

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

Specific Comments For MLAs To Consider

MR. GRUBEN: Thank you, Mr. Chairman. Just some final comments in regard to the agreement in principle on a Northern Accord, very specific comments that the MLAs may wish to consider.

In the area which deals with principles, paragraph number two, where it refers specifically to the Canada Petroleum Resources Act and the Oil and Gas Production and Conservation Act, I would urge the Assembly to analyse that particular paragraph, because it is my understanding that although we are talking a very preliminary draft of rules and regulations under those two areas, that right now those preliminary drafts of the rules and regulations could act very heavily and severely on the ability of the government to eventually receive royalties for oil and gas.

I refer to paragraph number five, again, because of the specific reference to the legislative regime under those two acts that the government has to negotiate under. Under revenue and expenditures I think, Mr. Chairman, that the Assembly Members should be very much aware of what is being intended by the federal government in paragraphs five, six and seven. And under there, my own interpretation, Mr. Chairman, is that if you receive a certain level of royalties, you will be asked to split those royalties with the federal government by having a reduction in those transfer payments to you from the federal government. I would ask you to give that considerable thought when you are giving direction to your negotiating team. Under aboriginal rights, I am pleased to gain a better understanding from the Executive Council that the intent there is that they do not see themselves as interfering with claims that are already set or interfering with the negotiation of claims, although I think that the negotiating team may have to expand on that particular aspect.

So very briefly, Mr. Chairman, I have tried to direct the Assembly to particular portions of the agreement where I feel that there may be some very difficult negotiating that has to be gone through, but I believe that Mr. Patterson is quite right when he says that there is a spirit of optimism between ourselves and hopefully from you as Members of the Assembly. So I thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Gruben. General comments. Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: I have sat down with Mr. Patterson and Ms Cournoyea and other Members of the Executive Council, and with Mr. Gruben and some of his staff. We have a different interpretation of these particular words. I guess when you are dealing with a very wide conceptual accord it is possible to read different interpretations into it. We are taking a much more positive attitude in our interpretation. We think there is a lot of room here to manoeuvre and a lot of room within this framework to negotiate. I do not think this is probably the proper place to debate the weakness or the strength of our argument. We are going to have to deal with Ottawa on that one and this is not the proper place to do that.

I want to, if I can, give you the context in which we negotiated this particular accord in a fairly compressed time period. Obviously, anyone who has negotiated will recognize that the negotiators who were there, who were dealing with that negotiating reality and negotiating parameters, were there and had to make decisions. People who are not included in those dynamics sometimes find it difficult to understand why certain decisions were made. We did give a lot of thought, albeit in a short period of time, as to the implications of these clauses. We are quite confident that there is enough flexibility in these clauses that with a good negotiating process we have lots of room to achieve our ends.

Stiff Opposition In Ottawa

What I want to bring to the attention of the Assembly was the very stiff opposition to this agreement in Ottawa. On one hand it is easy enough to look and read potential flaws into it. We had to decide what were the alternatives. We do not agree necessarily with perceived flaws. The alternative, from everything that we came to believe while we were down there, was nothing. Absolutely nothing. Very, very substantial opposition in the Department of Finance; and very significant opposition from the Department of Energy, Mines and Resources.

I think Mr. Erasmus touched on an interesting thought, the Meech Lake implications. Two or three days before we were down talking to Mr. McKnight, we got word that the federal government was starting to get pressure from Quebec about this particular accord. Now our feeling was that if we did not sign this accord, there was a very good chance there would be no opportunity again for anybody in the North, whether our government or aboriginal groups. The positions were very hard. We were really afraid that the provinces were going to jump into the fray and say, "No way. This is actually the back door toward provincial status and we are going to block it." So that was the negotiating milieu. We had to look at whether or not there was enough flexibility in the wording in the document before you, and at some of the points that Mr. Gruben has brought forward. I think you have to recognize, when you are dealing with the federal government on something as sensitive as a Northern Accord, that they want to at least start out with some recognizable rules. There is no way they were going to give us carte blanche to set up a regulatory regime similar to that of Indonesia, for instance. They just were not going to do that. They wanted to set out, originally anyhow, a regime that is understandable to them and to the oil patch. We think that as we get into the negotiations, we can find some flexibility within that regime to put a northern look to it. But there is no way they were going to start off with allowing us the potential, initially, of having a regime based on something outside the Canadian experience. They were not going to do it.

Northern-Oriented Agreement Might Be Possible

It might well be that if we negotiate well, we can find enough flexibility to have a northern-oriented agreement in the final analysis. But it was not there to be had immediately. We interpret this agreement, as far as revenues, as a major breakthrough. They acknowledged all revenues, both onshore and offshore -- and the offshore is dependent on our agreement with the Yukon -- will come to our government. A major breakthrough. Many people in the federal government think they are crazy to even allow that philosophy to come forward. So, that to me is a major breakthrough.

Our interpretation of, I guess, clauses 5 and 6 and 7 is that we asked for and think we will receive a net increase to our coffers. The federal government now is paying 83 per cent of the cost of

running this government. If you add all the federal expenditures in the Northwest Territories, it probably approaches two billion dollars per year. If anyone expects that they are going to give us a total windfall on top of all that revenue, it is just not there. What we expect and what we hope we will get is what, I think, Mr. Gruben originally stated, is a net benefit. We hope it is a significant net benefit. We think the wording allows that possibility. So, we are not worried about that wording.

From what I understand and from people that I have talked to, you can agree on basic principles, negotiating principles, for your fiscal regime. What actually happens is that when a large project, whether that is Hibernia, whether that is tar sands, is getting close to start they are ready to turn on the green light. That is when the real negotiations start, right then. A lot of those principles are thrown out and you decide, "Okay, there is \$50 billion worth of oil there; it is going to cost us \$30 billion to produce it; there are \$20 billion left; the companies need some; governments need some. How do you want it? Do you want it in revenue, in resource revenue sharing? Do you want it in up front impact money like the Maritime provinces did? Like Newfoundland did?" They got two or three hundred million dollars. Newfoundland has foregone royalties on theirs and they have foregone taxes on theirs because they wanted jobs.

So, in the final analysis the deal that is going to be agreed to is going to be the best deal that we can get, depending on the leverage we have at the time. If we had not signed this original deal we would have no leverage. We would not even be part of the process.

Our Foot Is In The Door

Discussions are going on right now, as Mr. Gruben knows, with some of the major oil companies and the federal government. Our foot is in the door and that is what we think we accomplished here. We got our foot in the door and we have enough flexibility, we think, with good negotiators and good negotiation, to achieve many of our objectives. I just wanted to make that very clear to the Assembly, that we do not think this is a bad deal. We think it is a good deal and we think there is lots of room to flesh it out and, we think, even more importantly, this deal was the only deal we were going to get. If we did not get this deal, there was not going to be anything. I just wanted to state a few of our concepts on this deal.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. Mr. Erasmus.

MR. ERASMUS: Thank you, Mr. Chairman. I take Mr. Ballantyne's comments in good faith. I try to appreciate what it must be like to represent the government, to represent all of the people in the Northwest Territories and be able to come up with a deal that you can feel good about.

I want to make a comment, just in leaving, I guess. I am not sure how long we will continue but I think it has to be noted and my good friend, Mr. Ballantyne, who represents me in the Legislature...

--Laughter

...my good friend mentioned Meech Lake so I have to, again, follow. I think it has to be understood, even though we do not want to hear about Meech Lake. Many of us would like to think that it really will not affect us and that we are isolated enough in the North that maybe we can be flexible enough and develop something in the end that will be good for us, but the reality is that Meech Lake will most likely be passed, even if there is a change in the federal government. So, what do we do to protect ourselves? Whether or not we divide the Territories, whether or not we have two jurisdictions that represent us, whether we have one poor province or one rich province, that is to be seen.

Northern Water Resources

I want to make a comment about this question of Meech Lake referring to water. I know we made a decision earlier this summer in Hay River, the Dene and the Metis, not to accept our agreement

in principle in its present form. We made that decision July 10th. On July 13th, I remember hearing on national news that the free trade agreement between ourselves, our beautiful country called Canada, and the United States would not include water. Where is all the water in this great country? The water, a great deal of it, is in the North. A great deal of it is on Dene/Metis land, or it is on Inuit land, whose ownership has never been decided. The legal ownership of our land has never been decided.

So, on one day, July 10th, we said no to the AIP as it exists. No, because one of the problems was water, and we wanted to have ownership of water. Two days later, the free trade agreement said, "No water, Canada is not going to give the States any water." So, let us not kid ourselves, please. Where we are today is very important. The North's resources are terribly important and it is only fair to us, it is only fair to everyone in the North to make the right decision. I do not know what will happen with the Inuit, with the water that they believe has always been there to feed them so that they will live. You are the ones that are going to decide that. You are the Legislature. We are not. I know, through our agreement, we were able to protect ourselves. We still have two years to a final outcome. We have two years. The federal government has agreed that even though we have got an agreement that is beyond any other agreement on water -- ownership, management, controlling, protecting the water -- they have committed themselves to go even further, to a certain degree of ownership.

Now, we are lucky, we were able to get that. The question is, "Will our brothers in the East, the Inuit, be able to get that?" I hope you are right, you are saying there is flexibility. You are saying, "Never have we been able to get this before, never have we gone so far." Well, the question now, and let us begin to read the fine print. Can we take that next step to protect these people in the East? I am not a lawyer, sometimes I wish I was. Thank you.

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

MR. MILORTOK: (Translation) Thank you, Mr. Chairman. I would like to also comment, again, if TFN is going to be recognized and participate with the government, one of the fine lines is that even if Hudson Bay and Hudson Strait is included in this, I do not think that it would have much impact within this agreement in principle. The livelihood of the Inuit is within the offshore and they do not have much caribou so they depend on offshore mammals. We can unite and work together in negotiating for offshore. We know that the aboriginal organizations, if they do not work together with the government, they will not achieve much. If they can agree with the recommendations for our request, I do not think there is going to be any problem in this area. I would like to see the aboriginal organizations and the government work together. Thank you.

CHAIRMAN (Mr. Gargan): Thank you. General comments. Mr. Pudluk.

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I will make a brief statement. The agreement in principle, I will not be commenting on that much. The organizations' request, they are stressing very hard and are in front of us to discuss their concerns. In the past, looking at the devolution of powers to the North, I think we can see clearly that we are working together. If we are not going to unite, it is going to be hard to try and get something we want. When we see devolution being given to the North, we can see we are working for the future generations. I think what we are trying to achieve here, especially in the Hudson Bay area -- I would not want to give it to the Province of Quebec. I would not be very happy if it was given to Quebec, and we have to unite together and work together so that Hudson Bay will not be taken away from us. I think there is something written in the territorial government's policies that NWT has a mandate for the islands, including Sanikiluaq. It is in the jurisdiction and I think we could derive from that area oil and gas, as well as the mammals. It is very useful for us. It is very clear that the aboriginal organizations and the present government have to work together. I would like to commend those organizations when they mentioned that they do not want to have the veto, but they would like to be participants. This will be satisfactory. I mentioned I wanted to make this brief. If you want to be participants, I fully support you. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Pudluk. Mr. Nerysoo.

MR. NERYSOO: No, Mr. Chairman, I was just going to make a couple of comments. I think one of the important items of today's discussion is to hear from the aboriginal leaders their position and the concerns they have. I think that, rather than having a situation where we debate or question interpretation, it is important that we know what the concerns are so that, as a government and as a Legislature, we are capable of responding positively. With regard to the comments that are being made, I think we will have an opportunity tomorrow to ask for clarification from our government on a number of issues and I think that Mr. Ballantyne is probably correct. We could have as many lawyers here as Members of the Assembly, and they would all give us different interpretations. I just wanted to make those remarks. I will speak longer tomorrow on the agreement itself with a view, of course, to supporting a role for the aboriginal people in the process, and to ensuring that there are at least some assurances that protect the confidence of our Executive and our cabinet. I did want to make those quick comments. I have a longer statement to make about the document tomorrow.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. General comments. Mr. Kilabuk.

MR. KILABUK: (Translation) Thank you, Mr. Chairman. I have a brief comment. Listening to the comments, as an aboriginal person I have always been interested in government issues. As the aboriginal leaders said, we are just starting to find out more. Even though we are aboriginal people, individual parties had different views, but today it is clear that we have to be working together and collect our thoughts, because dealing with the federal government is not always easy. The person from Nunakput has already had settlement, and he mentioned that we have to be working together if we are going to be working with the federal government. I believe in his statement that we have to work together among the aboriginal people, and when there is a problem we should work hard toward solving it. This is what we usually do among Inuit when there is new legislation, and when they are opposed to it they become very strong and often successful. I believe that in the future when the aboriginal leaders and the territorial government can agree to work in consensus, then we will progress faster. I am also in favour of this as an aboriginal person. This is not an easy task concerning the energy accord. I do not want you to be caught unawares and I also would like to work with you. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Kakfwi.

Native Organizations Want Share In Management

HON. STEPHEN KAKFWI: Thank you, Mr. Chairman. In the Dene/Metis memorandum of understanding that they signed with the previous Executive under the then Government Leader, Nick Sibbeston, a part of that memorandum of understanding said that, "the devolution of that responsibility..." referring to provincial-type responsibilities that were being considered for negotiated transfer from Ottawa to here, "that responsibility will be negotiated in ways the Dene and Metis agree upon". This was in 1986. I put it to the native leaders here today, is it not that what they want and what they are after, more than just being consulted and involved, is to arrive at a successful conclusion to these negotiations that will see them not only helping to design a management regime but also to be part of it? The idea is to arrive at a situation where the management of oil and gas, that power of responsibility now exercised in Ottawa, which we are talking about moving up here, that when it is moved up here, you do not want a little COGLA to be operating in Yellowknife. Rather you want to have a management regime that you are a part of, that you are represented on, that works in a way that you think is in the best interests of your own particular people. If we do not have it now then in the future surely all the native organizations, the native groups who will be the owners of land, may be benefiting from oil and gas directly through agreements on resource revenue sharing or outright ownership. The missing piece, is it not the major flaw in the comprehensive claims policy that, although you are allowed to own land and you are allowed to have some say in the management of surface development of land, you are not accorded a right to have a say or be involved in the management of oil and gas in the present claims policy? The opportunity that a Northern Accord gives is that it fulfils that need. So it complements the drive that all of you are making, to get as much say and as much control over what goes on on the land and how resources are developed. I am kind of

asking in the form of a question because I have not heard it being stated clearly today. I think maybe it should be, because we are talking about working together which I welcome. I welcome the statement that you are not asking to veto or hold up this fundamental piece of what could be called constitution building. You perhaps see that the stronger we go forward in negotiations, the better chance there is that you in part will get more out of it. If you continue to tear at the government as you proceeded to last week, that it lessens the possibility of success in the negotiations.

But getting back to it, I was just wondering if I have got it right, that really in a way we are talking about working together, about letting the government take the lead. We are talking about being involved in the negotiating team or developing a comprehensive negotiating position. But is it not that what you really are interested in, aside from how it is done and how we position ourselves, is in having a say in the design of a management regime and assuring yourself that you are going to be, when the smoke clears, sitting on that management regime? I ask the question to all of you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Kakfwi. Mr. Paulette.

MR. PAULETTE: Mr. Kakfwi, I am glad that you raised that particular point because it has always been our intention, and I am speaking on behalf of the Dene/Metis beneficiaries, that the whole process if you want to look at it in terms of self-government, was the settlement of our claim, the participation in the political development or the political evolution that we are now involved in through the Constitutional Alliance and the participation of the management of oil and gas. I think that is the mandate under which our organizations have been operating, given to us from our leadership. The participation just solidifies or fulfils these three major areas that we have been involved in and working toward for the last 15 years. I am glad that you raised it and that the rest of the Assembly is informed of that. Mr. Erasmus may want to comment further.

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

MR. ERASMUS: Thank you, Mr. Chairman. Just really briefly. I can only speak to our agreement in principle that we signed. We have an opportunity in there to deal with revenue sharing, management of resource revenue sharing. It provides us with an opportunity to include our people in the communities and at the regional level in whatever institutions we develop for them to have a say in how oil and gas and minerals will be developed. It, for once, provides us a guaranteed opportunity to be involved in working with oil companies and the like, with industries, so that we can develop community benefit packages that really make a lot of sense to us. In other words, it allows us to participate in development in an orderly fashion. In a way where we can benefit, we can take the returns, the dividends and keep them in our communities if we will, keep the returns in the North and build the economy here so that it makes our communities better places for us to live in. To us, this part of the agreement is really important because as you know, we have lived now in communities for the last 40-odd years and we are slowly beginning to adjust to that. My generation is probably the first or second generation that has lived full-time or almost full-time in communities. It is a reality. We are going to continue living in communities and if that is the case then we have to learn how to participate in the wage economy and this gives us that opportunity. Thank you.

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

MR. GRUBEN: Thank you very much, Mr. Chairman. I fully agree with the comments by Mr. Kakfwi. I think he was asking for confirmation of how he would perceive some items that we should gain under the Northern Accord. I agree with him that yes, with the aboriginal groups we do wish to design certain management institutions regarding oil and gas, and yes, Mr. Kakfwi, I can agree with you that when we look at the issue of the Northern Accord from the Inuvialuit point of view, we certainly do not view it as transferring COGLA from Ottawa to a little COGLA in Yellowknife and worse than that, a little COGLA in Yellowknife without the experience to do the job that has to be done. If there is going to be a transfer of authority, you have to transfer the responsibilities with the authority, with the expertise that allows you to be the regulatory agency.

Experience Of Inuvialuit

Earlier on, Mr. Chairman, I started off my comments on a Northern Accord, by saying the Inuvialuit are in a very unique position because we have a claim that is already settled. Right now, I know that many people who are around the table, may wish to benefit from the experiences that I have when I deal with industry. Mr. Chairman, we had probably one of the busiest years in the oil and gas industry, operating in the Beaufort, in 1985 and 1986, as a fledgling organization that put together certain rules and responsibilities developed by ourselves, with input from industry, with input from government, on Inuvialuit lands. The busiest years that we ever, ever had in the Beaufort Sea, 1985, 1986, we never did have even one hitch or disagreement with the industry and with government. So, I guess what I am indicating to you is that, yes, there can be put together certain guidelines, certain procedures for developers as they operate on private land. There is one issue that I am going to raise here which may get different types of responses for those who are negotiating claims right now, and that is that the Inuvialuit under our final agreement have a fair amount of authority as to who gains access onto our lands which I really believe may not be passed on to the other claimants negotiating their land claims right now. However, that remains to be seen.

With that kind of authority that has been granted to us, we can refuse any application to provide access to anyone if we chose to do so. However, if we allow them to carry on access and activities on our lands, we impose conditions on them such as the recognition of business opportunities by our people, the provision of training in their programs for our people, and the provision of employment for our people. However, to get back to Mr. Kakfwi's question, as to designing management in the offshore, and particularly to some degree in the onshore, yes, we do want to be part of the designing of those management institutions.

Central Authority For Regional Management Boards

One way to get the authority to benefit a particular region, is to set up what you call a regional management board. Their responsibility will have to be to go on recognizing that a central authority, or the territorial government, if we are successful in getting authorities from the feds to Yellowknife, the territorial government will set up an agency which, I hope, will have the ability to approve of licensing of developers on crown lands on the offshore. That licensing agency, I hope, will have the ability to represent all people of the North, meaning aboriginal groups should be represented on that committee, as with the federal government, as with the territorial government. Once a licence has been issued, certain responsibilities will be contained in the granting of that licence draft that will have to be recognized by the developer, that he has to negotiate or come up with certain commitments for the region that will arrive at a net benefit for the region. There, down at the regional level, you will have a regional management board that will oversee further conditions that they can impose on the developer, such as business opportunities, protection of the environment, and provision of training and employment.

So, Mr. Chairman, I really do feel strongly that Inuvialuit would like to bring our experience to the table for the benefit of all people of the North. Our claim is not perfect; many people call it imperfect, but I am willing to offer our expertise to help those people who are around the table and part of the negotiating team, who have not had the benefit of the experiences that we have had, to assist you in designing those management institutions that Mr. Kakfwi is referring to, for the betterment of the people of the North.

Royalty Share Negotiated In Claims Negotiations

I always say that what we are talking about, negotiating a royalty share for the aboriginal people, that that royalty share on oil and gas production should be negotiated by the claimant group in their own respective land claims negotiations. What that means is that they have been given the ability to negotiate their share. Whatever they negotiate in their claim is theirs. However, for them to gain benefits out of a Northern Accord, it may not go to the aboriginal group in terms of money. It should go to the people in a particular region through upgraded services that are being

provided by the territorial government and this Legislative Assembly. Which brings me back to the very important issue of saying, "You have got to consider, very seriously, the kind of, legislative regime that will allow you to gain royalties out of oil and gas production in the North."

Finally, I have always advocated the position that if any group of people, it can be Dene, Metis, Inuit, Inuvialuit, others, that if they are in the area of impact of a particular development, that because there are impacts being borne by those people in the area where the development is occurring, they have got to be given quick and just and adequate consideration to upgrade their services, such as housing and education, to meet the demands and the impacts of that developmental activity. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Gruben. General comments. Are there any further general comments? Mr. Kakfwi.

Use Of Present Legislation

HON. STEPHEN KAKFWI: In the Northern Accord, I think the intention was that when the transfer happens we agree to that the present legislation that governs oil and gas under COGLA is what is going to be used, so there is no disruption or drastic change to industry or to government for now. All we do is that we get the benefit of managing oil and gas from the North, instead of COGLA doing it in Ottawa; and that we accept, in large part, the management regime or legislation that governs that for now. It does not rule out the possibility that later we could effect new legislation. After we all catch up with the considerable experience the Inuvialuit have in this area, we could come up with some management regimes that could be, I think, understood and appreciated by everyone from actual, hands-on experience.

That is just coming ahead, because it asks you a question that maybe you could answer tomorrow, as you are running out of time. It is, do you want to do it all before anything happens, or are you open to a phase approach? That is, are you going to ask for all your demands, your conditions to be met? Or, can we look at negotiating an accord which we will take as is, but have it northern controlled and with the objective understood on your part that you are going to try to have better, perhaps more efficient, streamlined, acceptable legislation for management in the future adopted?

CHAIRMAN (Mr. Gargan): Thank you. General comments. Mr. Paulette.

MR. PAULETTE: Mr. Chairman, I am not sure if that was a question or a statement but I do not think we are looking at a process here that is going to be over with within a very short time. I think that we appreciate that there are certain things that have to proceed at a certain pace and I think we recognize that in confirming our participation.

CHAIRMAN (Mr. Gargan): Thank you. General comments. Does the committee agree that the -- Mr. Nerysoo.

MR. NERYSOO: No, Mr. Chairman, I do not have very much to say, and I assume that our Government Leader may say the same thing, but let me say to the leadership of the aboriginal organizations that I wish to express my appreciation for their appearance before the Assembly, because I think it was a process and a discussion that, enlightened some of the Members here, myself included, about the positions and the issues of concern that each individual leader had to raise. I think it is helpful for all of us to hear that the kind of information from you, particularly since this particular item is not closed, in terms of the discussion. We are going to continue and, hopefully, when we make a final decision it will be in conjunction with, or at least recognizing, the comments that have been made by yourselves and the comments that are being made by our cabinet colleagues.

So, I just wanted to thank you for taking the time to appear, particularly since I was the one that originally introduced the motion requesting that you appear here. Thank you very much on behalf of the Members, all the Members in this House. I assume our government would also like to make a few closing remarks.

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

HON. TOM BUTTERS: Mr. Chairman, I will give up my opportunity to speak to Mr. Patterson who probably wishes to say the same things that I do.

CHAIRMAN (Mr. Gargan): I will go to Mr. Angottitauruq first.

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. It seems like this topic is coming to a conclusion. I was going to wait for tomorrow to speak but I think I will just take the rest of the time to speak. Not the rest of the time, just a short one.

I guess I am in support of the TFN's request to join negotiations with our government. I do not see any reason why they should be rejected. Well, the government is the elected body and the negotiators are not elected bodies but I do not think there should be some conflict that there might be, that the government might be overruled by them. I do not think that is going to happen.

More Power In Unity

I think, since they are negotiators, I only firmly believe that they want to also help the people of the Northwest Territories and to unite. They believe to unite is to get more power, so I wish the government would accept their request to join together in negotiations. I think this accord is healthy to the Northwest Territories, that we never have had the chance to get a negotiation going with the federal government in that kind of a form. So, I believe that if we unite it will show the federal government. There might be another new government, who knows, and I think that is the only way we can show the federal government that we are working together. Thank you, Mr. Chairman.

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

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. Certainly, on behalf of the government I would like to express my appreciation to the aboriginal leaders for helping us clarify what they wanted. I think that the letter of October 25th, sent to the MLAs, needed clarification. I am glad that clarification has come forward today, particularly that while there is a great deal of interest and desire to participate in these negotiations, it would not be as parties and that there is no desire to exercise the veto power. I think, Mr. Chairman, that we have built this afternoon in these discussions a basis for co-operation from here on. There was never any question about our desire to include the aboriginal organizations in these negotiations. Indeed, we have made that commitment in black and white in the very last clause of the enabling agreement. I think it is clearer now, how we might proceed from here on to work together. I think we are all agreed, and many people have said it this afternoon, that that is the only basis on which we will succeed in getting greater control over our own destiny, greater self-government, if you like, in the important area of oil and gas management in the Northwest Territories. So, Mr. Chairman, I think it has been a useful discussion of a very complicated matter. We have a long road ahead of us. There will be a need for many more meetings and much more clarification, but I think we have made a good start this afternoon.

Mr. Chairman, I take it that we will continue discussion of this item in committee of the whole tomorrow. Thank you.

CHAIRMAN (Mr. Gargan): Thank you. This will be discussed in committee of the whole tomorrow. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): At this time, I would like to thank Mr. Milortok, Mr. Gruben, Mr. Paulette and Mr. Erasmus. Mahsi cho.

---Applause

Mr. Paulette.

MR. PAULETTE: Thank you, Mr. Chairman. Very briefly, I would like to thank the Legislative Assembly for allowing us to participate in this discussion this afternoon. I think you can now appreciate the concern that we have, the seriousness that we place on the Northern Accord, and the importance of working together in a co-operative manner to try to come up with the best possible deal that we can get. I think we have all indicated a willingness to work toward that and I look forward to working with the Executive Council on that. Thank you very much.

CHAIRMAN (Mr. Gargan): Thank you very much. The time now being 6:00 o'clock, I will rise now and report progress. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

SPEAKER: The House will come back to order. Item 18, report of committee of the whole. Mr. Gargan.

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF TABLED DOCUMENT 2-88(2), AN ENABLING AGREEMENT BETWEEN THE GOVERNMENT OF CANADA AND THE GNWT RESPECTING OIL AND GAS RESOURCE MANAGEMENT AND REVENUES

MR. GARGAN: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Tabled Document 2-88(2), with witnesses, An Enabling Agreement Between the Government of Canada and the GNWT Respecting Oil and Gas Resource Management and Revenues, and wishes to report progress.

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. Gargan. Do we have seconder to the motion? Mr. Pudluk. Thank you. To the motion. All those in favour? Opposed? Thank you. The motion is carried.

---Carried

Item 19, third reading of bills.

Item 20, assent to bills. Item 21, Mr. Clerk, orders of the day.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a meeting of the ordinary Members committee at 9:00 a.m. tomorrow; at 10:00 a.m., a meeting of caucus; at 11:30 a.m., a meeting of the special committee on the northern economy.

ITEM 21: ORDERS OF THE DAY

Orders of the day for Tuesday, November 1, 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: CR 1-88(2), Standing Committee on Legislation; Tabled Documents 2-88(2), 15-88(2), 21-88(2), 16-88(2), 10-88(2), 11-88(2), 28-88(2); Bill 26-88(2)**
18. **Report of Committee of the Whole**
19. **Third Reading of Bills**
20. **Assent to Bills**
21. **Orders of the Day**

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Tuesday, November 1, at 1:00 p.m.

---ADJOURNMENT

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