



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

4th Session

11th Assembly

HANSARD
Official Report
Day 14

Monday, February 27, 1989

Pages 546 - 602

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

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YELLOWKNIFE, NORTHWEST TERRITORIES

MONDAY, FEBRUARY 27, 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, Hon. Jeannie Marie-Jewell, Mr. McLaughlin, Mr. Morin, Mr. Nerysoo, Hon. Dennis Patterson, Hon. Red Pedersen, Mr. Pollard, Mr. Pudluk, Mr. Sibbeston, Mr. Whitford, Hon. Gordon Wray, Mr. Zoe

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Red Pedersen): Orders of the day for Monday, February 27th, 1989. Item 2, Ministers' statements. Ms Cournoyea.

ITEM 2: MINISTERS' STATEMENTS

Ministers' Statement 11-89(1): Workers' Adviser

HON. NELLIE COURNOYEA: Mr. Speaker, I am pleased to inform the House that the Workers' Compensation Board is going to appoint an independent part-time workers' adviser to assist workers and their families who are having difficulty in obtaining information or making a claim for compensation.

Workers will be able to get help from the adviser if they want to appeal a decision of the board and, if necessary, the adviser will represent or assist them at a hearing. This service will also be available to the families of workers who are seriously or fatally injured in accidents. The service will start as soon as a suitable person can be hired.

Although the board will be paying the salary and expenses, they are going to ensure that the workers' adviser is totally independent of the WCB staff and will have a free hand to respond in whatever way is best for the worker who needs assistance. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Madam Minister. Ministers' statements.

Ministers' Statement 12-89(1): Firearms Safety

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. Mr. Speaker, I would like to provide a brief report on my department's activities regarding firearms safety. In 1982 we started a training program for students who wished to become familiar with the firearms commonly used for hunting. The 12 hour course centres around safe handling and storage, using films, videos, manuals, charts and firearms as resource material. Marksmanship is practised when safe facilities are available. Approximately 400 students take the course each year.

Several new initiatives are being developed that will improve the courses and should increase public awareness of the potential hazards when handling and storing firearms. The instructors' manual is being rewritten in an improved teaching format. Standards for instructor certification are being developed. The renewable resources officers who are providing the instruction will be given refresher courses.

With the co-operation of the Department of Education, a firearms safety awareness program is being planned for young children. A northern content video showing correct and incorrect firearms use situations is being planned. Teaching kits are being prepared that will contain all the resource material needed for teaching, including pellet rifles for indoor practice.

A television spot is being aired that advertises the safety courses. To remind people of the need for safe storage of firearms, we have placed newspaper ads and we are preparing a new poster for public display. Coffee cups with firearms safety storage messages are being purchased for handouts to course graduates and HTA members.

Many of the tragic accidents involving children result from the unsafe storage of firearms and ammunition. All firearms accidents can be prevented. We hope that our new initiatives will bring us closer to our goal of greatly reducing firearms accidents in the Northwest Territories. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. The Chair would like to recognize in the gallery 24 grade nine students from the William McDonald Junior High School. They are accompanied by their teacher, Alex Demello. Welcome to the Assembly.

---Applause

Ministers' statements. Item 3, Members' statements. Mr. Ernerk.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Visitors To Rankin Inlet

MR. ERNERK: (Translation) Thank you, Mr. Speaker. Rankin Inlet and Kakortok, Greenland, were twin sister communities sometime in the past. There were three people from Kakortok who came into Rankin Inlet on February 28 to do some research, and I will mention some of the names, Mr. Speaker. Lassi Davison, municipal councillor; Karsten Heilman, cameraman; Joel Berdlunt, who is the museum curator. While in Rankin Inlet they met with Rankin Inlet people regarding the economy, health, education, social services, economic development, building construction and summer employment, and also the prevention of crime. The people who came to Rankin Inlet were given an evening of festivities with a dance, feasting and general entertainment. I wanted to brief you on that. I am very happy that they came to Rankin Inlet, and sometime in the future the Rankin Inlet residents will go to Kakortok to observe and see how they live over there.

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

MR. MORIN: Thank you, Mr. Speaker. A point of order. We do not have translation. I am sure he made a good Member's statement, but you may have to repeat it, Mr. Ernerk.

MR. SPEAKER: Thank you, Mr. Morin. I did notice and we will try to get you another unit. I presume it still does not work. Are there any other Members that have difficulties with their units? Is this a general problem today?

HON. GORDON WRAY: Mr. Speaker, I do not think it is a problem just with the Member's unit. There is a lot of static and it is very difficult to hear.

MR. SPEAKER: Thank you. I am advised that translation is indeed there. The noise is coming on because two of our infra-red units are not functioning. They are being checked right at this

moment. The infra-red unit in this corner is working fine, and we will just continue. Perhaps, Mr. Morin, you could try pointing to that one there and if it does not improve we will shut down until we have better sound. I think if you just leave the units with the little bubble pointing in that direction you should not have to hold them. Members' statement. Mr. Lewis.

Member's Statement On Tribute To Mr. Robert Rhodes And Radio Broadcasting

MR. LEWIS: Thank you, Mr. Speaker. There are lots of young people in the gallery today. I would like them to note that the age of television began about 50 years ago when a fellow Scotsman of Mr. Wray there, Alexander Baird, decided that television was the way to go in the communication business. However, Mr. Speaker, I grew up in the age of radio and there are some Members in this House that will testify that radio was the way in which we communicated with the world.

So today, Mr. Speaker, I would like to pay tribute to one of the pioneers in radio broadcasting in Canada, Mr. Bob Rhodes, who will be leaving Yellowknife soon. During his time here he has shown a complete dedication to the native language broadcasting and when you listen to that broadcasting system they make use of many voices throughout the Territories, not only people that work for CBC. He has made it the people's radio. In his early days he worked with famous people like Max Ferguson and people like Bruno Gerussi and was one of the originators of what today we call "Morningside". So I would like to take this opportunity, Mr. Speaker, of paying tribute to radio as a very important means of communicating with each other in the NWT and especially to pay tribute to Mr. Bob Rhodes.

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

Member's Statement On Child Care

MR. WHITFORD: Thank you, Mr. Speaker. It has been a day or two since I talked about child care issues and believe it or not the problem has not gone away. What I want to say today is that I am not really convinced that we are looking at the problem from all angles. To many, the government solution seems to be to throw money at the issue and to pass legislation that will tell day-care operators how to operate their businesses.

But, Mr. Speaker, I believe that the government has not examined all the options available to it. This government has not looked beyond the conventional child care operations. What I am referring to, sir, is that many people, including myself, feel that other options should be examined in light of the lack of sufficient funding, so that the government, by setting its priorities, can take child care into more serious consideration. Such things as on-the-job facilities so that parents can take a direct part in looking after their own children as the facilities are available and as the need arises; alternatives such as staggered hours of work; and also shared employment, where it would give the parent an option other than taking their children at 8:00 a.m. and picking them up at 5:00 p.m. It would give them an option to be able to have children during school hours in child care, to work until their school is finished and then they can take the children home. This government should look at other options besides just putting money into child care.

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

Member's Statement On Correction To Mr. Lewis's Statement

HON. GORDON WRAY: Thank you, Mr. Speaker. Not to take anything away from Mr. Lewis's statement, but there are school children here and we should educate them in the best possible way that we can. The inventor of the television was John Logie Baird, not Alexander Baird. Alexander Graham Bell, another Scotsman, invented the telephone. Thank you.

---Laughter

MR. SPEAKER: Thank you, Mr. Wray. Mr. Arlooktoo.

Member's Statement On Caribou Regulations

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I would like to make a statement today regarding probably most directly Cape Dorset residents who are closely related to people from Northern Quebec. Also the issue of caribou is regulated in that area for the whole NWT. The people who move to Cape Dorset from Northern Quebec are native people and they have to wait for two years to establish residency before they can hunt caribou. They are also given a quota as to how many they can kill even though this is part of their regular diet. This causes some problems for these people.

Also we get preachers transferred to the NWT from Northern Quebec and they have to establish their residency periods before they can hunt the caribou as well. RCMP members are also in the same situation, and health care officials. I am concerned at this time that this policy or law has to be changed for the NWT. Thank you.

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

ITEM 4: RETURNS TO ORAL QUESTIONS

Return To Question O196-89(1): Moneys Transferred For Mental Health Program

HON. NELLIE COURNOYEA: Mr. Speaker, I have a return to Question O196-89(1), asked by Mr. Gargan on February 23, regarding the mental health program funding. Mr. Speaker, the responsibility for health was transferred from the federal government to the Government of the Northwest Territories in April, 1988. At the time of transfer the amount of funding committed for community mental health programs was \$835,000. This funding was redirected to the Department of Social Services. Additional funding of \$866,000 was transferred to the Department of Health to cover the costs of psychiatric and other patients in long-term care in institutions outside the Northwest Territories. Thank you.

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

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

HON. TITUS ALLOOLOO: Mr. Speaker, I have a return to Question O139-89(1), asked by Mr. Ernerk on February 21, 1989, with regard to regulation of chlorofluorocarbons. The regulation of chlorofluorocarbons, or CFCs, is done by the federal government under the authority of the Canadian Environmental Protection Act, CEPA. It is the federal government's intention to eliminate CFCs by using the ozone depleting substances regulations that will ban the import, manufacture and sale of products containing CFCs and halons by 1990. A report on the earliest possible prohibition dates will be released by Environment Canada in approximately three weeks.

Ontario and BC, which have proposed regulations that would eliminate CFCs from certain products, will follow standards set by the federal ozone depleting substances regulation in the Canadian Environmental Protection Act.

As you know, the Canadian Environmental Protection Act and the federal trade acts take precedence over territorial acts. When the ozone depleting substances regulations are placed in Volume I of the Gazette, my department will review them to determine what regulations can be adapted by the territorial government. Thank you.

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

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

HON. STEPHEN KAKFWI: This is in response to Question O148-89(1), asked by Mr. Pudluk on February 21, 1989, with regard to extension of Inuktitut curriculum to grade 12. High schools under the jurisdiction of the Baffin Divisional Board of Education are teaching a new Inuktitut language arts course in grade 10 this year. This course will be extended to grade 11 in 1989-90 and grade 12 in 1990-91. This course includes the study of Inuktitut literature, Inuktitut grammar and a creative writing component.

There is Inuktitut language instruction in grades seven to nine, and development of an Inuktitut curriculum for these grades will begin during the 1989-90 school year. Thank you.

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

Return To Question O183-89(1): Contract Let To Southern Firm

HON. STEPHEN KAKFWI: This is in response to a question asked by Mr. Lewis on February 23, 1989, on the awarding of a contract to a southern consultant. It is an objective of Arctic College to develop a method of formula funding. Proposals on this project were received from northern and southern consultants, and the contract was awarded to Price Waterhouse.

This consultant has had extensive experience in post-secondary institution financing and has developed funding formulas used for post-secondary institutions in British Columbia. The northern consultants who responded to the request for proposals did not demonstrate expertise or experience in post-secondary financing.

Arctic College awards contracts to northern contractors where possible. In 1988-89, 79 per cent of the contracts awarded by the college, and valued at \$1.3 million, were awarded to northern contractors. This percentage increases to 88 per cent if the contracts awarded to southern educational institutions to offer courses on our behalf are excluded. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Another one.

Return To Question O161-89(1): Day-Care Services At Post-Secondary Institutions

HON. STEPHEN KAKFWI: Thank you. This is in response to a question asked by Mr. Nerysoo on February 22, 1989, on financial support for day-care services for post-secondary students. Students with families attending post-secondary institutions in the North and in the South are finding that the levels of student financial support are inadequate. A review, as Members know, of student financial assistance rates has been completed, and the findings are ready to be considered by cabinet.

To assist students with families, Arctic College provides a day-care at the two largest campus sites, Thebacha in Fort Smith and Nunatta in Iqaluit. The space for the day-care in Fort Smith is provided through a one dollar lease from the Government of the Northwest Territories. A classroom was opened this year in Iqaluit which doubles as a day-care and a classroom for the study of early childhood education. The college also provides lists of community residents who are willing to provide child care services in their homes. Thank you.

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

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

HON. TITUS ALLOOLOO: Mr. Speaker, I have a return to an oral question asked by Mr. Whitford on February 21, 1989, concerning chlorofluorocarbons. The Member is indeed correct in stating that a large percentage of the ozone problem is contributed to by chlorofluorocarbons, CFCs, in Freon used in refrigerants, and certainly it is quite likely that methods will be developed to enable the recovery and recycling of Freon from refrigerators.

A report is about to be released by Environment Canada that will outline control options, including the recycling of chlorofluorocarbons. Meetings are planned to determine which of these options can be implemented in the Northwest Territories. At the present time, only Freon from the larger refrigeration units, office building air conditioners, can be recycled. Household refrigerators have a number of problems such as contamination of the Freon gas, lack of widespread collection equipment and the loss of Freon from the system before it is captured. It is quite likely that, as recycling gears up to this new need, it may well be possible to recycle Freon from refrigerators. I can assure you that this government will be watching these developments very closely, and appropriate action will be taken to protect our environment.

Mr. Speaker, if I may, I have another return.

Return To Question O21-89(1): Draw For Hunting Bison, Fort Providence

This one is a return to an oral question asked by Mr. Gargan on February 9, 1989, regarding the Mackenzie wood bison draw for hunts. The Department of Renewable Resources received 342 applications for the Mackenzie wood bison draw last November. Ninety-three applicants held general hunting licences. Mr. Speaker, I have the breakdown of the general hunting licence holders and the resident holders. There were 93 general hunting licence holders who applied and 249 resident hunters.

There were two reasons why hunters must have someone appointed by the Department of Renewable Resources to go with them when they go out hunting. Wood bison are very large animals. Few hunters have experience in hunting and handling the meat of such large animals. The people appointed by the Department of Renewable Resources have training and experience to assist the hunters.

Wood bison are considered to be an endangered species by countries that signed the agreement for the Convention on International Trade in Endangered Species, CITES. To have wood bison taken off the endangered species list we must demonstrate good management of this resource.

The Department of Renewable Resources recognizes that hunting of wood bison is a controversial part of our wood bison management plan. Therefore we are taking every precaution to ensure that all hunting regulations are followed. By requiring a renewable resources officer to accompany a hunter, we can document a hunt and ensure that hunts are conducted properly.

Lastly, I would like to add that this is not a new idea in bison management. The Alaskan fish and game department has required wildlife officers to accompany bison hunters. Thank you.

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

ITEM 5: ORAL QUESTIONS

Question O221-89(1): Co-ordination Of Contaminant Control In NWT

MR. McLAUGHLIN: Thank you, Mr. Speaker. I think you will recall last week I asked a question in my capacity as critic for Government Services to Mr. Butters, regarding wine, spirits and beer bottles, as well as other containers, and had a supplementary related to the Housing Corporation. When I got the answer I was told that DPW might also be involved. As well, some of this might be Renewable Resources environmental legislation and that the answer would come from Health eventually. I thought that consumer affairs might also be involved because it will be consumers that will be paying the deposit. Since so many departments are involved I guess I would like to direct a question to the Government Leader. What type of co-ordination can we expect on this multitude of questions that various Members are asking on everything from arctic contaminants to what I asked about the other day?

MR. SPEAKER: Thank you, Mr. McLaughlin. Mr. Government Leader.

Return To Question O221-89(1): Co-ordination Of Contaminant Control In NWT

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Mr. Speaker, I believe the honourable Member had two issues in his earlier question and I am informed that on the question of the Freon and disposing of refrigeration equipment the Minister of DPW will be responding. Similarly on the environmental issues related to Government Services, the Minister of Government Services will be responding.

However, Mr. Speaker, I would like to address the thrust of the Member's question which is how co-ordination is going to be achieved. Mr. Speaker, of course the issues of contamination of our environment cover a very large number of areas, air, water and land, and therefore it is necessary to divide up the jurisdiction due to the varied areas of responsibility that departments have. However, Mr. Speaker, I would like to assure the honourable Member that I am acutely aware of the importance of this issue and of the need for co-ordination. We have announced earlier in this session for example, Mr. Speaker, that I myself will be chairing an interdepartmental committee of cabinet to deal with the arctic contaminants issue.

I feel that it is my responsibility to ensure that co-ordinating committees are set up or means are developed as other issues arise which overlap various departments. Having said that, Mr. Speaker, I also wish to affirm that I consider the Minister of Renewable Resources to be principally responsible for issues relating to the environment. I would remind this House that the Minister of Renewable Resources tabled an Environmental Protection Act last fall which I believe would give formal recognition and strengthen the responsibility that has been carried by that department in this area. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Mr. McLaughlin, supplementary.

Supplementary To Question O221-89(1): Co-ordination Of Contaminant Control In NWT

MR. McLAUGHLIN: Thank you, Mr. Speaker. In regard to that answer, I wonder if the Government Leader could give us any kind of assurance that since there are cases in the NWT where government, corporate citizens, and residents of the NWT are directly contributing to pollution in the North, will there be any kind of demonstration on the part of the government that the government is going to take a lead role in cleaning up its own mess in its area of responsibility to set an example for other corporate citizens and residents? In areas where we have direct responsibility we should be seen to have done something before we legislate and regulate the rest of the residents to take their responsibility.

MR. SPEAKER: Mr. Minister.

Further Return To Question O221-89(1): Co-ordination Of Contaminant Control In NWT

HON. DENNIS PATTERSON: Mr. Speaker, I think the Member makes a very good point. I believe that one of the reasons why we have perhaps in the past been negligent of our environment is that it is as yet not entirely clear where the responsibility of the federal government ends and responsibility of our government begins. I think it is in that spirit that our government has initiated discussions with the federal Ministry of the Environment and other relevant departments and are working very closely with related federal departments to see if we can clarify responsibility and assign responsibilities so that decisive action can be taken on these pressing issues.

Mr. Speaker, I do not believe that there are going to be simple solutions to these problems because of the overlapping jurisdiction, particularly between the federal government and the territorial government, but I can assure the honourable Member that we are giving high priority to these issues. In connection with the arctic contaminants issue, on which there will be a major presentation to the caucus and to the public through this Assembly next week, Mr. Speaker, our government is actively examining what we can do, as the Member says, within our jurisdiction, to set an example for the federal departments which may have responsibility that needs to be better discharged in these areas in connection with issues like arctic contaminants. We do intend to take vigorous action on this extremely important area of cleansing our environment. Thank you, Mr. Speaker.

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

Question O222-89(1): Application Of Native Employment Policy At Senior Managers Level

MR. MORIN: Thank you, Mr. Speaker. My question is to the Government Leader. Leafing through the News North, February 27 issue, Mr. Government Leader, I notice there are quite a few job tender notices in the paper for government jobs. In most cases in there it says preference will be given to applicants eligible under the native employment policy. But then when you come to the deputy minister's job that is tendered in this newspaper there is no wording in there that would give preference to native employment. What I am wondering, is this policy not in effect for senior managers level in government or is it just that the government does not think any native person is qualified?

MR. SPEAKER: Mr. Government Leader.

HON. DENNIS PATTERSON: Mr. Speaker, the Minister of Personnel tells me she can answer the question. I cannot. I will defer it to her. Thank you.

MR. SPEAKER: Mrs. Marie-Jewell.

Return To Question O222-89(1): Application Of Native Employment Policy At Senior Managers Level

HON. JEANNIE MARIE-JEWELL: Thank you, Mr. Speaker. I have full confidence that my Government Leader can answer it. However I felt that the question was directed to a department that I am responsible for. In regard to the Member's question, the native employment policy is a policy that our government put in place quite some time ago. As for the actual advertisement, I have not been able to look at the paper to see why there was not a prerequisite of the native employment policy stipulated on the advertisement but I certainly can check into it. I believe it is not because the government feels that native people are not capable. We do have deputy ministers that are of native descent from the NWT so we certainly feel that there are competent natives in the North to take such positions. Thank you.

MR. SPEAKER: Supplementary, Mr. Morin.

Question O223-89(1): Percentage Of Native Employment In Senior Management

MR. MORIN: Thank you, Mr. Speaker. Supplementary to the Minister responsible for Personnel. Madam Minister, can you table for me in this House, the percentage of people that are native people that are in government from the assistant deputy minister level up?

MR. SPEAKER: Madam Minister.

Return To Question O223-89(1): Percentage Of Native Employment In Senior Management

HON. JEANNIE MARIE-JEWELL: Mr. Speaker, yes I can.

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

Question O224-89(1): Eligibility To Hunt Caribou

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. My question is directed to the Minister of Renewable Resources, with regard to caribou. I would like the Minister to clarify what kind of policies they do have with regard to caribou. My reason for asking is that the Inuit from Northern Quebec, on occasion, go to Cape Dorset. The RCMP and the nurses that live in Cape Dorset, do they have to follow the policies? I was wondering if the people that are recognized as residents of Cape Dorset, according to the hamlet, are eligible to hunt caribou.

MR. SPEAKER: Mr. Minister.

Return To Question O224-89(1): Eligibility To Hunt Caribou

HON. TITUS ALLOOLOO: (Translation) Thank you, Mr. Speaker. The people that come from provinces, whether they be aboriginals or non-natives, have to live in the Northwest Territories for two years before they are eligible to get some caribou tags. In answering your second question, I can get back to you later on. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Part of that question was taken as notice. Oral questions. Mr. Morin.

Question O225-89(1): Support For Dene/Metis Education Conference

MR. MORIN: Thank you, Mr. Speaker. My question is to the Minister of Education. The Dene Nation, the Metis Association, the Native Women's Association and the Dene Cultural Institute have formed a steering committee on education in an attempt to co-ordinate their efforts in addressing the Dene and Metis education needs and issues. None of these organizations currently has permanent in-house staff to enable them to address the Dene and Metis concerns on education. In November this committee wrote to the Minister of Education to inform him of their existence and to request his support and sponsorship of a Dene and Metis education conference. A conference such as this is long overdue. The Dene and Metis have not had the opportunity to address, in a comprehensive manner, the future of education. We are painfully aware of the high drop-out rates, of low graduation numbers and of little Dene and Metis participation in post-secondary education. The Minister is proceeding with the establishment of divisional boards in an attempt to decentralize control over education. The Dene and Metis continue to be involved in negotiations that will affect the shape of future northern governments at all levels. There is a question coming. There is a need for the Dene and Metis to look at the implementation and initiatives and the future of education. Is the Minister prepared to support and finance such a conference and thereby demonstrate his commitment to address problems with education for the Dene and Metis?

MR. SPEAKER: Mr. Minister.

Return To Question O225-89(1): Support For Dene/Metis Education Conference

HON. STEPHEN KAKFWI: Thank you, Mr. Speaker. One of the questions that comes up continuously is what is the role, if any, of organizations like the Metis Association, the Dene Cultural Institute and the Dene Nation, in the decisions and discussions that need to take place with regard to education in the NWT. I personally feel that if I am far away from the communities and not really in a position to make decisions about what is best for parents, schools and teachers, then so are the executive of the Metis Association and of the other organizations. Our interest is to give education to those people that we feel are primarily interested in the education of children; the parents, the people elected by communities, LEAs, the education societies. These people should be the ones that are given the recognition and support.

Having said that, I am not rejecting the proposed conference outright, because I do not know the way in which it would be set up, who is going to participate and who is supporting the conference. When I have received the proposal for the conference and looked at it more thoroughly, I will be able to respond. Thank you.

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

Supplementary To Question O225-89(1): Support For Dene/Metis Education Conference

MR. MORIN: Thank you, Mr. Speaker. A supplementary to the Minister. When you talk of the Dene Nation, Metis Association, Native Women's Association or Dene Cultural Institute, the only reason those organizations exist is because they are made up of people, and they do represent people. When they talk of a conference, it would be people from the communities that would be coming in to participate in this conference. I am glad to hear that you will consider it. When will you be able to give us a final answer on when this conference would take place?

MR. SPEAKER: Mr. Minister.

Further Return To Question O225-89(1): Support For Dene/Metis Education Conference

HON. STEPHEN KAKFWI: I could not tell you when it is going to take place, because I am not planning it. I could tell you probably this week whether or not we would be prepared to try to find money for it.

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

Question O226-89(1): Purpose Of FEARO Hearings

MR. LEWIS: Thank you, Mr. Speaker. There was some concern expressed earlier about environmental matters. This question is to the Minister responsible for Energy, Mines and Petroleum Resources. Could she tell us whether at the proposed FEARO hearings, since they are going to take place at the instigation of this government, the purpose is to define the terms and conditions before uranium mining can go ahead, or is it simply to determine whether uranium mining should proceed in Baker Lake or not?

MR. SPEAKER: Madam Minister.

Return To Question O226-89(1): Purpose Of FEARO Hearings

HON. NELLIE COURNOYEA: Mr. Speaker, I will be pleased to table the terms of reference on the FEARO hearings.

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

Question O227-89(1): Caribou Hunting In Cape Dorset

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. This is a supplementary question to the Minister of Renewable Resources with regard to Cape Dorset. The Cape Dorset local HTA has a position that Northern Quebec residents should be allowed to hunt caribou in Cape Dorset. What is the policy in regard to Northern Quebec residents hunting caribou in Cape Dorset? I am talking about the people who have moved to Cape Dorset from Northern Quebec. They are now residents of Cape Dorset. Thank you.

MR. SPEAKER: Mr. Minister.

HON. TITUS ALLOOLOO: (Translation) I will take the question as notice, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. The question is taken as notice. Oral questions. Mr. Lewis.

Question O228-89(1): Relationship Between Church And State

MR. LEWIS: Thank you, Mr. Speaker. My question is to the Government Leader. Is he aware of a document that has been circulated by the Catholic Church entitled, "Walking Together", and has he had any consultation with the Catholic Church about a redefined relationship between the church and the state?

MR. SPEAKER: Mr. Patterson.

Return To Question O228-89(1): Relationship Between Church And State

HON. DENNIS PATTERSON: Mr. Speaker, the answer to the first question is yes. The answer to the second question is no. Thank you.

---Applause

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

Question O229-89(1): Funding Proposals From Dene Cultural Institute

MR. MORIN: Thank you, Mr. Speaker. My question is to the Minister of Renewable Resources and Culture and Communications. The Dene Cultural Institute has made its funding proposals to the Departments of Culture and Communications and Renewable Resources for support for research and documentation of traditional knowledge on environment. They have not yet received a definite response. I want to point out that I think it is crucial that both departments demonstrate support and commitment to traditional knowledge.

Renewable Resources has said for many years that they recognize the value of traditional knowledge yet it is difficult at times to see evidence of their use of this vast knowledge. When it comes to disputes between scientists and hunters and trappers, it is usually the scientists that are trusted and yet their expertise in the North is based on only a very brief study, while traditional knowledge has accumulated for thousands of years. The Dene Cultural Institute...

MR. SPEAKER: Mr. Morin, I am sorry to cut you off but you are going beyond the brief preamble that our Rules allow. Would you get to the question please?

MR. MORIN: How long am I allowed?

MR. SPEAKER: A brief preamble. There are definitions for brief.

MR. MORIN: Okay. As I was saying...

---Laughter

...as the Dene Cultural Institute hopes to find ways to utilize both understanding and environment more efficiently, are you, Mr. Allooloo, prepared to demonstrate your commitment to traditional knowledge as having both cultural value and valid environmental management value, by having each of these departments support this proposal? When can the Dene Cultural Institute expect an answer? Thank you, Mr. Speaker.

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

Return To Question O229-89(1): Funding Proposals From Dene Cultural Institute

HON. TITUS ALLOOLOO: Thank you, Mr. Speaker. First of all, my departments, Culture and Communications and Renewable Resources, both have membership on the traditional knowledge group, as well as the Science Institute. I am hoping that in the near future the working group would be able to recommend to me and to this government the way in which we could use the traditional knowledge in pursuing the management of our resources.

I should also mention that the traditional knowledge group is also involving the Dene Cultural Institute. Currently my department is looking into the request made by the Dene Cultural Institute and I am hoping that in the very near future that I will be able to respond to the request. Thank you.

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

Supplementary To Question O229-89(1): Funding Proposals From Dene Cultural Institute

MR. MORIN: Thank you, Mr. Speaker. When you say in the near future, could you give me a time limit please?

MR. SPEAKER: Mr. Minister.

Further Return To Question O229-89(1): Funding Proposals From Dene Cultural Institute

HON. TITUS ALLOOLOO: Mr. Speaker, I cannot say for sure at this time.

MR. SPEAKER: Thank you. Oral questions.

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

ITEM 7: RETURNS TO WRITTEN QUESTIONS

CLERK OF THE HOUSE (Mr. Hamilton): Return to Question W11-89(1), asked by Mr. Nerysoo to the Minister of Education, on the use of student residences; return to Question W12-89(1), asked by Mr. Nerysoo to the Minister of Renewable Resources, on the position of chlorofluorocarbons.

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

Hon. Stephen Kakfwi's return to Question W11-89(1), asked by Mr. Nerysoo on February 21, 1989, regarding use of student residences by students. The residential school policy governs residential or home boarding accommodation for students who must leave home in order to attend school. As the policy states, students are normally assigned to residences in their own region and students from the Kitikmeot division are accommodated in Akaitcho Hall in Yellowknife. Under special circumstances in the best interests of students' education, such as the availability of a particular high school program, students may attend residence schools outside their home region. The attached residential school policy is outdated and is being revised for the new school year.

Return To Question W12-89(1): GNWT Position On Chlorofluorocarbons

Hon. Titus Allooloo's return to Question W12-89(1), asked by Mr. Nerysoo on February 22, 1989, regarding GNWT position on chlorofluorocarbons. I would like to state that this government, through its participation in the Canadian Council of Resource and Environment Ministers, CREM, has been involved in the overall plan for dealing with the chlorofluorocarbon, CFC, problem. The position of this government as a member of CREM is very clear: We oppose the manufacture and use of chlorofluorocarbons. However, while the use of CFCs in certain situations has been curtailed, in others there are no substitutes available at the present time. They will be here in the near future but they are not here now.

Let me cite a few figures to help put CFC use in the Northwest Territories in proper perspective. Of CFCs produced, 47.7 per cent are in Europe, 30.5 per cent are in USA, 8.9 per cent are in Japan, 9.9 per cent are in other countries, and 2.5 per cent are in Canada. It is estimated that less than 1/100 of one per cent are in the Northwest Territories.

Canada itself is a small player in the overall CFC picture. The problem rests outside our country. That is why Ontario and British Columbia have made their announcement. This is also why Canada is proceeding with its "ozone depleting substance regulation" and why this government, as well as other provincial governments, will consider adopting these regulations after they have been gazetted. The main impact of all these efforts is not just to deal with the 2.5 per cent in Canada, it is to point out to all these other countries that Canada is dealing with the problem and they in turn, must do likewise. It is an international problem with possible serious impact on the Arctic and it is essential that it be dealt with on an international basis. This government's position, as it is for the provinces, is one of total support for the federal government in its effort to convince these other countries to change their ways.

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

Item 8, replies to Opening Address.

DEPUTY SPEAKER (Mr. Gargan): Item 8, replies to Opening Address. Item 9, petitions. Mr. Angottitauruq.

ITEM 9: PETITIONS

MR. ANGOTTITAUURUQ: Mr. Speaker, I would like to put out Petition 5-89(1), to reduce the pupil/teacher ratio in NWT schools. I have 158 signatures.

MR. DEPUTY SPEAKER: Thank you, Mr. Angottitauruq. Item 9, petitions.

Item 10, reports of standing and special committees.

Item 11, tabling of documents.

Item 12, notices of motion.

Item 13, notices of motion for first reading of bills. Item 14, motions. Motion 5-89(1), Appointment to the Special Committee on the Northern Economy, with Mr. Lewis.

ITEM 14: MOTIONS

Motion 5-89(1): Appointment To The Special Committee On The Northern Economy, Carried

MR. LEWIS: Mr. Speaker:

WHEREAS as the striking committee has met and considered membership on the special committee on the northern economy;

NOW THEREFORE, I move, seconded by the honourable Member for Yellowknife South, that notwithstanding Rule 89(2), that the honourable Member for Nahendeh, Mr. Sibbeston, be appointed as an alternate Member to the special committee on the northern economy.

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

AN HON. MEMBER: Question.

MR. DEPUTY SPEAKER: Question is being called. Those in favour? Opposed? Abstentions? This motion is carried.

---Carried

Motion 7-89(1), Broadcasting Station for the Kitikmeot Region, with Mr. Angottitauruq.

Motion 7-89(1): Broadcasting Station For The Kitikmeot Region

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker.

WHEREAS the residents of the Kitikmeot Region receive CBC programming from Yellowknife and Inuvik;

AND WHEREAS the residents of the Kitikmeot Region wish to have programs originating from their own area;

NOW THEREFORE, I move, seconded by the honourable Member for Aivilik, that this Legislative Assembly request the Executive Council to pressure the Canadian Broadcasting Corporation to establish a broadcasting station in the Kitikmeot Region.

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

MR. ANGOTTITAUURUQ: Mr. Speaker, this is not the first time I have raised the need for a broadcasting outlet in the Kitikmeot Region. It is a short motion, but the motion should be understandable to the Members of the Legislative Assembly.

I will explain the need. We in the Kitikmeot receive broadcasting from other regions, and many times, especially in the Baffin Region, we hear their regional meetings on the radio and they are helpful to the residents of that region. I am just explaining exactly why we need this. From those regional meetings, a lot of people can gain information and be more active in developing their communities. It is for that reason I made this motion so that that area could get a broadcasting station in their own region. There are talk shows from each region which have broadcasting stations in their regions. My constituents have told me a number of times that they want to be involved in these talk shows, which are mostly carried out from Rankin Inlet and which are very informative, on such items as home births and pollution in the NWT, and many other talk shows that are helpful to the communities. My constituents have told me a number of times that they try to make phone calls to be participants in the talk shows, but they could not get through. If we had our own, we would do similar things to inform the people of that region.

When I make the motion to request the Legislative Assembly to request the Executive Council, what I am saying is that we try to participate in regional broadcasting stations, but due to many people using it from all the regions of the NWT, we cannot really be involved. When the fall election came around, I listened very eagerly about new mayors in the NWT, and not one of my mayors in my region had been interviewed by any broadcasting corporation. I heard some other regions interview their new mayors saying what they will be doing when they get into office. I

said to myself, this region is lacking some information to the people. When these mayors were interviewed they said exactly what they were going for and what they were planning to do to help the communities; and not one from my region has been interviewed. That was a real handicap to the people in that region. That explains almost everything.

Another important thing, too, is the culture. While that region, having a majority of Inuit, has the same culture as any other region, they have a language which is slightly different in the total meaning of the words they say, so the broadcasting corporation station in that region would be very helpful to the region. That explains most of the request for a broadcasting station in the Kitikmeot Region, and I am pretty sure that the Members will support the motion after hearing this explanation. Thank you, Mr. Speaker.

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

MR. ERNERK: (Translation) Thank you, Mr. Speaker. I stand up today because I really want to support the MLA for Natilikmiot in his endeavours. When we began our meeting today, it was mentioned by one of my friends that some of the MLAs were going through growing pains. When they were growing up they used radio instead of television, and I think that the mover of this motion will agree with me that we did not even have radios when we were growing up, at least some of us in the North did not have radios in the huts or in tents.

Existing Broadcasting

I know the main reason I am supporting this motion, Mr. Speaker, is that in Rankin Inlet we have a broadcasting station which broadcasts throughout the Keewatin and can also broadcast over to the West or the East. There is also a station in Iqaluit which is directed to the Baffin Region residents. Also we have a broadcasting centre of CBC for Northern Quebec for the entire area. Whenever we are broadcasting out of Rankin we can often call in to the station and many residents of the Kitikmeot Region want to participate in the talk shows, especially through the Rankin Inlet broadcasting station. But they are unable to get through to us because those of us residing in the Keewatin Region and the Baffin Region people are putting in more calls, thereby using all of the lines.

I understand why the Kitikmeot Region wants to get their own broadcasting centre so that they can protect their cultural identity and their language. I believe that even if the CBC or another broadcasting company -- I am sure if they had their own broadcasting centre this would enrich their language and the use of their aboriginal language. The CBC having a satellite station, I think plays a very major role in broadcasting and passing on of information. Communication is very important in that area. If it is going to be CBC who is going to open a broadcasting centre in that area, I think that it would help the culture and language of the Inuit in terms of communicating in their own language and that there will be more communication between the Kitikmeot, Keewatin and Baffin Regions. This would be very good for all of us. Thank you.

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

MR. LEWIS: Briefly then, Mr. Speaker, I would like to thank Mr. Wray who is not in this House, for correcting me on John Logie Baird. However the first transmission took place in a place called Alexander Palace and I sometimes confuse the name but I do appreciate his correction.

In discussing broadcasting, Mr. Speaker, the issue of radio stations in that part of the NWT is one big gap in our communication system. I sincerely believe that radio is one of those things that probably occupies more time in our life than we realize. I know that I spend far more time listening to the radio than I do either reading newspapers or watching television. So I certainly support Mr. Angottitauruq's attempt to get this missing link filled in. Although I paid tribute to Mr. Rhodes earlier on, this is one part of the mandate that CBC has yet to fill and I hope it will be filled soon. Thank you very much.

MR. DEPUTY SPEAKER: Thank you, Mr. Lewis. To the motion. Mr. Angottitauruq, do you have anything further?

MR. ANGOTTITAUURUQ: (Translation) Yes, Mr. Speaker, now that we are ready to vote on the motion. In Kitikmeot, especially in the Natilikmiot area, they would like to have a radio station. As their representative that is the reason I make this motion, so that the Kitikmeot would have a radio station which would be used widely in the NWT to communicate and inform the people of Kitikmeot. They do have a local community radio but they would like to get information and communicate with other regions. If there were to be a radio station it would make progress for the future. For that reason I made the motion. I would like to get the support of my colleagues. Thank you, Mr. Speaker.

Motion 7-89(1), Carried

MR. DEPUTY SPEAKER: Thank you, Mr. Angottitauruq. Question is being called. All those in favour? Opposed? Abstentions? This motion is carried. Thank you very much.

---Carried

Motion 8-89(1), Northern Hiring Policy for Keewatin Region. Mr. Ernerk.

Motion 8-89(1): Northern Hiring Policy For Keewatin Region

MR. ERNERK: Mr. Speaker:

WHEREAS the association and residents of the Keewatin have been requesting the implementation of an effective northern hiring policy;

AND WHEREAS the hiring practices of the Keewatin regional office benefits the southern transient population and not the majority;

AND WHEREAS the Department of Education is not providing sufficient training to Northerners and in particular, Inuit;

AND WHEREAS the Keewatin people want to prepare themselves for the administrative responsibilities prior to the formation of a Nunavut territory;

NOW THEREFORE, I move, seconded by the honourable Member for Rae-Lac la Martre, Mr. Zoe, that this Legislative Assembly requests the government and especially the Keewatin regional administration to make every effort to increase the number of Northerners, in particular Inuit residents of the Keewatin Region, in middle and senior management positions which are presently occupied by southern hires;

AND FURTHER, that the government consider allocating sufficient funding for on-the-job training so that when a government position is filled by a Southerner, it be only a term position, and that a northern trainee be hired to train for the position until the end of the term.

Thank you, Mr. Speaker.

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

MR. ERNERK: Thank you, Mr. Speaker. To me, Mr. Speaker, innovative approaches to training are needed to meet the unique circumstances of native groups preparing to implement comprehensive land claims, land claim settlements, as well as the establishment of Nunavut territory.

Mr. Speaker, from this beginning we must prepare and equip our young people with the knowledge, skills and confidence which are needed to take advantage of employment opportunities, as well as educational opportunities, which will exist in our region of Nunavut when land claims in the new territory become a reality.

Mr. Speaker, as we all know, native people throughout Canada are presently striving to achieve greater forms of self-government. One of the major vehicles of achieving this goal will be comprehensive land claims settlements. To me, Mr. Speaker, land claims settlements will eventually lead to the creation of many new decision-making structures, designed to facilitate the exercise of native control. If land claims settlements are to be effective vehicles for realizing the goal of native self-government, it follows that these new institutions should be managed by native people themselves. In particular, I speak of the Inuit of Nunavut.

Just for a moment, Mr. Speaker, I would like to refer to the Tungavik Federation of Nunavut's native training program called "Nunavut --Sivuniksavut". This is a pre-settlement training program. The long-term purpose of this training program is to increase the number of Inuit who will be available to run a land claim settlement in Nunavut and the government of Nunavut. The program was started in 1985. Out of 19 young Inuit who have graduated to date, all but four have become successfully established in the work force in the Eastern Arctic, in Nunavut.

Mr. Speaker, the motion that I am putting forward today is designed to make our young people our future. Our young people must feel good about their future. This issue of training is for the future. Training for tradespersons to managers, getting ready for the future.

I heard what the Minister of Economic Development said to us the other day in this House, that 20 per cent of Inuit graduate at the grade 10 level. I am much more determined, Mr. Speaker, to be able to provide equipment for our young people to take over our jobs as Members of the Legislative Assembly, or whatever career opportunities they may wish to choose for themselves.

AN HON. MEMBER: Hear, hear!

MR. ERNERK: Our young people in the future, and the future is going to be very soon, must be able to manage their own destiny. In this case, Mr. Speaker, Arctic College must be able to show its objective to fully train the people who are going to take over our jobs in whatever, or wherever, we are.

This motion, Mr. Speaker, could provide a little start, a little beginning, and it should be taken as a positive beginning. It asks the Government of the Northwest Territories, the Government of Canada and those others who are responsible in various corporations and companies, to place Inuit from the Keewatin Region, and train them side by side with a person from southern Canada, who should be on a term position. Once he or she finishes that position, that person should be able to leave a certain amount of experience behind. It should be looked at as complementary.

Mr. Speaker, on the other hand, those people I represent in the Keewatin Region, the Inuit, must be committed to be trained. They must be prepared to stick it out. They should not quit. They must take it as a positive move in the long run. On the other hand, trainers must make sure that they encourage their trainees in that they have a future in place, and the future is great, the future is there, the future is there for them to grab.

The Government of the Northwest Territories is committed to training and placing more Inuit in the Keewatin Region, as it is in many parts of the NWT, at the more senior managerial level; positions of real responsibility. This motion, Mr. Speaker, is designed to accept that challenge. We must begin today to invest in our own people. Thank you very much.

---Applause

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

MR. ZOE: Thank you, Mr. Speaker. I think my colleague from Aivilik said it all. I would just like to encourage all Members to support this particular motion. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Zoe. To the motion. Mr. Lewis.

MR. LEWIS: Mr. Speaker, the future constitutional arrangements are still very uncertain, but everybody in this House, I believe, has asserted their support for training people to take over more and more responsibilities. I certainly feel very strongly that perhaps one of the mistakes we sometimes make is to just stick somebody in a job and hope that they will survive. I am a firm believer in a better arrangement whereby people can be trained for positions of responsibility and given all the necessary support until they can really take on that responsibility and do it alone.

Mr. Speaker, I will go even further than that. Not only do we need to have better training programs and a better way of providing support to people while they are in training, but also once a person gets into a job, so that we do not simply abandon them. We must have an ongoing system within the public service, or whatever kind of arrangement exists in the future, so that we can continue to get the best effort out of the people that we employ, by whatever kinds of in-service or forms of training, to keep people up to date with all the developments that are taking place. Anything to do with training, Mr. Speaker, should not be simply disregarded or treated negatively because it relates maybe to things that we are not sure about. What we are sure about is that we need trained people, and I urge people to support the spirit of this motion to get more northern people trained for whatever jobs emerge in the future, with whatever kind of constitutional arrangements we eventually arrive at. Thank you.

AN HON. MEMBER: Hear, hear!

MR. DEPUTY SPEAKER: Thank you, Mr. Lewis. To the motion. Mr. Arlooktoo.

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I am in full support of the motion. On behalf of Baffin Island, I am quite sure the motion will include all the regions in the NWT. In the regions, in the smaller communities they have white people in positions, even as foremen. I fully support the motion as it stands because in the past the Inuit people have been ignored and bypassed by the non-Inuit people. Sometimes lack of funding deters the training of Inuit people or the aboriginal people for the jobs. In the communities outside of Iqaluit, the non-Inuit people have most of the good positions. If we implement or carry this motion we can have more aboriginal people in higher positions in the future. For those reasons I support the motion. Thank you.

MR. DEPUTY SPEAKER: To the motion. Mr. Pudluk.

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I am gratified to see this kind of motion on the floor. We will have to start encouraging our young people to get into good positions and we will have to implement more positions. At present there are a lot of young people out there in the communities that can finish their schooling and there is a potential for having a lot more young people in our communities. In looking at our statistics, there will be more young people for us to look after in the future so we will have to start preparing for the future in that regard.

Perhaps we should concentrate more on the smaller communities. Even though this particular motion is dealing with higher positions, it should also deal with many other positions as well. I think we will have to concentrate on all the regions in the NWT, whether it be in the Baffin Region or in the Keewatin or in the Kitikmeot Region.

Amendment To Motion 8-89(1)

I would like to make an amendment to the motion. After "Now therefore, I move, seconded by the honourable Member for Rae-Lac la Martre, that this Legislative Assembly requests the government", delete "and especially the Keewatin regional administration" and replace with "ensure all regional offices". Also delete "the Keewatin Region", and replace it with "all regions".

It now reads: "all regions in middle and senior management positions, which are presently occupied by southern hires". Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Yes, Mr. Pudluk, your amendment is in order. Who is your seconder?

MR. PUDLUK: Mr. Speaker, it seems to be everybody.

---Laughter

Okay, Mr. Whitford.

MR. DEPUTY SPEAKER: Thank you, Mr. Pudluk. To your amendment, Mr. Pudluk.

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I will summarize this motion. I want the motion to deal with all the regions, not only the Keewatin Region. That is it. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Pudluk. Your seconder, Mr. Whitford. Mr. Zoe.

MR. ZOE: Thank you, Mr. Speaker. Mr. Speaker, can I request that we have written copies? Because I would like to make a further amendment to the amendment and I do not have a copy to amend. And translate it, please? Thank you.

MR. DEPUTY SPEAKER: Okay, then we will take a break until the written amendment is brought in.

---SHORT RECESS

MR. DEPUTY SPEAKER: Okay, the committee will now come back to order. I mean the House will come back to order. Mr. Pudluk, could you read out your amendment?

MR. PUDLUK: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Yellowknife South, that Motion 8-89(1) be amended by deleting the following words on line three: "and especially the Keewatin regional administration" and replace them with the following words: "ensure that all regional offices". Further, that the words "the Keewatin Region" on line five be deleted and replaced with the following: "all regions". Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Pudluk. Your amendment is in order. To the amendment.

AN HON. MEMBER: Question.

Amendment To Motion 8-89, Carried

MR. DEPUTY SPEAKER: Question is being called. All those in favour of the amendment? All those opposed? Abstentions? This amendment is carried.

---Carried

Thank you. To the motion, as amended. Mr. Zoe.

Further Amendment To Motion 8-89(1)

MR. ZOE: Thank you, Mr. Speaker. I am in support of the motion as amended, but since the honourable Member has changed the wording to include all regions, I think it will be appropriate at this time that I move a motion to amend the motion as amended. After "now therefore", Mr. Speaker, I move, seconded by the honourable Member for Yellowknife Centre, that Motion 8-89(1) be amended by deleting the word "Inuit" on line five and substituting it with the word "aboriginal". Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Zoe. Your amendment is in order. Mr. Zoe.

MR. ZOE: Thank you, Mr. Speaker. Since the honourable Member has amended the original motion, which was specifically for the Keewatin Region, and since he made the motion in reference to all regions, I felt it would not be appropriate to single out a specific group, but to make it apply equally to all other groups, so I made reference specifically to aboriginals. I think it is appropriate, since the reference is made to all regions, that "aboriginal" should be in order so it also includes Inuit, Dene and Metis. Thank you. I hope the Members will support my motion.

MR. DEPUTY SPEAKER: Thank you, Mr. Zoe. Member for Yellowknife Centre, would you like to comment?

MR. LEWIS: I have pleasure in seconding this amendment, Mr. Speaker, because it is pretty clear that the intention is, first of all, to have the kind of government that people are happy with, but also that it be supported by an administration that is also representative of the people of the NWT. Currently, especially at the senior level, it is unrepresented, and I believe that this particular approach is a far better one than just a simple affirmative action program, because it would provide people with training that will allow them to be secure and confident in the work they do. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mr. Lewis. To the amendment.

AN HON. MEMBER: Question.

Further Amendment To Motion 8-89(1), Carried

MR. DEPUTY SPEAKER: Question is being called. All those in favour? All those opposed? Abstentions? Your amendment is carried, Mr. Zoe.

---Carried

To the motion, as amended. Mr. Ernerk. Are there any other Members that would like to speak to the motion before Mr. Ernerk? Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker. Just briefly, I would like to speak in favour of the motion. The motion speaks for itself. Even though we are not in the Education department, I guess the motion is also stating that we have to encourage our students. If the motion passes, and if the government follows the recommendation, this would encourage the students of today to stay in school, to graduate and, hopefully, they would pursue more positions, such as the motion is recommending. For that, I will support the motion so that we can give more of the students of today the encouragement and hope that they would not just be cashiers and garbage collectors after graduating. I think that is one of the things that is lacking in the communities; the lack of good positions makes some students drop out. They do not have hope. They do not want to just be cashiers with their grade 12, or garbage collectors, or just ploughing the roads. I think they are hoping they would find some more things, such as the motion is indicating. Thank you, Mr. Speaker.

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

HON. JEANNIE MARIE-JEWELL: Thank you, Mr. Speaker. With regard to the motion, and the amended motion, I would just like to make a few comments. First of all, I would like to mention that the initial motion had indicated that the Department of Education should provide sufficient training to Northerners. I believe the Minister of Education is trying to address this particular problem by increasing in-service trainee positions, not only in the Keewatin but probably in all regions.

However, particularly referring to the Keewatin Region, in looking at the statistical figures in comparison with other regions, I felt the Keewatin has done fairly well. Currently, they do have seven in-service trainee positions and they anticipate increasing that by an additional 13 in-service trainee positions to train both middle and senior management for the Keewatin Region.

The positions in the Keewatin were filled basically by native and non-native Northerners, which compiled 79 per cent of the total employment. The Keewatin Region had 359 positions and 285 were filled by non-native Northerners and natives. However, I recognize that we still require southern expertise in some of the positions. Out of these, 74 employees were hired from the South, which reflects 21 per cent of our positions to be filled.

Certain Positions Still Require Expertise

Mr. Speaker, what I am trying to point out to the Members is that inasmuch as we try to fill positions in the North with native people -- and I certainly indicate that as one of the goals, and my goal particularly as the Minister -- there are certain positions where we still require the expertise through education requirements. We really must emphasize to our native people the importance of education to be able to achieve some of the requirements in certain positions such as nurses, engineers, which do require degrees. We certainly cannot look at filling them with in-service trainees. I have to emphasize this.

There are other positions that we could look at, and I am sure these probably will be reviewed in the future, along with the continuing support, as Mr. Lewis had indicated, in filling some of these positions. I do not want to speak totally for or against the motion. I do, however, want to point

out that it takes a collective approach to try to achieve what we are putting forth for ourselves as goals. We both need to work collectively, both the trainees and the trainers, in their attitudes, in what we are trying to achieve to fill positions.

Mr. Speaker, I basically want to indicate that in-service trainee positions are increasing in our government, and it is certainly our intention to ensure that we do give serious consideration to enhancement of in-service trainee positions, not only in the Keewatin Region but in every other region. Thank you.

MR. DEPUTY SPEAKER: Thank you, Madam Minister. To the motion. Mr. Ernerk, final comments.

MR. ERNERK: (Translation) Thank you, Mr. Speaker. To the honourable Members, the Government Leader and the cabinet, I will try and support you in every way I can with regard to the motion if it is passed. Also, to my fellow Inuit from all over, I have every confidence in your abilities because I know you have ability.

Looking at the future, Mr. Speaker, our young people are our future. Today we are looking at our people who are our future, more than ever before, those people who will be managing our everyday lives in the future.

Those of you who are young people out there, and I am sure there are a lot of you out there who have the ability to work -- I know this for a fact -- I wish one of you would come here because, Mr. Speaker, if we have to have another job somewhere else, not in the Legislative Assembly, we have to look for jobs for the young people for the future, so you young people out there can some day take over our responsibilities. All the opportunities are waiting for you. Over the next few years, you young people out there -- even though it may seem so far away I know the years will come by quickly -- please, you young people out there in all the regions, try and prepare yourselves for the future because your future looks good.

We who have the power today, we will support with all our abilities the young people out there. You young people try to get into our government, or try to get into the federal government as employees, or even some different companies. It is not impossible to get jobs out here. We want you as our helpers because you are our future. I will not be in the Legislative Assembly forever. Our children or our grandchildren are our future. We will help you and support you in every way we can, to the best of our abilities. I encourage you to go out there and look for jobs so some day in the future you will take over our responsibilities. Thank you, Mr. Speaker.

Motion 8-89(1), Carried As Amended

MR. DEPUTY SPEAKER: To the motion, as amended. All those in favour? Mr. Pudluk has requested a recorded vote, Mr. Clerk. All those in favour, please stand.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Crow, Mr. Arlooktoo, Mr. Zoe, Mr. Morin, Mr. Pudluk, Mr. Ernerk, Mr. Lewis, Mr. Whitford, Mr. McLaughlin, Mr. Angottitauruq.

MR. DEPUTY SPEAKER: Thank you. All those opposed? All those abstaining?

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Wray, Ms Cournoyea, Mr. Allooloo, Mr. Ballantyne, Mr. Patterson, Mr. Kakfwi, Mrs. Marie-Jewell.

MR. DEPUTY SPEAKER: Thank you, Mr. Clerk. The motion is 10 yeas, there are no nays, and seven abstentions. This motion is carried, as amended.

---Carried

---Applause

Item 15, first reading of bills.

Item 16, second reading of bills. Item 17, consideration in committee of the whole of bills and other matters. Bill 1-89(1); CR 1-89(1); Bill 8-89(1); CR 2-89(1), with Mr. Zoe in the chair.

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

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER COMMITTEE REPORT 2-89(1), REPORT OF THE STANDING COMMITTEE ON LEGISLATION; BILL 8-89(1), PUBLIC UTILITIES ACT

CHAIRMAN (Mr. Zoe): The committee will come to order. On Friday, the committee concluded with the Aboriginal Rights and Constitutional Development Secretariat. We just heard the Minister's opening statement. I assume the committee will continue on with the main estimates. Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. After consultation with the chairman of the ordinary Members, it was agreed that we proceed with the public utilities legislation today, if that meets with the acceptance of the House.

CHAIRMAN (Mr. Zoe): Does the committee agree that we stand down Bill 1-89(1) and go on to Bill 8-89(1), as the Government House Leader has indicated? What is the wish of the committee? We go to Bill 8-89(1). Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 8-89(1): Public Utilities Act

CHAIRMAN (Mr. Zoe): Bill 8-89(1) is in your binders. We are dealing with Bill 8-89(1), Public Utilities Act. Madam Minister, do you have any opening remarks?

Minister's Opening Remarks

HON. NELLIE COURNOYEA: Yes, Mr. Chairman. I take pleasure in introducing the Public Utilities Act for review.

Purpose Of Utility Regulation

The public utility legislation is extremely important. It provides for the regulation of companies who are the suppliers of essential services and who operate under monopoly conditions.

It is often stated that regulation is a substitute for competition and for that reason it is vital that the legislation provide the regulator with sufficient power to regulate public utilities. The legislation must provide a structure which will foster fair treatment to consumers while permitting a reasonable return to the suppliers of the utility services. It is essential that the regulatory process foster such fair treatment because consumers look to regulation to provide controls over public utility prices and terms and conditions of service in the place of competition.

Similarly suppliers deserve fair treatment by regulators as it is the suppliers who commit large sums of capital to projects required for the supply of public utility services. Without the assurance of fair treatment over the long term, public utilities may avoid committing the necessary capital, thereby reducing the level of service.

History Of The Act

The Public Utilities Act in place now was enacted in 1963. It established the duties of a public utility and created a board with some responsibilities for the review and approval of rates and franchises, the hearing of customer complaints, and the monitoring of the utility activities. The act was amended in 1983 to add responsibility for natural gas and natural gas liquids.

The bill you have before you is entirely new. A complete rewrite of the old legislation was required to introduce in an orderly way, the strengthened powers of the board that were required.

The economy of the NWT has changed a great deal since the original legislation was brought forward. Private home-ownership has grown tremendously as have the number and size of NWT businesses. The board must have well-defined and sufficient authority to deal fairly with a changed and more complex setting. The new bill provides for these changes.

Development Of Current Legislation

Mr. Chairman, the bill that you have before you today is the result of a great deal of effort by many persons and is an excellent example of participation by the public in the development of good legislation. This bill has been exposed to public scrutiny on two occasions. I am particularly grateful to the municipalities, associations and companies which devoted time and effort to the study of the drafts and which provided suggestions to us.

Members will recall that a draft of the bill was tabled in the Legislative Assembly in April 1988. The standing committee on legislation subsequently distributed it to interested parties and some very useful comments were received as a result.

The department met with the standing committee in Rankin Inlet in June and reviewed all suggestions very closely. The revised bill which resulted was again distributed to interested parties in November 1988 and additional comments were received. The review by the joint standing committees on legislation and finance in January was very fruitful and a number of worthwhile improvements were identified and made as a result. A total of 64 changes were made to 34 of the clauses of the draft. I would like to touch on a few of the issues that received the most attention during the review.

Members' Term

Members were concerned with the five year term of the board members, believing that it was perhaps too long. We have reviewed some of the provincial legislation to see what the norm is considered to be, if indeed there is one. In Alberta, members may hold office for 10 years but are eligible for reappointment. Members of the British Columbia Utilities Commission hold office during pleasure for a period not exceeding five years but are eligible for reappointment. The members of the Manitoba Public Utilities Board hold office during pleasure for an indefinite period. After reviewing this, we believe that the five year term best meets the needs for expertise and stability on our board.

We are fortunate that two of the current members of our own board have remained with the board for more than one term, hence have become very familiar with utility matters in the NWT. These members have attended a variety of training courses over the years which have introduced them to the principles of utility regulation and have kept them abreast of current developments in their field.

Temporary Members

The bill provides for temporary members to be appointed by the Minister for a term and for such duties as are established by the Minister. During the committees' review Members asked how temporary is temporary? It is our intention in this clause to permit the Minister to appoint specialists to the board for a limited time to help the board deal with the issues in a particular

hearing or part of a hearing. The clause would enable particular regional experience or perhaps specialized medical, legal or engineering talent to be provided. The length of time a temporary member is required will vary according to the special circumstances of the case. We considered building in some time limit but felt that such a provision would unnecessarily limit the flexibility of the chairman in planning the board's work.

Quorum Of A Division

The committee also discussed the quorum of a division of the board which may function with two members present, one of whom may be a temporary member. We considered increasing the number of members that would constitute a quorum. It is important to note that this clause provides only for the minimum legal number of members that can sit as a division. It is not a guide for the establishment of a division that might consider a complex issue of interest to a broad area. Again a quorum of two for a division is similar to the Alberta and BC acts, although in BC the chairman may designate one member to sit. We finally determined to leave the quorum as proposed to ensure that the chairman of the board retained the flexibility to deal with simple issues efficiently and for a reasonable cost.

Executive Direction

Members were concerned that the provisions of the bill that provided for Executive Council direction to the board might lead to an erosion of its autonomy and freedom to regulate. We have amended the wording of section 14 to clarify our intent. It remains our belief however, that given the rapidly changing economic circumstances of the NWT, that there may be occasions in which it will be desirable for the government to provide direction.

It is difficult to guess what might arise in the future that would require this action to be taken. The board itself may wish to seek the government's direction when dealing with a matter having social as well as economic aspects, or to resolve an issue having a public policy aspect. Therefore it is important to enable the government to provide some direction to the board should this become necessary. A case in point was a request by the town of Hay River to have the board review competing natural gas supply proposals put forth by ICG and Northland Utilities. The board's jurisdiction to do this was uncertain. The board asked the Minister for direction, the Minister provided that direction and the board proceeded to hold a hearing in Hay River. This worked well for all parties.

If the Executive does issue a directive to the board, it must be of a general nature and must be published in the NWT Gazette and tabled in the Legislative Assembly. I should highlight that if direction is given at all, then according to government policy, it may not be issued prescribing provisions to be applied in a specific case. Further, it must not change the terms and conditions of a previous judgment.

Conditions For Exemption

Section 18 has been changed at the suggestion of the committee to enable the board to exempt part of the business of a company from regulation. This is needed when a public utility is carrying on a variety of activities, only some of which relate to the provision of utility services.

Provision Of Notice

Sections 22 and 28 have been tuned as a result of the committee's suggestion to ensure that notice of a hearing or a decision is provided in a manner that ensures that all interested parties have an opportunity to know what is happening and have the time to respond.

Decisions Filed With NWT Supreme Court

Section 30 provides that the board shall file copies of its decisions with the clerk of the NWT Supreme Court and that an order filed in this manner may be enforced in the same manner as an order of that court. Members asked me to look into this arrangement to see if it was a normal practice. On review, I note that the original act was established with the same provision. I understand that cases involving amounts greater than \$5000 must be heard by the Supreme Court instead of the territorial court. Utility cases often involve large amounts of money, hence this provision does seem appropriate.

Hearing For Rate Changes

Section 47 has been amended to require a hearing every time that rates are changed. This will ensure that the communities affected will always have an opportunity to comment on these important changes.

Those are a few of the sections that we discussed at length in committee. I will mention the other adjustments we have made as we move through the bill clause by clause.

Historical Importance

Mr. Chairman, the review of this legislation is a milestone for the people of the NWT and for this Legislature. It is one of the last steps we have to take for the establishment of control over electrical and other utilities in the NWT. Some Members of this House will recall the frustrations we encountered in the regulation of the Northern Canada Power Commission. That federal company would never accept the authority of this Legislature and the utilities board that we had established. This bill provides for the regulation of the NWT Power Corporation commencing October 1, 1989.

Power Corporation

I am pleased to see this matter resolved. The Northwest Territories Power Corporation was established and took control of the assets of NCPC in May last year. Residents of the NWT have invested \$53 million in their new corporation. Another \$20 million will be invested this year in plant and equipment to better serve Northerners. We now have a company serving us that is responsive to our concerns and is already planning improvements that will provide a more reliable power supply for the NWT.

Mr. Chairman, people here in the NWT no longer have to feel isolated from those that serve them. I will circulate for the use of all Members and their constituents, a list of directors and senior officers of the corporation. I feel we have a very dynamic group of Northerners on this board. I am sure if you have a complaint or a problem that your local operator cannot deal with you can call these people as they are there to serve you.

The directors have placed a high priority on the development of new customer policies. A new corporate office has been established in Hay River and the new head office building is now under construction. We hope that all will be ready in August for the movement of the Edmonton staff to Hay River.

This is why we have subsection 42(4) giving a franchise to the Power Corporation in the present service area until October 1, 1991. The time will allow the corporation to establish in Hay River, and give it time to visit the communities to arrange franchise agreements.

The Need For Franchises

Sections 38 to 44 of the bill deal with franchises and require a public utility to establish an agreement with each community before starting service. The NCPC had no such agreements with communities as did the investor-owned utilities. The corporation has inherited this situation.

Franchise agreements are relatively straightforward. Those that have been concluded in the NWT are quite similar. However, because they are new for most communities some time will be needed for the discussion that is necessary. To give the corporation and the communities the time they need to discuss this matter, we have provided for a deemed franchise for the corporation until October 1, 1991, in the areas that it serves now. This means that for the purposes of the Public Utilities Act, the corporation will be considered to have franchises that expire on October 1, 1991. Agreements will have to be reached between now and then for the period starting October 1, 1991, and going into the future from that point.

The question arose in the standing committees' review as to whether another company might go into a community now to bid for the service rights against the Power Corporation, to provide service starting October, 1991. This provision does not preclude that. However there are some very important reasons why the Power Corporation should be allowed to continue to serve the communities as it does now.

Reasons For Understood Service Areas

First, the rates for private home-owners and small businesses in the NWT are heavily supported by this government. I will circulate a short fact sheet with examples for you.

When we negotiated the purchase agreement for NCPC with the Government of Canada, we built the provision of this support into the price we paid. The people of the NWT earn a return on their investment, and this return is used to provide power at more reasonable prices and to provide capital for the expansion of the system to meet our future needs.

For the 1988-89 fiscal year, approximately \$2.225 million of support will be paid out on behalf of private customers. If some of the assets of the corporation must be sold because a franchise has been lost our ability to earn the money needed to fund the price support program will decrease.

Second, there is no magic in the utility game that allows one company to provide power at significantly lower costs than another. Recent extensions of service to the communities of Snare Lake, Trout Lake and Kakisa came only with a substantial contribution of capital funds from this government. Without this contribution electricity would not be provided today at near the same rate that it is, if at all. The territorial government's contribution to these communities totalled close to one million dollars.

Third, any utility such as our own Power Corporation that has a high quality of service as a prime objective must have a stable environment within which it can plan for the future. I mentioned previously \$20 million worth of capital expenditures by the Power Corporation in this current year. To allow uncontrolled competition for communities would place any utility, our own included, in a very difficult position when it came to planning for the long-term future.

Fourthly, Mr. Chairman, there is no jurisdiction in Canada that I am aware of that permits competition for the service area. Alberta has been used as an example of a jurisdiction in which two large investor-owned utilities compete, providing as a result, the lowest possible cost for the consumer. In fact, Alberta is clearly divided into service areas within which the large companies can provide service without fear of encroachment by the other. They are closely regulated by the Energy Resources Conservation Board and the Public Utilities Board. It is this regulation, in addition to the efforts of the two companies involved, that results in fair and reasonable service that Albertans enjoy. If an occasion arises in which some new community wishes to be served by one of the large companies it is the Energy Resources Conservation Board, the regulator, that determines which of the companies will receive the right to serve. The board decides this on the basis of the best interests of the customers.

The conclusion that I come to with all of this, Mr. Chairman, is that maintenance of the present service areas is in the best interests of the customers in the NWT at this point. Members will have an opportunity to discuss this longer-range question in the coming months.

Future Work

In the coming months we will be dealing with the design of a new rate structure for the Power Corporation and looking at options for greater public participation. We have received submissions from a number of NWT businesses, including native development corporations, who have expressed an interest in involvement with the corporation in one form or another.

This government committed to develop some privatization options within six months of the conclusion of the agreement with Canada in May of 1988. An assessment setting out some of the options was prepared according to that commitment. This work has not received due attention by the Executive as the corporation is still in the transition stage. Greater public participation is an important matter which we will deal with in the coming months. Once again, MLAs will have an opportunity to provide input on this issue.

Having our own corporation gives us the ability to begin planning the use of electricity as a key to our future economic growth and political maturity. Rate structure and public participation with the Power Corporation should not be confused, however, with the public utilities legislation that we are dealing with today. We will come back to these issues in the near future, but first we must set our regulatory house in order.

Mr. Chairman, these are my introductory comments. Thank you.

CHAIRMAN (Mr. Zoe): Mahsi cho. Mr. Ernerk, as chairman of the standing committee on legislation, do you have any comments on the Public Utilities Act?

Comments From The Standing Committee On Legislation

MR. ERNERK: Thank you, Mr. Chairman. I would like to begin by briefing the Members of the Legislative Assembly on the progress of this bill through the House and the standing committee on legislation.

The standing committee on legislation and the standing committee on finance met together for the first time in March 1988 to review energy matters related to the development of the NWT Power Corporation and to the introduction of the new Public Utilities Act. Committee Members, legislative staff and the government have spent considerable effort in preparing, reviewing and amending this legislation. Meetings of the standing committee on legislation were held in Rankin Inlet; joint finance and legislation committee meetings were held over the Public Utilities Act in Yellowknife last year and in January 1989. Various drafts of the bill were sent out for comment, and interested parties have submitted written comments, as well as appearing before the joint committees. Every effort has been made over the last year to prepare legislation which is thoughtful and relevant to the needs of the people and to the development of the NWT.

Mr. Chairman, the Minister, Ms Cournoyea, introduced An Act to Amend the Northwest Territories Energy Corporation Act to the Legislative Assembly on March 28, 1988, and specified that the prime purpose of the act was to allow the existing federal power corporation, the Northern Canada Power Commission, to operate under the legislative jurisdiction of the Northwest Territories. In the joint committee meeting, Members expressed concern that the draft regulations to accompany the Act to Amend the Northwest Territories Energy Corporation Act were not available. The Minister confirmed that the regulations were being prepared but would not be available until March 31, 1988. The effective date of transfer was April 1, 1988. Mr. Chairman, I would like to report to the Members that these regulations are reported to be under review and have not yet been received by the standing committee on legislation.

The Minister also informed the joint committee that there will be no power rate increases until October 1, 1989, the date upon which the NWT Power Corporation will become subject to public utility regulation under the proposed Public Utilities Act. In addition, Mr. Chairman, the commercial and residential power subsidy programs previously conducted by the Government

of Canada terminated on March 31, 1988, and the federal government will no longer be financially responsible for any such electrical subsidization in the NWT. The Minister informed us that this responsibility will fall to the Government of the NWT and will be renewed annually.

Extensive Reorganization Of Proposed Public Utilities Act

Mr. Chairman, I would like to report that the chairman of the house planning committee, Mr. Ballantyne, informed me on September 14, 1988, that the proposed Public Utilities Act had been extensively reorganized by the government as a result of the standing committee on legislation Rankin Inlet review in June, 1988. The government also reported that the bill had been restructured to give a more logical sequence to the different parts of the act. Mr. Chairman, the key changes the government proposed in the draft Public Utilities Act include an amendment to the franchise fee section so as to enable tax-based municipalities to charge franchise taxes to public utilities, and to enable the utilities to include these taxes in rates.

The Minister, Ms Cournoyea, also proposed to amend the bill in order to provide the NWT Power Corporation with an exclusive franchise in the areas it now serves until October 1, 1991. Section 41 of the bill provides that no public utility will be permitted to operate within a municipality without a franchise that has been approved by the board.

The Minister informed the Members that she is committed to review the current rate system, together with the current methods of subsidizing customers, and to bring forward new options. The Minister also observed that this review will have an economic impact on all consumers. Therefore, she intended to take whatever time is needed to develop the best approach.

Mr. Chairman, the Minister also informed the committee that she will be making a decision in the near future regarding the process of analysis and consultation that will be used to further develop rate structures and subsidy options. She also told the joint committee Members that they would be kept informed at each stage of the developments.

Mr. Chairman, the Minister informed the joint committee Members that a number of NWT businessmen, including native development corporations, have expressed an interest in financial involvement with the NWT Power Corporation in one form or another. The government was committed, the Minister explained, to develop some privatization options within six months of the conclusion of the agreement with Canada in May, 1988. The Minister also reported that an assessment, setting out some of the topics, was prepared according to the government's commitment. The Minister informed the joint committee that this work has not received due attention by the Executive of the Government of the Northwest Territories, as the NWT Power Corporation is still in a transition stage and key issues such as the rate structure have yet to be studied.

Mr. Chairman, the Minister, Ms Cournoyea, informed the joint standing committee Members that the NWT Department of Energy, Mines and Resources has scheduled work on amendments to the NWT Power Corporation Act with a view to bringing proposed changes forward to be reviewed by the standing committee on legislation in the fall of 1989.

Mr. Chairman, the last review of the public utilities bill took place in Yellowknife where the standing committee on legislation met with the standing committee on finance in a joint committee meeting on January 16, 17 and 18, 1989, to review the proposed bill with the Minister and government representatives. The Minister, Ms Cournoyea, informed the Members that another version of the bill, draft 19, dated January 12, 1989, was available. This version, which includes revisions and additional changes to draft 13, was distributed to Members by the government and the bill was reviewed by the Members.

Mr. Chairman, we will provide details concerning proposed changes in the clause by clause review. Thank you very much.

CHAIRMAN (Mr. Zoe): Thank you. General comments. Member for Hay River.

MR. POLLARD: Thank you, Mr. Chairman. First of all I would like to compliment the Minister on putting this bill through the mill, as it were, because I guess it has been out in the public. There is nothing worse than secret legislation, Mr. Chairman, that eventually hits the floor of the House and people that are being affected by that legislation do not really know what is going on. So I would like to compliment the Minister in that regard and advise all Ministers to go through this public process if they want to derive good legislation.

Secondly, Mr. Chairman, we were working off draft 13 and when we reviewed the legislation draft 19 was available to use. I would merely ask the Minister that as we go through the bill clause by clause, could the Minister indicate the changes that have been made from 13 to 19 to the present one in our books? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. Madam Minister, any comments?

HON. NELLIE COURNOYEA: Mr. Chairman, I certainly appreciate the note of appreciation on how this bill was handled. I think a lot of the credit should go to the officials that were working on it. This Legislative Assembly made a request to update much of the legislation which was outdated. The staff worked hard on drafting the details that the chairman of the standing committee on legislation quotes as very boring. What we are doing with this new legislation is bringing, once more, much more control and responsibility to the NWT and I certainly would like to give my appreciation to the standing committees, their staff and the people in the department on legislation who have gone over and over this bill. On their behalf, thank you for the note of appreciation.

I would like to bring the witnesses who will be helping with this bill once again, Mr. Peter Hart, who is an official with Energy, Mines and Resources and works on utility issues, and Guiseppa Bentivegna, who is the director of the legislation division in the Department of Justice, to join me at the witness chair because I cannot answer all these detailed questions by my lonesome self. Thank you.

CHAIRMAN (Mr. Zoe): Does the committee agree that the witnesses appear with the Minister? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. General comments on the Public Utilities Act. If not, does the committee agree we go clause by clause? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. It is in your green binders. Bill 8-89(1), Public Utilities Act. Interpretation. Clause 1. Mr. Ernerk.

Comments From The Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, I did indicate during my report to the committee that I would provide some details concerning the proposed changes as we get into it clause by clause. May I please do that now? Thank you.

Mr. Chairman, there was a lengthy discussion regarding the definitions of "energy" and "public utility" in the bill. As a result, I would like to discuss both definitions at this time because they are related. The definition of "public utility" was questioned by Esso Resources Canada Ltd., in

a written submission to the standing committee on legislation. Esso submitted that the definition was broad and ambiguous and could be applied to energy businesses that produce crude oil products as well as those who sell natural gas and electricity. Esso recommended that the bill be amended to narrow the categories of a person's business which are subject to public utility regulation. According to Esso Resources Canada, a more restrictive definition of "public utility" would lessen the uncertainty as to whether or not, and to what extent, an enterprise would be regulated.

The committee's legal counsel, Mr. Wright, suggested that the definition of "public utility" be enlarged to include words to read "a person who owns, manages, and operates and controls", or words to that effect, so that the PUB would have jurisdiction to order them to carry out board orders as though they were a public utility.

The government stated that it had no objection to including words to this effect as an extra part of the definition of "public utility". The committee's legal counsel also suggested that the concerns of Esso can be reflected in the definition of "energy" which, if clarified to reflect that refined petroleum products in the NWT should not be the subject of utility regulation, would satisfy Esso's request. However, the committee's legal counsel pointed out that narrowing the scope of the definition of energy might lead to other problems. Should the definition not be amended, Esso Resources and Esso NWT could avoid application of the act by applying to the board for an exemption order.

Mr. Chairman, a government representative stated that it was not the intention of the government to have the Esso Resources Norman Wells line or the production of refined petroleum products regulated under the Public Utilities Act. The government noted that there may have to be some adjustments to the act to compensate for these concerns. Mr. Chairman, I have noted that the government has reviewed these concerns raised before the committee. Thank you.

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

HON. NELLIE COURNOYEA: Mr. Chairman, with regard to the concerns raised by Esso Resources, in order to accommodate the concerns, the words "oil or any other combustible material" have been removed. This should ease the concern that Esso Resources might have about the scope of the act. It will still be necessary for Esso to seek an exemption from the board for those aspects of its business that are not related to the utility business itself; that should be no more than a minor inconvenience. Section 18 of the act, which provides that the board can grant exemption, has been broadened to enable the board to grant an exemption from regulation for a portion of Esso's business, so we feel that the concerns raised by Esso Resources have been taken care of.

CHAIRMAN (Mr. Zoe): Thank you. Interpretation, clause 1. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, under the definition "hearing", the committee's legal counsel added that the government may wish to consider adding to this section a definition of "hearing", so as to avoid some confusion as to whether the word "hearing" in the act meant a public hearing or a hearing only between the applicant and the board without any public input. Mr. Chairman, the government took this suggestion under advisement and I have noted that the suggestion has been implemented.

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

HON. NELLIE COURNOYEA: Mr. Chairman, this is just to confirm that the suggestion brought forward by Mr. Wright has been incorporated in the new wording.

CHAIRMAN (Mr. Zoe): Thank you. Interpretation, clause 1. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. Under "energy, (b) heat that is supplied through a district heating system by hot water", does that mean that the utilidor system in Inuvik comes under the Public Utilities Act?

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Yes, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. Interpretation, clause 1. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part I, administration. Clause 2, Public Utilities Board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part I, administration. Clause 3, Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, under clause 3, concerning the appointment of members, subsection 3(b). A Member of the committee requested that the government review the definition and specify in some manner the limited period of time that temporary members may be appointed. The government has revised this section to clarify intent. Thank you.

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

HON. NELLIE COURNOYEA: Mr. Chairman, I believe that the clarification that was asked for in 3(b), is added to the end of (b), "and may specify the term and duties in the appointment". It was to accommodate, I believe Mr. Zoe's request to have that clarified, when we were dealing with this in the dual committees.

CHAIRMAN (Mr. Zoe): Thank you. Clause 3, appointment of members. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 4, transitional. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 5, chairperson. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 6, vice-chairperson. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 7, division of board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 8, sittings of the board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 9, secretary. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 10, duties of secretary. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, on subsection 10(2), available to public. The government stated that they would revise the wording concerning all records and documents.

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, subsection (2), available to public. At the last sentence, "and all documents filed with the board" was added to accommodate the committee's request.

CHAIRMAN (Mr. Zoe): Thank you. Clause 10, duties of secretary. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 11, conflict of interest. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 12, expenses. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 13, public service assistance. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 14, Executive Council directives. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, in Executive Council directives, section 14, the government stated that they would review the section to possibly include references to specific policy guidelines.

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, on subsection 14(1) we used the word "directives" so it reads, "The Executive Council may issue directives to the board"; and on 14(2), "The board shall ensure that the directives of the Executive Council issued under subsection (1) are implemented in a prompt and efficient manner."

CHAIRMAN (Mr. Zoe): Thank you. Clause 14, Executive Council directives. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 15, board expenditures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 16, annual report. Mr. Whitford.

MR. WHITFORD: Mr. Chairman, I wonder if the annual report will include a financial report as well. Is that included in that? It does not state it in here. It just says, "a report showing the activities"; how many meetings they attend and where and who. But what kind of moneys they have spent and how they have spent the moneys does not seem to be accounted for, at least not in this area.

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, I believe as a board that is a major part of their activities, that is, their financial statement, and that would be a requirement.

CHAIRMAN (Mr. Zoe): Thank you. Clause 16, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part II, jurisdiction and powers of the board. Clause 17, exclusive jurisdiction. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 18, Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, in section 18(3) the committee's legal counsel recommended that the wording be more in the nature of section 71(4) of the Alberta act with regard to requiring that notice be given and that a hearing be held. The government agreed to review the section and has responded by dropping this section from the act.

CHAIRMAN (Mr. Zoe): Thank you. Clause 18, declaration of board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 19. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, clause 19, determination final. In section 19 the committee's legal counsel advised in the review of the bill in January that the section could be deleted and replaced with provisions similar to section 67 of the Alberta act. This would also be in keeping with the submission of ICG.

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, we listened intently to the suggestion. However, when we looked at it in a matter of being clear, we decided to stay with what we had and not incorporate the suggestion in this present act.

CHAIRMAN (Mr. Zoe): Clause 19, determination final. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 20, hearings. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 21, powers of the board. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, powers of the board. In the committee meeting, the government stated that they would review the wording for drafting clarity. Thank you.

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

HON. NELLIE COURNOYEA: I believe, Mr. Chairman, we do not have a record of clarity on clause 21. We did not make any change, in any event, and we do not have a record of that suggestion or request for clarity. Unless, in our discussion, we assumed we won the argument when we were before the committees.

---Laughter

CHAIRMAN (Mr. Zoe): Thank you. Clause 21, powers of the board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 22, notice of hearings. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: I will try again, Mr. Chairman. On notice of hearings, Mr. Chairman, committee Members suggested a revision to this section so that notice could be adequately circulated in the NWT. The government has revised this section.

CHAIRMAN (Mr. Zoe): Clause 22. Any comments, Madam Minister?

HON. NELLIE COURNOYEA: Yes, Mr. Chairman. For the sake of Members, we did make some modification on paragraph (2)(c), which was modified to include a provision to meet the concerns of the committee that there be publication of notice in a newspaper circulated in the Territories, as well as in the locality affected by that decision. As well, a new subsection (5) has been added requiring notice for all hearings by the publishing of a notice in a newspaper circulated in the Territories and in the locality affected by that hearing. We have made the suggestions and necessary change to abide by the committee's request.

CHAIRMAN (Mr. Zoe): Thank you. Clause 22, notice of hearings. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 23, relief. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 24, transitional. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you, clause 25, written reasons. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 26, variation or rehearing. Mr. Pollard, on clause 25?

MR. POLLARD: Was there a change on clause 25, Mr. Chairman?

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Yes, there was, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. Clause 25. Madam Minister.

HON. NELLIE COURNOYEA: Yes, Mr. Chairman, I believe the discussion was to give adequate notice so people can respond, given our NWT locations. We added in subparagraph (2)(b)(ii) after "publish", "a notice of the decision or order in a newspaper"; so we had included "notice of".

CHAIRMAN (Mr. Zoe): Thank you. Clause 26. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, clause 26, variation or rehearing. The committee's legal counsel suggested that subsection (3) should continue with words that read such as "without a further hearing being held but upon notice to all interested parties" for the sake of clarity. Mr. Chairman, the government agreed to review this section.

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

HON. NELLIE COURNOYEA: Mr. Chairman, we did give recognition to the committee's concern on 26(3). It was added at the final part of the last sentence: "without a hearing and the board shall give notice of the correction to all parties."

CHAIRMAN (Mr. Zoe): Thank you. Clause 26. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 27, costs of proceedings. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

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

HON. NELLIE COURNOYEA: Mr. Chairman, I will have Ms Bentivegna note a change that we would like to make on clause 27 after contemplating some of the issues that have come to our attention.

CHAIRMAN (Mr. Zoe): Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, we have a motion to add in after the word "costs" in the first line, "of and" because it was brought to our attention that someone might just think that it was costs incidental to the hearing, fees that are paid to the witness and not the cost of the hearing. That is why we want to add in the words "of and" right after the word "costs" in section 27, first line.

Motion To Amend Section 27, Bill 8-89(1)

HON. NELLIE COURNOYEA: Mr. Chairman, I move that section 27 of the Public Utilities Act be amended by adding in line one, section 27, "of and" after "costs", so it would read "The costs of and incidental to a proceeding before the board...."

CHAIRMAN (Mr. Zoe): Thank you. Your motion is in order. Mr. Pollard, to the motion.

MR. POLLARD: Mr. Chairman, what was the intent of adding "of and"?

CHAIRMAN (Mr. Zoe): Madam Minister or Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, the reason was to make it clear that the board can order the payment of costs of the hearing itself, because we were afraid of just saying "incidental costs" to the hearing. This might be interpreted as meaning only whatever was brought about, for example

witness costs are incidental to a hearing. That is the big one that comes to mind. Not the cost of the hearing itself, the rooms, and the board, and everything else that it takes for a hearing, the experts.

CHAIRMAN (Mr. Zoe): Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. What would be a cost that is "incidental to"? Could that be something such as a report that is put together by an expert that is presented by an intervener? What is an incidental cost? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. Ms Bentivegna.

MS BENTIVEGNA: Yes, Mr. Chairman, for example, let us say the cost of bringing witnesses to the hearing, if it was necessary. If the board decided to allow an intervener the costs, then whatever their costs were; reports of experts; or, again, getting to a hearing. Those would all be incidental.

CHAIRMAN (Mr. Zoe): Thank you. To the motion.

AN HON. MEMBER: Question.

Motion To Amend Section 27, Bill 8-89(1), Carried

CHAIRMAN (Mr. Zoe): Question is being called. All those in favour? Opposed? The motion is carried.

---Carried

Clause 27, as amended. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 28, orders without notice. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Thank you, Mr. Chairman. On "application to board", subsection 28(3). The committee Members and legal counsel suggested that subsection (2) was peculiar in that if no notice has been given of the fact that the order has been made in the first place, it is unlikely that a person would know within 45 days of making the order that they had a limitation period by which they had to react. The government agreed to review the wording of this section.

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

HON. NELLIE COURNOYEA: Yes, Mr. Chairman, as you will note in the discussion, what we have done to section 28, the changes that were made were to subsection (1), changing "parties" to "persons" as no hearing has been held; by adding a new subsection (2) to provide that notice will be given of a decision taken without prior notice; and by changing subsection (3) to provide that a person may within 45 days of receipt of the notice of decision or order apply for a change. This gives an interested person more time than was provided in the original wording and then by removing "on notice to all interested persons" from subsection (4) as it is superfluous at that time.

CHAIRMAN (Mr. Zoe): Thank you. Clause 28, orders without notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 29, interim orders. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 30, filing of order. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 31, default. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 32, coming into force. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 33, extension of time. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 34, evidence. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 35, idem. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 36, substantial compliance. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Liability, clause 37. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part III, public utilities franchise. Clause 38. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Thank you, Mr. Chairman. Application to Minister. Mr. Chairman, the government revised section 38 with additional wording to mention that franchises can be amended. A similar amendment has been made to paragraph 39(3)(b). Mr. Chairman, the government also agreed to review the wording and to look at some mechanism to permit public disclosure in section 39. Thank you.

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

HON. NELLIE COURNOYEA: Mr. Section -- Mr. Section...

---Laughter

...Mr. Chairman, on this section, on 38, we made the changes that were noted by the chairman of the legislation committee. On 39 we decided not, at this time, to make that change to allow disclosure; that would be up to the Minister responsible to insist on that.

CHAIRMAN (Mr. Zoe): Thank you. Clause 38, application to Minister. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 39, review by board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 40, filing. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 41, franchise. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 42. Mr. Ernerk.

Comments From The Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, the government revised section 42 with an amendment, subsection (4), that "the Northwest Territories Power Corporation...is deemed to have an exclusive franchise in all the areas," that it provides energy "at the coming into force of this act until October 1, 1991 and the franchise is deemed to have been approved by the board under this act." Thank you, Mr. Chairman.

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

HON. NELLIE COURNOYEA: Mr. Chairman, in order to make this subsection (4) clearer, what we have done is changed the wording a bit to clarify and it will now read: "The Northwest Territories

Power Corporation, as established in the NWT Power Corporation Act, is deemed to have an exclusive franchise in all the areas, and for the types of energy that it provides in those areas...." That is to provide clarity as requested from the committee.

CHAIRMAN (Mr. Zoe): Thank you. Clause 42. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I understood the Minister to say in her opening remarks that there is nothing here that precludes another company from negotiating with a recipient of the services from the NWTPC prior to October 1, 1991, with a view to a new franchise coming into effect on October 1, 1991. I understood the Minister to say there is nothing that precludes anybody from doing that, Mr. Chairman. Could the Minister confirm that please?

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, yes, that was the statement that was made in the presentation of this bill and nothing precludes anyone from going in and talking and discussing with the community. However, I hope I am not ruffling any feathers by also stating that it would not be entirely helpful for us, after spending \$53 million on a corporation, to have other companies coming in to undermine what we are attempting to do. However, as the statement says, it will not preclude people from going into communities and dealing with the communities on the matter of electrical or energy provision.

CHAIRMAN (Mr. Zoe): Thank you. Clause 42, review. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 43, approval of franchise. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 44. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, in subsection 44(1) the legal counsel for the committee questioned the use of the word "justified" and suggested the replacement of the word "may" with "shall" in subsection 44(2). Mr. Chairman, the government agreed to review the relevant aspects of the BC act to make changes concerning the wording of this section. Thank you.

CHAIRMAN (Mr. Zoe): Mahsi cho. Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, we heard and we did both.

CHAIRMAN (Mr. Zoe): Mahsi cho. Clause 44, grounds for approval. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part IV, rates. Clause 45. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, the filing of rate schedules. The committee's legal counsel questioned sections 45 through 49 and suggested clarifications such as changing 47(3) to 47(1) and including wording similar to that found in section 80 of the Alberta act and sections 64 and 31 of the BC act, to the effect that the wording would read, "the board, either on its own initiative or upon an application made under subsection 45(4) may, after a hearing, order the public utility to amend its schedule in accordance with rates fixed by the board." Mr. Chairman, the government agreed to review the relevant aspects of the Alberta and BC acts so as to include the suggestions that have been made. Thank you.

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

HON. NELLIE COURNOYEA: Yes, Mr. Chairman, on sections 45 through 49 we established two procedures for the filing, review, approval and subsequent amendments of rates. Section 47 has been remodelled to establish a clear flow with sections 45 and 46 without altering the meaning. The former subsections (2) and (3) have been removed and the word "may" has been changed to "shall" to indicate that the hearing is a requirement whenever an application to change rates is to be considered.

CHAIRMAN (Mr. Zoe): Thank you. Clause 45, filing of rate schedules. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 46, interim order. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 47, review. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 48, amendment of schedule. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 49, available to public. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 50, discrimination in rates. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 51. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, at the standing committee meeting in January, the government reported changes in paragraph 51(1)(a) to read, for example, "the board shall determine a rate base for the property of a public utility used or required to be used." In section 51(2)(a), "to the public utility" has been changed to "the cost of the property". Thank you, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. Clause 51, rate base. Agreed?

SOME HON. MEMBERS: Agreed.

--Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 52, fair return. Agreed?

SOME HON. MEMBERS: Agreed.

--Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 53, fixing rates. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, at our January meeting the government reported changes in section 53. Subsections (2) and (3) have been revised and included in draft 19 of the bill. Members raised a concern respecting the ability of the board to regulate public utilities outside of municipalities. The government stated that further review of this section would be undertaken, including punctuation and other changes to improve readability where proposed by Members of the joint committee. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, the changes that were to subsection 53(2) were just to clarify it in what is now the second to last line. It should read, "methods of depreciation, amortization and depletion in respect of the property of a public utility" and then what we deleted was that the public utility would conform to the rates and methods fixed by the board. This was in another section so there was no point in repeating it here, so that was taken out.

Then in subsection (3), we deleted the words "as defined in the Property Assessment and Taxation Act" in the last line after "municipal taxing authority". What we did was to clarify that as a definition in subsection (4), saying that "'municipal taxing authority' means a municipal taxing authority as defined in the Property Assessment and Taxation Act" so that there would not be any confusion. The only reason we were referring to the Property Assessment and Taxation Act was that that was where you find the definition of "municipal taxing authority".

CHAIRMAN (Mr. Zoe): Thank you. Clause 53. Mr. Whitford.

MR. WHITFORD: Yes, while we are dealing with rates and such, there are a couple of questions I have in dealing with franchises and taxes. Through the Public Utilities Act is a franchise allowed to charge the customers to pay for this right to operate a utility?

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

HON. NELLIE COURNOYEA: Mr. Chairman, I know we had a long discussion on this issue and yes, that would allow a municipality, as defined under a municipal taxing authority, to levy a tax above the normal rate that has been set by the Power Corporation.

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

MR. WHITFORD: The rates set for the product? Take, for example, ICG. They charge you for the power that you consume, at whatever rates, and then there is a franchise payment. It is a rate that may fluctuate a bit every month according to your consumption. But there is also a charge, a fixed charge of \$10 and it never fluctuates. It is \$10 every month and it is charged to every customer, the same amount.

CHAIRMAN (Mr. Zoe): Thank you. Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, the fixed charge is different. That is part of the rate structure because it allows -- it is part of the rates. What it does is that it takes into account what it has taken to set up the system. That is divided so that \$10 charge is on everyone no matter what they are consuming but that is different from a franchise tax or fee. That is still part of the rate that is being charged for, in this case, the electricity.

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

MR. WHITFORD: But does the company have to file that rate in the rate schedule?

CHAIRMAN (Mr. Zoe): Ms Bentivegna.

MS BENTIVEGNA: Yes, it does. It is part of its rate structure and when it is asking for the rate schedule to be approved, or for any increase, it has to file and it has to be included in its schedule.

CHAIRMAN (Mr. Zoe): Thank you. Member for Yellowknife South.

MR. WHITFORD: So then am I to understand that the amount of power that you use and the rate that you are charged does not include the overhead and things that the utility companies pay out; trucks, administration and all these other things? Normally when you buy a product, that is included. If you buy a box of apples, that includes the pickers and the planters and the boxers, everybody. It does not say, we will charge you for the one thing and then we will turn around and we will set a fixed rate to pay for our poles and other things. It seems kind of awkward that this is separate at a flat rate and does not vary by the amount that you consume.

CHAIRMAN (Mr. Zoe): Thank you. Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, the rates take into account everything that it has cost the company to produce the power and get it to the consumer, including a rate of return; what a power company is allowed to earn on the money it has invested. It includes all that. The fixed charge is another way of separating out to all the consumers the infrastructure costs. Instead of putting it into your power bill under the kilowatt hours and how much it costs you, they have put it in as a fixed charge just to show that everyone is paying that minimum \$10, even if for a particular month they did not use electricity at all.

When the Public Utilities Board approved it, they found it reasonable that everybody pay this minimum \$10 fixed rate, and then whatever power they have consumed on top of that. That fixed charge is part of what the board considers to be a reasonable rate for the power, and it has been approved.

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

MR. WHITFORD: Then why does one pay a franchise payment, albeit a much smaller amount? Am I to understand then, madam, the franchise payment is when the consumer pays the company for the right to sell me power?

CHAIRMAN (Mr. Zoe): Thank you. Ms Bentivegna.

MS BENTIVEGNA: The franchise fee or tax is paid to the municipality. It is paid by the customer to the utility, who has paid it to the municipality. It is the municipality who gets the money, and it gives the right to the public utility to operate within their municipality.

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

MR. WHITFORD: Am I to understand, madam, that the \$10 does not go to the company -- ICG in this case -- but it goes to the City? I do not understand it. How are the consumers going to understand it? I realize it is taking some of your time, but please give me the benefit of asking this question.

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

Minimum Charge, Consumption Charge And Franchise Fee Explained

MR. HART: Thank you, Mr. Chairman. On those three categories of billing that you have, the minimum charge is a charge that is one of the utility's costs for serving you. It is slightly different than your consumption charge, because it is a charge related to fixed costs that they have to maintain for you as a customer on their books. They have a customer file for you; they have a meter on your premises; and there are certain things that they have to do with your account each month. The minimum monthly bill relates to fixed costs that the utility has to maintain for you as a customer, a \$10 average across for all customers.

The consumption charge that you have is the cost of producing the power that you have used; that would be fuel, maintenance on the equipment, that type of cost, rolled in and charged back to you on a usage basis.

The franchise fee -- the franchise in Yellowknife -- there is an arrangement whereby the distributor, ICG, has paid the City of Yellowknife a fee for the right to distribute power within the boundaries of the city of Yellowknife. It is paid to the municipality for that. It charges you, the customer, for that, and recovers it from you on a consumption basis. It would vary a bit, because it is charged as a percentage of your bill. If my figures are right, it is roughly two and a half per cent of your consumption charge.

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

MR. WHITFORD: Thank you. Mr. Hart, it does seem an awkward way of collecting moneys from the public, simply to have me on your books. A bank does not charge you money just to have you as a customer. You get something for this. We talked about a fair rate of return. Assuming then, sir, that they buy the power from the NWT Power Corporation at a greatly reduced rate than the consumer pays in Yellowknife, and the difference between what they pay the NWT Power Corporation and what I pay as a consumer has all those built-in things: how much they pay to rent the poles from the City, the cost of poles, the cost of having those books. It seems like a cost that is just tacked on. I appreciate your explanation, but it does seem a different way of doing things. Am I to understand, sir, that this only occurs in Yellowknife, or does this occur right across the NWT, that every consumer pays \$10 a month for the meter, the wire? This is just Yellowknife?

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

MR. HART: Mr. Chairman, it is very common. To my understanding, it is the rule to have a minimum monthly bill that a customer is charged to reflect his customer costs in the system. I believe the Power Corporation has a billing such as that as well. It is very common in other parts of Canada, as well, to have that type of thing. If you took all costs and rolled them into the consumption charge, you would actually have people with very low consumption getting a very good break in their power price. It would be unfair to consumers who consumed more power. Establishing a minimum monthly charge, as that \$10 is often called, is a way of fairly allocating the utility's total costs to its customer base.

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

MR. WHITFORD: Thank you, Mr. Hart. That still has not answered the question, though. I realize it may be a common practice elsewhere, but the question was, are there any other communities in the NWT that have this same fixed charge, or is it just the city of Yellowknife consumers paying that? I heard what you had to say about those persons who may only consume a few kilowatts per month, but what about those who do not? They pay a pretty substantial price for the use of that. Is it fair to have this charge for everybody, regardless of whether you are a good customer or a customer that does not use the service as much? The first question is the one I want answered. Is it only here in Yellowknife, or does it occur in Hay River with the utilities there; does it occur in Fort Smith; does it occur anywhere else?

CHAIRMAN (Mr. Zoe): Thank you. I believe Mr. Hart answered your question, but I can ask him again, because he said in other municipalities where the NWT Power Corporation exists they do have a similar charge as they do in the city of Yellowknife. Mr. Hart or Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, we do not have the information on whether the flat fee for customer service is charged in other communities. We can get that for Mr. Whitford, but right now we do not have that. In terms of a franchise fee, this is charged in Hay River as well.

CHAIRMAN (Mr. Zoe): Thank you. Clause 53, fixing rates. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 54, terms and conditions of service. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part V, supervision of public utilities. Clause 55, complaints. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, a Member noted at our January meeting that in clause 55 the board appears to have no jurisdiction under this section to supervise a public utility that is allegedly in violation of its franchise, where such franchises have been granted by the Minister.

CHAIRMAN (Mr. Zoe): Thank you. Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, section 55 was not changed to include the complaints on contravention of a franchise outside a municipality; that is, the one that is granted by the Minister, because there would be very few cases where such a franchise would be granted, and it was not felt that it would be a large number of persons, plus they can always complain about the service that they are getting without referring to the franchise.

CHAIRMAN (Mr. Zoe): Thank you. Clause 55, complaints. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 56, direction of Minister. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 57. Member for Aivilik.

Comments From Standing Committee On Legislation

MR. ERNERK: Thank you, Member for Rae-Lac la Martre, honourable chairman. Mr. Chairman, in our January meeting the government reported changes in section 57(2) which would now read, "an application for a project permit shall contain" and the addition is, "the information required by the board" rather than "prescribed information".

CHAIRMAN (Mr. Zoe): Thank you. Clause 57, application for project permit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 58. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Thank you, Mr. Chairman. A cancellation or a suspension. Mr. Chairman, the government stated that they would review the organization and wording of section 58.

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

HON. NELLIE COURNOYEA: Mr. Chairman, there was a new provision added and it reads, "make any other order that the board deems necessary". This has been added at the suggestion of Mr. Wright to provide the board with a full range of action options should they find the utility in contravention of a franchise or permit. And that would be paragraph 58(1)(e).

CHAIRMAN (Mr. Zoe): Thank you. Clause 58. Mr. Pollard.

MR. POLLARD: Would that be the section under which the board would spell out the terms and conditions, Mr. Chairman?

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

HON. NELLIE COURNOYEA: Yes, Mr. Chairman.

CHAIRMAN (Mr. Zoe): Thank you. Clause 58, cancellation or suspension. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Clause 59, improved service. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 60, joint use of public area. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 61, joint use of equipment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 62, work order. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 63, standards. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Rules, clause 64. Mr. Ernerk.

Comments From The Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, the committee's legal counsel during the review of the bill with the government suggested that paragraph 64(a) could be revised to be more specific and explicit with regard to providing for a power of the board to order an extension of service, similar to provisions in the Alberta act, section 77, and the BC act, section 35. Mr. Chairman, the government stated they would review the suggestion. The government also introduced revisions to clarify intent in paragraph 64(c).

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

HON. NELLIE COURNOYEA: Mr. Chairman, in order to accommodate the request and the issue raised by Mr. Wright and the committee, what was done was a new subsection 59(2) was inserted, extension of services, so that was taken care of in section 59. It is subsection 59(2) at this time and reads: "Where the board, after a hearing, finds that (a) an extension of the existing services of a public utility, in a general area that the public utility may properly be considered responsible for developing is feasible and in the public interest, and (b) the construction and maintenance of the extension will not necessitate a substantial increase in rates chargeable or a decrease in services provided by the public utility elsewhere; the board may order the public utility to make the extension and fix the terms." The comment on section 64 was accommodated as a new subsection 59(2).

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

MR. POLLARD: Mr. Chairman, I wonder if when you are done on this, we could go back to section 60. I just want to ask a question please.

CHAIRMAN (Mr. Zoe): Clause 64, rules. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Going back to clause 60. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I apologize for not being vigilant. I seem to recall in the committee meetings that there was some talk that in this instance the board would have power inside municipal or settlement boundaries to make an agreement that would be binding on a municipality and a company providing services. I wonder, is that standard across the country, Mr. Chairman?

CHAIRMAN (Mr. Zoe): Madam Minister.

HON. NELLIE COURNOYEA: Mr. Chairman, that is standard procedure across Canada in other jurisdictions.

CHAIRMAN (Mr. Zoe): Thank you. Any further comments on clause 60? That concludes clause 60. Clause 65, contracts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 66, filing of capital plan. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 67, review of public utilities. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part VI, restrictions on public utilities. Clause 68, discontinuance of service. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 69, restraint on borrowing. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 70, restraint on disposition. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 71. Mr. Ernerk.

Comments From The Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, the government at the suggestion of a Member of the committee promised to look at revising the language introducing clauses 71 and 72.

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

HON. NELLIE COURNOYEA: Mr. Chairman, I believe that the comments on this section were really to do with how the wording was placed, so in section 71 the last part of the sentence after "another person without first obtaining approval of the board" and that was carried on into section 72 in the last sentence as well.

CHAIRMAN (Mr. Zoe): Thank you. Clause 71, restraint in merger. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 72, restraint on share issue. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 73, contravention. Mr. Ernerk.

Comments From The Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, the government also planned to review the committee's legal counsel suggestion that drafting of section 73 be improved for clarity and content and that a revision could read as follows in the last line: "merger, or the issue, sale or transfer of shares and any other action taken in contravention of section 69 to 72 is void."

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

HON. NELLIE COURNOYEA: Mr. Chairman, we took into account the comments that were made regarding section 73. Section 73 is a general provision dealing with the effect of contravention of the foregoing sections from 69 to 72. I noted the changes on those sections. Additions have been made to ensure that all categories of actions included in section 69 to 72 are listed in section 73 and in section 73, after "indebtedness" the new wording is to accommodate, although not exactly, the way it was suggested and would now read "the alteration in the characteristics of securities or other evidence of indebtedness, the capitalization of a lease, the disposition of property, the encumbrancing of property, the consolidation, the amalgamation, the merger, or the issue, sale or transfer of shares is void."

CHAIRMAN (Mr. Zoe): Thank you. Clause 73, contravention. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part VII, duties of public utilities. Clause 74. Mr. Ernerk.

Comments From The Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, the committee's legal counsel suggested that if the government proceeds with a revision in the definition of "public utility", that revision should be reflected in section 75. Furthermore, a word change in clause 76(1) was suggested, changing "required" to "requested", and a reference to a subclause was suggested for provisions requiring the filing of financial statements by a public utility. Mr. Chairman, the government stated that it would take these considerations under advisement. Thank you.

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

HON. NELLIE COURNOYEA: Mr. Chairman, on section 75, and taking into account the comments that were made, the decision was not to make a change in section 75. In section 74 there was a change that: "Every public utility shall comply with every order, decision or rule made by the board". However, in section 75, on reflection, there was no change made to that section.

CHAIRMAN (Mr. Zoe): Thank you. Clause 74, duty to comply with orders. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 75, idem. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 76, duty to provide information. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. I had noted on the copy that I was using at the committee meeting, Mr. Chairman, that there should be a paragraph (c) added in 76(3) that said that a public utility should file its financial statements with the board 90 days after the year end. I wonder, was that request made of the Minister? Thank you, Mr. Chairman.

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

HON. NELLIE COURNOYEA: Mr. Chairman, on reflection of the comments, I will have Ms Bentivegna explain the rationale on why we left it as it was. We felt even though the comments were there, and there were suggestions to make a change, it was covered adequately in the section that we do have.

CHAIRMAN (Mr. Zoe): Ms Bentivegna.

MS BENTIVEGNA: Mr. Chairman, I would like to refer the committee to clause 78(2) where it says, "A public utility shall (a) keep such records and accounts as the board may require including a uniform system of accounting established by the board; (b) furnish, at the times and in the form and manner required by the board, a detailed report of finances and operations, verified as required by the board." We did not feel that this had to be repeated.

CHAIRMAN (Mr. Zoe): Thank you. Clause 76. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 77, duty to keep records. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 78, duty to provide service. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 79, effect of other legislation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part VIII, appeals. Clause 80, appeal. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Thank you, Mr. Chairman. The government stated at the January meeting of the committees that they would review the 45 day provision in section 80 and the wording of the 14 day notice in section 82 in order to conform with subsection 22(3) of the act.

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

HON. NELLIE COURNOYEA: Yes, Mr. Chairman, the change was included to say "45 days after the receipt of notice of the order." We felt that would give people adequate time, rather than previously where we said "after 45 days of the mailing".

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

MR. POLLARD: Mr. Chairman, I would like to go back to clause 79, if we could please, when you have done.

CHAIRMAN (Mr. Zoe): Thank you. Clause 80. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Back to clause 79. Mr. Pollard.

MR. POLLARD: Thank you, Mr. Chairman. Clause 79 says: "Nothing in, or done under, the Cities, Towns and Villages Act..." and everybody can read from there. Am I to understand that this piece of legislation supersedes these different acts put out by this government? Thank you, Mr. Chairman.

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

HON. NELLIE COURNOYEA: Mr. Chairman, yes, in terms of what the authority of the board is.

CHAIRMAN (Mr. Zoe): Thank you. Any further comments on clause 79? Mr. Pollard.

Power Of Appointed Board Over Elected Officials

MR. POLLARD: It just seems that when the government is talking about prime public body concept, and so on and so forth, you have a board of people who are non-elected officials in a community, non-elected in the NWT, and they are appointed to a board. Earlier on we reviewed an area where they could virtually say to a municipality, this is where the power line is going and this is the arrangement that is going to be made to compensate you. Once again, in this one, we are seeing a tremendous amount of power invested with this board. Maybe it does fall in line with other legislation in this country, Mr. Chairman, but it still concerns me that we have local communities, we have local councils, and these people, appointed by the government and probably acting in their best judgment, have, it would seem, some powers over elected officials in these communities. It is a concern to me, Mr. Chairman. Thank you.

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

HON. NELLIE COURNOYEA: Mr. Chairman, I believe that this certainly is not anything that would not allow elected officials to meet the obligations of their electorate. However, I do not see us as using it for that stated purpose, other than, if in a community, an energy corporation is proposing to carry out its duties in the delivery in a cost efficient manner, and someone was making it very difficult. There has to be some mechanism to allow the consumer to receive energy at a reasonable level. I do not see this being a hammer over a municipality's head. Certainly we will note that it would be a concern.

CHAIRMAN (Mr. Zoe): Thank you. Any further comments on clause 79? Thank you. Back to clause 81, application of rules. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 82, service of notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 83, costs. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 84, stay. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 85, decision on appeal. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 86, stated case. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 87, court of appeal. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part IX, offences and punishment. Clause 88, offences. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Thank you, Mr. Chairman. Section 88, offences. The legal counsel of the committee suggested to the government that paragraph 87(1)(h) could be revised so that the intention of the government concerning penalties for disclosing information are more precise. Thank you.

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

HON. NELLIE COURNOYEA: Mr. Chairman, we deleted that paragraph.

CHAIRMAN (Mr. Zoe): Thank you. Clause 88. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 89, responsibility for employees. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 90, duty of director or officer. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 91, punishment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 92, continuing offence. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 93, effect of punishment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Part X, miscellaneous. Clause 94, regulations. Mr. Ernerk.

Comments From Standing Committee On Legislation

MR. ERNERK: Mr. Chairman, my final one for today. The government has revised section 94 by removing paragraphs (f) (g) and (h) from the draft and replaced this section with the revised section 94 in draft 19. A typographical error was discovered in paragraph (d) to read 38.(1). The government corrected the error. Thank you.

CHAIRMAN (Mr. Zoe): Thank you. Clause 94. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Clause 95, repeal. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Does the committee agree that Bill 8-89(1), Public Utilities Act, is now ready for third reading, as amended? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

---Applause

CHAIRMAN (Mr. Zoe): Thank you. I would like to thank the Minister and your witnesses for appearing before our committee. Mahsi cho. Mr. Pollard.

MR. POLLARD: Music to your ears, Mr. Chairman. I would move that we report progress. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Zoe): I have a motion on the floor that is not debatable. All those in favour? Opposed? The motion is carried.

---Carried

I will now rise and report progress.

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

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF COMMITTEE REPORT 2-89(1), REPORT OF THE STANDING COMMITTEE ON LEGISLATION; BILL 8-89(1), PUBLIC UTILITIES ACT

MR. ZOE: Mahsi cho, Mr. Speaker. Your committee has been considering Bill 8-89(1), and wishes to report that Bill 8-89(1) is now ready for third reading, as amended.

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

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Thank you.

At this time it would be appropriate for the Chair to recognize in the gallery the Public Utilities Board of the Northwest Territories: John Hill, the chairman; Beulah Phillpot, vice-chairman; Ray Mercer and Myles Patterson, members of the board. Welcome.

---Applause

Item 19, third reading of bills. Item 20, Mr. Clerk, orders of the day.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a meeting of caucus at 9:00 a.m. tomorrow morning.

ITEM 20: ORDERS OF THE DAY

Orders of the day for Tuesday, February 28th.

- 1. Prayer**
- 2. Ministers' Statements**
- 3. Members' Statements**
- 4. Returns to Oral Questions**
- 5. Oral Questions**
- 6. Written Questions**
- 7. Returns to Written Questions**
- 8. Replies to Opening Address**
- 9. Petitions**
- 10. Reports of Standing and Special Committees**
- 11. Tabling of Documents**
- 12. Notices of Motion**
- 13. Notices of Motion for First Reading of Bills**
- 14. Motions**
- 15. First Reading of Bills**
- 16. Second Reading of Bills**
- 17. Consideration in Committee of the Whole of Bills and Other Matters: CR 1-89(1); CR 2-89(1); Bill 1-89(1); Tabled Documents 23-89(1), 24-89(1), 25-89(1), 26-89(1)**
- 18. Report of Committee of the Whole**

19. **Third Reading of Bills**

20. **Orders of the Day**

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Tuesday, February 28th, at 1:00 p.m.

---ADJOURNMENT

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Published under the Authority of the Speaker of the Legislative Assembly
of the Northwest Territories