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YELLOWKNIFE, NORTHWEST TERRITORIES

TUESDAY, FEBRUARY 21, 1989

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. Lewis, Mr. McLaughlin, Mr. Morin, Mr. Nerysoo, Hon. Red Pedersen, Mr. Pollard, Mr. Pudluk, Mr. Sibbeston, Mr. Whitford, Hon. Gordon Wray, Mr. Zoe

ITEM 1: PRAYER

---Prayer

DEPUTY SPEAKER (Mr. Gargan): Orders of the day for Tuesday, February 21, 1989. Item 2, Ministers' statements. Mr. Ballantyne.

ITEM 2: MINISTERS' STATEMENTS

Ministers' Statement On Absence Of Minister

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. Mr. Speaker, I wish to inform the House that the Hon. Jeannie Marie-Jewell has been absent from the House yesterday and today in order to attend a federal/provincial/territorial conference on the Status of Women in Toronto. As I informed the House last week, the Government Leader has been absent for the past two days because of meetings in Ottawa and we expect that Mr. Patterson and Mrs. Marie-Jewell will be in the House tomorrow. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Ballantyne. Item 2, Ministers' statements. Mr. Ballantyne.

Ministers' Statement 9-89(1): Tabling Of The Public Accounts

HON. MICHAEL BALLANTYNE: Mr. Speaker, it is my pleasure to announce that today I will be tabling "Public Accounts of the Northwest Territories for the Year Ended March 31, 1988". This tabling is conducted in accordance with section 74 of the Financial Administration Act.

The public accounts present the formal financial statements of this government, as have been audited by the Auditor General of Canada. They are in agreement with the interim financial report that was tabled in the November sitting of the Legislative Assembly. These accounts represent the first year that the government operated under the current version of the Financial Administration Act, which came into effect April 1, 1987.

The method of presentation of information in the accounts is continually updated by the office of the comptroller general, to ensure that the information reflects the needs of the users. This year, the schedule of the recoveries of prior years' expenditures has been added, as has the schedule of interactivity transfers over \$250,000. Each of these is necessitated by the new Financial Administration Act. The public accounts present for the first time the financial information of the Arctic College as a separate entity. This is presented in section four of the accounts.

The public accounts represent a fair picture of this government's financial status and incorporate the latest policies recommended to make government financial statements useful to readers. On this basis, I believe the accounts will provide government and public users with an accurate and informative review of the 1987-88 fiscal year. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mr. Ballantyne. Ministers' statements. Item 3, Members' statements. Mr. Morin.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Training For Tourist Guides

MR. MORIN: Thank you, Mr. Speaker. Yesterday I was not present in the House because I was checking out the buffalo situation in Fort Providence to see exactly how Renewable Resources was handling and managing the buffalo harvest in Fort Providence. According to my perception of it I am pleased to say that the Renewable Resources officers, Ian Ross and Joe Mackenzie from Fort Rae, were there and they are doing an excellent job out there. I also was pleased to see there were nine individuals from Fort Providence taking a level two guiding course that I think this government has something to do with. They had a very nice camp set up and you could just feel the energy in that place. They were very proud of what they were doing. They were learning a lot. To take a tourist out on the land is a lot different than natives harvesting the food on the land ourselves. They were learning how to skin a buffalo, how to cook for the tourist and basically how to babysit the tourist. They all felt very proud. You could tell by talking to them that they were all looking forward to becoming guides, and guiding tourists to hunt the buffalo. They could see that as future employment for themselves. The feeling there was very good.

The person instructing the course was an outfitter from Ontario who brought along many years of experience. In talking to him he felt very satisfied with what was happening. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Morin. Item 3, Members' statements. Mr. Nerysoo.

Member's Statement On Cashing Senior Citizens Cheques

MR. NERYSOO: Thank you, Mr. Speaker. Mr. Speaker, I have been made aware of a concern by senior citizens in my constituency about their ability to cash supplementary assistance cheques.

While I must commend the government for improving the delivery of these supplementary cheques, the problem encountered now is that once these cheques are received the recipients are unable to cash these cheques until the 14th day of each month. It was indicated by some senior citizens that they wish to cash their cheques as soon as possible rather than risk the possibility of these cheques being lost or misplaced.

I would ask the Minister of Finance and the Minister of Social Services to review the manner in which these cheques are dated with the view to improving the ability of senior citizens in the communities to cash these cheques as soon as possible and as soon as they are received.

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

Member's Statement On Government Approach To Development Of Economy

MR. LEWIS: Mr. Speaker, I would like to express my concern over remarks made by the Minister responsible for Economic Development and Tourism about the new hands-on approach that is going to be taken by our government for the development of our economy. It may be that our government will have to give a little nudge or push but I think to convey the impression to the business community that the government is going to now have their hands on the wheel and on all the gears would be to create a wrong impression. I hope by the time the special committee on the northern economy has finished its work we will have obtained enough input from the

business community and a better understanding of the nature of our economy so we would know the degree to which support by the government is required for the economy. It may not be the hands-on approach by the government itself but by some other mechanism that would do the job far better than governments can ever do. Thank you, Mr. Speaker.

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

Member's Statement On Death Of Napoleon Liske

HON. MICHAEL BALLANTYNE: Mr. Speaker, I rise to convey to the House the tragic news of the recent death of Napoleon Liske, known to his friends as Nap Liske. He passed away on Sunday. Nap Liske was a resident of Dettah. He was a respected elder, 65 years old. Up until four years ago, when he had an operation, he was a hunter and trapper. I am sure that Members of the Assembly will join me in offering our condolences to his wife, Margaret, to their nine children, and to his brother, Antoine. It was a sad day in Dettah. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mr. Ballantyne. Members' statements. Mr. Ernerk.

Member's Statement On Economic Development In NWT

MR. ERNERK: (Translation) Thank you, Mr. Speaker. On Friday, February 17, 1989, at our meeting here, the Minister of Economic Development spoke, and I have been considering his presentations and these are my concerns. (Translation ends)

"...many times, if you think you have social problems now, then come back here in 20 years when our population has doubled and tripled, and we still have not been able to find jobs for those people. We are going to have an extremely bitter and an extremely alienated society on our hands, particularly among the young people."

(Translation) Mr. Speaker, concerning this statement, I am sure you would not like to hear about it, but I would like to further elaborate on economic development in the Northwest Territories. The Inuit in the NWT have a good future to look forward to, and we will be waiting for economic growth to happen in the North. The government has responsibilities toward the people of the North. I think we have to say these things in a positive way. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Ernerk. Members' statements. Mr. Whitford.

Member's Statement On Mental Health In NWT

MR. WHITFORD: Mr. Speaker, I rise today to call the attention of the House to our concerns over the mental health of our people in the NWT, especially in the area of suicides. This House has been tragically touched by the recent event in Pangnirtung, with one of our Members, and other Members of this House, I am sure, have been very close to the topic. I still think that this government is not setting its priorities. We have an organization in the NWT, the Canadian Mental Health Association, who are lobbying daily for this government to focus its attention on their programs to assist in funding. They submit proposals, they are asked to submit more proposals: "Tell us what you are going to do, tell us how much it is going to cost." They have designed programs, they have people waiting to take their programs to the people and deliver them to the people. Yet in this budget there is no money for them. They only get a fraction of what they ask for. I think that the priorities of the government are being misled by something, that here on one hand we are concerned, and on the other hand we do not have enough money for them. This is going to continue. The tragedies will continue, unless we set priorities. I think that this is one area we must seriously look at; do some soul-searching before we end up with more statistics and tragedies like this.

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

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question O80-89(1): Thinning Of Ozone Layer

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. I have a return to oral Question O80-89(1), asked by Mr. Ernerk on February 15, 1989, concerning the ozone layer. Ozone absorbs most of the sun's ultraviolet, UV, rays. It is believed that ultraviolet light contributes to skin cancer, cataracts and eye disease, and adversely affects the body's immune system leading to greater susceptibility to disease. It can similarly affect animals, and it can be very damaging to plants and some marine life forms.

The ozone layer is naturally thinner toward both the North and South Poles. There is indeed a hole in the ozone layer in the Arctic. It is about the size of Greenland and appears to occur between December and February each year. It is not stationary and it moves around. Its centre is east of Greenland about 40 per cent of the time and about 30 per cent of the time in the Baffin area. It spends no longer than two weeks in any particular location. The ozone layer in the hole is not totally depleted. It is about 30 per cent depleted, with wide variation over the area of the hole.

At present, there is likely little impact on northerners because the hole occurs during the winter, mainly in January when there is little direct sunlight. People and animals would receive only a small amount of additional ultraviolet radiation. Plants are protected by snow cover. Because there are only small areas of open water in the Arctic during the winter, there would be limited exposure to marine organisms. There would be a concern in the future if the hole enlarged or remained for longer periods.

Chlorofluorocarbons, CFCs, are the main chemicals that destroy the ozone layer. The CFCs are industrial chemicals used as refrigerants, in aerosol sprays, solvents and blowing agents. There is an international agreement to reduce CFC emissions to half by 1999. Ontario, British Columbia and the federal government have led a call for a total ban on CFCs. As the Arctic may be the first area to be affected by ozone depletion, we hope everyone will follow suit.

MR. DEPUTY SPEAKER: Thank you, Mr. Allooloo. Item 4, returns to oral questions. Item 5, oral questions. Mr. Lewis.

ITEM 5: ORAL QUESTIONS

Question O138-89(1): Confidentiality Provided By Disease Registries Act

MR. LEWIS: Mr. Speaker, my question is for the Minister for Health. There was an article yesterday, Mr. Speaker, in News North written by Kirsty Jackson which deals with the whole issue of the intrusion into people's lives by government in the seeking of information. So my question to the Minister of Health is, is she not satisfied that the Disease Registries Act will in fact provide the degree of confidentiality that she would like to see in this Disease Registries Act and also has she done so following consultation with the medical profession?

MR. DEPUTY SPEAKER: Thank you, Mr. Lewis.

Return To Question O138-89(1): Confidentiality Provided By Disease Registries Act

HON. NELLIE COURNOYEA: Mr. Speaker, I have not read the News North so I do not know what the press is saying. In regard to your question and your ongoing concern about the Disease Registries Act, up to this point the government has not used that facility and does not intend to use it until we are satisfied that the concerns are met. We have not met with the medical professional agencies yet and we intend to do that. Thank you.

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

Question O139-89(1): Steps To Protect Ozone Layer In NWT

MR. ERNERK: Thank you, Mr. Speaker. My question is to the Minister of Renewable Resources. I very much appreciate taking a lesson in certain chemicals and I very much appreciate the answer that the Minister provided but he did not totally answer my question.

What I was trying to ask, Mr. Speaker, was, in light of the discovery of the fact that there is an ozone layer within the arctic air and the fact that the ozone layer is thinning and it is going to, obviously, have a certain amount of impact on the environment, the question that I tried to ask the Minister was this: What is the government going to do in terms of taking certain steps and perhaps steps like restricting certain manufactured chemicals from coming into the NWT such as those that have been undertaken by the province of Ontario as well as British Columbia? Do you understand me, Mr. Minister?

MR. DEPUTY SPEAKER: Thank you, Mr. Ernerk. Mr. Allooloo.

Return To Question O139-89(1): Steps To Protect Ozone Layer In NWT

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. To my knowledge, there is international agreement on the use of CFCs. The goal that the international community is aiming for is to reduce the use of CFCs, which is known to be a chemical that destroys the ozone layer. They would like to reduce the use of these chemicals by 1999. This is the target date that Ontario, British Columbia and the federal government have set for a total ban on CFCs.

Mr. Speaker, as the Member can well appreciate, we as a government in the NWT do not have technical expertise to deal with this chemical. I will, however get back to the Member as to what precisely we are doing as a government to stop the use of CFCs. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Allooloo. Item 5, oral questions. Mr. Morin.

Question O140-89(1): Contaminants From Proposed Pulp Mill

MR. MORIN: Thank you, Mr. Speaker. My question is to the Minister of Renewable Resources. Mr. Minister, what is your department doing other than monitoring the water on the Slave River to see if there are any contaminants coming out of Alberta from the proposed pulp mill? Is your department doing any type of lobbying with the Alberta government at all?

MR. DEPUTY SPEAKER: Mr. Allooloo.

Return To Question O140-89(1): Contaminants From Proposed Pulp Mill

HON. TITUS ALLOOLOO: Mr. Speaker, before the major pulp and paper industry starts in Alberta, I have directed my department to monitor the water quality that is coming out of Alberta to see what sort of pollutants are there now so we can get back to the Alberta government. At this time we feel there will be an impact on our water quality and I have written to the Minister of Environment Canada stating our concern about the quality of water that might be coming from jurisdictions other than the NWT. I have sent a copy to the appropriate provincial Ministers. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Allooloo. Oral questions. Supplementary, Mr. Morin.

Supplementary To Question O140-89(1): Contaminants From Proposed Pulp Mill

MR. MORIN: Thank you, Mr. Speaker. Mr. Minister, what are your concerns with the quality of the water and is your department doing anything to ensure those pulp mills that are designed to come on stream in the Athabasca and Peace Rivers do follow strict environmental controls and to ensure that they will not pollute the waters any more than they have already been polluted? As you are aware, Hinton, Alberta has a pulp mill that flows into the Athabasca. Then we have

Syncrude, the tar sands, and there is one more there around Fort McMurray but all those are dumping directly into the North. If you have three more pulp mills on the Peace and Athabasca, it is a concern to me because the Slave River does flow right by our door and in the end it will end up polluting the whole valley.

Are you doing any type of aggressive lobbying with the Alberta government to ensure that they make sure these pulp mills have the right environmental controls on them so that we do not get any pollutions from there? It is fine measuring the quality of the water but there is no sense screaming after the fact because then it is going to be too late.

MR. DEPUTY SPEAKER: Thank you, Mr. Morin. Mr. Allooloo.

Further Return To Question O140-89(1): Contaminants From Proposed Pulp Mill

HON. TITUS ALLOOLOO: Mr. Speaker, I can very well appreciate the Member's concerns. My department currently is negotiating with Indian and Northern Affairs and with Alberta for transboundary water management to make sure that the water quality does not disintegrate to the degree that we will be suffering the consequences.

As the negotiations are ongoing, I cannot say for sure what level or to what degree we will be able to stop the pollutants coming from Alberta.

MR. DEPUTY SPEAKER: Thank you, Mr. Allooloo. Item 5, oral questions. Mr. Whitford.

Question O141-89(1): Recovering Of Freon Containers At Garbage Dumps

MR. WHITFORD: Thank you, Mr. Speaker. The question is directed to the Minister of Renewable Resources and it is on the topic of the ozone layer again. The NWT Housing Corporation and Public Works in the NWT are responsible for quite a number of houses and quite a number of bits of equipment, refrigerators and such. You can go to just about any dump in the NWT that has houses there and you are going to see refrigerators and other Freon containers out there. My understanding of the issue here is that a large percentage of the problem is caused by escaping Freon and other refrigerants. The question is, is the government going to be doing anything in that area to recover these refrigerants, Freon and refrigerants before they are being thrown into the dump and further contributing to that problem? Does the government have a program to recover Freon from its own equipment, which consists of a large part of refrigerators and such?

MR. DEPUTY SPEAKER: Mr. Allooloo.

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. At this point I am not aware of any program that is being undertaken by our government to make sure that the Freon is not released from the refrigerators and freezers. But I will look into this matter and get back to the Member as soon as I can.

MR. DEPUTY SPEAKER: Thank you, Mr. Allooloo. You are taking the question as notice. Mr. Ernerk.

Question O142-89(1): School Busing, Chesterfield Inlet

MR. ERNERK: Thank you. First of all, I would like to indicate how pleased I am that the school busing situation in Chesterfield was somewhat solved. I am wondering though, Mr. Speaker, if this is going to be an ongoing arrangement with the students of Chesterfield Inlet.

MR. DEPUTY SPEAKER: Thank you, Mr. Ernerk. Mr. Kakfwi.

Return To Question O142-89(1): School Busing, Chesterfield Inlet

HON. STEPHEN KAKFWI: Mr. Speaker, because of two things -- the distance from the community to the school, and the wide open space between the two, and the fact that there are a lot of polar bears moving around in between the community and the school, I will play it safe and say that we would give assurance to the Member that the service will continue.

MR. DEPUTY SPEAKER: Thank you, Mr. Kakfwi. Mr. Ernerk, supplementary.

Question O143-89(1): School Busing Policy Of GNWT

MR. ERNERK: Mr. Speaker, what is the school busing policy of the Government of the Northwest Territories?

MR. DEPUTY SPEAKER: Mr. Kakfwi.

Return To Question O143-89(1): School Busing Policy Of GNWT

HON. STEPHEN KAKFWI: Mr. Speaker, just to say that there is no school busing policy in place, but there is one that is being developed for my consideration within the department. In many cases in the North, when the old Commissioner was playing Santa Claus in previous years, some communities asked for a bus so they got a bus. Others asked for cars for their chiefs, so they got cars for their chiefs. There was no particular policy. The remnants of that are what we are trying to scrape together into some sort of a cohesive policy. The short answer is that there is not really a policy, but we are trying to put one together right now.

MR. DEPUTY SPEAKER: Thank you, Mr. Kakfwi. Oral questions. Mr. Ernerk.

Supplementary To Question O143-89(1): School Busing Policy Of GNWT

MR. ERNERK: I remember the days of Mr. Stuart Hodgson. I notice today that Ministers ask for a car and they get a car. I rented a car the other day. Mr. Speaker, if a community wishes to get some help from the Government of the Northwest Territories -- I will use the Minister's words -- you have to consider the distance of a place and the school itself. There is really no way of being assured that you will get a school bus. You will get some assistance from the government in order to get a school bus at the community level. I am particularly asking about my home town of Rankin Inlet, which will be approaching the Minister of Education for some assistance in terms of getting a school bus arranged. There is a new subdivision that is somewhat far from the school itself.

MR. DEPUTY SPEAKER: Mr. Kakfwi.

Further Return To Question O143-89(1): School Busing Policy Of GNWT

HON. STEPHEN KAKFWI: Mr. Speaker, we are all anxious to see if the department can come up with a feasible busing policy that we could all discuss. Distance would have something to do with busing, for sure.

MR. DEPUTY SPEAKER: Thank you, Mr. Kakfwi. Oral questions. Mr. Morin.

Question O144-89(1): Buzzing Of Wild Animals By Airplanes

MR. MORIN: Thank you, Mr. Speaker. To the Minister of Renewable Resources. Mr. Minister, is it against the law for airplanes to buzz wild animals, for example buffalo in Fort Providence? Is it against the law for an airplane to sweep down out of the sky and buzz the animals to scare them?

MR. DEPUTY SPEAKER: Mr. Allooloo.

Return To Question O144-89(1): Buzzing Of Wild Animals By Airplanes

HON. TITUS ALLOOLOO: Yes, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Mr. Morin.

Supplementary To Question O144-89(1): Buzzing Of Wild Animals By Airplanes

MR. MORIN: Thank you, Mr. Speaker. A supplementary question to the Minister. On Sunday, at the Fort Providence buffalo sanctuary, one of the people from your department -- a biologist, I believe, and some of his friends -- were stalking up on a herd of buffalo and an airplane came out of the sky and buzzed the buffalo and sent them all running away, and scared the hell out of them, I guess. What is your department going to do to ensure that charges are laid against that pilot?

Also, in talking with another member of your department, he stated that a pilot from Hay River phoned him the same day and gave a report that some buffalo had been poached, or something like that. It did show that there was a pilot flying around in the air that day. What are you going to do to ensure that that person is charged for doing that?

MR. DEPUTY SPEAKER: Mr. Allooloo.

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. I will take the Member's advice and look into the matter. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. You are taking the question as notice. Oral questions. Mr. Morin, supplementary.

MR. MORIN: Thank you, Mr. Speaker. A supplementary to the Minister. Mr. Minister, will you report back to this House since this is the forum that I brought it up in, when you report back exactly what you have done? Thank you.

MR. DEPUTY SPEAKER: Just to remind the Member that the Minister has taken the question as notice. You cannot ask a question after the Minister has taken a question as notice. Oral questions. Mr. Lewis.

Question O145-89(1): Unspecified Elements In Budget

MR. LEWIS: Mr. Speaker, my question is to my friend across the alley there, the Minister of Finance. There has been great concern expressed that the budget that he presented to us in this House the other day contains some unspecified elements in it. There is a fear that the \$25 million that he has earmarked for what is called infrastructure may be, in fact, a hidden war chest that the Minister will use just before the next election. What I want to ask the Minister is this, Mr. Speaker, could he tell us what he means by "infrastructure" and what process will be used to decide what infrastructure is needed and where this infrastructure will be put in place?

MR. DEPUTY SPEAKER: Thank you, Mr. Lewis. Mr. Minister.

Return To Question O145-89(1): Unspecified Elements In Budget

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I think the Member's constituents will be glad to know that, after his statement, we will not be able to spend any money in Yellowknife. I think the Member's question is a fair one.

---Laughter

...the preamble was not quite as fair, but the actual question is valid. The government over the last six months has tried to look at a long-term plan, a way in which we could try to address basic infrastructure deficiencies over the long term, not just to put a small bridge here or do a little work on an airport or a little maintenance on a road. The feeling of the Ministers that have been involved in transportation, both Mr. Wray and Ms Cournoyea, is that we have to show a little bit of vision. At no point will the federal government give us on a silver platter the billion dollars that probably would be necessary to develop transportation infrastructure in the Northwest Territories.

Our intention in the long term is to develop a plan with the federal government and as we get into specific questions to the Ministers, as the Ministers get into the details of it, we will try to develop with the federal government over the next 20 years a transportation plan, an infrastructure plan. The basic elements of that plan, the things that we are looking at, are highways, things like the Mackenzie highway, the link between the Mackenzie highway and the Dempster; looking at the possibility of a highway in the Keewatin for instance; looking at improved airport facilities and looking at marine facilities, not just docks but larger scale marine facilities.

What we are trying to do is start a process now and bequeath to future legislatures at least the basis on which they can work. We want to develop a proper, big-picture transportation infrastructure in the North. I think the hope of the Ministers involved, and of the Minister of Economic Development is that in the long term that is the sort of vision we need if we are ever going to build an economy here in the Territories. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mr. Ballantyne. Item 5, oral questions. Mr. Lewis, supplementary.

Question O146-89(1): When Infrastructure Funds Will Be Spent

MR. LEWIS: Supplementary, Mr. Speaker. Since this is a long range plan and all kinds of consultation has to take place with the federal government, is it the intention that this \$25 million be spent during this coming budget year after all this consultation has taken place or does the Minister expect it will be carried over for some time into the future?

MR. DEPUTY SPEAKER: Mr. Wray.

Return To Question O146-89(1): When Infrastructure Funds Will Be Spent

HON. GORDON WRAY: Thank you, Mr. Speaker. The intention is, and at present negotiations are under way with the federal government -- and this was started on the Prime Minister's visit to the Northwest Territories -- to develop a joint transportation plan that would see an equal cost sharing by the federal government over a long period of time, perhaps a 20 year time period. We wanted to show that we were prepared to commit substantial dollars to this and we are presently negotiating the terms of reference of a joint transportation study which we hope to have completed, hopefully, by the end of this year in terms of weighing out for the federal government's purposes, because it has to justify within its own budgetary cycle the necessity of substantial dollars and why those dollars have to be spent. The money may not be spent in this year. It may be spent in the following year but we have to show to the federal government that we are serious when we say we want to develop major transportation infrastructure in the North and that we, as a government, are prepared to bite the bullet and put money into it. That is why the money is sitting there.

I can advise the Member that the cabinet will certainly not rush precipitously into spending this money until we have a good joint plan and we know what we are going to do. It is there at the present simply because when you negotiate with the federal government, always their first question is, "Where are you going to get your money from?" and we want to show ahead of time that we are prepared to do it. Now we can say to them, "Okay, now you can put your money where your mouths are and do the same as us."

MR. DEPUTY SPEAKER: Thank you, Mr. Wray. Item 5, oral questions. Mr. Whitford.

Question O147-89(1): Requirement To Purchase Safety Regulations

MR. WHITFORD: Thank you, Mr. Speaker. My question is directed to the Minister of Justice. It concerns a letter. I leaked a letter to him the other day that his Department of Safety had sent to a small businessman, informing the business that there is a regulation requiring businesses to have copies of the safety regulations on hand for all their employees to see. Further in the letter it says that these copies are available from the Department of Safety for a price of \$18. I wonder if the Minister had time to consider that and see if this hidden business tax is justified and legitimate?

MR. DEPUTY SPEAKER: Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I appreciate the notice given to me by the Member yesterday. I have not had time to get the information but I will respond to the Member as soon as I can. Thank you.

MR. DEPUTY SPEAKER: Thank you. The question is taken as notice. Oral questions. Mr. Pudluk.

Question O148-89(1): Extension Of Inuktitut Curriculum Beyond Grade Six

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. The question is directed to the Minister of Education. In the schools on Baffin Island it has been said that they are taught Inuktitut up to grade six. The people would like to extend the Inuktitut curriculum beyond grade six. They would like to have it taught up to grade 12. I wonder if the Minister can look into the Inuktitut curriculum to see if it would be possible to extend it to grade 12. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Pudluk. Mr. Kakfwi.

HON. STEPHEN KAKFWI: I will look into it.

MR. DEPUTY SPEAKER: Thank you. The question is taken as notice. Oral questions. Mr. Morin.

Question O149-89(1): Translation Equipment For Snowdrift

MR. MORIN: Thank you, Mr. Speaker. My question is for the Minister of Culture and Communications. Mr. Minister, Snowdrift is a community on the east end of Great Slave Lake, approximately 300 people, predominantly Chipewyan-speaking people. There seem to be a lot of government people that come into the community as well as Ministers for meetings and the community does not have any interpretation equipment. Most of the people in Snowdrift do not speak English. A lot of the elders that are very involved in the council do not speak English and they do not have any equipment to interpret. The South Slave Regional Council does have interpretation equipment but that is for the South Slave Regional Council so that is in Fort Resolution. I realize your department has some equipment -- I think it is just two sets for the whole Western Arctic. My question is, are you going to supply Snowdrift with translation equipment that they can keep in the community at all times? I realize your department cannot supply translators all the time but we could find translators in the community. It is the equipment that is the most important. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Morin. Mr. Allooloo.

Return To Question O149-89(1): Translation Equipment For Snowdrift

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. At this point, Mr. Speaker, I cannot assure the Member that we will have equipment available in Snowdrift full time. Thank you.

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

Question O150-89(1): Increased Funding For Outpost Camps

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. This question is directed to the Minister of Renewable Resources. There are outpost camps up in the North and you can only get to some of them by airplane. You can reach some by boat as well to bring in supplies. For those outpost camps that cannot be reached by boat, I wonder if the funding they receive could be increased. Thank you very much.

MR. DEPUTY SPEAKER: Mr. Allooloo.

Return To Question O150-89(1): Increased Funding For Outpost Camps

HON. TITUS ALLOOLOO: (Translation) Thank you, Mr. Speaker. As of now, I have no plans to make a substantial increase for outpost camp funds. The local representatives, the HTAs, are the ones that are doing very well in looking after their funds. In fact, they are one of the best organizations in looking after the funds they receive. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Allooloo. Item 5, oral questions. Item 6, written questions. Mr. Nerysoo.

ITEM 6: WRITTEN QUESTIONS

MR. NERYSOO: Thank you, Mr. Speaker. I have a number of written questions that I would like to stand and ask.

Question W7-89(1): Executive Position On Aboriginal Self-Determination

I have one to the Minister of Aboriginal Rights and Constitutional Development. Previously the Ninth and 10th Legislative Assemblies strongly supported the aboriginal people in their efforts to pursue aboriginal self-determination through aboriginal self-government and protection of a role for aboriginal people in the development of structures of government within public government. What is the present position of the Minister of Aboriginal Rights and Constitutional Development and of the Executive Council on this very important issue?

Question W8-89(1): HAP Units

Secondly, a question to the Minister responsible for the Housing Corporation. Would the Minister indicate and outline the process to be used for the development of community infrastructure to respond to building requirements of HAP units?

Question W9-89(1): Road From Aklavik To Willow River

A question to the Minister of Municipal and Community Affairs. Has the Minister reviewed the proposal of construction of a road from Aklavik to Willow River? What has been the result of this review? Is the government prepared to consider and discuss options with the hamlet of Aklavik?

Question W10-89(1): Use Of DDT In The NWT

I have a question, Mr. Speaker, for the Minister of Health. Has the Minister of Health reviewed the issue of use of DDT in the NWT? Would the Minister report back to this House where DDT was used in the NWT and who approved or authorized the use of DDT? Would the Minister of Health indicate specifically the communities in which DDT was used? Has the Minister or the Department of Health conducted any research of the effects of the use of DDT in the communities within the NWT? More specifically, was such research conducted in the Mackenzie Delta communities?

Question W11-89(1): Use Of Student Residences By Students

I would like, Mr. Speaker, to ask the following question to the Minister of Education. Would the Minister of Education table in this House the criteria used to allow students to utilize student residences throughout the NWT?

MR. DEPUTY SPEAKER: Thank you, Mr. Nerysoo. Item 6, written questions.

Item 7, returns to written questions.

Item 8, replies to Opening Address.

Item 9, replies to Budget Address. Mr. Lewis.

MR. LEWIS: Mr. Speaker, I would like to get unanimous consent to have this item continue on the order paper until Friday.

MR. DEPUTY SPEAKER: The Member has asked for unanimous consent to waive Rule 22(3) and leave "Replies to Budget Address" on the order paper. Do we have unanimous consent?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. DEPUTY SPEAKER: Are there any nays? Mr. Clerk, Item 9 will stay on the order papers.

Item 10, petitions.

Item 11, reports of standing and special committees. Item 12, tabling of documents. Mr. Pudluk.

ITEM 12: TABLING OF DOCUMENTS

MR. PUDLUK: Thank you, Mr. Speaker. I would like to table Tabled Document 35-89(1), a document concerning housing needs for teachers in Arctic Bay. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Pudluk. Tabling of documents. Mr. Whitford.

MR. WHITFORD: Mr. Speaker, I would like to table Tabled Document 36-89(1), a document entitled "Suicide, Guidelines for Helpers". Each Member already has a copy.

MR. DEPUTY SPEAKER: Thank you, Mr. Whitford. Item 12, tabling of documents. Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Mr. Speaker, I wish to table Tabled Document 37-89(1), Public Accounts of the Northwest Territories for the Year Ended March 31, 1988.

MR. DEPUTY SPEAKER: Thank you, Mr. Ballantyne. Item 12, tabling of documents.

Item 13, notices of motion.

Item 14, notices of motion for first reading of bills. Item 15, motions. Motion 4-89(1), FEARO Witnesses to Appear before Committee of the Whole, with Mr. Morin.

ITEM 15: MOTIONS

Motion 4-89(1): FEARO Witnesses To Appear Before Committee Of The Whole, Carried

MR. MORIN: Mr. Speaker:

WHEREAS the federal Minister of the Environment has appointed six members of the public to serve on the Kiggavik federal Environmental Assessment and Review Panel;

AND WHEREAS the federal Environmental Assessment and Review Panel is charged with determining the local social and economic effects of the proposed Kiggavik uranium mine near Baker Lake, NWT;

AND WHEREAS the Government of the Northwest Territories supports a full public review of the Kiggavik project as the most complete review process available;

AND WHEREAS government, the public and special interest groups have expressed interest in the project and its review;

NOW THEREFORE, I move, seconded by the honourable Member for Nunakput, that the Legislative Assembly invite the co-chairmen of the Kiggavik FEARO panel to appear as witnesses before the committee of the whole on Wednesday, March 15, 1989, to explain and discuss the FEARO hearing process.

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

MR. MORIN: Thank you, Mr. Speaker. I will not speak to the motion as the motion is self-explanatory.

MR. DEPUTY SPEAKER: Member for Nunakput, Ms Cournoyea.

AN HON. MEMBER: Question.

MR. DEPUTY SPEAKER: Question is being called. All those in favour? All those opposed? Are there any abstentions? Motion is carried.

---Carried

Item 16, first reading of bills.

Item 17, second reading of bills. Item 18, consideration in committee of the whole of bills and other matters: Bill 1-89(1), CR 1-89(1), with Mr. Angottitauruq in the chair.

ITEM 18: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER COMMITTEE REPORT 1-89(1), REPORT ON THE REVIEW OF THE 1989-90 MAIN ESTIMATES; BILL 1-89(1), APPROPRIATION ACT, 1989-90

Department Of Municipal And Community Affairs

CHAIRMAN (Mr. Angottitauruq): The committee will now come to order. Mr. Minister, would you like to bring in your witnesses for the general comments?

HON. GORDON WRAY: Yes, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): For the record, Mr. Minister, would you like to introduce your witnesses?

HON. GORDON WRAY: Thank you. Present at the witness table are Mr. Al Menard, deputy minister of MACA, and Mr. Jim France, director of finance and administration.

CHAIRMAN (Mr. Angottitauruq): Thank you, Mr. Minister. We are on general comments on the Department of Municipal and Community Affairs. General comments. Mr. Zoe.

MR. ZOE: Thank you, Mr. Chairman. Mr. Chairman, a number of speakers yesterday commented on a number of things that I will be talking about today, specifically on the community infrastructure. Mr. Chairman, when we were reviewing the Department of Municipal and Community Affairs, the concern that was raised at that particular meeting was that the basic community infrastructure was inadequate. The Minister himself indicated that the infrastructure that we have in place across the Territories is not up to par.

If the government is going to succeed in terms of economic development or the enhancement of the well-being of all the residents, the place to start is with the community infrastructure. If you do not straighten out or meet the basic infrastructure in the community then you might as well forget about what is going to be occurring in the Territories. That is basically the foundation of democracy.

Budget Will Not Meet Basics

Even the Minister admitted that the current budget we have in front of us is not going to meet the basics. I realize that it is going to take time to improve this whole situation but it appears to me, Mr. Chairman, that government as a whole is not putting their priorities in place. I feel that the municipalities are underfunded and there are a lot of discrepancies between communities.

The infrastructure that we have in place is poor; so poor that our government cannot even meet the basic needs. I realize the Minister is trying to accommodate the municipalities to at least try to improve, to try to meet the basic needs but it seems like we are falling further and further behind.

I do not know the answer but I think the government has to place more emphasis on this particular department. This budget for Municipal and Community Affairs is only 9.8 per cent of the overall budget. I feel that it should have been more because the municipalities have been suffering for a number of years in terms of transportation or roads. In a lot of these municipalities, when roads were built, Mr. Chairman, they brought in a grader that pushed over the overburden, and that was considered a road. To this day, a lot of municipalities still have these roads that are not really roads. The department is falling further and further behind.

One of the reasons -- I guess it all boils down to money -- but each municipality is not funded properly either. The funding formula that is in place at this time is not meeting the needs of the municipalities. It seems like the larger municipalities -- the cities and towns where they generate their own revenue -- are going further ahead than the smaller hamlets, settlements and chartered communities. On the whole spectrum, there are inequities in a number of the municipalities. I realize that the government is trying to address that particular problem at this time, but it seems like it is taking forever to try to resolve this whole issue of formula funding.

Mr. Chairman, there are a lot of concerns raised in various municipalities in terms of trying to educate, not only their residents but also the administrators that they have. They try to utilize their own members. The infrastructure that we have in place is, to me, not adequate. In terms of looking at municipalities it also involves other departments: Education, Government Services, Social Services. If you look at the whole thing, I think this department should have been given a higher priority than some other departments that we will be considering in this particular budget.

In terms of community airports, a number of Members elaborated on this yesterday and the day before, and the Minister is well aware of that particular situation. I have been harping on that issue since I got into the Legislature.

Requests For Amendments To Legislation

There are a lot of issues that the municipalities have brought to the attention of the Minister in terms of putting in new legislation. The Minister did that last year and the year before. Now the municipalities are requesting a number of amendments to various acts. I do not know if the Minister will be bringing forward the amendments that the municipalities have requested. I am sure they are consulting with the municipalities themselves and also their Association of Municipalities.

Mr. Chairman, I will be elaborating a little bit further, but this whole community infrastructure is, as the Minister said in his statement -- it does not appear that they are going to be able to catch up to provide just the basics. He indicated that the reasoning behind it is because they have been neglected over a number of years because of the financial position the government was in. I still claim that if we are going to prosper, then this is the department that should be receiving additional funds to carry out its mandate; just so that the communities themselves will be self-sufficient so that they can provide services to their own people in terms of fire protection, water delivery services, etc. A number of municipalities are not that self-sufficient at this time. Once we get into the details of the budget, I will be elaborating a little bit further. Thank you.

CHAIRMAN (Mr. Angottitauruq): Thank you, Mr. Zoe. Are there any further general comments? Mr. Nerysoo.

Changes In Taxation Assessments

MR. NERYSOO: Thank you. Not prolonged comments, but I would ask the Minister, if at some time maybe he could clarify the changes in the taxation assessments that have been done so there could be a clearer understanding by Members in this Assembly and also the general public. I would also ask if he could provide me, Mr. Chairman, with details on the kinds of changes that have occurred throughout the NWT; more specifically, if he could provide that in terms of the Mackenzie Delta communities -- what changes and what effects they have had with regard to taxation. I must indicate that it was a matter of discussion last week at the meeting of the hamlet council in Fort McPherson. People are still not clear about the consequences of those changes. If you could at least provide that information to me and to the Members of this Assembly.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you. I will be more than happy to provide that explanation. Perhaps the Member could raise the question again when we get to the appropriate section in the estimates. I have just sent an official to get me the actual, what it means on a community-by-community basis in terms of the assessments. I will get that information and then the Member can raise it again, and I will be able to give him the information he requires.

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

MR. NERYSOO: Thank you, Mr. Chairman. One particular concern also was raised -- and I think that probably the Minister responsible for the Housing Corporation would be interested in this particular comment as well -- as a result of the decision by the Housing Corporation, at least in some communities, not to construct this year but to develop land in the communities. It was not clear what the relationship was with Municipal and Community Affairs in terms of developing land in the communities. There does not seem to be a construction program, and I think that was the reason I asked earlier about the plans and the criteria of the Housing Corporation in terms of land development. If there is going to be additional land development in the communities, and land set aside, or at least construction proceeding, to have lots ready for new housing units within the next two years, then those developments are probably going to have to happen within the next year or so.

There did not seem to be any kind of relationship at all that was clear to the communities, and I would ask that the Minister consult with the Minister of the Housing Corporation to ensure that if there is development to take place this year, that it could be done in conjunction with the additional land developments that were occurring in the communities this year, or at least next year. I think that that same situation probably would arise in every other community where HAP applications were being processed. Now I believe there is approximately a two year waiting period. In some circumstances there were approvals given, but I thought that in new areas in the communities that this co-ordination had to occur.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. I am a little bit confused because we are still continuing to develop land. This year we are going to spend about \$2.5 million on land and site development. Our basic strategy is to develop a bank of land in every community regardless of who is going to use it, whether it is the Housing Corporation or government or the private sector. What we are striving to do is to create a bank of land in every community and I am not aware of any communities that are unable to proceed with construction because there is no land available.

CHAIRMAN (Mr. Angottitauruq): Mr. Nerysoo.

MR. NERYSOO: Thank you, Mr. Chairman. If I could maybe explain it so it is a little clearer. I am under the impression as well that the Municipal and Community Affairs are in fact proceeding with land development. The statement out of the Housing Corporation is that in some cases housing HAP units would not proceed because there was a need to allow for the settling of pads. My feeling is that in order for you to proceed in the communities with land development, then part of that particular project should include the pad developments in those communities because you cannot ask people to wait two or three years with no development occurring and request them not to apply for HAP units to wait for those lots to settle. I would just make the suggestion that maybe you can consult with the Minister of the Housing Corporation with a view of ensuring that those land developments are carried out in conjunction with the projects that you are carrying out in every community that has been identified for HAP units in the next couple of years.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

Pads For Houses

HON. GORDON WRAY: Yes, I will certainly consult with the Minister of Housing. I think the problem may be we no longer build pads. We provide the roads and the driveways but it is up to the individual land holder to build the pads, whether it be a private home-owner or government or the Housing Corporation. It could be that timing is the problem because I know a lot of HAP clients, by the time the selections and that have gone through, are sometimes faced with having to build the pad and then put the house on it one or two months later, not knowing a year ahead of time who is going to get what land because it does cause some difficulty. From a technical point of view letting a pad settle for a year is a wise move, particularly if you are going to own that house because, as we know, land shifts up here. That problem can be overcome by going to piling. When you are piling to bedrock it really does not matter what the pad does. But it may be a question of timing as opposed to the actual mechanics of getting it done. I will talk to the Minister of Housing.

Maybe there is a way to identify a year ahead of time where the lots are going and to whom they are going, to allow them to build pads one year and let them sit over a whole winter and a spring thaw cycle. I will consult with Mr. Butters on that.

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

MR. ERNERK: Thank you, Mr. Chairman. I would like to ask the Minister one or two questions about one of the objectives of his department for 1989-90 budget year. Maybe I will just tell him why I want to ask this question. Again, I want to talk about briefly Rankin Inlet as being one of

the communities that is growing quite rapidly in terms of new buildings being built, large buildings being constructed in the community. I am talking about apartment buildings or apartment complexes. There is hotel expansion there; there is a large school there; there is a large office building being built just now in Rankin, as the Minister knows. Secondly, there is a larger expansion in terms of airstrip and facilities I am sure this summer that will require further study by the Department of Municipal and Community Affairs.

So that brings me to my question, Mr. Chairman, to the issue of comprehensive and integrated municipal firefighting and public safety training strategy. I was party to this meeting of the hamlet council of Rankin Inlet sometime around January 26th or 27th when hamlet councillors indicated that there was going to be a need for, for instance, a full-time fire chief at the community level. As well, there is going to be a need for training, especially training of the volunteer fire force in Rankin Inlet who should be able to provide proper protection to all of the people of a place like Rankin. I am just using a place like Rankin because the community is growing very rapidly and I guess my point and my question is made.

I would like to ask the Minister with regard to this development of comprehensive and integrated municipal firefighting and public safety training strategy because I see it as a real requirement in the communities especially as they are growing so rapidly. Mr. Chairman, I will just end my questioning here for now.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. The Member is correct that with our communities growing so fast obviously fire and fire protection become a concern for us. We are right now working with the Department of Justice to come up with a plan, a fire protection plan, in terms of the training for the volunteer fire departments and where we are going to do it and how we are going to do it and the type of training we give.

With regard to the issue of fire chiefs, which the municipality of Rankin Inlet has raised as a priority, again, we go back to the problem of resources. The hamlet has within its authority moneys that we give them on conditional funding and if they choose to establish as a priority within their community that the fire chief is a position they would like to fund, they can do that from within their existing funds at present.

With regard to the supply of full-time fire chiefs and the government funding them, at present as far as I am aware Yellowknife, Inuvik and Iqaluit are the only three communities that have full-time fire chiefs. There are many communities in a similar position as Rankin, as the Member pointed out, Hay River, Fort Smith, Tuk, Baker Lake, Pangnirtung, Dorset. They are all getting to the point where they are large communities and in fact Hay River is a very large community. They feel that a full-time fire chief is not justified. I do not hold out any great promises that we will be able to find fire chiefs for all these communities because if you look at the number of communities that are similar to Rankin in terms of size and number of buildings, probably it would be somewhere in the neighbourhood of about a million dollars to fund these positions. Once again it is a case of every year just doing a little bit more and hopefully over the years being able to provide money to allow for full-time fire chiefs.

With the airport in Rankin Inlet, and the Member is quite correct that the airport is going to go through a major upgrading. I think the whole status of the Rankin Inlet airport is going to have to be looked at because it was originally constructed and is funded as a B level airport; but it is rapidly moving and, in fact, I will suggest that the level of traffic there may be even higher now than some of what we call our A level airports. Particularly with the forward operating location, FOL, coming to Rankin Inlet I am not aware at present what DND's plans are for firefighting capabilities at the Rankin Inlet airport but I suspect they must have some plans or they would not be planning such a large amount of money on facilities and bringing in jets worth hundreds of millions of dollars if they were not going to provide some kind of firefighting capabilities. We have to look at the status of the Rankin Inlet airport, I think, apart from the community's needs because the airport certainly is increasing in size. It is a goal of the department to move in that

direction and once again it is inhibited again by money, as most things are in the North. Hopefully through time we will be able to accommodate some of the requests.

CHAIRMAN (Mr. Angottitauruq): Thank you, Mr. Minister. General comments. Mr. Pollard.

Formula For Assessing Large Parcels Of Land

MR. POLLARD: Thank you, Mr. Chairman. Mr. Nerysoo touched on this issue and that is the issue of taxation and the new assessment. It would appear that, particularly in the corridor outside of Hay River, the people with larger pieces of land, Mr. Chairman, seemed to be hit harder than everybody else, which is going to set them back because some of them are farmers or market gardeners that are trying to make a living on the land. I was wondering if the Minister would reconsider the formula used in assessing large parcels of land. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Yes, we are reconsidering our position on agricultural land at present and we hope to be able to deal with it at the Court of Revision.

CHAIRMAN (Mr. Angottitauruq): Mr. Pollard.

Lotto 6/49 Revenue

MR. POLLARD: Thank you, Mr. Chairman. I wonder if the Minister could tell us how many Lotto 6/49 machines there are in the NWT right now and the kinds of revenues that are coming back from those machines, and where do those revenues go, Mr. Chairman?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: There are at present two machines in the NWT; one is in Yellowknife and one is in Hay River. Approximately, and only approximately, the revenue from the one in Yellowknife is about \$350,000, which is put back into sport development through Sport North. The Hay River one is in the first year so we do not have a track record on the revenues but again the revenues will go into sport development.

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

MR. POLLARD: Thank you, Mr. Chairman. I know that Iqaluit, Fort Smith, and I think Inuvik were interested, at least when I was mayor in Hay River I had calls from those communities expressing an interest in getting a Lotto 6/49 machine. Has there been any work done in that regard, Mr. Chairman?

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Yes, there have been other requests for the machines. We operate under a licence from the Western Canada Lottery Foundation and we broke some fairly new ground with the Hay River machine but now, having established a machine in Hay River and having worked the problems out, it should be much easier to put machines into other communities. It is just a question of working out the legal obligations of both parties in the respective communities.

CHAIRMAN (Mr. Angottitauruq): Mr. Pollard.

Travel Assistance For Sporting Groups

MR. POLLARD: Mr. Chairman, the Minister is full of good news today. I will try another one. This deals with sport and recreation. I must say your department has paid particular attention to sports groups in the NWT, Mr. Minister. There has been a lot of assistance for travel between communities so that you get intercommunity competition but I am finding more and more that

some of the sports groups and some of the people who are successful in winning competitions are looking for assistance to travel into southern Canada. I know you have had some requests for sports groups to travel out of the country. I wonder if you are going to be addressing in this budget the fact that now that you have a level of expertise in some of these sports up so high that these NWT teams would like to go and try their luck in another league, as it were, will the government be assisting them? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: At the present time our policy is approaching this on a case by case basis. I guess our success has somewhat caught up with us. Within the department now we are looking at developing a policy on that very question because although requests have been few, the trend is that they are starting to increase every year, so as a department now we have to move to come up with a policy to address that. We do not have one right now and we very much do it on a case by case basis.

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

Garbage Clean-Up In Sanikiluaq

MR. CROW: (Translation) Thank you, Mr. Chairman. I am going to make a comment that has not been heard very much. It has been requested from my constituency. It is with regard to the HTA. This is a request from the HTA members. They approached the hamlet council but apparently the hamlet council did not agree with what they had in mind. The hamlet does not have enough funding to contribute or give a grant to the organization. It has something to do with the garbage dump.

The communities are growing very rapidly but the garbage sites in each community are growing, especially Sanikiluaq, which has been a community for quite some time. For instance, the community of Belcher Island was started by the government and was created in 1970. The engineers and town planners probably did not prepare very well with regard to the site of the garbage dump when they built the community. They did not think of a place for dumping waste. We live on an island in Sanikiluaq and the garbage site in Sanikiluaq is not that close to the community. When there is a strong wind the garbage usually flies around in every direction.

The hunters and trappers association has tried to tell the people that are out in the camp that the hunters should gather up their garbage to dispose of it properly. The problem they have is that there have been some people that have been hired by the HTA to collect garbage around the community, in the camp or when they are out hunting. But right in the community of Sanikiluaq, the hunters and trappers would also like to gather some garbage; but they would like some funding from the hamlet council, but the hamlet council does not have any funding for that.

They want to keep the community clean but also it is mother nature that carries the garbage around and somebody has to clean it up. I think there should be some kind of preparation, or something started to clean up the garbage around the community. Maybe also they could put a fence around the garbage dump; that was proposed quite a while ago so the garbage would not fly around as much. This was a request from the HTA to MACA. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you. Our plans for Sanikiluaq call to fence in the garbage dump, not this year but next year. The long range plan is to fence the dump in. I think in terms of the community clean-up, I am surprised that the hamlet would refuse assistance because that is their responsibility.

In most communities, communities have a spring clean-up or a fall clean-up, a community clean-up in the spring done by volunteer community residents who -- and it is obviously in the community's own interest to have the community clean -- get out and the hamlet usually supplies them with bags and some trucks for the residents to deposit the garbage in.

I would think that if the hamlet wants to be responsible then they should assist hunters and trappers in the clean-up. We do provide money for it through what is called protective services. It is not specifically allocated for community clean-up but they are allocated money for municipal services and I would suggest that the easiest way to do it would be to organize a community clean-up; ask community residents to come out on a certain day; have the hamlet there with their trucks; supply the residents with bags and just one long line of people go through the community and clean it up.

In other communities they have the kids take a day off school. I know in some places they have paid the kids 25 cents a bag for the kids to go around and collect garbage and pay them 25 cents a bag. So there are a number of ways it can be done but it is the hamlet's responsibility. That is their role as a community government. But we as a department are going to fence in the garbage dump in Sanikiluaq.

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

MR. CROW: Thank you, Mr. Chairman. We do have spring clean-up every year. The hamlet council asks the public of Sanikiluaq to clean their yards. They go around every spring, either the end of June or July. Maybe a week later or a couple of weeks later all the garbage that was cleaned up is picked up by wind and is blown all over the place. So the hunters and trappers association is very concerned that if we just leave our garbage, although the hamlet has employees burn the garbage once in a while, we have a lot of wind in Sanikiluaq and the garbage is to the northwest of the community and unfortunately we get a lot of northwest winds and we smell the garbage being burned. I think it is a health hazard. A lot of times the garbage is not burned when it is taken up to the dump. Then when we have a strong south wind or north wind, a lot of garbage is blown around. There are a lot of old garbage bags, cardboard boards and the HTA in Sanikiluaq would like to get some funding so that they could hire a few people to clean in their hunting area. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you. I can have my staff in Iqaluit work with the council there to come up with a better way to manage their garbage dump and their garbage problem. As I say, our intention in Sanikiluaq is to fence the garbage dump in. That is what we are planning to do in the 1990-91 budget. We are looking at setting aside funds to do that.

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

MR. ERNERK: Thank you, Mr. Chairman. The garbage is something that is a concern to all the communities where the Minister and I come from. I often wonder if this whole issue of the garbage dumping grounds should be taken a look at by the communities much more than it has been in the past. We seem to talk so much about clean air, clean environment, clean communities and yet we contribute to destroying some of the environment with what we throw out on the land.

The thing to do I think is to start from the home and really take this garbage issue under control. That is, we have to encourage our people in the communities not to leave garbage all over the place in their camping grounds, which is one of the major problems in all of the communities that I have seen. But what concerns me more is something along the lines that Mr. Crow was talking about, this issue of burning garbage.

Issue Of Burning Garbage

Paper burns, garbage bags burn, and all the things that you throw in the garbage burn but one of the things that I have noticed in the communities is that so many chemicals seem to be burning when the communities burn their garbage. Things like paint and other things contain chemicals and blow within the community, around the community to whatever; to the birds, to the people at the community level, to whatever. I guess I answer my own question. I guess the hamlet council municipalities do have power to do what they wish to do with garbage, whether to leave it the way it is or to burn it, but the thing that concerns me most, again, Mr. Chairman, is that a lot of chemicals are thrown in the dump and let us face it, the dump is fairly close to the community, again, in a place like Rankin Inlet. This is just an example of what is happening across the communities that I visited in our region. Maybe the thing to do is to try and see if we could improve this whole issue of garbage dumping grounds. Thank you.

CHAIRMAN (Mr. Angottitauruq): Mr. Minister.

HON. GORDON WRAY: Thank you. Garbage dumps and dumping grounds are an item that is becoming again a fairly serious issue for us because, once again I think Mr. Crow made the comment, when these communities were originally planned nobody expected them to grow to the size that they are and now many of the dump locations are unsuitable because of the growth of the community.

Climate Not Conducive To Garbage Rot

A number of other factors come into play. The garbage that both Members have alluded to has been left in hunting camps. Probably the worst thing that happened to the North was when they invented Pampers. They are extremely difficult to get rid of, as are plastic bottles. Not only do we have a tough time in terms of the garbage that we do generate not being biodegradable, but even the biodegradable elements in our garbage do not degrade that fast because of the climate that we live in and the fact that things do not rot very fast. We are having to look at burning or burying the garbage. In my home community of Baker Lake we have a couple of garbage dumps along the land that were dumped there by the federal government back in the late 40s and early 50s. The garbage is as good now as it was 30 years ago. It has not rotted. It stayed there.

We are taking a whole new look at garbage dumps. One of the things we are instituting is that under municipal legislation the hamlets have total and absolute control over their garbage dumps and the control of them, the regulating of them and what happens with them. We are putting in place in this budget municipal works training officers in the Kitikmeot and Keewatin Regions, which will mean that we have one in every region. The job of those people is to work with community staff, the hamlet foreman and the hamlet staff, on how to properly manage and look after their garbage dumps because the small communities are generating an incredible amount of garbage. It is just becoming a larger problem than anyone ever expected it would be.

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

MR. ERNERK: Thank you, Mr. Chairman. I just want to continue on this discussion for another few moments. The other thing that concerns me very much, Mr. Chairman, is the situation with sanitation standards. This goes back to the previous statements by some speakers with regard to the sanitation dumping grounds. In Coral Harbour for example, they have a dumping ground which is fairly close to the garbage dump but because there is a hill and the hill is slanted or sloped where they dump the sanitation it flows into one or two lakes. It freezes in the winter. I went to see it about four weeks ago with the Minister of Housing when he was there. As it starts to thaw out in the spring it flows into those lakes and those lakes are not small. They are fairly large-sized lakes. When the geese come in the spring -- excuse me, I am talking, okay?

Those are the geese stomping grounds, if you want to call it that. There are a lot of geese that stay there. It is not a healthy situation for the birds to come up here. I think the other thing the department should be taking a look at very seriously is the issue of sanitation standards in the NWT.

CHAIRMAN (Mr. Angottitauruq): (Translation) Thank you, Mr. Ernerk. Mr. Minister, do you have any answers?

Major Problems In Sewage Disposal

HON. GORDON WRAY: Just to say to the Member that we acknowledge that again, we are developing major problems, particularly in the disposal of raw sewage with the large construction program taking place in our communities now, with the number of houses being rehabbed and converted to water and sewer pumpout. The generation of liquid sewage has doubled in the last five years. We have several communities where we have some major problems. This year, for example, we are going to be spending close to six million dollars on sewage disposal in various communities. You are right. Somebody in the past must have said that a hill was a good place to dump sewage and garbage. Mr. Arlooktoo can tell you from Baffin South that that is one of their biggest problems, the location of their garbage dump and sewage disposal on top of a hill. In Baker Lake the exact same thing, where it was dumped on top of a hill that runs right into our water system. I do not know who picked those locations in the past but they must have had something in for hills. It is a problem that we are moving as quickly as we can to address. This year the Executive Council in fact made an additional four or five million dollars available to the department to deal with the water and sewer and garbage dump problem, or seven million dollars, I should say. Just to acknowledge to the Member that we recognize it is a serious problem and we are moving as fast as we can.

CHAIRMAN (Mr. Angottitauruq): (Translation) It is now 3:00 o'clock and we will go for coffee.

---SHORT RECESS

CHAIRMAN (Mr. Pollard): I will call the committee back to order. Municipal and Community Affairs. General comments. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. (Translation) This is going to be brief. I will try and speak briefly. (Translation ends)

It might take a while, but while we are discussing the Department of Municipal and Community Affairs, I probably will not have anything completely new. It will be just the regular ones, and the regular community concerns.

Starting with Pelly Bay first of all. Like any community, this community is also growing. It is a rocky terrain in that community, and they are getting short of space to go, and their biggest concern right now is the airstrip being too close to the community. There is no room for expansion. They are also concerned with the tank farm being right inside the community. That is not a new concern to any community that is growing. While we are discussing this department, like any other community, Pelly Bay is lacking recreational facilities and their main concern at this time is the lack of facilities such as a hockey arena and other facilities. They are the only one in that region that is not expecting a hockey arena within the near future.

Raising Funds For Projects In Small Communities

They would like to collect some money to try and reach 10 per cent, and for a community of that size to collect that 10 per cent could take many years. I believe that this 10 per cent for a capital project was aimed at a large community such as Yellowknife, Hay River or Fort Smith. Pelly Bay has just a little over 300-odd people. My first question is, would the Minister review the 10 per cent policy to reflect a smaller community of approximately the size of 400 to 600 people? In order to try and collect money to get large projects such as hockey arenas and curling rinks, you require 10 per cent to speed up or to show that you are really interested in it. That 10 per cent really slows down the ability of a community. For a small community maybe five per cent would be fairer than the 10 per cent, because these large capital projects are a good few million dollars. That would be my first question, Mr. Chairman.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. At this time we are not considering lowering the requirement. The 10 per cent is all relative; obviously in a smaller community of a smaller facility, which costs less money than a large facility in a large community. Although it is tough, we feel that it is necessary for the community to raise that money to show the level of interest and commitment to the project. I can only point to a community in the Kitikmeot Region, Holman Island, which I believe has an even smaller population than Pelly Bay and it raised \$225,000 over a fairly short period of time. It took them three or four years but so far from all indications, while the requirement is a fairly tough one, communities are meeting it or are working to meet it. In the major municipalities it is 60/40, like Yellowknife for example is a 60/40, split not a 90/10 split. So we are not contemplating changing it at this point in time.

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

Water Supply In Gjoa Haven

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. I guess to go a little further on the matter -- not the matter but to change to another subject here, another community. If the Minister would have any comments or replies I would appreciate it. This is mainly going to be a comment.

Moving on to Gjoa Haven. While the community of Gjoa Haven has been talking about requesting to get a new water lake for a number of years now, the health inspectors state there is no health hazard, but the community does not use it very much for consumption. If they have other water available by any means they get it. They would not use the present water source that is available.

There are many three-wheelers, four-wheelers, whatever vehicles are available. They go to a lake that is approximately four kilometres away and during the wintertime most of the residents get ice for water and in the summertime, many of the people get ice from the sea ice and drain the salt out and use it for fresh water.

The information came from the local municipal administration office and the hamlet council that they were told this fall that if they wanted to get a water lake other than the present water lake they would have to get a pipeline from that new lake to the town. They were told that this would be the longest in the NWT, which I personally did not believe. It came out it seemed, that the community was being told that they were going to get the longest pipeline and your project would not be in time because you are going to need more money.

Authority Of Regional Office Re Timing Of Projects

That really surprised the community because when I asked a question last fall through a written letter, the Minister told me the dates and the years that this project was going to be scheduled for. The regional office seemed to have said that they would take away the projects if the community does not agree with what they are planning. I guess the simple question would be, does the regional office have the authority to delay any projects when the Minister has already made a decision to put them or prioritize them in his department's books? To hear that from the regional office the community was really moved by it. The question was why do they have the authority? That is the question I am asking at this time, especially on major capital projects do they have the authority to delay those kinds of projects?

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

HON. GORDON WRAY: A very simple answer, no they do not.

CHAIRMAN (Mr. Pollard): Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. That concludes my general comments. I probably would want to say a few more when we get to the details of the capital. I will just wait for the other ones that I am going to make when we are discussing it item by item. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Angottitauruq. Municipal and Community Affairs. General comments. Does the committee wish to go into the books? Mr. Whitford.

Air Pollution From Yellowknife City Dump

MR. WHITFORD: Thank you, Mr. Chairman. I was a little delayed getting back here after the break, and I did not have an opportunity before the break to bring to the Minister's attention the subject of the Yellowknife city dump. I would not like to see this topic pass by without making a few comments on it. I am sure the Minister is aware of it, but just for the record to remind him -- I am not sure whose bailiwick this is going to fall under -- but ever since I have been in Yellowknife this dump has been talked about and talked about and talked about. No one is doing anything about it.

Every year, before election time, people are going to do something about it, but it continues. To echo the concerns of my friends from Rankin Inlet and from Sanikiluaq, the pollutants that come from this area, one only has to be down wind of the dump to know what it is like. As dumps in most towns are a collection of everything, there is no control as to what is being thrown in there. Good heavens, we probably have things that would be outlawed anywhere else. We certainly do have a good quantity of paints and residue from construction; we have plastics; we have insecticides; we have pesticides; we have batteries and tires. I would not be surprised if some of the stuff from the hospital gets thrown out there from time to time. This in itself is not so bad, if it is properly tended to. If it is buried, that is one thing, but it is set afire, either through natural spontaneous combustion or else through the work of the city employees who go there and set

it afire to destroy it. This is what I think is part of the problem, the fact that this stuff is not made to burn under those conditions, the conditions out there. Everything is mixed together with snow and ice and water, and things that should burn and things that should not burn. If it were to be burnt under proper conditions, that would be one thing; but out there the conditions are far from ideal and we have partial combustion. In the smoke that comes out of there, there probably are dangerous chemicals, residue from this partial combustion and those, with a good north wind, drift across the city and hang out there.

What we have here is a situation where some 10,000 people are affected, maybe once, twice or three times a month. It is not to down play the same problem in some of the smaller communities where fewer people are concerned. If one person is endangered by the burning of the dump, the smoke and toxic wastes that are in there, then we should be concerned.

Here we should be even more concerned because we have more people. It is certainly not very appealing to see this black cloud rising from this dump almost every second day for people coming in from the South and staying at the Explorer Hotel. The hotel is downtown and this grey cloud is drifting across town and they wonder what smells.

Possible Relocation Of Dump

Them aside, take a look at the citizens of the city. We have talked about it; Ecology North and other environmental groups have lobbied to have this dump moved to a safer area and for the dump to be operated under more ideal conditions. Nothing has been done. I think that this matter has gone on long enough and that MACA should pressure the city and perhaps assist the city to relocate this to an area where the health of the public is not going to be affected. I cannot show you proof positive that anyone has been affected but these kinds of things do not happen right away. These things happen years later. You get incidents like this smoke that keep occurring every week, and this is bound to cause some problems down the road if we do not do anything about it. I am sure the Minister is aware of this but I want to make sure the Minister is not forgetting it in his department.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Whitford. Mr. Minister.

HON. GORDON WRAY: I am certainly aware of the problem. I mean, you cannot forget it when it blows across your front yard, but in the city of Yellowknife the city council is wholly and totally responsible for the garbage dump. The suggestion that somehow I or my office pressure the city -- I guess my own response is, if the citizens of Yellowknife who vote the city council into power cannot do it then my influence would be negligible. I do not know if I should use my office in that matter. I think it is a matter between the citizens of this community and its elected city government. Thank you.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. General comments. Mr. Whitford.

MR. WHITFORD: But surely when a situation like this has gone on as long as this has, the government, your department, cannot close its eyes to it. If the City has not done anything for whatever reasons, the department in concern for the citizens that it represents, surely must be able to set some sort of a standard and give some direction and some advice, perhaps through moneys, to assist the City to make a decision; some moneys to assist the City in coming to some conclusion. I am told that it is going to cost a lot of money to do that. I do not know why. Dig a hole somewhere and find another location down wind. Here we have the dump almost in the midst of the city and nothing is being done about it.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Whitford. Mr. Minister, did you have any further comments in that regard.

HON. GORDON WRAY: I am given to understand that the City is looking at present proposals and they have asked us for advice and we have provided it. But again Yellowknife is the largest, most

senior and supposedly sophisticated community in the North and they have as much resources available to them as we do when it comes to planning. I would say that the bottom line is that it has got to be between the citizens of this community and their elected city government.

Directorate, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. General comments. Municipal and Community Affairs. Going into detail on O and M. Page 14.10 in your book. Directorate, total O and M, \$4,351,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Page 14.11. Mr. Nerysoo.

MR. NERYSOO: Thank you, Mr. Chairman. Could I ask, in terms of the issue of the prime public authority concept, are there other options being discussed or being considered by the government to meet the so-called special needs of community governments? Are there other options being considered?

CHAIRMAN (Mr. Pollard): Thank you, Mr. Nerysoo. Mr. Minister.

HON. GORDON WRAY: There are other options available such as the chartered communities legislation in the Charter Communities Act. There are available forms of legislation. Prime public authority is something that is available if communities desire to use it. But those are the options that we essentially have available to us right now.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Mr. Nerysoo.

MR. NERYSOO: Thank you, Mr. Chairman. Are you open to suggestions with regard to new concepts or at least optional types of community governments that may fit within the concepts that are presently under consideration but may be expanded to include a few other issues or responsibilities?

CHAIRMAN (Mr. Pollard): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. We are always open to options. One of the reasons why we passed the Charter Communities Act was to provide that open-ended option that almost allows communities to set its own terms of government, under what kind of structure and that. So yes, we are always open to options.

Community Works And Capital Planning, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): We are on page 14.11. Municipal and Community Affairs, community works and capital planning, total O and M, \$6,346,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Planning, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): Next page. Community planning, total O and M, \$1,190,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Surveys And Mapping, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): Surveys and mapping on page 14.13, total O and M, \$395,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Sport And Recreation, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): Page 14.14. Sport and recreation, total O and M, \$7,319,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Municipal Affairs, Total O And M

CHAIRMAN (Mr. Pollard): Municipal Affairs, page 14.15, total O and M, \$32,362,000. Agreed? Mr. Nerysoo.

MR. NERYSOO: Thank you, Mr. Chairman. I did ask earlier about the issue of assessment in terms of community taxation and maybe if the Minister could clarify for me or explain that situation at this particular time.

CHAIRMAN (Mr. Pollard): Mr. Minister.

HON. GORDON WRAY: Thank you. Essentially there are two taxation areas in the NWT. There are the tax-based municipalities and within the boundaries of those tax-based areas, the municipality is responsible for serving its tax-base which is based on the revenue that local government needs to generate, to pay for its services. Outside of the tax-based municipalities, across the NWT we have what is called the general taxation area. As you know, about three years ago we had a comprehensive report called the Watson report done on property taxing and assessment in the NWT and we have been slowly implementing the recommendations of that report.

Discrepancies In General Taxation Area

One of the most glaring discrepancies in the general taxation area was the fact that communities were being taxed at different levels. In some communities they were using a 1963 assessment base. In some communities, a 1987 assessment base and in some communities, a 1986 assessment base. So there was really no logical or rational method of taxation that was equal for everybody. So we have been working over the last two years to bring everybody to the same assessment base which is the 1987. So everybody outside of the tax-based area has been brought up to a 1987 assessment base.

In the budget announcement, the Minister of Finance, and it is the Department of Finance's responsibility to set the new rate, announced that a mill rate of six would be set. What this meant is that in some communities taxation has gone down because they were previously paying a 27.5 mill rate. With regard to the Member's particular constituency, the figures I am going to give you are averages, and what we have tried to do is pick an average sized house on a lot in a community and compare what people paid in 1988 as opposed to what they will pay in 1989 with the new assessment base. In Arctic Red River, for example, a 1500 square foot house, which was previously assessed in 1988 at \$82,000, would pay \$299 a year in property tax. In 1989 the same house is assessed at \$40,600 and the taxation rate for that house will be \$244. In fact, there has been a decrease of about \$55, or about 18 per cent, in Arctic Red River for taxation.

In Fort McPherson a 1300 square foot house, which was previously taxed at \$193 per year would now go down to \$162 a year. There has been about a 16 per cent decrease in that community. In Aklavik, a 1300 square foot house, the taxes on which in 1988 were \$192, this year will be \$174, about a nine per cent decrease. While the assessments may have gone up, the fact that the mill rate came down, in fact, has lowered the taxes in those three communities, generally speaking. There may be individual cases, but by and large the taxation rate will come down.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Mr. Nerysoo.

MR. NERYSOO: Mr. Chairman, could I ask if the Minister could at least provide me with the details and terms of that particular information? Maybe he could provide additional information with regard to other assessments so I could explain that to those individuals in my constituency more clearly. It gives me a better understanding, I think, of what the assessments are doing. That is not the interpretation, I believe, that some people have as a result of the announcement. It is important that the department clarify those issues, even to the extent of having their regional staff meet with the hamlets or the community councils to clarify that issue with them, to explain to them what is going on. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Nerysoo. Mr. Minister.

HON. GORDON WRAY: Yes, Mr. Chairman, we will either meet with the councils or we will send them a letter of explanation. I think the confusion was that the assessment notices came out before the announcement of the new mill rate, and in some cases assessments went up substantially. What we could explain at the time was the mill rate at 27.5 has been lowered dramatically in some cases to six. Any increase in assessment does not necessarily mean an increase in tax. It has balanced it out across the NWT so that everybody is paying the same rate. In some communities, and in the Inuvik Region, looking generally at the figures, overall there has been a decrease in the tax. In other communities in other regions there has been a minor upwards movement, somewhere in the neighbourhood of five or six per cent, which translates into about \$10 or \$12 a year more. We will certainly undertake to inform the communities now that we know the mill rate and what it means to that particular community.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. You will provide the information to Mr. Nerysoo, Mr. Minister?

HON. GORDON WRAY: Yes, Mr. Chairman.

Municipal Affairs, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): We are on Municipal and Community Affairs. O and M, \$32,362,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Lands, Total O And M, Agreed

CHAIRMAN (Mr. Pollard): Lands, page 14.16, total O and M, \$767,000. Mr. Nerysoo.

MR. NERYSOO: Thank you, Mr. Chairman. In this particular area, there was a suggestion about a year ago about the department looking into the possibility of a lease-to-purchase type of process in terms of land. Has that particular item been discussed? I probably could have raised it under municipal affairs, this question of purchasing or leasing on the basis of an equity position, and then transferring that to a purchase buy-out type of relationship.

CHAIRMAN (Mr. Pollard): Mr. Nerysoo, by that are you meaning payments to the lease eventually becoming payments against the purchase price? Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. A decision on that item will be made soon in terms of applying the lease fees to the purchase price of the lot. That will be made within the next couple of months. I can say that it will be favourable in terms of the Member's request.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Lands, total O and M, \$767,000. Agreed.

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Page 14.17 is an information item. Page 14.18, grants and contributions. Page 14.20 is an information item. Page 14.21, detail of work performed on behalf of third parties. Page 14.22, revenues, recoveries and transfer payments. Page 14.23, revenues, recoveries and transfer payments, continued. Page 14.24, distribution of budget.

Total O And M, Agreed

Page 14.09, total O and M, Municipal and Community Affairs, \$52,730,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Are we agreed that we go into the capital book? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Detail Of Capital

CHAIRMAN (Mr. Pollard): We are dealing with page 14.10, directorate.

Directorate, Equipment Acquisition, Headquarters, Total Capital, Agreed

Details of the directorate are on page 14.11, emergency measures equipment, various, \$52,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Directorate, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total capital expenditures, directorate, \$52,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Works And Capital Planning

CHAIRMAN (Mr. Pollard): Page 14.12, details on 14.13. Mr. Nerysoo.

MR. NERYSOO: Mr. Chairman, if I could ask, in terms of capital planning generally, under 14.12. Maybe I could ask the Minister and the department to look into the issue of granular material and the hauling process. I guess I raise this particular item with regard to Aklavik but it seems that every year we have a project available for the community and it never seems to be enough.

I would ask if the Minister could again work with or at least speak to both the Minister of Public Works and the Minister responsible for the Housing Corporation to make sure that when they are issuing the contract it takes into consideration the possibility of additional need. In particular Aklavik is one of those communities that has to open a winter road to access their granular material and every year we are spending money to open the winter road and find that in the end we have not given out the tender early enough and we do not have enough opportunity to utilize that road the way we should. I just wanted to make that comment. I know the Minister has heard me mention that a number of times but it seems that we still have not really resolved that particular item and I wanted to raise it again.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Nerysoo. Mr. Minister.

HON. GORDON WRAY: Yes, we are looking right now in conjunction with Public Works at a program to haul gravel in the winter to stockpile for summer use. I believe there is some gravel being hauled right now. I cannot remember -- about \$90,000 worth of gravel. But that is mainly for road upgrading. It is not for general fill for other projects. It is a problem in Aklavik they are aware of and hopefully by this time next year we will have some good news for the Member.

Buildings And Works, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. We are on page 14.13, community works and capital planning. Buildings and works, headquarters, total headquarters, \$105,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Fort Smith. Total Fort Smith, \$3,355,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Inuvik. Total Inuvik, \$2,495,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Baffin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Baffin. Total Baffin, \$1,525,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Keewatin. Total Keewatin, \$5,331,000. Agreed? Mr. Ernerk.

MR. ERNERK: Thank you, Mr. Chairman. Ludy Pudluk agrees. I want to ask this question that I asked last year of the Minister, Mr. Chairman. Is Williamson Lake being drained? I hope so.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Ernerk. Mr. Minister.

HON. GORDON WRAY: The \$2.2 million I have in my budget will hopefully lead to it but we do have problems. While we can drain Williamson Lake, we have got to keep an alternate water supply to keep the utilidor running. The only alternative we have been able to come up with so far, and the cheapest one, is to build water storage tanks. We have estimated that to be about \$2.2 or \$2.3 million. So it is an extremely expensive project, as you can see.

However, we are in discussions with the hamlet over the siting. The hamlet would prefer another option. Unfortunately that other option is an additional million dollars that I do not have. So hopefully we can resolve the issue but our intention is one way or the other to drain eventually and do away with Williamson Lake and fill it in so the community can use it for whatever, probably housing. But that is our intention.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, maybe just by way of a comment. I know this is something that the Minister is already aware of but in light of the news of division on the northeast side of the community, that Williamson Lake is situated right in between the new subdivision as well as the two schools, the danger that we are going to be facing if we are not now, is young children walking or transporting themselves by snowmobile, especially in the early fall when the ice begins to freeze. I would like to see that this situation is looked at seriously by the government and, of course, the hamlet of Rankin. It is so dangerous for the children if they are going to try to walk across the lake from their homes to the school and then again from the school to their homes. So the lake itself presents a problem from the children's, especially the young people's, point of view because of it being situated in between and the fact that it is dangerous in the fall and even in the spring when the ice is breaking up within that lake.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Ernerk. Mr. Minister.

HON. GORDON WRAY: Thank you. We acknowledge that it is a problem, having lived beside Williamson Lake for about five years of my life. I am aware of it. As I said, we have got \$2.2 million in the budget. We have engineers going into Rankin on Monday to meet with the hamlet to try and resolve the siting problem and if we can do that then the whole intention, once these water tanks are built, is to drain Williamson Lake. I am hopeful that in a couple of years that lake will not exist any more.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Mr. Ernerk.

MR. ERNERK: Thank you for that answer, Mr. Chairman and Mr. Minister. Sewage lagoon improvements. Is that in Rankin?

CHAIRMAN (Mr. Pollard): Mr. Minister.

HON. GORDON WRAY: No, that is in Arviat.

CHAIRMAN (Mr. Pollard): Mr. Ernerk.

MR. ERNERK: The Minister corrected me, thank you.

Buildings And Works, Keewatin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Okay, we are dealing with total Keewatin, \$5,331,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Kitikmeot, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Kitikmeot, total Kitikmeot, \$3,550,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total buildings and works, \$16,361,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Equipment acquisition. Fort Smith. Total Fort Smith, \$414,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Inuvik. Total Inuvik, \$833,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Keewatin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Keewatin. Total Keewatin, \$515,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Kitikmeot, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Kitikmeot. Total Kitikmeot, \$417,000. Agreed? Mr. Angottitauruq.

MR. ANGOTTITAUQU: Thank you, Mr. Chairman. May I ask the Minister to clarify mobile equipment, various. If he has that broken down, what communities are getting mobile equipment and what is it? I would like to get that information if that is available. If not, I can get it later.

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

HON. GORDON WRAY: Yes, if you just give me 10 seconds, Mr. Chairman. Thank you. There are retrofits of graders in Holman Island and Spence Bay, a D-6 for Gjoa Haven, a dump truck for Gjoa Haven, a sewage truck for Gjoa Haven and a sewage truck for Spence Bay.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. That was 20 seconds sir, but it still was amazingly fast. Total Kitikmeot, \$417,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total equipment acquisition, \$2,179,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Contributions. Headquarters, total headquarters, \$3,375,000. Mr. Whitford.

MR. WHITFORD: Yes, Mr. Chairman, just a question on the treated water reservoir for Yellowknife. Is this a new piece of equipment?

CHAIRMAN (Mr. Pollard): Mr. Minister.

HON. GORDON WRAY: Yes, Mr. Chairman.

CHAIRMAN (Mr. Pollard): Mr. Whitford.

MR. WHITFORD: You have nothing in there for relocation of the dump?

CHAIRMAN (Mr. Pollard): Mr. Minister.

HON. GORDON WRAY: Sorry.

CHAIRMAN (Mr. Pollard): Total headquarters, \$3,375,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Fort Smith. Total Fort Smith, \$2,215,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Inuvik. Total Inuvik, \$1,705,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Baffin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Baffin. Total Baffin, \$4,097,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total contributions, \$11,392,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Works And Capital Planning, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total community works and capital planning, \$29,932,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Planning

Buildings And Works, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Community planning, page 14.21. Details coming up. Buildings and works, headquarters, total headquarters, \$120,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total Fort Smith, \$704,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Total Inuvik, \$693,000. Agreed? Mr. Zoe.

MR. ZOE: Mr. Chairman, on the land/road/site various, could the Minister elaborate a little on that \$604,000?

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

HON. GORDON WRAY: Thank you, Mr. Chairman. There are various road realignments in the Fort Smith Region totalling about \$85,000. There is road upgrading in Edzo, \$40,000; drainage improvements at Lac la Martre; drainage improvements in various communities; drainage improvements, Arny's French Point road, Rae; minor drainage construction, Fort Providence; additional drainage improvements in Rae; development of an industrial area for Fort Resolution; construction, phase one and two, Fort Resolution; expansion, phase one, Edzo; area two subdivision, Rae; residential subdivision, Wrigley; in-fill some land development in various

communities; construction of a subdivision area, one in Jean Marie River and residential expansion in Dettah.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Mr. Zoe, did you have anything further? Fort Smith, total Fort Smith, \$704,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Inuvik, total Inuvik, \$693,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Baffin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Baffin, total Baffin, \$1,651,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Keewatin, total Keewatin, \$980,000. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, I agree, but I wonder if the Minister could just indicate to me very briefly the meaning of community plans; land/road/site, various; commercial core area in Rankin Inlet; shore subdivision in Coral Harbour. What do these mean?

CHAIRMAN (Mr. Pollard): Thank you, Mr. Ernerk. Mr. Minister.

HON. GORDON WRAY: Thank you. This is various works that we undertake -- specifically in terms of community plans, we are doing a land use plan in Chesterfield Inlet. We are doing a small study in Baker Lake and we are doing some zoning and land use planning in Rankin Inlet under community plans. In terms of land/road/site development, the \$545,000. \$75,000 is toward various minor road construction in different communities. It is the elimination of overflows in Repulse Bay, that is small drainage improvements; some drainage improvements in Whale Cove; drainage improvements in Coral Harbour; some core redevelopment in Baker Lake; and some drainage improvements in Arviat. We are doing an industrial subdivision in Rankin Inlet; a residential subdivision in Chesterfield Inlet; maybe a clean-up of the residential subdivision in Rankin Inlet; a small industrial subdivision in Repulse Bay.

Buildings And Works, Keewatin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Keewatin, total Keewatin, \$980,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Kitikmeot, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Kitikmeot, total Kitikmeot, \$1,141,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total buildings and works, \$5,289,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Iqaluit, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Contributions, Baffin, Happy Valley land development, Iqaluit, \$20,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Planning, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): That takes the total amount, with the Baffin, total contributions, \$20,000. Total community planning, \$5,309,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Surveys And Mapping

Buildings And Works, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Surveys and mapping on page 14.25, details on 14.26. Surveys and mapping, buildings and works, headquarters, total headquarters, \$770,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total buildings and works, \$770,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Surveys And Mapping, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total surveys and mapping, \$770,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Sport And Recreation

Buildings And Works, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Sport and recreation, page 14.27. Details of capital, sport and recreation, buildings and works, headquarters, total headquarters, \$2000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Fort Smith, total Fort Smith, \$807,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Inuvik, total Inuvik, \$1,239,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Baffin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Baffin, total Baffin, \$2,176,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Keewatin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Keewatin, total Keewatin, \$2,560,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Kitikmeot, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Kitikmeot, total Kitikmeot, \$1,125,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total buildings and works, \$7,909,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Equipment acquisition, page 14.30. Headquarters, total headquarters, \$50,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Total equipment acquisition, \$50,000. Mr. Zoe.

MR. ZOE: Mr. Chairman, on recreation pool equipment, various. Is that the actual pool itself, or just minor equipment for the pool program?

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

HON. GORDON WRAY: Thank you. That is for the purchase of three new pools.

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

MR. ZOE: For those three new pools, I assume they know the locations. Would the Minister provide the locations?

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

HON. GORDON WRAY: Thank you, Mr. Chairman. Pangnirtung, Arviat and Fort Rae.

CHAIRMAN (Mr. Pollard): Thank you, Mr. Minister. Mr. Zoe, did you have anything further? Equipment acquisition, total headquarters, \$50,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total equipment acquisition, \$50,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Contributions, headquarters, total headquarters, \$138,000. Mr. Zoe.

MR. ZOE: Mr. Chairman, I notice that there is a number of items here, minor additional facilities, various. There is one under headquarters and there is one under each region. I assume the one under the heading, headquarters, is specifically for the city of Yellowknife?

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

HON. GORDON WRAY: It is the money controlled out of headquarters for tax-based municipalities. All of the tax-based -- Iqaluit, Fort Smith, Hay River, Inuvik, Yellowknife and Fort Simpson -- come out of headquarters.

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

MR. ZOE: The others that are listed under the regional area, those are specifically for the smaller non-tax-based municipalities?

CHAIRMAN (Mr. Pollard): Mr. Minister.

HON. GORDON WRAY: Correct, Mr. Chairman.

CHAIRMAN (Mr. Pollard): Total headquarters, \$138,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Fort Smith, total Fort Smith, \$355,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Inuvik, total Inuvik, \$1,555,000.

HON. TOM BUTTERS: Agreed.

---Laughter

CHAIRMAN (Mr. Pollard): Have we any agrees on this side? Agreed? Mr. Butters, I am having an awful time here getting an agreement on this. Let us hear it one more time for Inuvik, people. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Baffin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Thank you. Baffin, total Baffin, \$1,479,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Keewatin, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Keewatin, total Keewatin, \$45,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Kitikmeot, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Kitikmeot, total Kitikmeot, \$25,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total contributions, \$3,597,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Sport And Recreation, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total sport and recreation, \$11,556,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Lands

Buildings And Works, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Lands, page 14.32. Details on 14.33. Lands, buildings and works, headquarters, total headquarters, \$160,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total buildings and works, \$160,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Total lands, \$160,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Pollard): Information item on 13.34. Capital recoveries. Page 14.35, distribution of budget. Total capital expenditures on page 14.09, \$47,779,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Department, Agreed

CHAIRMAN (Mr. Pollard): Going back to the O and M book, page 14.09. We have got total O and M, \$52,730,000. Total capital, \$47,779,000. Total expenditures in this Department of Municipal and Community Affairs is \$100,509,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Can we take it that this department is concluded? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pollard): Mr. Minister, I would like to thank you and thank your witnesses and your staff in the gallery and I would like to suggest that we take five minutes for coffee and then come back with, I believe, the next one, Energy, Mines and Resources -- Petroleum Resources, I beg your pardon. Thank you.

---SHORT RECESS

Department Of Energy, Mines And Petroleum Resources

CHAIRMAN (Mr. Angottitauruq): The committee will now come back to order. We are on Energy, Mines and Petroleum Resources. Would the Minister want to make her opening remarks to this particular budget?

Minister's Opening Remarks

HON. NELLIE COURNOYEA: Thank you, Mr. Chairman. I would like to make a few opening remarks to start our discussion on the Energy, Mines and Petroleum Resources budget. As outlined in the material provided to the Assembly, the mandate of the proposed department is to provide for the management and development of energy and non-renewable resources for the benefit of NWT residents.

To fulfil this mandate, the priorities for the 1989-90 fiscal year will be: to take the lead role in negotiating and implementing the transfer of administrative, fiscal and legislative authority over onshore petroleum resources to the NWT, and sharing these responsibilities with the federal government in the case of offshore resources, as outlined in the enabling agreement of the Northern Accord; to take the lead in negotiating the devolution of federal mineral programs to the GNWT, as well as develop programs to improve the climate for investment in the mining sector while maximizing opportunities for NWT labour communities and businesses; to co-ordinate the government's responses to major non-renewable resource development; to prepare policies aimed at the efficient use of energy, both commercially and residentially; to complete the transfer of ownership and offices of the NWT Power Corporation, and establish a suitable regulatory framework under which it would operate.

To accomplish these important tasks will require increased resources and these are clearly presented in our budget submission. The most visible step is the upgrading of the Energy, Mines and Resources Secretariat to the status of a full department. The Executive believes that in order to make real progress on the acquisition of provincial powers over petroleum and mineral resources, the GNWT must show that it is fully committed to the process.

Most importantly we must prove that we are capable of assuming the many and complex responsibilities which come with the management of industries which are risking huge sums of money on developments and which could have a profound impact on the North's economy and society as a whole.

Mr. Chairman, it is for this reason that our budget includes funding for contribution agreements between the government and the Inuvialuit Regional Corporation, the Dene/Metis Association and the Tungavik Federation of Nunavut. As non-renewable resource development and the devolution of authority over the mineral and petroleum sectors will have an important impact on areas covered by land claims settlements, it is vital that both sides work together to develop management and regulatory regimes which are efficient and maximize the benefits to northern residents.

Mr. Chairman, we are committed to this process as we believe that energy policy should be set by northerners and not by Ottawa. An important first step in this area will be our government's intervention before the National Energy Board Panel which will decide upon Esso, Shell, and Gulf's application to export Mackenzie Delta natural gas. Over the coming weeks I will be in contact with MLAs to discuss this issue in greater detail and seek the views of Members.

A second step in securing northern control over the vital energy sector was of the acquisition of the NWT Power Corporation. Over the next year, Energy, Mines and Petroleum Resources will continue to work with the corporation to see that it is properly established here in the NWT. This will require further policy guidelines, as well as amendments to existing legislation, such as the Public Utilities Act which will be debated at this session.

Mr. Chairman, a third area where the government will seek to assert itself on behalf of northerners will be that of mineral development. As last week's decision by the federal government not to provide the necessary \$15 million loan guarantee to the Neptune project shows, Ottawa is not really interested in the NWT mineral industry and the benefits it provides to local residents. This, despite the fact that the Government of Canada, not the GNWT, collects the royalties and the majority of taxes from the exploration of our mineral resources.

For this reason, I have instructed my officials to accelerate planning for mineral devolution. This will involve intensive discussions with native groups to ensure that land claims provisions are respected and with industry who will be affected. However, as discussions are already under way with regard to petroleum resources, it is logical to include minerals, as both are non-renewable resources which if properly developed could be of immense benefit to people throughout the NWT.

These new and evolving tasks will require the development of new expertise in the North. The addition in staff positions reflects that reality. Aside from the position of deputy minister, we have added or will soon be adding seven new senior positions in the fields of policy development, utilities regulation and resource management. To these will be added the required support and clerical staff.

Mr. Chairman, we believe the establishment of this new Department of Energy, Mines and Petroleum Resources provides a powerful signal to northerners, resource industries, and to other Canadian governments that the GNWT is willing and is prepared to undertake management of its own resources for the betterment of its citizens.

Thank you, Mr. Chairman, and we will welcome questions to the witness stand. I would ask that I be allowed to request the presence of the deputy minister, Mr. Pierre Alvarez.

CHAIRMAN (Mr. Angottitauruq): Thank you, Madam Minister. For the finance committee, Mr. Lewis.

Comments From The Standing Committee On Finance

MR. LEWIS: Thank you, Mr. Chairman. The 1988-89 highlight, very simple. This is a new department. Issues and concerns. The development from secretariat to department. During the 1988-89 budget review, the committee had suggested that with the work on the Northern Accord and the transfer of NCP, the secretariat's responsibilities might become large enough to warrant the creation of a new department. Members support this change from secretariat to department.

The other issue, Neptune Resources. The committee strongly supports the request for loan guarantees from the territorial and the federal governments by Neptune Resources. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Thank you, Mr. Lewis. Would the Minister like to bring in her witness now? Madam Minister, would you like to introduce your witness, for the record?

HON. NELLIE COURNOYEA: Mr. Chairman, Pierre Alvarez.

CHAIRMAN (Mr. Angottitauruq): Thank you, Madam Minister. General comments. Mr. Lewis.

Possible Routing Of Gas Pipeline

MR. LEWIS: Thank you, Mr. Chairman. The special committee on the northern economy had the pleasure of visiting Norman Wells, Inuvik and Tuktoyaktuk and were very well briefed by Esso Resources on the various plans that they seem to have begun for expansion of their interests in the energy field. One of the major issues for Members of our committee, in connection especially with the export licence for natural gas, was the potential that that could have for the future development of our Territories, if it were to be done in such a way that gas would come down

through the Mackenzie Valley and provide some potential for communities along the valley to take advantage of that gas that would be shipped south. In our conversations with the officials from Esso, they made it very clear that they, at this time, had made no commitments, had no fixed plans, about how they would see this proceeding. My guess is that, although they were very coy about the way they thought they would eventually transport this gas, it seemed pretty clear to Members of our committee that, although there were some options available, in the long run it would be to the advantage of the company to ship gas out through that route simply because they already had a plant in Norman Wells to which liquids, in fact, could be shipped. It made sense, in fact, if you look at their overall plan, that that is the way they would eventually want to go. At this stage, they were not tipping their hand. As I said, they were keeping their plans very secret, in order to give them enough leverage for any future development that may take place.

It seems to me that even when we listened to the briefing in Inuvik, the figures that were used in order to explain things like costs of pipelines, the model they used was, in fact, a 36 inch pipeline that would go all the way down through the corridor, plus a smaller line that would bring liquids down to Norman Wells and then through the existing pipeline to Zama in Alberta.

It seems to me, Mr. Chairman, that this is the next major development that is going to take place in our Territories. Although the company continually refers to the possibility of a Dempster route, it seemed pretty clear from the way the company was presenting its data and its various options, that the preferred route for that company was also a route down through the Mackenzie Valley. In that connection, it seemed to me that the Minister, in making whatever intervention is going to be made by our government, should make it clear that although there was a tremendous debate during the 1970s about our river valley and how important it was, we have now had a pipeline for some time -- a buried one -- and people are beginning to realize that whatever advantages we had were very short term. We received nothing at all really from that pipeline that has had lasting benefit to the people of the NWT, despite all the claims that have been made of the advantages that would accrue to us.

Conversion To Use Of Natural Gas

In our intervention, it seems to me anyway, what we should do is to make sure that one of the options that should remain open is to look at the possibility of developing some kind of feeder lines, so that those communities close enough to the pipeline could begin the process of conversion to natural gas. We should do this for several reasons, the obvious one being cost, the relative difference in the cost between natural gas and other fossil fuels, but also because it is much more environmentally sound than other fuels that we use. Also it is pretty clear that where we have, in fact, converted to natural gas -- for example in Hay River -- it has resulted in a system which people find a much more acceptable form of power in the central core of that community. I would urge the Minister that as we move toward this next phase in developing our energy resources in the Territories, we certainly make it clear to the company that we would not be satisfied just simply to have a tax on a right of way through our territory. We would want something more than that, so that we could benefit more fully from whatever project they have put in place. That is just one comment about one issue, Mr. Chairman, but I think we should highlight it because it seems to me anyway that is obviously going to be the next major development that is going to take place. Esso is already putting a pretty big effort into this particular project and they do not fool around with things like this unless they are serious. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, I certainly appreciate the comments made by Mr. Lewis. In that regard, in the opening statement, the message we are attempting to give to industry, is that we have to maximize the benefits to northerners. I believe that it is a fairly clear and loud statement that is coming from all the communities and from organizations, and from the Legislative Assembly itself. I think it is very clear that what we are dealing with right now is the gas export permit. A lot of the other questions in terms of routing and where the pipeline will go, will come at the next phase. I believe that the companies, as well as everyone else, want to be

very clear that we are talking about a gas export permit. Viability and feasibility will be determined and then, I suppose, is the time they will decide whether they proceed with a pipeline. The other questions of where, how, what and to what extent, certainly will be debated.

What I would like to say, is that certainly the quality and the advancement of what people's understandings are and the value of being involved is more apparent, and people are much more ready to become involved. That is the feeling we have. Certainly, it is not going to be for a limited participation in any stretch of the imagination. I certainly appreciate the comments, and I believe that if we are wise as a government, we have the lead time to make sure that the process takes in full participation by people in every level of the development. At this time we are dealing with the gas export licence, and when we lead into the next phase, I believe that we should be well prepared to put forward what is expected by northern residents, for their participation.

CHAIRMAN (Mr. Angottitauruq): Mr. Lewis.

Possible Benefits To Northerners Of Major Importance

MR. LEWIS: That was the point I wanted to make, Mr. Chairman. I probably did not do it well enough. The company's agenda is to just simply say "We only want to deal with the gas export permit. Let us separate this from all the other issues." It is pretty clear to me that you cannot do that. As far as we are concerned, it is not acceptable to say we will just deal with the whole issue as to whether there is a large enough volume of gas so that Canadians can afford to export it, because it is surplus to our needs. It seems to me that is the company's agenda, to want to do things that way; to make them separate; to get the agreement in principle first. Yes, it is a good idea to export gas. But then to deal with the second subject, the how, the where and the when. What I am saying is that the whole issue of whether we export it should not relate simply to whether we have enough gas, surplus to our needs in Canada, to export it. The issue should be not that one, but whether this should proceed in a way that will benefit northern people or not. That should be the rider. That should be the main consideration for northern people. And to simply play to the company's agenda which says "Look, we know how to deal with all that business, we just want to deal with whether it is okay to export gas or not because that is the most important thing for us." The important thing for us is not a question of how many trillion, whether it is 66 trillion or not. The issue for us is, if that stuff is exported, whether northern people are going to take advantage of it in any specific way, and that issue is avoided.

When we talked to Esso Resources in Inuvik they were also adamant that they do not want to talk about anything else except the whole issue of whether there would be a licence to export gas or not. I do not think we should go along with it. I am saying that when we appear at those hearings, we should make our issues the major ones in connection with the gas exportation licence. We cannot simply say "Yes, it is a great idea to export gas." And then after agreeing that it is a great idea, argue and possibly lose the fight as to how it be done. I think you have lost it then. Once you have agreed on one hand that it is a great idea and then to lose the second battle as to how you do it. I think you have to tie them together and that is the game that we are already in the process of losing because we are accepting the ground rules that the company wants to lay down. I think it is wrong.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, the process is set by the National Energy Board and if I were a company I suppose I would want to know if the known and unknown resources that are available are exportable. I would assure the Member that in our presentation for or against, we will be leading into the issues that are important and the issues that have to be dealt with. Certainly we have enough lead time to do that in the long-term but at this point of time we have not stated our position. Whatever direction we intend to take, it is our intention to state a position. There is enough latitude within the National Energy Board's scope of the export licence to allow us to make certain statements on areas that we would want to address. So we are not walking in and saying "great idea" and then walking away. That is not the intent at all.

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

MR. NERYSOO: Thank you, Mr. Chairman. I will be making some general comments with regard to basically three major items that were raised by Ms Cournoyea in terms of issues that were raised by her during her opening remarks.

I will probably be commenting more when I decide to give my statement or reply to the Commissioner's Opening Address but I did want to make a couple of comments similar to those that I made when we had the discussion and debate during our last session, on the question of participation of aboriginal people in the Northern Accord discussions. More generally, I want to go to the issue of the Northern Accord and the issue of northern control of the development and management of northern resources.

Northern Control Of Northern Resources

I think that it is important to note that there is probably not one individual that I know of that would argue generally against a principle of that nature. I think that we can all see historically that the provinces in our country use those arguments, that those people in the various provinces should have control over their resources, and I believe in 1932 that actually came about. But the problem with that is that in moving the control from the central government at the time, one of the major aspects and one of the major elements that they left out, was a role for aboriginal people.

I do not think that we should in any way lose sight of that type of experience. I know the arguments that can be made in terms of this body being elected and being responsible for the management of resources and the management of government and the management of policies and decisions as it applies to the best interests of the people of the NWT. But we can say that now because in this Assembly at this particular time in history, we are in the majority. It puts us in a position where we at least have a sense of control over the things that go on. The question I have is what happens in 10 years if we are not in the majority? What role do aboriginals have to play? I think that in the whole process that we are going through in terms of the development of the Northern Accord -- and I think that I appreciate the position of our government by recognizing and accepting the motion that we introduced during our last session -- that we should not lose sight of the problems that now are encountered by aboriginal people in southern Canada whenever they try to deal with very substantive issues that relate to the development of their resources.

You find now that unless they are on reserve lands or lands that have been set aside for Metis people that they have very little or no say at all in the issue. It could be that development may occur 100 metres away from their community but if they do not have a reserve, if they do not have any influence over agreements prior to that decision being made, then they will have no say. I think it is incumbent upon this Assembly and I think it is incumbent upon us to ensure that the same kind of things do not happen with regard to aboriginal people in the NWT.

Northern Control Should Include Aboriginal People

When we talk about northern control, I hope we see it in the context of shared northern control. Shared to allow the people that have been elected and also to allow in some instances in future, the aboriginal people to continue to participate. My feeling is that it is the same old argument that has gone on for many years and it is the aboriginal people in many instances that will have to live with the consequences of development and the changes in lifestyle. I think we can see that, even from the short time since 1921. I know my colleague, Mr. Lewis, has explained the historical circumstances of political development but included in that I think is a significant part to do with economic development. That really is the basis on which much of the political evolution has occurred.

I think that I pointed out during the last session that in assuming the responsibility for non-renewable resources whether it is management or whether it is development, we are as close,

as I said before, to actual provincial responsibility as we can get without the actual ownership. I think that we have to be very cognizant of that. I think that people also have to understand that when aboriginal people argue that they have to maintain the protected role, it is not intended to be at the expense of public government, or the undermining of public government's responsibility, it is intended to be complementary to that; that they also have a responsibility to ensure that whatever happens in future developments is in their interests and protects their culture, and protects their traditions and history. I think that our Minister, in her own comments, historically -- and probably even Judge Berger -- has made the same kind of statements. I just wanted to raise, in terms of the issue of petroleum and oil and gas responsibility in particular, an issue of clarification. I hope that in my own discussions in the very near future, and certainly in the development of a Northern Accord, that it at least recognizes some role for aboriginal people in the future, and could be pursued in the claims agreement; or for that matter in some other mechanism that might have some constitutional recognition.

In terms of the Power Corporation, it is interesting to note that most recently, since we took over the responsibility of the Power Corporation, the one area of concern I do have is this issue of ongoing protection, at least for the next two years, particularly when it has to do with franchising. What I am finding from the information I have been able to gather is that in some instances in southern Canada now, there is an effort by governments who have an interest in major power or utility companies, to recognize the role of private enterprise in this area to the extent of the power corporations, or the public corporations, purchasing from smaller private enterprise companies, electricity that had been developed by those private companies.

In terms of what we do in the future in that particular area, I would ask our Minister to look into what opportunities are available to us, with a view to considering whether or not private enterprise can play a more significant role, particularly small companies. I am not talking about the people like Alberta Power, Edmonton Power, those kinds of groups. I am talking about some of the smaller development corporations who might be interested in smaller developments.

One other aspect I wanted to raise is the issue of mineral development. I cannot, for the life of me, Mr. Chairman, understand why people, including the people of the NWT, do not understand what this government and what this Legislature was attempting to do when we brought forward a loan guarantee for Neptune Resources. I did read the editorial in News North from February 20, 1989, and I cannot understand how anybody in the North, including a northern paper, cannot support the efforts of this government and this Legislature in trying to protect the interests, jobs and the economic opportunities of people of the NWT. We sit by a lot in the NWT and sort of whimper about minute dollars -- \$18 million -- we do not say a darn thing about what happens in Alberta when they give them \$700 or \$800 million that competes with our own energy development possibilities in the NWT. We say nothing. We say nothing when the Government of Canada gives almost two billion dollars worth of guarantees to the Province of Newfoundland. We know, and we can prove this, that it is a lot cheaper to develop the resources of the NWT than it is to develop the oil and petroleum resources in Hibernia; or for that matter, the tar sands. We know that, it has been proven. Every time we try to do something in terms of our efforts to protect the interests of the people of the North, it seems that, rather than rising to the defence of what is occurring, we cut ourselves. I am not going to be critical of the media because they have a heavy responsibility to do what they wish, but I just wanted to raise that particular item. It seems strange that we could allow in our country a situation where we spend billions and billions of dollars on a company like Mobil that has its office in the United States. For that matter, we agree with a major development of \$700 or \$800 million, and that company has its offices in the United States; and we worry about an \$18 million loan to develop the resources in the interests of northern people. I just wanted to point out that in terms of that particular area, I feel that maybe we should do a better job in trying to explain to the people why we do the things we do. It seems that when we try to do it, they confuse the issue more.

I do want to say one thing. I think that we have to give the Minister -- maybe I was not totally supportive of the loan guarantee -- but I have to say that sometimes in order to accomplish something you have to take a chance and a risk in making a commitment to a certain type of development. We thought -- and the Minister in her own good judgment, and in the good

judgment of the Executive Council -- made a decision that this was a good risk to take in the interests of the people of the NWT, for three million dollars. It could have benefited a lot of people. It is sad to see that in our own mineral development in the NWT -- all you have to do is look at those developments that are now in existence, Salimita and whatever -- and you will see that most of those people are not residents of the NWT. It is too bad that we cannot have a situation where we at least rise to the occasion of defending a development that will see native people participating and this territory protecting its own business interests for a change, rather than always trying to rely on the so-called market forces; but rising to protect our own business community. I guess that that is not possible. I do want to compliment the Minister for taking the risk and maybe trying to protect the interests of the people of the NWT, including the Executive Council. Even more so, I think that was an opportunity and it is too bad that the press, in particular News North, did not see that opportunity and, rather, looked at it in the context of a Bank of America loan for \$18 million. It is too bad that we cannot see that in every other guarantee we give to the larger corporations in this country. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Thank you, Mr. Nerysoo. I was just about to stop you because your 10 minutes was way over, but nobody complained and I did not complain, so I will time every one of you afterwards. I will time you, Mr. Pudluk. Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, I certainly appreciate the statements made by Mr. Nerysoo. I will not comment on his overall points but I think they are good ones. I believe that those are areas that we fully intend to move toward in representing the Legislative Assembly and the people of the NWT. But I would like to say as well that I was very disappointed in the press and other people who could have given us support in our attempt to secure support for Neptune Resources.

Negative Press Report

With the Dogrib people and the tribal council who had put in so much effort to show a good involvement, with everyone working together, at least it would have been encouraging to have some positive comments on what we were attempting to do. So I certainly agree that given the political tone of what is happening in the rest of Canada, this is one time the press probably could have given us a boost and could have helped the NWT rather than being negative. I do not believe that there was any credit given to the cabinet or to the Legislative Assembly or to the Dogrib Tribal Council for trying to put this effort together. I certainly agree that the press has a great role to play and if the role is always negative then it certainly leaves a lot of allowances for people who do not want to support the economic development of the NWT, be it government or anyone else.

What I would like to say is that in the next while with this new department, I would like to have the support, as we go along, to take a more aggressive attitude and a more aggressive position in determining the development or the turnover of petroleum resources and mineral resources to the NWT. I think if we own them and if we have the legislative authority, along with the support of aboriginal groups and I think there is a meshing together here certainly constitutionally, I think we can with all the mistakes that have been made in southern Canada and in other areas, I think we can do a good job because we have got the support of the people who really want to work together.

I do not believe that I am interested in setting up any mechanism that takes away from or derogates from the claim that has been negotiated by any aboriginal group. I think our relationship now is fairly well on an even keel. We are ready and I know that we are going to need all of our energy and mind power to get the thing going. I certainly agree with the Member and with his observations and I certainly look forward to his support and the support of this Legislative Assembly in taking more aggressive action toward determining our future constitutional development and ownership of our resources.

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

MR. ZOE: Thank you, Mr. Chairman. Mr. Chairman, if I could ask the Minister on the same subject that she just previously spoke on in regard to Neptune Resources, what is the government's position or what plans or alternatives are they taking right now to try to help the Dogrib region and also Neptune Resources? What are you anticipating or what is this government doing at the moment to try to get Neptune the loan guarantee that they have been seeking? I recall Mr. Pollard last week raising a question during question period and I believe it has been taken under advisement to see what alternatives there are.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Yes, Mr. Chairman, I think that at this point in time we do not have a position on that because I do not believe we are far enough along. From my understanding, Neptune is still having discussions and they are still looking at their refinancing. At this point in time, I will have the deputy minister speak on that particular issue because he returned yesterday from Ottawa where there was a series of discussions relating to Neptune.

But before I do let him speak, I would like to say to Mr. Zoe that I certainly appreciate the amount of time and effort he has put into this project and for getting people involved and certainly for keeping on top of the issue day by day as it was going along. We have not put any particular position forward because we believe there is still some optimism out there that the financing will be taken care of. I think we should allow the process to continue so I will let Mr. Alvarez bring you up to date on the most recent discussions in Ottawa.

Recent Discussions Re Neptune Resources

MR. ALVAREZ: In response to the Member's question, I met with Neptune in Toronto on Friday for most of the day, as well as a series of meetings in Ottawa. Neptune has to go back to its board, as well as the board of its partners, Gold Reserve and Northgate. It also has to speak to the Bank of America. In my discussions with them they essentially said, "We are not asking for anything right now. We will get back to you at the appropriate time. We do not know, we might have to request different forms of assistance or other forms of participation by the NWT." But they are not prepared right now and really it is one of looking at restructuring the deal, possibly finding ways to reduce costs, possibly taking advantage of other federal programs that are not simply administered through DIAND.

They are not by any stretch of the imagination giving up. They have got a reduced crew on site that will finish some of the work that needs to be done right now. As well, their exploration activities which are covered by flow-through shares are going to continue through the drilling season as well. It changes day by day but that is where it sits.

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

MR. ZOE: Well, I appreciate the deputy minister providing that information from his trip from Toronto but what about the information from Ottawa now? Where do they stand? What type of discussion has taken place between our deputy minister and Ottawa?

CHAIRMAN (Mr. Angottitauruq): Madam Minister. Mr. Alvarez.

MR. ALVAREZ: I have had a couple of discussions with DIAND specifically, who remain fairly firmly opposed to any form of assistance. In my discussion with Neptune, we talked about other government departments that would have possible sources of funding, whether it is DRIE, Energy Mines and Resources, or others. I asked if I could assist and they said that right now the best thing would be to wait until they made their approach. As soon as they do I will be there to help as much as I can. But we gave one final try to DIAND and it looked like a pretty firm no, there.

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

MR. ZOE: Thank you, Mr. Chairman. I realize the amount of work that the department is putting forward for this particular company but I would encourage the Minister to keep pursuing the federal government because I feel that they are the last resort to provide this type of funding for a company that is willing to develop our resources here in the NWT. I realize that it is not only going to benefit my region, but the Territories as a whole. This type of deal that was struck between the Dogrib Regional Council and Neptune is one of a kind. Others are following; for instance I know the Yellowknife Band and Metis local have struck a deal similar to ours with Treminco Mines.

Precedent Set

We basically set a precedent already, and I am sure that other communities that are going to be associated with the mining industry would seriously look at going to the same type of deal that we have come up with, so that the communities affected would be totally involved with the mining industry. That would create not only jobs, but also opportunities for small local business to get involved with the mining industry.

Prior to us getting into these types of deals, I do not think the mining industry had really gone out and done their public relations to the fullest where they contacted the communities in the vicinity of their mining area. I would strongly encourage the Minister to keep pursuing this matter further and to keep the House up to date as to what the plans are from the company, and also what the plans are going to be from this government. As you are aware, Mr. Chairman, the House is in full support of this particular project, and I would not want to see it going down the drain. If they do not pursue it, I will be pursuing it further, and I am sure my colleagues around the table here would definitely support it. They have already indicated that by passing the loan guarantee last session. If worst comes to worst, I assume that we would have to look at other alternatives. For the time being, Mr. Chairman, we will just have to wait and see what the plans are from that particular company. Mahsi cho.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, certainly we are committed to continuing to pursue the issues on this particular project on a day by day basis, and we will keep the House informed.

CHAIRMAN (Mr. Angottitauruq): Thank you, Madam Minister. General comments. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I wonder if the Minister could tell the House if, in fact, this mining company, this territory, the people who do business in the mining industry in this territory, are being treated the same as other mines in other provinces, in other parts of this country, by the same ministry or related ministries. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

Not All Provincial Programs Available Here

HON. NELLIE COURNOYEA: Mr. Chairman, I would say that probably the mines in the NWT are treated the same, but, as the Member perhaps knows, we do not have the same variety of programs that are available in other provinces through the federal/provincial relationships. Some programs that are available in the provinces are not available here and those are clearly stated. The Department of Regional Industrial Expansion; we do have that program here. There are several others I believe that are available, but because of the relationship with the territorial and federal governments, they are not extended to the NWT. It could be said that the mining industry as a whole, and Neptune, is not treated the same, in specific programs that are available in other parts of Canada.

CHAIRMAN (Mr. Angottitauruq): Thank you, Madam Minister. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I wonder if the Minister could tell us then, with regard to the Faro mine in the Yukon, if they received something in order to reopen that mine, that presumably would be available to another territory. How was that accomplished, Mr. Chairman? Thank you.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, I think what we had attempted to do as the NWT government when we offered the three million dollar loan guarantee is to structure support for Neptune in the same manner as the structure of the loan that was given to Faro. So I guess when you really come down to it, it is pure politics on how that was accomplished.

Our understanding was that the federal government and Indian Affairs were willing to entertain that type of arrangement but when it came down to the short stroke, they backed off, for their own purposes, saying that basically they felt that Neptune had other ways of restructuring and obtaining the finances they required. But I guess basically if you are talking about the Yukon/federal government arrangement it was not a program. That was just plain politics.

CHAIRMAN (Mr. Angottitauruq): Thank you, Madam Minister. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I think the Minister has said exactly what I wanted to hear and that it is political will in this instance. I understand also, Mr. Chairman, that the Minister when she is referring to short strokes is when Ludy and Peter are playing golf. I think that is what she is referring to.

---Laughter

I wonder if the Minister could tell us, Mr. Chairman, if it is possible to put enough political pressure on Ottawa and the federal government to extend the same courtesy to Neptune as they extended to the Faro mine in the Yukon? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, I believe that from the time and previous to the time that this Legislative Assembly sanctioned a three million dollar loan guarantee, previous to that is exactly the political pressure that we had attempted to put on the federal government but they did not bite. So I guess we will continue to pursue it and certainly like I stated, we will on a day by day basis continue to be up to date on what is happening and see where we can lend our support.

We certainly do not want to take over Neptune Mines for the GNWT. I am sure because otherwise we could probably own every mine in the NWT. We will continue to give support and we will keep you up to date on a day-to-day basis. But certainly politically we had attempted to politically make the support available to Neptune so that they could get the same deal as the Yukon but it just did not happen.

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

MR. ERNERK: Thank you, Mr. Chairman. My comments will have nothing to do with playing strokes although I did want to make a comment with regard to John Pollard's remarks. Ludy and I really did not want anybody to know that we play golf. But anyway it is no longer a secret. I will talk about something else.

Mr. Chairman, I have a few very simple questions with regard to the oil industry in the Eastern Arctic, especially from the Panarctic's point of view. I recognize that Panarctic Oil now ships so many thousands of gallons, if not 100,000 or 200,000 gallons, of crude oil to Montreal from the High Arctic. I am wondering, Mr. Chairman, if in the long run the idea now that we have a Department of Energy, Mines and Petroleum Resources will be to benefit the people of the

Eastern Arctic. As far as I understand, this is not being done at this point in time. I am also aware of the fact that Cantera Energy Ltd. did some drilling in the Hudson Bay a couple of years ago. As far as I am knowledgeable, nothing new was found; no oil was found within the Hudson Bay. If the Minister could answer my first question. Is the idea to benefit the people of the NWT in the long run and not the people of Montreal or the southern provinces?

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, yes, certainly. As we evolve and become more and more involved with the takeover of petroleum resources or non-renewable resources in the NWT and complement the claims process, I can see that certainly, the ownership and control will allow us to make those decisions. Right now we have very little legislative crunch to do anything, other than having an advisory, good will position with the federal government. We intend to pursue that and certainly with the claims portion of it will lend more to the claimant groups as well. Yes, we intend to be more aggressive in ensuring that benefits are maximized for northern residents.

CHAIRMAN (Mr. Angottitauruq): General comments. (Translation) Peter Ernerk, if you have anything else, please go ahead.

MR. ERNERK: (Translation) Thank you very much, Mr. Chairman. (Translation ends) ...in the form of royalties to the governments, to municipal governments.

CHAIRMAN (Mr. Angottitauruq): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, the matter of royalties or revenues or co-payments and to whom and to which agency, these are the things that are being discussed under the Northern Accord process. So we have not established exactly what will be the formula or the regime at this time.

CHAIRMAN (Mr. Angottitauruq): General comments, Energy, Mines and Petroleum Resources. What is the committee's wish at this time? Detail?

SOME HON. MEMBERS: Agreed.

---Agreed

Energy, Mines And Petroleum Resources, Total O And M, Agreed

CHAIRMAN (Mr. Angottitauruq): Energy, Mines and Petroleum Resources, total O and M, \$1,899,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Angottitauruq): Detail of grants and contributions, information item. Total grants, \$200,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Angottitauruq): Total grants and contributions, \$200,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Angottitauruq): Northwest Territories Power Corporation, information item. Any questions on that? No? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Angottitauruq): Program summary, total O and M, \$1,899,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Angottitauruq): Does the committee agree that the Department of Energy, Mines and Petroleum Resources is concluded?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Angottitauruq): We do not have any capital on Department of Energy, Mines and Petroleum Resources. Mr. Zoe.

MR. ZOE: Is the department concluded, Mr. Chairman?

CHAIRMAN (Mr. Angottitauruq): The department is concluded. Does the committee agree that this department is concluded?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Angottitauruq): I would like to thank the Minister and the witness. Mr. Zoe.

MR. ZOE: Mr. Chairman, I move that we report progress.

CHAIRMAN (Mr. Angottitauruq): The motion is not debatable. All those in favour? Those opposed? The motion is carried.

---Carried

I will now rise and report progress. Thank you.

MR. SPEAKER: The House will come back to order. Mr. Angottitauruq.

ITEM 19: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF COMMITTEE REPORT 1-89(1), REPORT ON THE REVIEW OF THE 1989-90 MAIN ESTIMATES; BILL 1-89(1), APPROPRIATION ACT, 1989-90

MR. ANGOTTITAUURUQ: Mr. Speaker, your committee has been considering Bill 1-89(1) and CR 1-89(1), and wishes to report progress.

MR. SPEAKER: Thank you, Mr. Angottitauruq. The House has heard the report of the chairman of committee of the whole. Are you agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Item 20, third reading of 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 striking committee immediately after adjournment in the committee room; tomorrow morning at 9:00 a.m., a meeting of ajauqtit; at 10:00 a.m., a meeting of the standing committee on finance.

ITEM 21: ORDERS OF THE DAY

Orders of the day for Wednesday, February 22nd.

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. Replies to Budget Address
10. Petitions
11. Reports of Standing and Special Committees
12. Tabling of Documents
13. Notices of Motion
14. Notices of Motion for First Reading of Bills
15. Motions
16. First Reading of Bills
17. Second Reading of Bills
18. Consideration in Committee of the Whole of Bills and Other Matters: CR 1-89(1); CR 2-89(1); Bill 1-89(1); Bill 8-89(1); Tabled Documents 23-89(1), 24-89(1), 25-89(1), 26-89(1)
19. Report of Committee of the Whole
20. Third Reading of Bills
21. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Wednesday, February 22nd, at 1:00 p.m.

---ADJOURNMENT

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