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Speaker: The Hon. Richard Nerysoo, M.L.A.

TABLE OF CONTENTS

TUESDAY, OCTOBER 30, 1990

	<u>PAGE</u>
Prayer	288
Ministers' Statements	
- 42-90(2) Amway Corporation Presents "Master of the Arctic" Exhibit	288
- 43-90(2) Apointments to Department of Economic Development and Tourism	288
- 44-90(2) The State of the Northern Economy	289
Members' Statements	
- Mr. Whitford on Retrofit of Townhouses, Yellowknife	291
- Mr. Gargan on Highway Improvements	291
- Mr. Lewis on South Slavey Dictionary	292
- Mr. Ernerk on Justice de Weerd's Comments Re Spousal Assault	292
Returns to Oral Questions	300
Oral Questions	292
Returns to Written Questions	299
Replies to Opening Address	
- Mr. Patterson's Reply	300
Petitions	305
Reports of Standing and Special Committees	305
Tabling of Documents	306
Notices of Motion	306
Motions	306

TABLE OF CONTENTS, OCTOBER 30, 1990, CONTINUED

	<u>PAGE</u>
First Reading of Bills	
- Bill 15 - Legislative Assembly Building Loan Authorization Act	312
Consideration in Committee of the Whole of:	
- Committee Report 5-90(2), Report of the Standing Committee on Public Accounts	312
Report of Committee of the Whole	318
Orders of the Day	318

YELLOWKNIFE, NORTHWEST TERRITORIES

TUESDAY, OCTOBER 30, 1990

MEMBERS PRESENT

Mr. Arlooktoo, Hon. Michael Ballantyne, Hon. Tom Butters, Hon. Nellie Cournoyea, Mr. Crow, Mr. Ernerk, Mr. Gargan, Mr. Kilabuk, Mr. Lewis, Hon. Jeannie Marie-Jewell, Mr. McLaughlin, Mr. Morin, Hon. Richard Nerysoo, Mr. Ningark, Hon. Dennis Patterson, Mr. Pedersen, Mr. Pollard, Mr. Pudluk, Mr. Sibbeston, Mr. Whitford, Hon. Gordon Wray, Mr. Zoe

ITEM 1: PRAYER

--Prayer

SPEAKER (Hon. Richard Nerysoo): Orders of the day for Tuesday, October 30, 1990. Item 2, Ministers' statements. The honourable Member for Kivallivik.

ITEM 2: MINISTERS' STATEMENTS

Ministers' Statement 42-90(2): Amway Corporation Presents "Masters Of The Arctic" Exhibit

HON. GORDON WRAY: Thank you, Mr. Speaker. I am pleased to announce that a major exhibit of Inuit art will be opened in Ottawa on October 30th at the Canadian Museum of Civilization. This exhibit will feature 150 sculptures, prints and tapestries by artists from the Northwest Territories, Alaska, Siberia and northern Quebec. This prestigious exhibit has been organized by the Amway Environmental Foundation under the auspices of the Government of the Northwest Territories and the United Nations Environmental Program. It will run in Ottawa until March 17, 1991, with the anticipation that hundreds of thousands of visitors will tour the exhibit during the five month venue.

The theme of this exhibit is primarily educational with its emphasis on promoting public awareness about environmental issues. A commitment to environmental stewardship by circumpolar people is expressed through specially selected artwork as part of the upcoming exhibit entitled "Masters of the Arctic". Mr. Speaker, I will be unable to attend the opening of this important exhibit in Ottawa but my colleague, the Hon. Titus Alloooolo, will be attending.

I am personally very excited about this exhibit and have no doubt that the publicity generated by this venue will do much to promote our Northwest Territories arts and crafts industry. The upcoming venue marks the beginning of a world-wide tour of the Masters of the Arctic exhibit. Tour locations include select centres in the United States, Europe and the Pacific Rim. In 1991, the Canadian embassy in Japan will be hosting the "Masters" exhibit.

Mr. Speaker, the Department of Economic Development and Tourism is currently organizing commercial exhibitions for Northwest Territories arts and crafts work which will travel with the Masters of the Arctic exhibit to the United States. Initial projections indicate that arts and crafts sales generated by these commercial exhibits will exceed two million dollars over a two year period, and will benefit our industry by opening new markets. The targeted locations include Los Angeles, Phoenix, Chicago and Seattle. This initiative, with its emphasis on increasing exports, creating new markets and generating new revenues, is consistent with the goals of our economic strategy.

In the 1990s it will become increasingly important for the Northwest Territories to develop its industries through international marketing initiatives. By promoting an awareness of the Northwest Territories and its products, an exhibit such as the Masters of the Arctic, will help lay the foundation for

future marketing efforts which will be undertaken by the private sector and government. Thank you.

MR. SPEAKER: Thank you. Ministers' statements. The honourable Member for Kivallivik.

Ministers' Statement 43-90(2): Appointments To Department Of Economic Development And Tourism

HON. GORDON WRAY: Mr. Speaker, I would like to announce appointments for three key positions within my area of responsibility which I feel will further the goals of economic development in the Northwest Territories and be an asset to this government.

First of all, Mr. Speaker, Mr. Roland Bailey has been appointed to the position of vice-president of the Northwest Territories Development Corporation. In this position he will be working under the direction of Mr. Dwight Noseworthy, deputy minister of Economic Development and Tourism, who is also interim chairman and president of the corporation. Mr. Bailey is originally from the Northwest Territories and has a degree in commerce with extensive management, management consulting and audit experience in the private sector. As the first full-time executive appointment to the Development Corporation, Mr. Bailey will be tasked with bringing the corporation from a legal entity to a fully operational, professional corporate operation. Once the corporation is fully operational, Mr. Bailey's responsibilities will primarily deal with the development of investment plans and overseeing operations of existing investments.

I am also pleased to announce that the department has been successful in obtaining the services of Mr. George Tuccaro, a well known media personality in the North. Mr. Tuccaro will work full time in the department to further Northwest Territories cultural industries and performing arts.

---Applause

Mr. Tuccaro will be establishing a booking agency for northern performers, identifying and co-ordinating performance opportunities and providing professional development workshops for performing artists.

As our economic strategy pointed out, significant benefit can be gained in the promotion of northern arts, entertainment and cultural events, both for the performers themselves and as an attraction to enhance community events and increase tourism. I think you will agree that Mr. Tuccaro is the best person to do this and I am pleased to have him with us.

AN HON. MEMBER: Hear, hear!

HON. GORDON WRAY: I am also pleased to announce that Mr. Fred Koe will be rejoining the Government of the Northwest Territories. Mr. Koe's secondment to the Dene/Metis Negotiations Secretariat as executive director has expired. Mr. Koe has indicated he would like to return to the department and will be working with the business loan fund.

The economic strategy pointed out the need for increased

access to capital and stated the current business loan fund would be restructured to meet this need. I plan on introducing legislation at the winter session of the Legislative Assembly which will create an independent business financing agency to address this need. Mr. Koe will be responsible for overseeing the current \$20 million loan fund and support staff and ensuring a smooth transition from a program within the department to an independent agency which Mr. Koe will head up.

These three individuals offer significant expertise and competence in their respective areas and I welcome their participation in furthering the goals of the economic strategy to benefit all Northerners. Thank you.

---Applause

MR. SPEAKER: Thank you. Ministers' statements. The honourable Member for Kivallivik.

Ministers' Statement 44-90(2): The State Of The Northern Economy

HON. GORDON WRAY: Mr. Speaker, with all the news concerning the downturn in the Canadian economy, it is timely to update you on potential short and long-term effects a recession may have on the economy of the Northwest Territories. My presentation not only deals with the Northwest Territories outlook in general, but also describes the effects we can expect on small business and other important sectors of the economy. Today I will be addressing effects of the current cyclical downturn and not with structural problems of the territorial economy. The structural problems of our economy are longer term in nature and require sometimes several years of concerted effort before results are seen.

The Hon. Michael Wilson admitted, on October 22, that a recession is here. The unemployed already know the country is in a recession. The health of the Canadian economy is of concern to all of us as it eventually affects friends, relatives and possibly ourselves as a result of layoffs or indirectly through cutbacks in vital public services. The ensuing uncertainty affects consumer confidence which further dampens economic performance. It is important to understand the causes and general effects of even a short-term recession to determine which are likely to be relevant to the Northwest Territories.

The World Situation And Canada's Place In It

A severe and prolonged recession, such as the one experienced in 1981-82, would have a more serious effect than this recession which has been predicted by many to last only a few months. In a longer, deeper recession, the major markets for non-fuel minerals would be affected, resulting in lower prices for Northwest Territories exports. However, given forecasts of a six to nine month recession in Canada, we do not expect to experience a notable spill over into the Northwest Territories. In addition, our formula financing agreement partially shields us from the effects of a recession.

There is good reason to be cautious, however. We may feel isolated from world events in the Northwest Territories, but those events and the world's perception of Canada's economy affect us all.

World events such as the trend to large trading blocks such as the European Economic Community and the Canada-US Free Trade Agreement affect the relative competitiveness of Canadian companies. Whether we like it or not, the health of the US and the world economies affects our economy.

Canada faces stiff competition in attracting capital and in

selling its goods. Canada's position in the community of nations is being undermined by our large national debt. Political uncertainty caused by the failure of the Meech Lake Accord or the recent events at Oka also affect international investor confidence. Economic and taxation policies such as high interest rates to address cyclical problems or introduction of the GST have a similar effect. In the Northwest Territories, political uncertainty over land claims also affects investor confidence. The fragile nature of the world economy was brought home to all of us when Iraq invaded Kuwait.

Since then, oil prices at one point doubled and the effects have already been noticeable at gas pumps. As we all know, Northerners have to bear a double burden of higher prices and greater usage because of our cold climate. Fortunately, many smaller communities off the road system purchased their fuel supplies prior to the invasion of Kuwait. They have their year's supply of fuel and gasoline and are sheltered from fuel price increases for the next year. Others are not so fortunate. In Yellowknife, prices at the pumps have risen from 60 cents per litre at the end of July to over 74 cents.

If the price of oil were to stabilize at current prices or rise even further, we would be facing significant cost increases to this government, as would small business operators and consumers generally. This is the most potentially serious development facing us and one over which we have no control.

The Role Of Canadian Monetary Policy

Closer to home, the Bank of Canada has been pursuing a policy of high interest rates to counteract inflationary pressures in the more industrialized regions of the country and to avoid a potential outflow of dollars from the country. The chartered banks' rate on prime business loans was 10.75 per cent in July, 1988. That rate has increased to 15.75 per cent as of July, 1990 or a 38 per cent increase. Although rates have fallen in the last few months, the world situation has been so volatile that we cannot count on that trend to continue.

The Canadian dollar has also been rising steadily over the same period as international capital is attracted to Canada's high interest rates. This hurts Canadian exports, putting Canadian manufacturers and other exporters at a disadvantage. The combined effect of a drop in exports, reduced capital expenditures and increased competition have to varying degrees led to this recession.

The General Outlook, 1990 And Beyond

Mr. Speaker, in 1990, the performance of the Northwest Territories economy has been modestly encouraging. On the whole, weaker economic performance in some industries will largely offset gains in other industries. On the negative side, total capital investment is expected to decline sharply in 1990 due to completion of major expenditures on the forward operating locations and North Warning System. Benefit agreements negotiated by this government have been somewhat successful in ensuring that some Northerners participated in these developments.

Positive developments in 1990 have been the completion and opening of the Colomac gold mine and encouraging levels of oil exploration investment in the southern Northwest Territories.

On the whole, year-to-date data shows that the economic growth experienced in 1988 and 1989 has slowed. On balance, total employment and real gross domestic product will likely increase marginally in 1990.

For 1991, there is some possibility that the weaker national economy will affect mineral exports. In the service sector, a

weak national economy will likely depress tourism expenditures, affecting the hospitality, trade and transportation industries.

I would now like to outline how the economic outlook I have just presented will affect various sectors of the Northwest Territories economy.

Effects Of Current Situation On Various Sectors Of The NWT

Small business accounts for over 58 per cent of the employment and income in the Northwest Territories. We should rightfully be concerned over policies which affect their ability to grow and continue to provide this benefit to the economy. Small business will be hurt by rising fuel costs and have already suffered from high interest rates. The effects of the GST will also put northern businesses at a further disadvantage relative to their southern counterparts, as the honourable Minister of Finance has already pointed out. There should, however, be no large-scale reductions in sales because continued government spending and mineral development, although restricted, provides our economy with a short-term stability most provincial jurisdictions do not have.

Continuing high interest rates particularly affect small business owners. Large corporations can consolidate their operations to deal with increased competition by laying off employees or cutting back on discretionary expenses such as research and development to survive recessionary periods. Small business owners generally do not have the same flexibility or capital to withstand sometimes even short-term downturns or cost increases. Inventory costs and operating costs are immediately affected by changes in interest rates. The effects are compounded in our level II and level III communities because inventory levels are generally higher and inventory turnover lower due to transportation costs.

Mr. Speaker, businesses in level II and level III communities also suffer doubly from the higher cost of construction and increased debt load generally required to finance construction in times of high interest rates. There is a delay factor with long-term debt due to interest rates being fixed for a specified period. Businesses which financed capital expansion several years ago, however, may be faced with renewals at a much higher rate than when the original loan was undertaken. Given the marginal nature of many businesses in the North, this is of real concern to this government.

The most immediate impact is on new investment as investors put off capital expansion or product improvements because of reduced profit margins caused by higher borrowing costs. It is therefore difficult to measure this loss in investment since it would be an attempt to measure what might have been. High interest rates could be described as a silent killer of business initiatives.

Arts and crafts is a significant value-added export from the Northwest Territories, but because it is considered a luxury item it is vulnerable to fluctuations in demand influenced by a nation-wide recession. The recession in 1982 pointed out weaknesses in this sector and emphasized the need for high quality and diversification to maintain sales. Our economic strategy aims to do this, as well as diversify products for a wider clientele base. This, hopefully, will alleviate the dependency on a narrow segment of the economy to support the industry.

Tourism is an even more vulnerable sector in the face of a national or international recession. We can expect fewer Canadian visitors if the recession is long term. The number of American and European visitors will be affected by the strength of the Canadian dollar. Higher fuel prices have

already resulted in a major increase in air fares. Airlines have already reported decreases in business travel within Canada, which also accounts for a significant proportion of travel in the Northwest Territories. The vacation travel portion of the industry is heavily reliant on the North American market, specifically the United States. For these reasons, the tourism sector is likely to be hit hardest because of the potential for decreased spending in North America on vacation travel, as well as disproportionate increases in costs brought on by high fuel prices.

In the renewable resource sector, sales of processed commercial renewable resources have not been significantly affected and the few exports that we have tend to be stable. Fur values have dropped for reasons other than economics and may suffer further declines from a downturn in the national economy.

Recent Business Trends And Indicators

Now that I have described the sectoral impacts, I would like to review how we have been doing on specific economic indicators for the North.

Up to 1987, personal income as reported on income tax returns and reported by the Government of the Northwest Territories Statistics Bureau showed the number of business proprietor returns increasing from 430 in 1982 to 510 in 1987...

MR. SPEAKER: Excuse me. The time period for Ministers' statements has expired. The honourable Member for Kivallivik.

HON. GORDON WRAY: Could I ask for unanimous consent, Mr. Speaker, just to finish? I have about three pages left.

MR. SPEAKER: Thank you. The honourable Member for Kivallivik is seeking unanimous consent to continue with his Ministers' statement. Are there any nays? There are no nays. Proceed, Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Speaker. As I said, the number of business proprietor returns showed an increase from 430 in 1982 to 510 in 1987, the last year for which data is published. This represents a 19 per cent increase in income tax returns submitted by business proprietors. The average income reported for the same period grew from \$13,114 in 1982 to \$17,237 in 1987, which represents a 31 per cent increase in average income. Inflation for this period amounted to 25 per cent, reducing small business proprietors' real income growth to approximately six per cent during this five year period.

Corporate profits before taxes for the same period rose from \$135 million in 1982 to \$196 million in 1987. This represents an increase of 45 per cent to 1987. By 1989, however, corporate profits had slipped to \$191 million. Between a high of \$256 million in 1985 to 1989, therefore, corporate profits declined by 34 per cent.

Another indicator of activity is retail sales. Seasonally adjusted total retail sales were \$197.472 million in 1982. In 1988, the last full year for which figures are available, total retail sales were close to \$286 million. This represents an increase of 44 per cent. Inflation over this period was 30 per cent. There has, therefore, been a 14 per cent real growth in retail sales over this period.

In terms of private capital investment, in 1982, the last year for major oil exploration in the Northwest Territories, capital construction was \$1.13 billion. In 1990, or the March 31 fiscal year, capital construction was at a 10 year low of \$300.7 million. Purchase of machinery and equipment was \$634.9 million in 1982. In 1990, it was \$122.3 million. Repairs to

capital construction were \$18.5 million in 1982 while 1990 saw expenditures in this area of \$22.5 million. In 1982, \$71 million was spent in the repair of machinery and equipment. In 1990, that figure had increased marginally to \$74.5 million.

From the figures that are available, it is obvious that the large investments from Beaufort oil and gas exploration have gone, at least in the short term. The effect of the large drop in related capital expenditures was not proportionately severe on the territorial economy, however, because most of those expenditures were for materials and equipment purchased directly from the South. Community economies in the immediate area suffered as a result but the effect was not widespread through the territorial economy. General retail sales have continued to grow modestly, as have business proprietor and corporate incomes.

Although business indicators show the cyclical problems faced by the country have not and will not likely affect the Northwest Territories to the same degree as other regions of the country, other indicators still show that our economy suffers from severe structural problems as identified in the government's and Department of Economic Development and Tourism's economic strategies.

Education and training levels are low, unemployment is high and social assistance payments for the same period covered by the business statistics I have just reviewed show an over 200 per cent growth in the "unemployed but able" category.

Conclusion

Although our economy has been growing steadily, it may not grow significantly next year. However, it does not have the structure or size to fall far or heavily in the short term. Just as regions within Canada will be affected to differing degrees, so will sectors within our own economy. Tourism is our most vulnerable sector, even in the short term. Unlike the mineral sector which can plan and finance through cyclical price changes, potential visitors have short-term expenditure plans. Even a short-term recession could hurt and show up in decreased travel next summer as was evidenced throughout Canada this past summer.

Both the SCONE report and the Government of the Northwest Territories economic strategy pointed out the danger of relying on territorial averages in determining the health of an economy. Unemployment and social assistance have grown at a faster rate than the economy and have largely been centred in level two and three communities. These statistics were gathered at a time when the economy in some parts of the country was suffering from growing too quickly and our own GDP, gross domestic product, growth was leading that of many provinces. The unemployment levels and income disparities identified at that time showed we had serious problems. Those problems still exist and the economic strategy developed to turn the situation around is even more relevant today in light of the Canadian recession.

In summary, Mr. Speaker, we are committed to taking action, guided by the economic strategy, to help alleviate disparities and move toward a more self-sufficient economy providing jobs and income for the residents of the Northwest Territories. The strategy initiatives provide this government with the means to address ongoing economic problems we face. They are also the best means we have available to deal with what we all hope will be a brief recessionary period. Thank you.

--Applause

MR. SPEAKER: Thank you. Prior to proceeding with the next item, let me indicate to honourable Members the visitors from St. Patrick's Elementary School, grades five and six, with

their teachers, Virginia Thalheimer and Fanny Castillo.

--Applause

Let me also introduce a face that is obviously well known in our midst, the former Commissioner of the Northwest Territories, Mr. John Parker.

--Applause

Item 3, Members' statements. The honourable Member for Yellowknife South.

ITEM 3: MEMBERS' STATEMENTS

Member's Statement On Retrofit Of Townhouses, Yellowknife

MR. WHITFORD: Thank you, Mr. Speaker. I would like to use this opportunity to compliment the Minister responsible for the Housing Corporation and his staff on the retrofit project that is taking place on the townhouse complex on Williams Avenue. Some time ago, Mr. Speaker, I raised the issue of the dilapidated condition of these buildings and this complex and the effect that it would have on the tenants of those units. Happily, Mr. Speaker, I visited the complex this morning, at the invitation of the Minister and his staff, to see first-hand the work that was being undertaken by his department to bring these units up to standard. It is more than just a facelift, Mr. Speaker. There is a lot of work that is being done to increase the "R" value and the stability of these buildings. These townhouses will now complement the other units of like nature in that area that are owned by the private sector.

Mr. Speaker, more important than the facelift that is taking place though this retrofit, there is a more positive aspect that I would like to address as well; that is the interest that his department has taken in the area of energy conservation. We just heard here a moment ago about the oil crisis and its effect on our economy. There is an example of a department that is putting its money where its mouth is. By the looks of things the "R" value is at least double on those buildings and I think that this is an example of what other departments that own buildings in the Territories should do. I think they are going to realize their investment in a very short time if the energy crisis continues, and it is safe to say that it will certainly increase the value of these complexes and increase the morale of the people that are living in these units. This department must be complimented for its efforts.

MR. SPEAKER: Thank you. Members' statements. The honourable Member for Deh Cho.

Member's Statement On Highway Improvements

MR. GARGAN: It is compliment day today I think. Mr. Speaker, in my constituency several major highway construction projects were done over the summer. The most significant was the reconstruction and paving of the section of highway between Enterprise and the Alberta border. There was also major construction from Enterprise for approximately 20 miles toward Fort Providence. The contractor for the project was Curry Construction.

On that same stretch of highway there were two major bridge reconstruction projects. That work was done by Stan Dean and Sons.

Mr. Speaker, Curry Construction subcontracted the work of clearing the right of way to the Hay River Reserve Dene Band. I appreciate this kind of initiative by government and private contractors.

Further, Mr. Speaker, Poole Construction Ltd. also did kilometres 44 to 65 from Fort Providence toward Yellowknife. This contractor also used local labour and local businesses. For the last several years, they have also made donations to local sports groups.

Mr. Speaker, at this point I would like to recognize the excellent work those contractors have done and the fact that they have hired local people for the work during economic hardship. Further, due to recession, I would also like to thank the Minister of Transportation, the Hon. Gordon Wray, for going that extra step in ensuring that as part of the tendering process, local people were involved in these projects. Mr. Speaker, I would also like to thank Mr. Wray for his initiative in including Fort Providence people in the work of clearing the right of way which I had requested on behalf of the community. Now, just so all these compliments do not go to his head...

---Laughter

... I would like to advise the Minister that road conditions between here and Fort Providence were terrible this weekend. I guess I cannot really blame him for all that snow. I believe that was an act of God. However, Mr. Speaker, the Minister might want to have heavy equipment on stand-by on the weekends, in case we get another heavy snowfall. Thank you.

---Applause

MR. SPEAKER: Members' statements. The honourable Member for Yellowknife Centre.

Member's Statement On South Slavey Dictionary

MR. LEWIS: Thank you, Mr. Speaker. I was going to wait until Mr. Allooooloo was in the House before making my statement, but since it is compliment day, I would like to congratulate the Minister who will not be here to blush when I congratulate him on the production of this book, a dictionary of the verbs of South Slavey. In congratulating him, I would like to recognize the efforts of a man who spent 30 years learning the Slavey language. His name is Phil Howard. I met him in the early 1970s and he, at that time, was a missionary living in Fort Simpson and he had done a tremendous amount of work, so we hired him on contract. After he had moved to Hay River, he found it was very, very difficult to do both his missionary work and also his language work. I remember him phoning me from Hay River once, asking if I could give him the \$200 we still owed him because he had to buy some snow tires because he wanted to go to Assumption, near High Level, to check out some of the words he was collecting for this book. Anyway, he got paid, he bought his snow tires and not long afterward we convinced him that perhaps what he should do is come and work for the government. After living a life of poverty, 30 years of it, working very hard with the people, he was convinced to come to Yellowknife and to work on this language project. I have great admiration for people who start something, take a long, long time and see it to the end.

I would like to congratulate the Minister for having seen this project through from where, in fact, he inherited it and for having made sure that we have a completed product. Thank you very much, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you. Members' statements. The honourable Member for Aivilik.

Member's Statement On Justice de Weerd's Comments Re Spousal Assault

MR. ERNERK: Thank you, Mr. Speaker. I would like to support the following letter, which I received August 13, 1990, as a Member of the Legislative Assembly for Aivilik, Rankin Inlet, Northwest Territories, and read it in this House for the record. It is in regard to Justice de Weerd:

"I am a resident of the Northwest Territories and I am writing to express my concern over the comments made by Judge de Weerd in the recent Oakly case which came before the Supreme Court in Yellowknife. Spousal assault is a very serious issue and if the government is serious about putting an end to it, judges who condone the violence must be reprimanded, suspended or relieved of their responsibility. I demand that an inquiry be called into Justice de Weerd's comments in this case and into his treatment of women as victims of violence in previous cases over which he has presided.

"The problem lies not only with one judge but can be seen throughout the criminal justice system. A public inquiry allowing women the opportunity to express their abuse by the criminal justice system must be called. It is time that these victims stop being swept under the carpet and are given the respect they deserve as human beings. Their suffering at the hands of their abusers and the justice system is not trivial.

"I urge you to take action. We have appreciated your support in your struggle against family violence in the past, Peter, and we urge you to continue. Sincerely yours, Marius P. Tungilik, president, Kataujaq Society, Rankin Inlet, Northwest Territories." Thank you, Marius. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you. Members' statements. Members' statements.

Item 4, returns to oral questions. Returns to oral questions. Item 5, oral questions. The honourable Member for Aivilik.

ITEM 5: ORAL QUESTIONS

Question O230-90(2): Subsistence Quota On Belugas

MR. ERNERK: Thank you, Mr. Speaker. My question is to the Government Leader. In the recent past, the Government of Canada has established a beluga quota system for the three Baffin communities. Would the Government Leader be prepared to refer the Supreme Court of Canada to determine if the Government of Canada can impose a subsistence quota on belugas, as recent court decisions on aboriginal rights leads me to believe that the federal government's power is now limited in this regard? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Member for Yellowknife North.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I will take the question as notice, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Member is taking the question as notice. Oral questions. The honourable Member for Baffin South.

Question O231-90(2): Absence Of Hon. Titus Allooooloo From House

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I have a question directed to the Government Leader. The Minister of Renewable Resources is in Ottawa and I am

wondering why he is down in Ottawa. Is he at some kind of meeting? Thank you.

MR. SPEAKER: The honourable Member for Iqaluit.

Return To Question O231-90(2): Absence Of Hon. Titus Allooloo From House

HON. DENNIS PATTERSON: Mr. Speaker, the Minister of Renewable Resources is in Ottawa in his capacity as Minister of Culture and Communications. He is meeting with leaders of the opposition parties in Ottawa and leaders in the Senate in connection with the amendments to the Official Languages Act which have already been passed by this Legislature. Changes are required consequentially to the Northwest Territories Act, and Mr. Allooloo is pursuing those changes with the federal government and the other leaders in the House of Commons and the Senate. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Baffin South, supplementary.

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker, supplementary. The reason I posed this question was because I had heard that the quota of beluga whales was going to be on the agenda in Ottawa as far as the communities of Pangnirtung, Lake Harbour and Iqaluit are concerned. I thought this was why he was in attendance at that meeting and that is why I wanted to ask about this meeting. Thank you.

MR. SPEAKER: There was not really a question there, it was a statement more than a question. The honourable Member for Baffin South, supplementary.

Supplementary To Question O231-90(2): Absence Of Hon. Titus Allooloo From House

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. My question was this, I told you the information I heard. Why is it that I was not invited when they were going to talk about the quota for the beluga, and why was Ipeelee Kilabuk not included in the invitation to attend the meeting? That was what I meant to say. Thank you.

MR. SPEAKER: The honourable Member for Iqaluit.

Further Return To Question O231-90(2): Absence Of Hon. Titus Allooloo From House

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. There seems to be a serious communication breakdown here. I am not aware that Mr. Allooloo is attending any meetings in Ottawa to do with the beluga whale issue. The meeting is to do with official languages, Mr. Speaker. If he were meeting on the beluga whale issue, I am quite certain that he would have consulted and involved the MLAs affected, which includes myself. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Tu Nede.

Question O232-90(2): MLA Involvement In Western Environment Ministers Meetings

MR. MORIN: Thank you, Mr. Speaker. My question is to the Government Leader. Mr. Government Leader, I am aware that Mr. Allooloo met with the Minister responsible for the Environment, Mr. de Cotret, in Edmonton on Friday and he did discuss the transboundary water agreement. Would he have consulted with Members that live on the border of Alberta, that have those waters flowing through their riding --

would he have consulted or involved those Members at all? Thank you.

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Return To Question O232-90(2): MLA Involvement In Western Environment Ministers Meetings

HON. DENNIS PATTERSON: Mr. Speaker, the Minister of Renewable Resources attended a meeting of western Environment Ministers in Edmonton last week, at which Mr. de Cotret, the federal Minister of the Environment, was present. I do not have a detailed report on that meeting, Mr. Speaker, but I do believe Mr. Allooloo had an occasion to speak privately with Mr. de Cotret and touch on a number of issues, including parks and transboundary water agreements. I hope that answers the Member's question. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Hay River.

Question O233-90(2): Independent Funding Agency Of Business Loans Fund

MR. POLLARD: Thank you, Mr. Speaker. Mr. Speaker, the Minister of Economic Development and Tourism made an announcement today and there was a paragraph in there: "Mr. Koe will be responsible for overseeing the current \$20 million loan fund...." At the end of that paragraph there was reference to an independent agency, Mr. Speaker, and I wonder if the Minister could tell us more about this agency. Is it going to be a bank? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Member for Kivallivik.

Return To Question O233-90(2): Independent Funding Agency Of Business Loans Fund

HON. GORDON WRAY: Thank you, Mr. Speaker. No, it is not going to be a bank. I intend to bring in legislation, and tomorrow I have another statement that will clarify it a little bit better for you, to move the Business Loans and Guarantees Fund toward an independent funding agency where credit officers and employees of the agency have approval limits. Right now almost all loans, for example, have to come to my office for approval. That, I feel, causes unnecessary time delays and therefore we are going to make some structural changes to the way the business loan fund operates, so that it operates more along the lines of an independent financing agency. Legislation will be coming in this winter to do that. It is not a bank, but it is not a loan fund either. It is somewhere in-between. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Aivilik.

Question O234-90(2): Absence Of Culture And Communications Minister From The House

MR. ERNERK: Thank you, Mr. Speaker. My question is to the Government Leader. Is it absolutely necessary for the Minister of Renewable Resources, Minister of Culture and Communications, Mr. Allooloo, to be in Ottawa instead of here answering questions from the Members of the Legislative Assembly, such as myself?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Return To Question O234-90(2): Absence Of Culture And Communications Minister From The House

HON. DENNIS PATTERSON: Mr. Speaker, I would say that the Minister of Culture and Communications is in Ottawa on very important business. Sufficiently important even to justify him being away from this House for the minimum number of days. I think the honourable Member, being chairman of the standing committee on legislation, will appreciate that there are certain dire legal consequences which would flow, should the timetable for the implementation of the translation of French statutes in the Northwest Territories not be delayed to accommodate the difficulties we have had in meeting the originally planned time frames.

To answer the Member's question, Mr. Speaker, I think it is a matter of serious importance to the Northwest Territories and, therefore, justifies Mr. Alloo'oo's absence from this House for a few days. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Baffin South.

Question O235-90(2): Severity Of Oil Spill In Northern Quebec

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. My question is directed to the Government Leader. According to the information that I have received from my constituency, it seems in the region of northern Quebec there has been a spill. How great a spill, I am not certain, but I would like to find out this information from the government. If there has been a major spill in that area it could possibly affect my riding. I understand, from one of the communities in the northern Quebec region, a lot of this spill has affected not just the salt water but also the shore and I want to find out how much of an oil spill this is? Thank you.

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Mr. Speaker, I am sure the honourable Member appreciates that our jurisdiction does not extend into Quebec. However, like the honourable Member for Baffin South, I have heard news reports of leaking drums of aviation fuel in a northern Quebec community, I believe it is Ivugivik. I will attempt to find more information about the seriousness of this spill and, therefore, would ask that the question be taken as notice. Thank you.

MR. SPEAKER: Thank you. The honourable Member is taking the question as notice. Oral questions. The honourable Member for Tu Nede.

Question O236-90(2): Aircraft Operating Out Of Forward Operating Location, Yellowknife

MR. MORIN: Thank you, Mr. Speaker. My question is for the Government Leader. Mr. Government Leader, are you aware or have you been informed if there would be any CF-18s or F-15s in support of the cruise missile test that is supposed to be happening down the valley? Will these CF-18s and the F-15s be operating out of the FOL station in Yellowknife?

MR. SPEAKER: Thank you. Those are two questions and the honourable Member should be aware that one should ask one question. The honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Mr. Speaker, I do not know the answer to those questions, but I will attempt to find information to answer them as soon as possible, perhaps even later today, if the House would permit a return as soon as the information is obtained. Thank you.

MR. SPEAKER: So is the honourable Member taking that question as notice?

HON. DENNIS PATTERSON: Yes.

MR. SPEAKER: The honourable Member is taking the question as notice. Oral questions. The honourable Member for Yellowknife Centre.

Question O237-90(2): Encouragement Of Energy Conservation Measures

MR. LEWIS: To the Government Leader. I was living in Fort Smith in 1972 when suddenly we had an oil crisis and the price of oil went up from two or three dollars a barrel to about \$15 a barrel, very quickly. There were all kinds of programs all over the country to save energy, to conserve, alternative energy programs. An incredible amount of attention was paid to oil self-sufficiency. In view of the problems that we have right now in the Middle East, what steps is the government taking to encourage conservation of our very, very precious oil reserves in our communities so that people can be aware that maybe those times are back with us again?

MR. WHITFORD: Good question.

MR. SPEAKER: Thank you. The honourable Member for Nunakput.

Return To Question O237-90(2): Encouragement Of Energy Conservation Measures

HON. NELLIE COURNOYEA: Mr. Speaker, in specific details of what we are going to do as a government or through the Department of Energy, Mines and Petroleum Resources, we do not have a detailed plan fleshed out at this point in time. We realize that certainly, as an ongoing effort of this government, the Ministry of Energy has been created to try to address some of these issues and problems on a long-term basis. I cannot offer to you any decision or plan at this moment.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Yellowknife Centre, supplementary.

Supplementary To Question O237-90(2): Encouragement Of Energy Conservation Measures

MR. LEWIS: With respect to the Minister I find that is a poor way to respond to what could be a crisis. So my question to the same Minister, then, will she in her capacity as the appropriate Minister, take immediate steps to make people aware that we are not inflation proof, that it is not included in our formula for funding our government, any increases in the price of oil? Would she immediately take steps to tell people in our system that they have to conserve, as much as possible, this very, very precious resource? We cannot wait for all of these long-term plans. We have to tell people now. Will she do it as soon as she can? We have a problem, and she should do something about it.

MR. SPEAKER: Thank you. The honourable Member for Nunakput.

Further Return To Question O237-90(2): Encouragement Of Energy Conservation Measures

HON. NELLIE COURNOYEA: Mr. Speaker, we are attempting to do that, but in various ways, certainly with the help of the Members of the Legislative Assembly. I believe this has to be a co-operative action. Certainly as the Minister responsible, we are attempting to set up some kind of program to escalate that awareness. I do not see this as just an Energy, Mines and Petroleum Resources responsibility, but a total

government responsibility, whether it is public housing, whether it has to do with the supply of services to communities. I know it is going to be a difficult problem, but I certainly appreciate the comment made by the honourable Member and will look forward to his help, and other Members too, to bring that awareness to the residents of the Northwest Territories. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Yellowknife South.

Question O238-90(2): Status Of Program Capacity, Stanton Yellowknife Hospital

MR. WHITFORD: Thank you, Mr. Speaker. I have a question I would like to direct to the Minister of Health dealing with the Stanton Yellowknife Hospital. I would like to know from the Minister whether or not the Stanton Yellowknife Hospital, in all its departments, is up to full capacity on its programs?

MR. SPEAKER: Thank you. The honourable Member for Nunakput.

HON. NELLIE COURNOYEA: Mr. Speaker, the honourable Member did tell me that he was going to pose this question to me, and I had hoped that I could be more specific. However, because it is an ongoing concern, no, we are not up to full capacity at that hospital. I would like to take this question as notice to give more specific details, perhaps tomorrow.

MR. SPEAKER: Thank you. The honourable Member is taking the question as notice. Oral questions. The honourable Member for Aivilik.

Question O239-90(2): Absence Of Hon. Stephen Kakfwi From House

MR. ERNERK: Thank you, Mr. Speaker. My question is to the Government Leader. Where is the Minister of Education today?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Return To Question O239-90(2): Absence Of Hon. Stephen Kakfwi From House

HON. DENNIS PATTERSON: Mr. Speaker, the Minister of Education is attending a meeting with the president of the Inuvialuit Regional Corporation in Calgary today.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Aivilik, supplementary.

Supplementary To Question O239-90(2): Absence Of Hon. Stephen Kakfwi From House

MR. ERNERK: Supplementary, Mr. Speaker, to the Government Leader. What is the meeting about?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Further Return To Question O239-90(2): Absence Of Hon. Stephen Kakfwi From House

HON. DENNIS PATTERSON: Mr. Speaker, the meeting is an attempt to address a long-standing and serious issue regarding implementation of the Inuvialuit final agreement, access to Inuvialuit lands on the part of government departments and agencies, and implementation costs.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Aivilik, supplementary.

Supplementary To Question O239-90(2): Absence Of Hon. Stephen Kakfwi From House

MR. ERNERK: Mr. Speaker, to the Government Leader. Why in Calgary?

MR. SPEAKER: The honourable Member for Iqaluit.

Further Return To Question O239-90(2): Absence Of Hon. Stephen Kakfwi From House

HON. DENNIS PATTERSON: Mr. Speaker, Mr. Gruben and Mr. Kakfwi are busy people who have been trying to set up a meeting on this long-outstanding issue for some time, and this appeared to be the only location and time that was possible where their schedules might coincide. It was deemed that an absence of one day from the Legislature would not be a problem. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Hay River.

Question O240-90(2): Renegotiation With GNWT By Oil Companies

MR. POLLARD: Thank you, Mr. Speaker. To the Minister of Government Services, Mr. Speaker. In my constituency people are complaining about gasoline and fuel prices going up. My question to the Minister is, have any of the oil companies that this government has contracts with, come to the Minister and suggested that they renegotiate to up the price? Thank you.

MR. SPEAKER: Thank you. The honourable Member for Inuvik.

Return To Question O240-90(2): Renegotiation With GNWT By Oil Companies

HON. TOM BUTTERS: Mr. Speaker, no. The private distributors who have agencies in some of our communities set their own prices on their own timetables, and we are not consulted or even advised of any changes that may be occurring.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Hay River, supplementary.

Supplementary To Question O240-90(2): Renegotiation With GNWT By Oil Companies

MR. POLLARD: Perhaps I did not make myself clear enough, Mr. Speaker, and I apologize for that. I meant with regard to Mr. Wray's department, with transportation on highways, any of those kinds of contracts where we are buying fuel directly from a supplier to use in government equipment. Thank you, Mr. Chairman.

MR. SPEAKER: The honourable Member for Inuvik.

HON. TOM BUTTERS: I am afraid that I do not understand the second question either. Maybe you could permit a longer preamble on the question, sir.

MR. SPEAKER: Just to remind the honourable Member that I have been trying to caution all Members to shorten their preambles in this House, particularly with regard to supplementary questions. Oral questions, the honourable Member for Hay River.

MR. POLLARD: Mr. Speaker, I should apologize, I referred

to you as "Chairman" at the end of that supplementary. Secondly, I will not break the rules by giving a long preamble on a supplementary. I will meet the Minister outside the House and discuss it. How is that?

MR. SPEAKER: That is not much of a question. I am not in charge of anything that happens outside the House. Oral questions. The honourable Member for Tu Nede.

Question O241-90(2): Further GNWT Decentralization

MR. MORIN: Thank you, Mr. Speaker. My question is to the Government Leader. Mr. Government Leader, decentralization has been brought up before in this House and it is always of great interest to see how much the government has done and whether they are moving jobs out of the city centre and into the smaller communities. I for one, know of at least one job that has moved out of a regional centre into the small community, and that is an economic development position that has moved to Hay River, which I am thankful for. I still do not think that is quite enough. I think decentralization, when you have thousands and thousands of jobs, should involve more than one job.

This morning, Mr. Speaker, I learned with great interest on CBC that the Yukon Government has decentralized 100 positions at once out of Whitehorse...

MR. SPEAKER: The honourable Member, your question please.

MR. MORIN: Mr. Government Leader, is this government prepared to start moving more positions out of the city of Yellowknife into the regions and the small communities?

MR. SPEAKER: Thank you. That would have been a preamble that the honourable Member for Inuvik would have been happy about.

---Laughter

The honourable Member for Iqaluit.

Return To Question O241-90(2): Further GNWT Decentralization

HON. DENNIS PATTERSON: Mr. Speaker, I do not think it is proper to compare the situation in Yukon with the situation in the Northwest Territories. The demographics and distribution of population are quite different over there. Mr. Speaker, I like to think that we are already significantly decentralized...

AN HON. MEMBER: Hear, hear!

HON. DENNIS PATTERSON: ...and furthermore we have restrained headquarters person year growth. We have established new positions wherever possible in regional centres, and of course in the Member's own region, Mr. Speaker, we have gone further and established area presences in Rae, Fort Smith, Hay River and Fort Simpson. Thank you.

MR. SPEAKER: Oral questions. The honourable Member for Tu Nede, supplementary.

Supplementary To Question O241-90(2): Further GNWT Decentralization

MR. MORIN: Thank you, Mr. Speaker. Supplementary, Mr. Government Leader. I know you would like to think that you are doing well, but let me assure you from this side of the House, decentralization is still a concern to us as ordinary

Members and we would like to see more positions moved out of Yellowknife. Will you take another look at it and possibly report back to this House how you can manage to move more positions out of the city of Yellowknife? They do have a population problem here, they say.

MR. SPEAKER: The honourable Member for Iqaluit.

Further Return To Question O241-90(2): Further GNWT Decentralization

HON. DENNIS PATTERSON: Yes, Mr. Speaker. We are always looking for opportunities to establish more government presence in centres remote from the capital or even, from regional centres. I tabled a government organization policy, Mr. Speaker, earlier in the term of this government which stated our objectives to wherever possible, provide services closer to home where it makes sense and where it would not impair the delivery of government services. I think, Mr. Speaker, that I can take the honourable Member's advice and pursue the matter further, but I think the budget which Mr. Ballantyne will be presenting in the winter session, will show that we have, wherever possible, avoided concentrating our human resources and government presence in the capital city. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Deh Cho.

Question O242-90(2): Power Rebates

MR. GARGAN: Mr. Speaker, I would like to direct my question to the Minister of Justice with regard to the NWT power rebate. This rebate program was for residents in my constituency, Hay River, Trout and Rae Lakes, from the Alberta Power Corporation, I believe. That has been reduced so that more rebate has been given to commercial rather than residential. That has been affecting members in my constituency. I would like to ask the Minister whether or not the NWT power rebates are the same as between the Alberta power corporation and the NWT Power Corporation?

MR. SPEAKER: The honourable Member for Yellowknife North.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. This issue is one that the honourable Member has brought up in the past. I do not have the specific answer for him today. I will take the question as notice and get back to him tomorrow.

MR. SPEAKER: Thank you. The honourable Member is taking the question as notice. Oral questions. The honourable Member for Natilikmiot.

Question O243-90(2): Small Business Training Program

MR. NINGARK: Thank you, Mr. Speaker. My question is directed to the Minister responsible for Economic Development. I wonder if the Minister ever initiated a small business training program in the small communities, speaking for Gjoa Haven, Pelly Bay and Spence Bay. Thank you.

MR. SPEAKER: The honourable Member for Kivallivik.

Return To Question O243-90(2): Small Business Training Program

HON. GORDON WRAY: Thank you, Mr. Speaker. I did not quite hear him. If the Member asked if I had ever instituted a business training program, the answer is no. I have never done that; however there are a number of initiatives under way. In the next few months we are going to be looking,

hopefully with the conclusion of our Economic Development Agreement negotiations, at a much better support base for small businesses including funds to allow for that type of management training to take place, because the single biggest cause of business failures in the North, as is in the rest of the country, is at the management level. It is management failure and in the North it is compounded even more. As part of the EDA negotiations that are taking place right now, we are looking at a comprehensive package that would see a business be able to access funds for programs from beginning to end, to allow much more comprehensive training.

As well, hopefully, over the next while we are going to have our economic development officers doing a lot more what we call pro-active work rather than re-active work; in other words, actually sitting down with business people and working out different scenarios. As well, I am thinking about a couple of initiatives in terms of regional workshops and different types of workshops on how you tender government contracts, how to prepare financial statements, how to access government programs. So we are looking at doing a number of things for all regions of the Northwest Territories. A lot of the work is still being formulated. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Aivilik.

Question O244-90(2): Air Terminal, Churchill

MR. ERNERK: (Translation) Thank you, Mr. Speaker. I would like to ask a question to the Minister for Transportation. Mr. Speaker, he knows the question I am about to ask. I have asked him, I think three times the same question and I am happy to say that I am going to ask him the question again. In regard to Churchill, Manitoba's terminal. I received a letter and I have a copy of the Minister's letter to the Minister of Transport of the federal government. I asked the Minister of Transportation in the federal department whether the terminal or the airport in Churchill is going to be closed down or not. Mr. Speaker, I would like to ask the Minister this question. Can the Minister say today, to this House, what the federal government has done to date to not close the terminal in Churchill?

MR. SPEAKER: The honourable Member for Kivallivik.

Return To Question O244-90(2): Air Terminal, Churchill

HON. GORDON WRAY: Thank you, Mr. Speaker. This is one of those rare and happy occasions where Transport Canada has done something right for a change. Although it took the combined pressure of the Government of Manitoba and the Government of the Northwest Territories, several MLAs and several communities including Churchill, I can happily report that Transport Canada is spending approximately \$100,000 this year to alleviate most of the major safety concerns that were raised by the dominion fire marshal. It is only an interim solution, but the information that I have is that the dominion fire marshal has accepted these renovations on the provision that a new terminal building be available in Churchill in approximately four to five years time. I have also received information that Transport Canada is now starting the planning process and designing process for some type of new facility in Churchill. Yes, indeed we managed to save the hangar and we will not be losing it after all, at least not for the next four to five years anyhow. Thank you.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Yellowknife South.

Question O245-90(2): Personnel Handling Functions Previously Assigned To Edmonton Office

MR. WHITFORD: Thank you, Mr. Speaker. I have a question I would like to direct to the Government Leader and it deals with his capacity as Minister responsible for the Executive and it deals with the Edmonton office. The Edmonton office formerly provided services to students, services to northern people travelling, services to this government, that were related to our association with the province of Alberta, particularly the city of Edmonton. Since the closure of this office, Mr. Speaker, I would like to know where or who is doing the work that was formerly done by that office in the area of student counselling and other northern affairs that need attention?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Return To Question O245-90(2): Personnel Handling Functions Previously Assigned To Edmonton Office

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Mr. Speaker, NWT residents requiring information about government services in Edmonton, due to restraint measures which have unfortunately had to be taken, will no longer be able to obtain services from the office in Edmonton, which is now closed, just as NWT residents in Winnipeg or Montreal requiring information about government services do not have that opportunity.

Mr. Speaker, I would like to inform the Member, however, that we have arranged for a referral service which can be contacted through a recording available at the former telephone number of the Edmonton office, which will provide callers with information about where they can get help from NWT government departments, but they are going to have to make those calls themselves.

Mr. Speaker, with regard to education, I should inform the honourable Member that the executive branch of the Edmonton office has not provided services to students for some years. Mr. Speaker, I am pleased to inform the honourable Member, though, that through the good offices of Bellanca Corporation and with the Department of Education's assistance, there has been established, I think, quite a good support service for the many NWT students who are in Edmonton. This service provides assistance in counselling and obtaining access to housing and the like. So I think NWT students in Edmonton are quite well served by this cooperative venture which was established this year. Thank you, Mr. Speaker.

MR. SPEAKER: Oral questions. The honourable Member for High Arctic.

Question O246-90(2): Location Of Whales And Shrimp Containing Mercury

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I will ask a question to the Minister of Renewable Resources through the Government Leader. Last week we heard on the news that the whales and the shrimp have some kind of a disease caused by mercury. What is the location of those whales and shrimp that were studied and supposedly have mercury in them?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. The

answer is probably lurking, hidden in Mr. Alloo's briefing books, but I am afraid I cannot respond that quickly, Mr. Speaker. I will have to take that question as notice.

MR. SPEAKER: Thank you. The honourable Member is taking the question as notice. Oral questions. The honourable Member for Hay River.

Question O247-90(2): Identity Of Minister Revealing Information

MR. POLLARD: Mr. Speaker, to the Government Leader. Yesterday, Mr. Sibbeston said that he had received information from one of Mr. Patterson's cabinet colleagues and the information revealed that Mr. Patterson had deliberately demoted Mr. Sibbeston. My question to the Government Leader is, does the Government Leader know who that person on the Executive was that made that report to Mr. Sibbeston? Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Return To Question O247-90(2): Identity Of Minister Revealing Information

HON. DENNIS PATTERSON: Yes, Mr. Speaker.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Rae-Lac la Martre.

Question O248-90(2): Request That Transportation Officials Meet With Rae Lakes Community Re Winter Road

MR. ZOE: Mr. Speaker, my question was going to be directed to the Minister of Transportation but he is not in the House so I will wait until he is due back. Maybe I can direct it to the Government Leader. Mr. Speaker, yesterday on a return from the Minister of Transportation, in regard to the request that I made to him for the rerouting of a portion of the winter road to Rae Lakes, he responded saying that the department has looked at the request of the community but the department concluded that it is not warranted. They figure that particular portion of road that we are requesting to be rerouted is safe to be travelled on. My understanding, Mr. Speaker, is that this particular area is a great concern for people, not only the people of Rae Lakes but also the people that travel on those roads, and I do not think the department quite understands the seriousness of this request. I would like to ask the Minister of Transportation if he could send his department officials to meet with the community of Rae Lakes to discuss this further. Thank you.

MR. SPEAKER: Thank you.

Return To Question O248-90(2): Request That Transportation Officials Meet With Rae Lakes Community Re Winter Road

HON. GORDON WRAY: Yes, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Tu Nede.

Question O249-90(2): Response From Federal Government Regarding Closure Of Fort Reliance Weather Station

MR. MORIN: Thank you, Mr. Speaker. My question is to the Minister responsible for Transportation. Mr. Minister, I brought

the concern of my constituency to your attention regarding the closing of the Fort Reliance weather station and you said you would get back to me at a later date. Have you been in touch with the federal government and have you received any positive response from them at all on the closing of that station? Thank you.

MR. SPEAKER: Thank you. The honourable Member for Kivallivik.

HON. GORDON WRAY: Thank you, Mr. Speaker. I talked to my deputy minister this morning and I am told that I will have a reply for the Member by tomorrow.

MR. SPEAKER: Thank you. Oral questions. The honourable Member for Aivilik.

Question O250-90(2): Information To Communities Regarding Contamination Of Beluga Whales

MR. ERNERK: Thank you, Mr. Speaker. I have a question to the Government Leader and it is a supplementary to the question raised by Mr. Pudluk, the honourable Member for High Arctic. Mr. Speaker, my question to the Government Leader is this, what is the government doing to inform the people in the communities about the contamination of the beluga whales?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit.

Return To Question O250-90(2): Information To Communities Regarding Contamination Of Beluga Whales

HON. DENNIS PATTERSON: Mr. Speaker, I made a statement earlier in this House on the whole issue of Arctic contaminants in which I reported on the efforts that our government is undertaking, through several departments, notably the Departments of Health and Renewable Resources, to deal with this vexing issue of contaminants which of course is not entirely within our control since much of the contamination originates outside the NWT and even outside Canada. In that detailed statement, Mr. Speaker, which I intended for public notice, I reported that although we are monitoring the situation closely, we still will assure the consumers of country foods in the NWT that there is no danger to them consuming country food; that on balance it is beneficial and that they need not be alarmed by the presence of what are, so far, still insignificant or safe levels of contaminants in those country foods.

So Mr. Speaker, that statement and regular reports to this Legislature and the press are the means by which we are attempting to communicate with the public on these matters. Thank you.

MR. SPEAKER: Thank you. Oral questions, honourable Member for Baffin Central.

Question O251-90(2): Results Of Beluga Whale Surveys

MR. KILABUK: (Translation) Thank you, Mr. Speaker. Since the Minister of Renewable Resources is absent from the House perhaps I can direct this question to the Government Leader. My colleagues and I are very concerned about the beluga whale issue. There was a survey done in my constituency in South Baffin and the Iqaluit area. I think the survey has been completed. I wonder if the Government Leader can give us a report before this House adjourns.

MR. SPEAKER: Honourable Member for Iqaluit.

Return To Question O251-90(2): Results Of Beluga Whale Surveys

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Mr. Speaker, I understand that the Department of Fisheries and Oceans of the federal government has completed aerial surveys in the vicinity of Iqaluit, Lake Harbour and Pangnirtung, along with surveys from boats, and cliff-top observations in the Pangnirtung area. I am informed that the Department of Fisheries and Oceans is planning to hold meetings with those communities in January of 1991, once the survey results are completed and analysed. Those meetings are intended to discuss the results of those surveys with the residents of those communities. Thank you.

MR. SPEAKER: Oral questions. Honourable Member for Natilikmiot.

Question O252-90(2): Social Assistance For Gasoline

MR. NINGARK: (Translation) Thank you, Mr. Speaker. I would like to address this question to the Minister of Social Services. For people who receive social assistance, included in the payment is money for housing, clothing and food. What about gasoline for the hunters so they can go hunting? Is that done?

MR. SPEAKER: Honourable Member for Slave River.

Return To Question O252-90(2): Social Assistance For Gasoline

HON. JEANNIE MARIE-JEWELL: Thank you, Mr. Speaker. Unfortunately, gasoline is not included in the allowance that is issued to recipients who receive social assistance. Social assistance is meant to assist an individual who is in need of the basic essentials of life, being housing, clothing and food. I would recommend to the Member that any of the HTA offices across the North, through the Department of Renewable Resources, probably have some type of program that allows individuals to obtain funding to try to retrieve resources off the land. Thank you.

MR. SPEAKER: Oral questions. The honourable Member for Baffin Central.

Question O253-90(2): Results Of Ottawa Meeting On Beluga Whale Issue

MR. KILABUK: (Translation) Thank you, Mr. Speaker. I have a supplementary question to the Government Leader because we are still very concerned about the beluga whale issue. There are two people who recently went to a meeting in Ottawa to discuss this issue. I wonder if the Government Leader could find out right away what is happening in Ottawa regarding the beluga whale issue.

MR. SPEAKER: Honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Mr. Speaker, I regret that I am not aware of any two people recently attending a meeting in Ottawa on this issue. I am quite certain that Mr. Alloodoo, as I said, is not meeting on that issue this week. However, I will, perhaps with assistance from the Member, try to get information on any discussion that is taking place on this issue in Ottawa and provide the information back to this House as soon as I can get that information. So I will be taking the question on notice, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Member is taking the question as notice. Oral questions. The honourable Member for Aivilik.

Question O254-90(2): Possible Visit To Greenland

MR. ERNERK: Thank you, Mr. Speaker. My question is directed to the Minister responsible for Housing. Is the Minister planning a visit to Greenland in the spring of 1991?

MR. SPEAKER: The honourable Member for Inuvik.

Return To Question O254-90(2): Possible Visit To Greenland

HON. TOM BUTTERS: No, Mr. Speaker.

MR. SPEAKER: Thank you. The honourable Member for Aivilik.

Question O255-90(2): Soapstone From Brazil

MR. ERNERK: This one I should get an answer for, Mr. Speaker. When I was meeting with the Hamlet of Coral Harbour last month -- this question is directed to the Minister of Economic Development -- I was told that the Department of Economic Development was pursuing the matter of collecting soapstone from different soapstone deposits in the NWT and I am aware of some in Repulse Bay. But the question that puzzles me is to do with samples of soapstone from Brazil. Is that right?

MR. SPEAKER: Honourable Member for Kivallivik.

Return To Question O255-90(2): Soapstone From Brazil

HON. GORDON WRAY: Thank you, Mr. Speaker. If you can just bear with me for a minute. I cannot just recall to mind exactly where all of the stone came from. I think there was some from BC. There were three locations of the carving stone in Vancouver, Virginia and Montana. There was none from Brazil.

MR. SPEAKER: Oral questions.

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

ITEM 7: RETURNS TO WRITTEN QUESTIONS

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, return to Question W9-90(2) asked by Mr. Kilabuk on October 25, 1990 to the Minister of Government Services concerning different prices for petroleum products.

Return To Question W9-90(2): Prices Of Petroleum Products In Communities

Hon. Tom Butters' return to Question W9-90(2), asked by Mr. Kilabuk on October 25, 1990, regarding prices of petroleum products in communities: The Government of the Northwest Territories charges different prices for petroleum products that come from the same storage tanks. This is due to the application of a different tax rate on the basis of how the product will be used. For example, the selling prices in Pangnirtung are established as follows:

P-50 Product:

	<u>Heating Fuel Cents/Litre</u>	<u>Diesel Fuel Cents/Litre</u>	<u>Aviation Fuel Cents/Litre</u>
Base Price	53.0	53.0	53.0
NWT Tax	--	7.0	1.0

Federal Sales Tax	---	2.0	2.0
Federal Excise Tax	---	<u>4.0</u>	<u>4.0</u>
		<u>53.0</u>	<u>60.0</u>

Automotive Gasoline:

	Hunters, Trappers Fishermen Cash Price <u>Cents/Litre</u>	Other Uses And Credit Price <u>Cents/Litre</u>
Base Price	45.36	45.36
NWT Tax	5.40	5.40
Federal Sales Tax	3.74	3.74
Federal Excise Tax	<u>6.50</u>	<u>8.50</u>
	<u>61.00</u>	<u>63.00</u>

Selling prices for petroleum products are established in a similar manner in all parts of Canada.

MR. SPEAKER: Point of order, the honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Could I have consent to go back to Item 4, returns to oral questions?

MR. SPEAKER: Thank you. The honourable Member for Iqaluit is seeking unanimous consent to return to Item 4. Are there any nays? There are no nays. Proceed, Mr. Minister.

ITEM 4: RETURNS TO ORAL QUESTIONS**Return To Question O236-90(2): Aircraft Operating Out Of Forward Operating Location, Yellowknife**

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Mr. Speaker, regarding cruise missile testing in the Northwest Territories, the government has been advised that no air bases in the Northwest Territories will be used during tomorrow's cruise missile test. The missile will be attached to a single aircraft which will not touch down in Canada during the entire test. The test plane will be accompanied by one ARIA aircraft, which is a modified 707 aircraft. There are no F-15 or F-18 aircraft involved in the test.

MR. SPEAKER: Thank you. The honourable Member for Inuvik.

Return To Question O203-90(2): Maintenance Of Water Reservoir, Coral Harbour

HON. TOM BUTTERS: Mr. Speaker, maybe I could use this opportunity to return to an oral question asked by Mr. Ernerk on October 25, 1990, with regard to the maintenance of the water reservoir in Coral Harbour. The Department of Municipal and Community Affairs has recently been informed of the desire of the hamlet of Coral Harbour to assume the responsibility of the maintenance and operation of the existing water reservoir in the community. Although the present operation and maintenance of the reservoir is done by the Department of Public Works, all discussion and negotiation with respect to this possible transfer will be handled in a tripartite arrangement between the three parties involved, namely the Department of Public Works, the hamlet of Coral Harbour, and my department.

I am advised that the Department of Public Works is prepared to consider a two year contract with the hamlet to operate and

maintain the reservoir. A contract could be for all or part of the operation and maintenance, depending on the extent and capability of the hamlet's work staff. If this is satisfactory to the hamlet, such a contract could take effect April 1, 1991. During the term of the contract, both departments would work with the hamlet to identify and address the long-term training requirements to enable the hamlet to take on permanent authority and responsibility for operating and maintaining the water reservoir.

MR. SPEAKER: Thank you. Item 8, replies to Opening Address. Replies to Opening Address. Item 9, petitions. I moved too quickly there; the honourable Member for Iqaluit had his hand up on replies to Opening Address. The honourable Member for Iqaluit. Point of order, the honourable Member for Rae-Lac la Martre.

MR. ZOE: Mr. Speaker, I heard you call Item 9, petitions, and if I read the Rules correctly, we did pass replies to Opening Address.

MR. SPEAKER: That is correct. I called the item and there was a request to return to Item 4, returns to oral questions. As a result of my having called the item already, really the item is already dead, or we should not be returning to it, because the request was, in fact, made by the honourable Member to return to Item 4. Item 9, petitions.

Let me explain the situation here. I called the item, replies to Opening Address. I called the item. Before you argue in this House, I called the item, replies to Opening Address. The honourable Member for Iqaluit sought unanimous consent to return to Item 4. Once the item is called, then I cannot return back to the item because it is a dead item. In other words, we cannot return, unless of course the honourable Member seeks unanimous consent to return to that item.

HON. DENNIS PATTERSON: Point of order.

MR. SPEAKER: Point of order, the honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Mr. Speaker, I would then seek unanimous consent to return to Item 8, replies to Opening Address.

MR. SPEAKER: Thank you. The honourable Member for Iqaluit is seeking unanimous consent to return to Item 8. Are there any nays? Proceed, Mr. Minister.

ITEM 8: REPLIES TO OPENING ADDRESS**Mr. Patterson's Reply**

HON. DENNIS PATTERSON: Thank you Mr. Speaker, although Members may regret this indulgence. Mr. Speaker, I bring greetings from my constituency of Iqaluit, which had a population of 3126 people in June of 1989. This is the second largest community in the Northwest Territories, after Yellowknife. With a population of 2022 Inuit, Iqaluit is also by far the largest Inuit community in the Northwest Territories.

This is my opportunity to address progress and problems in my constituency. I will start off with the good news, Mr. Speaker. Through the intervention of the Hon. Tom Butters, Minister responsible for the NWT Housing Corporation, and his district manager, Harnek Matharoo, an interim solution has been found for the difficult problem of homeless people in Iqaluit. A duplex formerly used for staff housing by the Corporation has been made available to the Iqaluit Emergency Shelter Society, whose chairman is Father Andy Macbeth. Members will recall receiving a letter from Father Macbeth and Rev. Mike Gardiner about this urgent problem. The duplex,

which has been renovated by the Corporation, will house up to 15 homeless people each night.

The project is a result of tremendous community effort. The society has also received support from the Town of Iqaluit, which will provide property taxes, water and sewer and garbage pickup, and the town's social services department, which will provide some staff to supervise the occupants. Recognizing that a more permanent solution must be found, the society will seek funding for a permanent facility through CMHC's non-profit housing program. But I do want to take this opportunity to thank Mr. Butters for his personal intervention in this problem and to congratulate Father Macbeth and his hardworking committee, along with Mayor Blanchette and the Town of Iqaluit, for finding a solution to this problem before the cold weather starts.

Speaking of good initiatives, I also want to congratulate and thank all the good people and the good corporate citizens who made Iqaluit's Northern Fly-in Sports Camp possible last summer, but especially Constable Bill Chisholm of the RCMP, Iqaluit, for raising about \$30,000 to organize this wonderful event. Five students from the University of Manitoba worked with two local youths, Johnny Noah and Achina Josephee. They all did a fine job keeping about 50 or 60 active kids busy each day playing games, going on hikes, seeing movies and swimming.

Most importantly, they kept out of trouble. As Constable Chisholm said in a recent letter to the local paper: "As a peace officer in this town it was a joy to see the youth enjoying themselves because all too often we see them in a negative light. This summer proved a success in that there was only a very minor involvement with the police in regards to youth crime." So, thank you to Constable Chisholm!

Things are also looking up for the elders in Iqaluit, Mr. Speaker. The Iqaluit Royal Canadian Legion, whom I have already thanked in this Assembly for building the magnificent senior citizens' centre which opened last year, have outdone themselves once again for services to our elders. The Legion is providing qualified drivers to provide free transportation in a specially equipped vehicle to elders for personal business or community events. The service is available with the co-operation of the Town of Iqaluit, which is maintaining the vehicle for the Legion and making their emergency services dispatch centre available to schedule trips. We are all grateful for what the Legion has done and is doing for our elders. I am also pleased in that connection to report that a local firm of architects in Iqaluit, Burdett-Moulton Architects & Engineers Ltd., has been appointed to begin detailed design of 20 much-needed housing units for senior citizens of Iqaluit, which are scheduled for construction next year. This important project has been made possible through the support of the Minister of Social Services, the Hon. Jeannie Marie-Jewell, and the Minister of Housing, the Hon. Tom Butters; the Town Council of Iqaluit, which allocated prime beach front property next to the senior citizens' centre for the project; the senior citizens' housing steering committee, chaired by Andy Theriault; and the Iqaluit Seniors Association and its president, Akeeshoo Joamie, who have worked hard for years on this project.

Kamatsiaqtut, Baffin CAREline Project

Mr. Speaker, last time I replied to the Commissioner's Opening Address in this Assembly I spoke of the Baffin CAREline project, Kamatsiaqtut, a group of unpaid volunteers who have now trained some 40 volunteers who run a crisis line for people who need someone to talk to about their problems. They have received enormous help from Bell Canada, particularly their district manager, Yvon Vallee, and the Iqaluit Entrepreneurs' Club and its president, Brian Hellwig. I am

very proud of these caring people who are reaching out to those in distress. They are not asking for payment for the long hours they put in away from home and families. Members of the society's board of directors are: chairman Josh Teemotee; vice-chairperson Sheila Levy, who was the driving force to starting the project; Don Moors, treasurer; Suzanne Manomie, secretary; and Errol Fletcher, trainer. They are not asking for honoraria, nor do they want public recognition. They are simply caring people who deeply care about the problem of suicide and are reaching out to those in distress. I want to thank the Hon. Jeannie Marie-Jewell for recognizing this group and responding when her department's help was requested to make it possible for CAREline members to take suicide prevention training last spring.

The CAREline is working. Most nights it is getting real calls from real people in distress. Other communities like Pangnirtung and Kuujuaq are expressing interest in somehow getting hooked in to the CAREline. Bell Canada is considering means of providing toll-free long distance services, which we know will be very expensive. If a service is to be provided to people in distress outside of Iqaluit, or even outside the Baffin Region, perhaps there is a way that the Department of Social Services can help. I am not sure what the next steps will be for the CAREline. They have established themselves slowly and on a completely voluntary basis. Whatever happens next, I know that the spirit of voluntary, selfless, caring of the good people of Iqaluit who are behind this project will be an example to all our communities and people who are trying to do something about the problem of suicide.

Francophone Association Of Iqaluit

(Translation) I would like to talk to you about the good work of the Francophone Association of Iqaluit, which recently had their 11th year of existence and their first birthday as a community centre. They are already planning to enlarge. They have opened the only trilingual day-care centre in the Northwest Territories. Each year they produce a superb trilingual calendar. Furthermore, they are continuing to encourage French education in the schools of Iqaluit. The association has made it possible for French television in my riding at their own expense. They are also now at the stage of preparing a radio program of one hour which will be broadcast each week in the Eastern Arctic on Saturday afternoon at 2:30 p.m. I would like to thank Mr. Pat Nagle, director of CBC in Iqaluit, for having made this possible. (Translation ends)

Potential Of Fishery In Baffin

There is still more good news. With the support of the Department of Economic Development and Tourism, who helped them to rig their boats for inshore fishing, and with that department's endorsement of a CAEDS program application for test fishing, two local boats, owned by Bruce Hulan and Ben Ell, conducted test fishing in the waters of Frobisher Bay this past fall. More test fishing is planned for next summer under this program. I want to thank Mr. Wray and his officials for supporting the development of our fishery in Iqaluit and Baffin.

I am convinced that the inshore fishery in the waters off Iqaluit and other Baffin communities -- Pangnirtung already has a good turbot fishery under way -- offers good potential for appropriate jobs for unemployed Inuit in my constituency. I am also confident that the test fishery will produce results. I am certain that there are great renewable marine resources in our waters: scallops, shrimp, char, turbot and cod. Mr. Speaker, in case you do not believe me, I want to show you just the head of a cod which was pulled from the waters of Ney Harbour in Frobisher Bay last year.

---Laughter

I am not planning to table this, Mr. Speaker, I pulled it from my freezer at noon. The rest of this fish was eaten or I could have shown it too. Mr. Speaker, do I need to say anything more about the great potential of our fishery in Baffin?

MR. LEWIS: It looks like an old one.

HON. DENNIS PATTERSON: It has been around for a while. I am happy it is not my head.

New Policy For Land Valuation In Iqaluit

Of course, Mr. Speaker, we do have a lot of problems in my constituency but I still have more good news to relate.

Last year the Department of Municipal and Community Affairs announced a new policy for land valuation. People in Iqaluit cannot own land. They can only lease it. The new policy was quite a shock to home-owners in Iqaluit because it required that they pay for the cost of developing their land through an annual charge. The effect of this was that annual lease charges would have increased from \$100 or, at most, \$250 per year to up to \$1000 to \$2000 per year. The ratepayers complained that the government was changing the rules after they had built their houses without anticipating such changes. And even after paying those sharply increased annual lease charges, they still could not end up owning the land.

A ratepayers' association was formed to express their concerns and ask for a review of the proposed policy. In principle, most ratepayers agreed that the leaseholders should pay for the cost of improvements to their land. They agreed that the new policy was all right for new lessees, who would build houses knowing the new rules; but they felt that it was unfair to change the rules for those who had already entered into long-term leases and built their own homes. I want to thank the Hon. Tom Butters, Minister of Municipal and Community Affairs, for listening to the concerns expressed by those existing ratepayers and for modifying the policy so that its application would not be compulsory. The existing leaseholders were grandfathered, and a procedure was also established whereby they could appeal the government's assessment of land development costs on their leased land. Now that they will not be forced to accept the new regime, and there is an opportunity for them to appeal the assessed development costs based on the situation of each individual lot, I believe most ratepayers will end up accepting the new regime, even if it costs significantly more, for the lease payments can be credited against the day when leaseholders will be able to buy their land.

I want to also express some optimism that the meetings which Mr. Butters has already begun with the TFN will also permit TFN to take into account the special situation of Iqaluit, the only tax-based municipality in Nunavut, so that a way can be found to permit an early and successful local plebiscite in Iqaluit, even in advance of the final ratification of the TFN claim, to permit home-owners to purchase land. I have asked Mr. Butters to consider some suggestions by which the present imbalance of lots between Inuit and non-Inuit can be rectified so that there will be broader support for the sale of the land, which will make it easier for anyone to finance the purchase or construction of a house.

Mr. Butters listened to the ratepayers' concerns and was able to make modifications to the policy which have resulted, I believe, in its general acceptance by the same ratepayers who threatened court action and sent me dozens of letters of complaint when the policy was first announced.

Baffin Treatment Centre For Drug And Alcohol Abuse

I want to also thank the Hon. Jeannie Marie-Jewell for visiting my constituency, meeting with Tuvvik, and establishing a regionally based steering committee to work toward the long-awaited Baffin treatment centre for alcohol and drug abuse. It has been four years since capital moneys were first identified for this facility. Mr. Speaker, it is very hard on Inuit, particularly those who cannot speak English, to be sent far away to treatment centres in southern Canada or even in Yellowknife. Our regions, too, have a great need for alcohol and drug treatment closer to home. The Tuvvik board of directors and the Baffin Regional Council have given their strong support for the proposed centre. The steering committee is now working hard to plan for construction beginning next year. They will need continued strong support from the Minister of Social Services and her department, and there will be many challenges to overcome. However, Mr. Speaker, I am happy that the steering committee has been formed, and I am optimistic that the project is now moving forward. I believe that it has the support of all Baffin MLAs in particular.

I would like to also thank Members of this Assembly for listening to the concerns expressed during our last budget session about the need to keep up with the growing demands for shelter for victims of spousal assault. The Aggviik Society in Iqaluit runs Nutaraq's place. They are operating at maximum capacity right now, and I am told that without the additional funds approved by this Legislature as an amendment to the budget for this activity across the Territories, it would have been impossible for the Aggviik Society to keep up with the demands.

One final good news item and then I have got to turn to the problems. I am really happy with the new Department of Transportation and their marine division. Everyone who has had to suffer through my replies to the Commissioner's address in this House over the years knows that I could not make this address, Mr. Speaker, without reference to our huge 12 metre tide in Frobisher Bay and the problems it causes for small, medium and large boat owners. In 1987, with the help of this government's Department of Public Works, a trench was dug on the beach to assist operators of small boats gaining access to the shore during low tide. This trench, which I am told is known as "Dennis's Ditch" in the Department of Transportation, has made an enormous difference to people trying to land small boats in Iqaluit, especially in bad weather.

I was delighted to learn that additional work on the trench was done this fall. Local heavy equipment was used to divert a small stream which had been causing sediment to build up in the trench. It was deepened and surplus boulders were deposited in such a way as to construct a small breakwater to protect the small vessels from the pounding they usually take from strong southerly winds in the fall. And all this was done with the full involvement of the Iqaluit Hunters and Trappers Association. Many thanks to the new Department of Transportation, on behalf of the many hunters and fishermen for whom the sea is a marine highway, a source of food and economic potential.

Beluga Whale Quota In Iqaluit

Mr. Speaker, this is where the good news ends and the problems begin. Talking about an economy and way of life based on the sea brings me to a major problem facing my Inuit constituents -- actions taken this past year by the Department of Fisheries and Oceans to establish, for the first time in my constituency, a quota on beluga whales.

Mr. Speaker, this is probably the most explosive issue which has arisen for the Inuit of my constituency since I was first

elected MLA in 1979. The depth of feelings runs very high since the Inuit of Iqaluit see the whales as much more than a very special and valuable food. They see the whales as representing, for them, the essence of what it is to be an Inuk. This is an issue which goes to the heart of the culture and soul of the Inuit of Iqaluit.

The story of the beluga whale hunt involves aboriginal rights and land claims, modern knowledge of scientists and traditional knowledge of the Inuit. It involves the Minister of Fisheries and Oceans and his officials in Ottawa, Winnipeg and Iqaluit. It involves the Nunavut Wildlife Management Advisory Board, the hunters and trappers association in Iqaluit, and a new group of whale hunters which has sprung up over this issue. They call themselves Qaluriaq, after a traditional killing lance. And of course, Mr. Speaker, it also involves my colleagues from Baffin South, Mr. Arlooktoo, and Baffin Central, Mr. Kilabuk, and the communities that they represent.

Mr. Speaker, the Nunavut Wildlife Management Advisory Board met last January to consider the subject of beluga whales in south Baffin. At the meeting, the board, which includes some Inuit members from Baffin Island, were given reports by scientists based on data gathered in 1986, which concluded that the population of beluga whales was getting too low. The board considered the scientists' advice and recommended to the Minister of Fisheries and Oceans that a quota of five beluga whales in each of Pangnirtung, Iqaluit and Lake Harbour be established for at least two years until further, more comprehensive studies could be completed.

Research Methods And Findings Of Scientists Not Accepted By Hunters

The Minister of Fisheries and Oceans accepted the board's recommendations and prepared regulations which were announced to take effect just before the summer hunting season. I was in Ottawa working on the Meech Lake Accord issue in June when I was informed of a huge meeting of hunters which had been held in Iqaluit to protest the decision. The hunters protested that they had not been properly consulted on the decision, that no representative of their community was consulted on the issues, and that identical quotas between Iqaluit, Lake Harbour and Pangnirtung ignored the communities' significant population differences. Their strongest point, however, was that they did not accept the research methods nor the findings of the scientists.

The regulations were passed and posted and many hunters chose to go ahead and hunt anyway. Qaluriaq declared that they had an aboriginal right to hunt beluga which superseded the federal regulations. Although the beach was patrolled and, on one occasion, muqtuq was seized from a hunter by fisheries officers, no one was charged last summer. No equipment was seized. I met the executive of Qaluriaq shortly before this session of the 11th Legislature began and I gave the group some advice, not as a representative of this government, but as their MLA, which I wish to share with Members of this Assembly.

I told them, first of all, that I have learned why they had not been charged or had their equipment seized for hunting more than the quota of five beluga whales last summer. They were not charged because the federal government was afraid of Qaluriaq. The only reason hunters were not charged was that, in the rush to draft the new regulations, a penalty clause was left out. This was a law without any punishment. This legal flaw, Mr. Speaker, is the only reason charges were not laid.

If the quota is exceeded again this year, fisheries officers have threatened that they will lay charges and seize equipment if the new quotas are not respected this summer. I believe the fisheries officers' warnings. That is why I am going to be

looking hard for a solution to this very vexing problem, other than charges and the seizure of hunting equipment.

(Translation) As I told the Qaluriaq group, it will not help the image of Inuit in the North for them to be seen on national news being arrested for breaking the law by hunting whales. (Translation ends) There are too many people in southern Canada who will automatically assume that the whales are in danger of extinction, even if the scientific evidence is not recent and at odds with the traditional knowledge of Inuit.

Mr. Speaker, the leader and spokesman for Qaluriaq is a 75 year old man named Lucassie Nutaraluq, who now lives in Iqaluit. He was born west of Cape Dorset and has lived in Northern Quebec and Lake Harbour, even before it became a community. Since he has lived on both sides of Hudson Strait and has been a hunter all of his adult life, he is well respected by the hunters of Iqaluit as having superior knowledge of whales.

I met with Lucassie Nutaraluq and members of Qaluriaq just before this session. With a map of Frobisher Bay and Hudson Strait, Mr. Nutaraluq explained his strong views that there is not really a population of beluga whales in south Baffin as the scientists suggest. Nutaraluq says that there is a large population of whales which go to the open water of the north Atlantic during the winter and move back into Hudson Bay during spring and summer. Some beluga whales from this larger population make a wrong turn, as it were, and end up going down Frobisher Bay before they have to turn back heading for Hudson Strait and Hudson Bay. This is why beluga whales are always found on the south shores of Frobisher Bay. Their instinct is drawing them south to Hudson Bay. Mr. Nutaraluq has carefully explained this to all of the fisheries officers in Iqaluit.

Mr. Speaker, Qaluriaq believes that the scientists have made observations on the whales at the wrong time of year and the scientists have not taken into account the traditional knowledge of hunters like Lucassie Nutaraluq. Qaluriaq was formed to try to assist the Department of Fisheries and Oceans to better understand the whales, they say, and to try to bring the perspectives of the scientists and enforcement officers closer together with the hunters.

(Translation) The members of Qaluriaq pointed out to me that their group was never formed to create confrontation and that the Inuit have always been respectful of the law. (Translation ends) In fact, Lucassie Nutaraluq proudly showed me a framed certificate from the Ministry of Renewable Resources thanking him for being a wildlife guardian for many years.

The group pointed out to me that they are as concerned as anyone about conservation of the whales. In fact, they have advocated their own limits on the number of whales taken, persuading hunters to take no more than two whales at a time. They have also begun a rigorous campaign against wastage of meat this past summer. In talking with the members of Qaluriaq recently, I suggested several ways to avoid the legal confrontation for which we are inexorably heading unless something is done.

Traditional Knowledge And Expertise Must Be Considered

Mr. Speaker, Qaluriaq simply does not believe the information that has been gathered so far on beluga whales in south Baffin. However, if an independent group could be formed to study the problem, a group which would take traditional knowledge and the expertise of hunters into account, I believe that the results would be accepted by the hunters of Iqaluit. Perhaps there is a role for the NWT Science Institute or some other body which is not directly associated with the federal government or its Department of Fisheries and Oceans.

Mr. Speaker, the Nunavut Wildlife Management Advisory Board will be meeting in Iqaluit November 20 to 22. I will be present and, I hope, along with my colleagues in this Assembly, Mr. Kilabuk and Mr. Arlooktoo. I think that this meeting will be a very good opportunity to establish a new basis for looking at the facts of the problem. Once we have information about the population of beluga whales which is accepted by the Inuit, we will have a good basis for respect for any quotas which may then have to be set. I know that the Department of Fisheries and Oceans has plans to spend significant funds to study this problem. I hope they will be willing to take advice from the hunters who really have the biggest interest in the continued health of the beluga whale population, so that the study methods will be credible and the results will be accepted by the hunters and the department.

In the meantime, I am hopeful that the Nunavut Wildlife Management Advisory Board will reconsider its recommendation on quotas, in consultation with the Inuit of Iqaluit and the other communities affected. The hunters of Iqaluit have already reduced their take of whales from about 60 last year to around 30 this past summer. Mr. Speaker, I sincerely hope that some middle ground can be found, recommended by the board and accepted by the Minister of Fisheries and Oceans and Qaluriaq until the more complete population study, which everyone seems to agree is desirable and necessary, can be concluded.

I cannot help but think back to the dire warnings given to this Legislature and the general public about the decline of the Kaminuriaq caribou herd some years ago which was attributed to Inuit over-hunting. The Inuit hunters of Keewatin and their representatives in this Legislature strongly disagreed with this charge. Mr. Speaker, the following summer we had conclusive evidence that the scientists were wrong. They thought that the caribou numbers were substantially down, but the migration patterns had simply changed.

(Translation) I believe that this issue of beluga whales is a golden opportunity to marry traditional knowledge and modern science. I sincerely hope that we can come up with acceptable short-term and longer-term management decisions which will be acceptable to scientists as well as the hunters of Iqaluit, Lake Harbour and Pangnirtung. (Translation ends)

Closure Of Outpost Camp For Young Offenders

Another matter of great concern in my constituency, which was raised at a public meeting I held just before this session, is the closure of an outpost camp facility for male young offenders at Mingutuq, about 80 miles down the bay from Iqaluit. The camp, which was run by Inuit in connection with a nearby outpost camp, focussed on traditional, land-based programs: teaching hunting, fishing and trapping and the hard work which goes with that.

I understand that following their release in 1988, a review was done of 28 young offenders from six Baffin communities, Rankin Inlet and Arviat, and without exception community social workers gave their strong support for the experience. These young men came back from the camp healthy and fit, and feeling good about their accomplishments on the land. The young offenders themselves, by and large, had no complaints except that the camp was hard work. Eighteen of them were considered to have been doing well after their release, which is a good result for young offenders.

My constituents, Mr. Speaker, are concerned that since the closure of the facility last year young offenders from Baffin must often be sent far away from their families or familiar cultural milieu. As one of my constituents put it at the meeting, they are being "exiled", at great expense, to locations as far away as Inuvik -- no slight intended to Inuvik, Mr.

Speaker. This is considered by some of my constituents to be unfair and even cruel. I have been asked to raise this matter in the Legislature in the hope that something can be done to reopen this excellent, successful model for dealing with Inuit youth.

Operating Subsidy For Iqaluit Swimming Pool

Another matter of grave concern to my constituents is the decision which had been made by our government to no longer provide an operating subsidy to the Town of Iqaluit for the swimming pool. With increased costs forecast for leasing the space, very expensive high temperature hot water costs from the NWT Power Corporation, currently \$14,000 per month, the GNWT informed the Town of Iqaluit that the town must take responsibility for all costs associated with the pool in the new year.

This has caused great concern, Mr. Speaker. Our community, even though it is the largest community in the Eastern Arctic, does not enjoy many recreational facilities for young people. A curling rink and fitness and racquet club are privately owned. There is no community hall. As one elder pointed out at the public meeting I held, if young people are able to learn to swim, it will save lives in the event of a catastrophe, since my constituents are always on the water.

Mr. Speaker, I am working with the Town of Iqaluit in order to try to find solutions which can permit the pool to remain open. The town has already been successful in persuading Frobisher Developments Ltd., the owner of the complex in which the pool has been located for 20 years, to reduce the costs of renting the space. I am grateful to FDL for that.

Also, the town has decided that user fees must be increased. New fees will almost double revenues from the pool. The other problem which is now being worked on is looking at ways to reduce the high costs of hot water, which is presently transmitted all the way from the NWT Power Corporation generating station on the hill above town. The town is looking at installing its own boiler or co-operating with the owner of the building, which is planning a new boiler system for the complex, which should reduce costs. With these savings and revenues which have already been achieved or are being worked on, the Town of Iqaluit will be prepared to take over responsibility for the pool, provided that the elimination of the GNWT subsidy can be phased in over a period of years. Mr. Speaker, I am very hopeful that these measures taken together can permit the continued operation of the swimming pool.

Although I know that Iqaluit is very privileged in the Eastern Arctic in being the only community with a year-round swimming pool, I guess, apart from the facilities installed by mining companies at Nanisivik and Little Cornwallis Island, it would be a terrible shame to see an existing pool, which is heavily used by school children as well as adults in our community, filled in and converted into office space.

When the FDL high rise complex was built some 20 years ago, there was some recognition on the part of the federal government and the builders that such a high density high rise complex in the midst of a traditional Inuit community could cause some social problems. The high rise, especially its hotel and bar, did cause considerable social problems, and I am told by Bryan Pearson, who was then mayor, that at the urging of the council of the day -- and they met with Jean Chretien who was then Minister of Indian and Northern Affairs -- the complex was designed to include a bowling alley, a swimming pool and a theatre. Now only the pool is left. I hope it can be saved. I am pleased that the Town of Iqaluit, with its limited tax base, is willing to do its part to eventually take over the responsibility for the pool. Today I will table a petition signed by 509 residents and 116 letters urging myself,

our government, and this Legislature to do what is necessary to save the swimming pool.

Assignment Of Portfolios To Mr. Sibbeston

Mr. Speaker, in closing, I want to take advantage of the latitude permitted in this reply to address another matter on which I want to make public comments. Mr. Speaker, in addition to having been given the privilege of representing the people of Iqaluit in this Legislature, I was further honoured, three years ago, when this Legislature entrusted me with the responsibility of being Government Leader. I have found it to be a demanding and often difficult assignment, which has in particular demanded sacrifices from my family, and I do want to thank them for all that they have gone through for me and for the support they have given me so that I could do this job.

I would like to make mention of one matter involving cabinet assignments which Mr. Sibbeston addressed in this House yesterday. Some two years ago, following the budget session of 1988, I was faced with the decision of assigning cabinet portfolios to the seven Ministers elected by caucus. Members will recall that until then I had made interim appointments for the budget session, stressing continuity in existing portfolios for the incumbent Ministers who were re-appointed and, by and large, assigning the remaining portfolios to new Ministers.

Mr. Speaker, I have found the assignment of cabinet portfolios a very difficult and ultimately lonely task. Consultation with Ministers as to their preference occurs; however, it is almost impossible to give every Minister their chosen portfolio responsibilities. In the end, one must do one's best to match the skills, experience and interests of Ministers with portfolios.

Mr. Speaker, as result of Mr. Sibbeston's great concerns I have recently reflected, I guess with the luxury of hindsight, on the more permanent assignments which were made in March, 1988. I want to tell Members of this House that I had no plot in mind to oust Mr. Sibbeston. That charge is based only on one careless remark made during the heat of debate in this Legislature. Nor was I feeling jealous or vengeful. Neither was I motivated by any considerations of Mr. Sibbeston's ethnic origins. I simply did what I thought was right at the time, based on the clear authority which was granted to me by Members of this House to assign portfolios as I saw fit.

Although some two years later I am pleased with the results of those assignments, since I know Ministers have taken their assignments seriously and worked well with them, I do have one regret. Mr. Speaker, in making those assignments, I should have taken more into account Mr. Sibbeston's significant experience, the interests he expressed to me and his personal feelings. Had I made a greater effort to have done so, Mr. Sibbeston likely would not have resigned from cabinet some months later. In reflecting on that decision, I now wish I had done more to try and accommodate Mr. Sibbeston. I now feel that I was not as supportive of him as I might have been.

I had always enjoyed a good working relationship with Nick when we were ordinary MLAs together, and as a cabinet colleague for around 10 years, including my two years as his Deputy Government Leader. My decision cannot be undone. However, it is obvious that my decision did cause Mr. Sibbeston considerable resentment and personal embarrassment.

I do respect him for his deep commitment to his beliefs and principles. I recognize that Mr. Sibbeston has been a champion of the Dene culture and language and aboriginal rights, and it was when Mr. Sibbeston was Government Leader, and on his initiative alone, that the last step was taken, with the removal of the Commissioner from the cabinet,

to finally establish full responsibility in the elected Executive Members of this Legislature.

Mr. Speaker, I hope that with his heartfelt speech yesterday and this statement of mine, the difficult matter of that particular decision can now finally be put to rest between Mr. Sibbeston and myself. Thank you. Qujannamiik.

---Applause

MR. SPEAKER: Thank you. Replies to Opening Address.

Item 9, petitions. Petitions.

MR. ERNERK: Point of order.

MR. SPEAKER: Point of order. The honourable Member for Aivilik.

MR. ERNERK: Mr. Speaker, I rise on a point of order. When I take a look under "Order and Decorum" in the Rules book, Rule 13(10) states: "Smoking is not permitted during any proceedings of the Assembly, nor may food or beverages other than water, be brought into or consumed in the Chamber." I see a fish head...

---Laughter

...for the record he is just putting it away.

---Laughter

MR. SPEAKER: Personally I saw a trophy over there. I do not know about you. I can understand the situation. Thank you. Petitions. The honourable Member for Iqaluit.

ITEM 9: PETITIONS

HON. DENNIS PATTERSON: I would like to table 116 letters and Petition 8-90(2) with 509 signatures on it, concerning the swimming pool in Iqaluit. Thank you.

MR. SPEAKER: Prior to proceeding with Item 10, I wish to introduce to the Members of the Assembly His Excellency Joseph Tomusange, the Ugandan High Commissioner to Canada.

---Applause

Item 10, reports of standing and special committees, the honourable Member for Nahendeh.

ITEM 10: REPORTS OF STANDING AND SPECIAL COMMITTEES

MR. SIBBESTON: Mr. Speaker, I wish to deal with my report, the report of the standing committee on public accounts. I am just wondering in terms of procedure, I can read the report but I was really hoping to have it dealt with in committee of the whole. I would like to have that done. If you could just help me in that regard, I would appreciate it.

MR. SPEAKER: With regard to presenting the report, it is up to the chairperson to determine the method by which he or she wishes to make their presentation to the Assembly. If you wish the report moved to committee then an appropriate motion at the conclusion of your remarks should be presented to move the report into committee.

Report Of The Standing Committee On Public Accounts

MR. SIBBESTON: Mr. Speaker, I am pleased to present the report of the standing committee on public accounts to the

11th Assembly. We held two days of public hearings May 1 and 2, 1990. The report is divided into three parts.

Part one provides the details of the hearings and discusses some significant changes in auditing procedures. These changes are having an impact upon the role of committee and the way it carries out its business. Part two contains our recommendations. And the third part, dealing with strategic priorities, outlines our committees priorities over the next few years. We developed these priorities at a joint planning held with the Auditor General's staff in early September in Fort Simpson.

I want to at this time thank the Auditor General's staff for their assistance: Mr. Don Young who is the assistant auditor general for the western region; Mr. Roger Simpson who is the principal; and Mr. Dale Shier who is the auditor manager; and Mr. Ian Campbell, senior auditor. We also wish to thank the comptroller general, Mr. Jim Nelson, for his help in co-ordinating the appearance of the witnesses and also the staff that were involved with our committee from our Assembly here.

Motion That CR 5-90(2), Report Of The Standing Committee On Public Accounts, Be Moved To Committee Of The Whole, Carried

Mr. Speaker, this is a brief general outline of the report and I move, seconded by the honourable Member for Rae-Lac la Martre, that the report of the standing committee on public accounts be received and moved into committee of the whole for consideration.

MR. SPEAKER: The motion is in order. To the motion.

AN HON. MEMBER: Question.

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

---Carried

Committee Report 5-90(2) will be moved into committee of the whole for the business of today. Reports of standing and special committees. Item 11, tabling of documents, the honourable Member for Nahendeh.

ITEM 11: TABLING OF DOCUMENTS

MR. SIBBESTON: Mr. Speaker, I wish to table Tabled Document 47-90(2), Standing Committee on Public Accounts Proceedings, May 1-2, 1990.

MR. SPEAKER: Thank you. Tabling of documents. Item 12, notices of motion. The honourable Member for Aivilik.

ITEM 12: NOTICES OF MOTION

Notice Of Motion 17-90(2): Open Public Review Of The Justice System

MR. ERNERK: Thank you, Mr. Speaker. On Thursday, November 1, 1990, Thursday, I will move the following motion: Now therefore, I move, seconded by the honourable Member for Kitikmeot West, that this Legislative Assembly requests and urges the Minister of Justice to consider establishing a full open public review of the justice system including the following components: 1) An examination of aspects of the justice system which directly impact the Northwest Territories residents, including but not limited to, the role of the judicial council, discretion of Crown attorneys, policing, sentencing, victim participation in the justice system and the role of culture and gender. 2) A thorough review of options and alternatives

including those in other jurisdictions which could be used to make improvements. 3) A comprehensive public education process involving communities and professionals, designed to increase public knowledge of how the system works and develop consensus around ways to improve it. 4) A public process allowing for input from those involved in delivery of the system, as well as communities and individuals across the NWT.

Notice Of Motion 18-90(2): Leadership Residence Pilot Project For Nunavut

Mr. Speaker, I have another one. On Thursday, November 1, 1990, I will move the following motion: Now therefore, I move, seconded by the honourable Member for Natilikmiot, that the Minister of Education consider implementing a leadership residence pilot project in Nunavut. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. Notices of motion. The honourable Member for Rae-Lac la Martre.

Notice Of Motion 19-90(2): Increase In Social Assistance Rates

MR. ZOE: Thank you, Mr. Speaker. I give notice that on November 1, 1990, I will move the following motion: Now therefore, I move, seconded by the honourable Member for Baffin Central, that this Legislative Assembly recommend to the Executive Council that they immediately improve a one time increase of eight per cent in the present social assistance rates; and further recommends that there be a 100 per cent increase in the clothing allowance; and further recommends that the food basket survey be carried out in October 1991; and further recommends that calculations of rates be carried out based on the October 1991 food basket survey; and further recommends that the Minister of Social Services considers implementing by April 1992 the indexing of social assistance rates to the cost of living and subsequently adjusted at least twice a year; and further requests that the Minister of Social Services report to the Legislative Assembly at the Eighth Session with the department plans to implement these recommendations. Thank you.

MR. SPEAKER: Notices of motion.

Item 13, notices of motion for first reading of bills. Item 14, motions. Motion 9-90(2), the honourable Member for Deh Cho.

ITEM 14: MOTIONS

Motion 9-90(2): Ownership Of Sand And Gravel Under Dene/Metis Claims

MR. GARGAN: Thank you, Mr. Speaker.

WHEREAS the Dene/Metis and Canada initialled a comprehensive land claim agreement on April 9, 1990;

AND WHEREAS said agreement requires that the Dene/Metis land selections be completed before the agreement can be submitted for ratification;

AND WHEREAS said land selection negotiations have stalled because the Government of the Northwest Territories refused to agree to certain lands, including sand and gravel deposits and sites, from being selected;

AND WHEREAS section 21.2.3 of the aforementioned agreement allows the Government of the Northwest

Territories to take sand and gravel from Dene/Metis lands;

AND WHEREAS under the Inuvialuit agreement they were allowed to select sand and gravel pits developed by the Government of the Northwest Territories;

AND WHEREAS the Inuvialuit Development Corporation is obliged to issue permits and be paid for the gravel at a reasonable price;

AND WHEREAS the Nunavut agreement in principle gives control of sand and gravel to the people in the Inuit settlement areas;

NOW THEREFORE, I move, seconded by the honourable Member for Tu Nede, that this Legislative Assembly request the Executive Council to instruct its negotiators to conclude negotiations on sand and gravel rights and to agree to the selection of sand and gravel deposits and pits by the Dene/Metis;

AND FURTHER, that this Legislative Assembly request the Executive Council to suspend its present policy on the development and use of sand and gravel until the land selection has been completed to the satisfaction of the Dene/Metis.

MR. SPEAKER: Thank you. The motion is in order. To the motion. The honourable Member for Deh Cho.

MR. GARGAN: Thank you, Mr. Speaker. The present position of the government is that they are not willing to allow the Dene/Metis to select areas where the government has developed the sand pits. Further, they have also taken a position that they will not negotiate those areas for the Dene to select. Although that is the position that they have taken with the Dene people, the government has come aboard with a transportation strategy in which, in the Eastern Arctic, there will be a substantial amount of money that will be used if the government decides to followup on this transportation strategy. Although it is there that government would have to pay or compensate the Inuvialuit or Nunavut people at a reasonable price, the government has taken the position for those areas which it has said that the Inuvialuit would, under the agreement 20.3.1 on fee simple lands, also own mines, minerals, liquids, and gases. It also mentions limestone, marble, cesium, sand and gravel. In the Nunavut agreement the Inuit will hold title to those areas and they will also hold title to those minerals. If they decide to select those areas, they hold title to them, but they are also compensated if other people decide to take it. In this case it would be where there are no reasonable areas for the government to develop sand and gravel areas then the Inuit must offer that to the government at a reasonable price.

The same position was also taken by the Inuvialuit final agreement in which the Inuvialuit could select areas in which the government has developed. In this case, although they do not have the big machinery that separates the gravel, crushing the gravel, and selecting the amount by sizes, the government still makes roads accessible to those areas. The government also has use of that gravel in those areas. But if you go to the Dene/Metis claims, under section 24 which was at one time part of this claim, section 24 was dealing with sand and gravel and ownership in those areas. That section was taken out and has not been put in. If you look at the agreement in principle that was initialled in April you will find that it goes from section 23, no section 24, then on to section 25.

The reason why that was taken out was because the government did not wish that as part of the negotiating process for final agreement. The main reason for that is that on Inuvialuit lands the areas that were developed were also selected by Inuvialuit people and the government was given access to those areas of sand and gravel. In return, the federal government would compensate the Inuvialuit Development Corporation for that. Under the Nunavut agreement the same type of arrangement was also made. Unfortunately, even though this agreement was signed after the Dene/Metis agreement the Dene/Metis do not have the position, or they are not allowed to have the position on that because it is going to cost this government too much money and the federal government too much money.

Negotiations On Selection Process

So we have a situation in which the selection process is happening now in the Mackenzie Delta and some negotiations are going on. But because the government has taken a hard line position on the selection of lands on Dene lands, the Dene people have been left in a position where they cannot satisfactorily make selections and will end up with nothing. Even though the agreement in principle was signed on April 1st or April 9th, we still have not gone through the first hurdle of having a small region, the Mackenzie Delta, make satisfactory selections because the government said, "Look, those areas we have interests in, you cannot select those areas."

In the Western Arctic we have highways and presumably we are not going to be using large volumes of sand and gravel for major road construction but if it is followed up in the Eastern Arctic that means that it is going to cost this government millions and millions of dollars in compensation to the Nunavut people for the use of that gravel. While in the Western Arctic you will be limited because we already have existing roads that just require limited amounts of gravel. I do not know why the government has taken that hard line approach to those people.

The purpose of the motion is that the government has to allow those people to make selections in those areas. There has to be some kind of consistency with regard to those selections too. If it is in the Inuvialuit agreement and it is in the Nunavut agreement, I do not see why the government can take that same kind of approach and say it should be in the Dene/Metis agreement too. Because it is not in the Dene/Metis agreement, the situation right now is that even though there is a process for ratification, there is a process for selection, you cannot make those selections because it is not part of that package as it is in those other agreements. So if it is not, the government cannot say to the people, "Look it is not in the agreement, sorry, we cannot support the areas of sand and gravel. However, because it is in the Inuvialuit and Nunavut agreement we will support those people because it is in their agreement and they could select all they want in those areas." Unfortunately for the Dene/Metis people that is not the case so government has taken the position on third party interests. If that is the position they take for third party interests they should have done that for all claimant groups, not only isolate the Dene/Metis and then give them as much difficulty as is humanly possible. Perhaps their intention is to kill the whole Dene/Metis claims in the first place if you do not have a whole process for selection. If the government has not taken a position then it just makes it that much harder, although presently they do not have a policy or a strong position with regard to the Dene selecting the areas of sand and gravel.

I would like to ask the Members to support my motion on the basis that we have to have some consistency in the claims process, and if we do not, then the whole purpose of going through 20 years of negotiation will go down the drain

because the federal government or the territorial government chose that we will treat the Dene/Metis in a different perspective. Thank you.

MR. SPEAKER: Thank you. To the motion. The seconder of the motion, the honourable Member for Tu Nede.

Dene/Metis Claims For Sand And Gravel Compensation

MR. MORIN: Thank you, Mr. Speaker. Sand and gravel under the Dene/Metis claims -- I guess this has surfaced at this time and it has been brewing under the surface for quite some time. This is one of the outstanding issues that this government agreed to work on between the initialling of the Dene/Metis agreement in principle and today. They agreed to clear up some of these issues, Mr. Speaker, that were outstanding on the Dene/Metis claim. This one is just one issue of many where nothing has happened. There has been no movement by our government at all in negotiating with the Dene/Metis.

The Inuvialuit in the Delta, they have that in their claim. The Nunavut agreement in principle gives control to the Inuit people over sand and gravel. That is only right, Mr. Speaker. It is only right that these aboriginal people should have control over the lands that they select, and they should be compensated if people or governments are going to remove any parts of those lands. The Dene/Metis people are basically asking for the same type of treatment as the Inuvialuit, as the Inuit, and hopefully they will get it.

Mr. Speaker, our people view that land as our land, that is Dene/Metis land. It has always been Dene/Metis land. It has never been anybody else's land but ours. We were here, we have been here for thousands of years. We never gave up our land in treaty when we signed treaty. We went to court over it. The Paulette case, that has gone to court and in the Paulette case the judge did rule that we had aboriginal rights and that the treaty was fraudulent, and that we did have a claim to the land. It was appealed and we did lose it on a technicality, but nothing saying that that cannot be reopened at any date.

All through history, Mr. Speaker, right from the first coming of the voyageurs -- and this must have happened in the Eastern Arctic as well as in the Western Arctic -- if it was not for our people those people would have starved to death. Those people would be dead there now, but our people were friendly people, were open people, we helped the first European Canadians, we helped them out when they came North. Our ancestors helped them. We always were a sharing people.

But, Mr. Speaker, the time has come, and the time has come now, you have to honour aboriginal rights of the Dene/Metis people and you have to start paying for your sand and gravel. The pay may not be much, it may be a token payment, I do not know what they will charge, but the thing is that where the Dene/Metis select lands they should be able to select existing and developed sand and gravel pits. There is no reason why not.

What does it take to develop a gravel and sand pit? You know what it takes, it takes about four or five hours with a D-8 Cat, that is all it takes. There is no great investment...

HON. GORDON WRAY: It takes about \$200,000 for 30 million...

MR. MORIN: That is when the government does it, that is not when somebody else does it, Mr. Wray.

AN HON. MEMBER: Hear, hear!

MR. MORIN: But what I will say is that it is no great cost to develop. We know where those deposits are. Allow us to select them. Let the land claim process carry on. Do not put that road block there now, because all you are doing is the more road blocks that this government puts there, the more the Dene/Metis people will say "It is no use, it is no use for this claim, we are not going to get what we really want, so what is the use of settling it."

Mr. Speaker, all I am saying in the final arguments to this motion is that the Dene/Metis do want equal rights, the same as the Inuit enjoy, the Inuvialuit enjoy. So I call on my fellow colleagues, ordinary Members of this Assembly, to vote in favour of this motion and give equal rights to the Dene/Metis. Mahsi cho.

MR. SPEAKER: To the motion. The honourable Member for Iqaluit.

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Mr. Speaker, I would like to hopefully shed some light on this issue and I would like to begin by pointing out that it is the Government of Canada, Mr. Speaker, which has the constitutional responsibility to negotiate and implement comprehensive land claim settlements. Our government, therefore, believes that Canada should reimburse our government for new and incremental costs of meeting obligations created by the land claim settlements, and Northerners would therefore share equally with all other Canadians in carrying those costs.

Mr. Speaker, and I am not sure if all Members realize this, the selection of sand and gravel by the Dene/Metis during land selection negotiations has become sensitive and difficult because the Government of Canada has reversed its policy with respect to reimbursing our government for the future costs of purchasing sand and gravel from claimant groups. This is an allowable implementation cost for our government in implementing the Inuvialuit settlement. We get the money back.

However, Canada -- and I guess I am suggesting the problem is with the Government of Canada, not with our government, Mr. Speaker -- has now taken the position that these costs can be avoided by not allowing the Dene/Metis to select federal crown lands that contain sand and gravel sources which are needed by government. That is the position taken by the Government of Canada, which has got us where we are now. Mr. Speaker, this puts our government, and this motion puts our government, in a very difficult position.

Members know that about 85 per cent of our revenues annually come from the Government of Canada in the form of transfer payments, and we have a limited capacity to raise revenues internally. Thus, new money required by our government to purchase private sand and gravel in the future, whatever the price might be, would have to be funded by reducing some programs and services, or by raising taxes. That is the reality, Mr. Speaker, and I want to ask the honourable Members moving and seconding this motion, would they want the communities in the Mackenzie valley to pay, because it is those communities that could suffer if we are faced with new costs. If our government has to pay, then the communities will end up paying in one way or another, and do we want this result, Mr. Speaker?

Our government also has a responsibility, because we represent the public interest, to ensure that services and public infrastructure are provided to all residents in a cost efficient manner. The Executive Council, Mr. Speaker, has taken the position that our government must have access to enough gravel and sand to maintain the existing public infrastructure.

On the other hand, I want to make it clear. We do support the Dene/Metis objective of achieving a fair land claim settlement and of achieving economic self-sufficiency through the rights and benefits and resources to be provided through the land claim settlement.

In the Delta, and I would like to make these facts clear to all Members of the House, our government is seeking to retain ownership of only nine operating sand and gravel pits out of some 215 identified sources -- only nine. This sand and gravel, Mr. Speaker, it is not for the government's own use, it is gravel which will be used to maintain public highways, community roads, gravel pads for public housing, schools, recreation facilities and other public facilities.

Economic Opportunities For The Dene/Metis

I would suggest, Mr. Speaker, that as this motion seems to do, sand and gravel ownership should not be looked at only in isolation as a source of economic revenues for the Dene/Metis. In the final agreement our government has agreed to consider negotiating direct contracts with the Dene/Metis for government projects on the Dene/Metis land, as we already do. And the government's northern preferential contracting policies will apply to all other government projects involving contracting opportunities. As well, Dene/Metis lands will contain other resources which will provide economic returns, such as the generalized royalty interest. These lands, especially lands selected within municipalities, can also be used as a base for other economic activities.

Mr. Speaker, I would like to reiterate again, the vast majority of the sand and gravel sources, our government has said can and should be made available to the Dene/Metis for future economic opportunities. We have no quarrel with that. So Mr. Speaker, our government has to balance our support for an equitable Dene/Metis land claim settlement, with our larger responsibility to provide services to the general public in a cost efficient manner.

Negotiations Not Easy To Resolve

I want to emphasize again, Mr. Speaker, this issue arose as a direct result of a change in federal policy with respect to the cost of implementing the two outstanding land claims. We are reviewing the situation to determine if other positions can be taken by the parties which will allow land selections to proceed more smoothly in the event negotiations restart in the near future. I guess Members are aware that there are no negotiations going on at the present time.

Now I guess we have another problem with this motion, Mr. Speaker, as a government. The motion proposes that this Legislature become directly involved in directing the course of negotiations. But this particular issue is only one of many issues in the land selection process and in the negotiation process. I hope Members can appreciate that negotiations such as these involve a lot of give and take. When concessions are made or won from the government or the Dene/Metis on one point, they may be traded off for concessions on another point on a different issue. So we believe it is wrong for this Legislature to make recommendations on this one particular point at issue in negotiations, without being informed of all the other issues and all the other trade-offs involved in what are very complex negotiations.

So I think it is simplistic, with respect to the movers of the motion, I think it is simplistic to pick one important -- it is an important but it is isolated -- issue, and take a position on that issue without taking all the other history of land selection negotiations and previous trade-offs and compromises into account. To me it would be like the Legislature getting

involved in negotiating, let us say, a job offer to a government employee. Would it make sense for the Legislature to make a judgment on the fairness of, let us say, a proposed housing allowance, for example, without any knowledge of the proposed rate of pay, the provisions for vacation travel, pension, severance pay and other benefits? I think it is wrong, Mr. Speaker, to isolate one aspect of complex negotiations. I would also suggest that it is difficult to compare claims which are fundamentally different.

I want to assure the House, Mr. Speaker, that cabinet is attempting to deal with this issue in the context of the overall claim. We will weigh all the factors, including, of course, our desire to see the Dene/Metis benefit from land claims. However, as I have tried to outline, there are also other factors which are present which we must also consider: The federal government's reluctance to reimburse our government for increased costs of acquiring gravel, as they have done for the Inuvialuit claim and the need for gravel for public purposes which are mainly of benefit to the Dene/Metis themselves.

So I hope these comments, Mr. Speaker, will help to explain the main factors in this complex issue. As is our practice, the government will abstain on this matter, but I am pleased to have had this opportunity to present the government's perspective and to explain why we believe this issue is not quite as simple or easy to resolve as the motion might suggest. Thank you, Mr. Speaker.

MR. SPEAKER: To the motion. The honourable Member for Kivallivik.

Territorial Government Uses Sand And Gravel For Community Facilities

HON. GORDON WRAY: Thank you, Mr. Speaker. I am not going to say too much. I listened carefully to the Member for Tu Nede and the Member for Deh Cho and I guess the only conclusion I come to is that somebody has been feeding them wrong information. They obviously have not been told the whole story here. When my colleague for Tu Nede says they want equal treatment with the Inuvialuit, I am just talking to my colleague here -- what you are asking for is not even close to what the Inuvialuit have. The Inuvialuit have a whole different regime.

With the Inuvialuit we pay a royalty and then we are compensated by the federal government for the royalty that we pay. That is done for two things: So that the price of community projects does not go up and we do not have to take the money out of our existing base. That is how it works for the Inuvialuit.

What Mr. Patterson explained to you is that the federal government has changed their mind on how they are going to deal with this. What is happening, and unfortunately the Members are falling into the federal trap, is that now the Dene/Metis are trying to come through the backdoor and the federal government are the ones that are going to be let off the hook here and we are going to end up paying for a federal responsibility. That is why it is so dangerous to try and negotiate a section of your claim in the Legislature like this. Because what happens if we end up paying more money -- which we will, we will end up paying more money for sand and gravel -- where it is going to come from is from our communities, from our budget. Some other program is going to have to take the heat. That is where the hit is going to come. That is the problem.

Nobody objects to the Dene/Metis having sand and gravel, nobody whatsoever, in fact the policy of the cabinet is clear, the cabinet does not really care, on all undeveloped sand and gravel areas in the Dene/Metis area, we say go ahead and

select them. All we are trying to do is project some gravel sources for the communities.

When I was listening to the debate what worries me a little bit is that the sand and gravel is for the territorial government. Who is the territorial government? We do not use the sand and gravel. The sand and gravel is used for the highways into the Dene/Metis communities. The sand and gravel is used for the pads for your schools and recreation facilities in those communities. Government does not need the gravel. It is for community facilities.

Dene/Metis Communities Will End Up Losing

So what is happening here is that we are ending up shooting ourselves in the foot because the feds have decided they are going to play hardball. We have to be really careful about trying to do these things in the Legislature, because we are the only ones that end up losing. So the Dene/Metis "organization" gets money but the Dene/Metis communities lose the money. It is like robbing Peter to pay Paul here. That is all we are saying is that the feds have thrown a real wrench into the negotiations by reversing their stance on how they are going to deal with sand and gravel and we are trying to figure a way out of it. So we cannot decide what to do. I think that actually asking only to keep nine pits out of 216 is not bad. We are talking about three per cent of the total pits. Really, nine pits out of 216, is that so much to ask for? Is that being unreasonable? I do not think that in any way, shape or form any logical, rational, reasonable person that says, "Well, here is 216 pits and identified sources, we want to keep nine", I do not think you can say we are being unreasonable. I do not understand that logic at all.

This is the problem of motions coming in without people thinking through what they are going to do and who they are going to hurt, because they are not going to hurt the territorial government. The last people to get hurt will be the territorial government because all it does is just cut its budget, it just finds the money from within the budget and so it means that one program gets cut and another program gets more money. It may mean that projects in that area, instead of being done over the next two years, will have to be done over the next three years. That is who ultimately suffers when we do something like this; is our communities. That is the only thing that bothers me.

I have no problem whatsoever with the Dene/Metis claiming sand and gravel and getting paid for it, and compensated for it, that does not bother me. What bothers me is doing it in a manner like this which is not thought out -- without knowing the ramifications down the road, without knowing who is ultimately going to pay for it. Because it is the feds end-running us again and like simple little people we come along and we end up picking up the federal bill when we do not have enough money already for programs, now we have to pick up even more of the federal tab. So you should really think about it in terms of if you want the motion to go ahead. Thank you.

MR. SPEAKER: Thank you. To the motion. To the motion. The honourable Member for Deh Cho, final argument.

MR. GARGAN: Thank you, Mr. Speaker. Mr. Speaker, the statements that I made concerning the motion is to tell this government to take a position with regard to the process in which selections are done. You have to maybe for a moment put aside what it is going to cost, the amount of capital projects that will have to be cut, in order to achieve that.

The thing that I would like to see happen, or hope to see happen, is that the treatment of all aboriginal people up here is the same. That the process in which the treatment is

applied, applies equally across the North. That is not the case at this point in time.

The government has expressed difficulties with the amount of money it might cost for them to support something like this, but you have to also recognize that with economic independence comes more self-determination. We do not have to rely so much on government programs to achieve our own ends. If it means the government cutting programs, if the communities have more to gain by taking that position then they have moneys at their disposal for programs which are now being operated by this government. So if you look at it from that perspective I believe by supporting a motion like this you achieve more self-determination to the people that require them. I agree that it would not be that much but you also have a problem with even though the Tungavik Federation of Nunavut have in their agreement the position and the position clearly states here in sand and gravel that, "Notwithstanding in subsection 20, which is that fee simple land and ownership of minerals on that land." If government requires sand and gravel and other like construction materials from Inuit settlement lands for public purpose then the government may apply and then it has a permit to do that. But if they do not then they go to the surface rights tribunal, which I would think would be composed of a number of people from federal, Nunavut, and territorial government people.

So it is clearly defined but what it does not say here is that although it is up to the government to compensate at a reasonable rate -- I do not know what it would cost. I believe I have not heard the government say how much it cost them to date, or how much it cost the federal government to date, in compensation, for this government to take gravel out of Inuvialuit lands. I have not heard anything on that. So I do not know what the cost is.

The whole purpose of the motion is that if you are going to have consistency in the claims process then there has to be some consistency. The section that was terminated from the Dene Nations agreement in principle, section 25, is practically the same section that is in the Nunavut agreement and that is that the Dene/Metis are obliged to provide supplies of and access to sand, clay, gravel and other construction material on their lands. They are entitled to a fair and reasonable compensation where agreement can be reached on the terms and conditions and supply and access that may be determined by the Land and Water Management Board. So those sections are similar. Unfortunately that section that was similar in all of the other claimant agreements no longer exists in the Dene agreement in principle. That is the reason that I have come up with this motion asking support from this Assembly. If it is in the other agreements it should be in ours too and that we should be entitled to selecting those areas. As far as the compensation component goes, the process was agreed to with regard to the Inuvialuit Development Corporation.

Mr. Wray also has a transportation strategy in which he will be negotiating with the federal government. Hopefully there will be enough money that eventually if there is a road constructed to Rankin Inlet and on into the Eastern Arctic, to Tuktoyaktuk, that they will have enough in whatever Mr. Wray is going to negotiate with the federal government that will offset the amount that it might cost for this government to support those positions. So I would like to ask the Members to support me. Mahsi cho.

MR. SPEAKER: Thank you. The honourable Member for Deh Cho.

MR. GARGAN: Mr. Speaker, recorded vote please.

Motion 9-90(2), Carried

MR. SPEAKER: Thank you. Recorded vote has been requested. To the motion. All those in favour, please rise.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Crow, Mr. Arlooktoo, Mr. Kilabuk, Mr. Zoe, Mr. Sibbeston, Mr. Morin, Mr. Pudluk, Mr. Gargan.

MR. SPEAKER: Thank you. All those opposed.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Pollard, Mr. Ernerk, Mr. Lewis, Mr. Whitford, Mr. McLaughlin, Mr. Ningark

MR. SPEAKER: Thank you. All those abstaining, please rise?

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

MR. SPEAKER: Thank you. The recorded vote is eight yes, six no, six abstentions. We are going to call for another vote because the numbers here do not match with the Members that are here. With great respect I would suggest to you -- before you start challenging the Speaker I would suggest that you allow me to read the vote, and it is incorrect. It was not a mistake of the Speaker it is a mistake of the recorder. So I would ask again on a recorded vote, all those in favour, please rise.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Crow, Mr. Arlooktoo, Mr. Kilabuk, Mr. Zoe, Mr. Sibbeston, Mr. Morin, Mr. Pudluk, Mr. Gargan.

MR. SPEAKER: All those opposed, please rise.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Pollard, Mr. Ernerk, Mr. Lewis, Mr. Whitford, Mr. McLaughlin, Mr. Ningark.

MR. SPEAKER: All those abstaining, please rise.

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

MR. SPEAKER: Thank you. Recorded vote. Eight, yes. Six, no. Six abstentions. The motion is carried.

---Carried

---Applause

Thank you. Motion 11-90(2), the honourable Member for Deh Cho.

Motion 11-90(2): Amendments To The Liquor Act

MR. GARGAN: Mr. Speaker, thank you.

I MOVE, seconded by the honourable Member for Nahendeh, that this Legislative Assembly instruct the Minister of Government Services to have prepared the necessary legislation to amend the Liquor Act that would address the following matters: a) to clarify internal inconsistencies with regard to plebiscites concerning licences; b) to allow restrictions on already existing licences; c) to require that a restrictive plebiscite be held by way of secret ballot; and d) generally to permit a plebiscite on restricting hours of operation of an established liquor business in a community;

AND FURTHER, that the amendments to the Liquor Act be introduced during the Eighth Session of the Legislative Assembly.

MR. SPEAKER: Thank you. The motion is in order. To the motion. The honourable Member for Deh Cho.

Plebiscite To Restrict Bar Hours

MR. GARGAN: Mr. Speaker, just keeping it short. Since I have been a Member I have held numerous public meetings and I have expressed some concern to the hamlet, to the band, to the local education authority, to the friendship centres, about my concern with regard to young students staying up until all hours of the night and then trying to make it to school. I have requested on numerous occasions the local hamlet and the band council to invite the NWT Liquor Commission to come down to the community of Fort Providence to see whether or not the issue could be resolved so there could be some kind of restriction during school days in the community.

Unfortunately this was never followed up on. I had a meeting on September 30th in Fort Providence. I had a meeting with the senior citizens in Fort Providence. I have expressed concern over that. Apparently the hamlet and the band, whether it is because they feel their position would be in jeopardy if they gave support to restricted bar hours, I do not know, but they have never taken a position on that.

I would like to thank Mr. Butters, although he did suggest that perhaps we should meet with the NWT Liquor Commission, but I have already suggested to Mr. Butters that it would be a waste of time because the local elected members just do not choose to see the concern and problems in the community and try to act on it.

So I went ahead and drafted a Private Member's Bill to amend the Liquor Act. Presently the act asks that you have to have a plebiscite for prohibition, but in a community like Fort Providence you would be hurting several businesses if you did that, and then have another plebiscite a couple of weeks later for restricting bar hours. That is not the intent of the amendment, the intent of the amendment is so that if in a community, as it takes 20 signatures for a community to hold a plebiscite on prohibition, the amendment would be so that they would have 20 signatures for a plebiscite to restrict bar hours from Monday, Tuesday, Wednesday and Thursday. That would be put on the plebiscite and also if we do that we would also have to have some kind of curfew in the community so kids are expected to be home at 10:00 o'clock, just as mom and dad are expected to be home. So that is the reason for that.

This way if the hamlet or band council or any other elected group in Fort Providence do not see that as a problem or are not concerned about it, then at least the local people in the community that are of voting age, would be able to collect 20 signatures, give it to the Minister and the Minister would then act on it.

I would also like to thank the Minister, Mr. Butters, with regard to that Private Member's Bill. He did assure me that they will be making amendments to the Liquor Act which reflected those concerns that I have expressed. Mr. Butters has also agreed that he will consult with me as to when the amendments are made and presented in this House.

So I would like to get the support of the Members. You can see that I do have a concern with regard to local politicians not acting in the best interests of the communities, and that is my problem. Because other people in the community do see that as a problem and sign a petition and then the

Minister holds a plebiscite regarding restricting bar hours. I would like to ask the Members for their support on this motion. Mahsi cho.

MR. SPEAKER: To the motion.

AN HON. MEMBER: Question.

Motion 11-90(2), Carried

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

---Carried

Item 15, first reading of bills. The honourable Member for Slave River.

ITEM 15: FIRST READING OF BILLS

First Reading Of Bill 15: Legislative Assembly Building Loan Authorization Act

HON. JEANNIE MARIE-JEWELL: Mr. Speaker, I move, seconded by the honourable Member for Inuvik, that Bill 15, Legislative Assembly Building Loan Authorization Act, be read for the first time.

MR. SPEAKER: Thank you. Motion is in order. To the motion.

AN HON. MEMBER: Question.

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

---Carried

Bill 15 has had first reading.

Item 16, second reading of bills. Item 17, consideration in committee of the whole of bills and other matters: Bill 8, Bill 16, Committee Report 5-90(2), with Mr. Zoe in the chair.

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

CHAIRMAN (Mr. Zoe): I would like to call the committee to order. We have three items for consideration in committee of the whole. Could the committee advise the Chair as to which item they would like to deal with? Mr. Gargan.

MR. GARGAN: Mr. Chairman, I move we report progress.

CHAIRMAN (Mr. Zoe): I have a motion to report progress which is not debatable. The committee has a quorum. All those in favour? Opposed, if any? The Chair counts a tie at five and five. The vote goes to the Chair and I vote against the motion. The motion is defeated.

---Defeated

Could the Chair get direction as to which item of business they would like to deal with? Mr. Government House Leader.

HON. MICHAEL BALLANTYNE: Thank you. On behalf of the Legislative Assembly we are prepared to carry through with Bill 16, Elections Act.

CHAIRMAN (Mr. Zoe): Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, are you asking me my views on that?

CHAIRMAN (Mr. Zoe): The government side wants to deal with Bill 16 and I saw your hand up earlier on, I thought you wanted to make another suggestion.

MR. SIBBESTON: Mr. Chairman, I would like to deal with the public accounts committee report and I am ready to proceed now. I do not know how long that bill will take. If the Minister would defer to me, I would appreciate that so we can get it dealt with today if possible.

CHAIRMAN (Mr. Zoe): Does the committee agree that we deal with Committee Report 5-90(2), standing committee on public accounts report, followed by Bill 16, Elections Act?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Zoe): Thank you. Is the chairman of the standing committee on public accounts ready to proceed with the committee report? Mr. Sibbeston.

CR 5-90(2), Report Of The Standing Committee On Public Accounts

MR. SIBBESTON: Just for the record, I am the chairman of the committee and the Members are Mr. Zoe, Mr. McLaughlin, Mr. Morin, Mr. Ningark, Mr. Pollard and Mr. Pudluk. The alternates are Mr. Ernerk, Mr. Gargan and Mr. Lewis.

Mr. Chairman, you might think the public accounts committee is a dull and dreary committee, but to the contrary, it is a very vibrant, energetic, visionary group of MLAs who have to deal with government spending after the fact. We pride ourselves as a committee, on doing our work, our reviews and examinations with cheerfulness, determination and zest. I think it is good training ground for future Ministers and Government Leaders. We take our work very seriously. We see all the errors that the government makes in their administration and handling of moneys, so that we are sure that we would never, when we get the chance, make similar mistakes as Ministers in government. So while we do not get a chance in our committee to deal with the Ministers, we have the luxury of rattling the cages of deputy ministers and give them advice and instructions to take back to their Ministers. This is how the committee attempts to influence the workings of government.

Mr. Chairman, I will not go into detail in terms of describing all the people that have appeared before us. Members can read page one of the report. But on page two it deals with the changing nature of audits. I would like to just read that into the record because I think it is quite interesting and informative so should be part of the record. Once I do this then we will get into the recommendations and I am sure Members will find these exciting and very substantive recommendations that they should all adopt.

The Changing Nature Of Audits

In the past the Auditor General's staff provided "attest-type" audits. These focussed in upon financial and accounting procedures. Their purpose: to ensure that departments were operating in compliance with established procedures spelled out in the Financial Administration Act and financial directives of the Department of Finance; and that government's financial statements were presented fairly.

Today the trend in auditing is toward a more comprehensive approach. While still concerned with questions of compliance, making sure that departments are doing things according to established procedures, the Auditor General's department is becoming more concerned with questions of economy,

efficiency and effectiveness. This broader approach is called a "value for money" approach and requires auditors to examine management systems and practices.

The committee Members endorsed this newer approach because it brings with it a number of benefits. Audits are planned more carefully over the longer term. This requires better co-ordination between the Auditor General's staff and the public accounts committee. In keeping with this emphasis on planning, committee members and the Auditor General's staff decided to hold a special planning meeting in late September and at the end of the report you will see the appendix, the recommendations that were made at that meeting in Fort Simpson.

Audits provide better and more detailed information. The focus of audits is narrower, sometimes concentrating on only one or two departments or areas, but these are covered in more depth. The more comprehensive approach allows Members to get a better understanding of the financial practices of the government that lead to, and flow from, its financial decisions. There is a greater emphasis upon ensuring timely follow-up on recommendations. To improve its monitoring capability our committee intends to meet more frequently. Finally, the more comprehensive approach helps streamline the public hearings. There is less coming and going of witnesses and more in-depth discussion and analysis.

Development Of New Procedures

To support and foster the more comprehensive approach, the committee introduced some procedural changes into the public hearings. First, at the outset of each departmental discussion, the deputy minister was asked to give a brief overview of the department's mission, services, longer term priorities and its financial monitoring systems. This overview provides the context for the ensuing discussion.

Next, the Auditor General's staff gave a brief explanation of their findings and the concerns that these findings raised. Then the chairman would lead off the discussion with some specific questions and other Members of the committee would then become involved, with their questions. These procedures did work well and they will undoubtedly continue to be refined. So Mr. Chairman, the result of our May meetings were that there were 14 recommendations and I would like in turn, to deal with them.

Motion To Adopt Recommendation One, Time Limit On Implementation, Carried

Mr. Chairman, I move that recommendation one be adopted. This is that the Executive Council should ensure that all recommendations of the public accounts committee be implemented within six months of the public hearings. Where implementation cannot be completed within six months, a written progress report with an estimated completion date should be forwarded to the committee chairman within the six month period.

This recommendation rose out of concern about the length of time it was taking government to act upon recommendations. For example, five of the seven recommendations made during the PAC hearings of the 1988 fiscal year, had not yet been implemented. This recommendation will increase the level of accountability and shorten the time required for implementation. Thank you.

CHAIRMAN (Mr. Zoe): Your motion is in order. To the motion. Do I hear a question?

AN HON. MEMBER: Question.

CHAIRMAN (Mr. Zoe): Question is being called. The Chair does not recognize a quorum. Madam Clerk, can you ring the bell? We have a motion on the floor. Question has been called. All those in favour? All those opposed? The motion is carried.

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Two, Clarification Of Mandate Of Public Accounts Committee, Carried

MR. SIBBESTON: Thank you, Mr. Chairman. The second recommendation is that the Legislative Assembly clarify the mandate of the public accounts committee to specifically include the committee's right to review both crown corporations and boards and agencies set up by the Government of the Northwest Territories.

CHAIRMAN (Mr. Zoe): Are you moving that recommendation?

MR. SIBBESTON: Yes, I would be pleased to move that motion.

CHAIRMAN (Mr. Zoe): I have a motion on the floor. The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, I do not know whether we need further clarification, but it appeared to committee Members that the terms of reference of the public accounts committee need to be clarified. I can tell Members that, over the course of the last couple of years, in attending public accounts committees that gather from the provinces and the federal government, they have developed guidelines which they are suggesting all of the public accounts committees in Canada follow and adopt. In those guidelines it has a provision which covers our committee dealing with agencies and crown corporations. The move in Canada is to have public accounts deal with and examine not just the government departments, but also the agencies and corporations that are set up by the government. This recommendation would do that. At an appropriate time, perhaps later, we would come forward as a committee to recommend amendments to our mandate which would cover this, if it is approved by the committee today.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Three, Request For Review By Auditor General's Office

MR. SIBBESTON: The third recommendation is that the Auditor General's office be requested to undertake a review of the government's financial management and control systems. I move a motion adopting this recommendation.

CHAIRMAN (Mr. Zoe): The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: I heard a question, Mr. Chairman, I do not know whether Members want me to elaborate on this, but just for certainty and so that Members know precisely why we are

making this recommendation -- we are making this recommendation because, in keeping with the more comprehensive approach to our annual audits, the committee Members felt that the Auditor General's department should review the government's total financial management and control systems. This kind of a review will take a number of years and, Mr. Chairman, this is to follow the trend to a comprehensive approach to auditing of government departments. Page two of our report deals with this trend of "value for money" type of auditing which I pointed out. This type of auditing, while dealing with the usual concerns of compliance, making sure departments are doing the things according to established procedure, also gets into the question of economy, efficiency and effectiveness, and the auditors get more involved in their review and they get involved more than simply looking at the numbers. They get into looking at programs to see if they are effective and in a sense look at the product. This recommendation deals with examining the whole government's financial management and control system. In the course of adopting this new approach to auditing, we thought that a good place to start was with the government's financial system.

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

HON. MICHAEL BALLANTYNE: Thank you. I just have a brief comment on this particular recommendation, Mr. Chairman. The government does not have a problem with the direction that the committee is recommending, and I think the chairman and Members of the committee fully understand that this will mean a tremendous commitment of time and effort by our officials to actually do this. We have no problem with it, but what I would like to do is perhaps work with the chairman and the Auditor General to have a co-ordinated long-term approach as to what we will accomplish by this particular recommendation. With that one qualification, the government has no problem with it.

Motion To Adopt Recommendation Three, Request For Review by Auditor General's Office, Carried

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Four, To Undertake An Assessment Of All Third Party And Cost-Shared Funding Arrangements, Carried

MR. SIBBESTON: Mr. Chairman, the fourth recommendation is that the Government of the Northwest Territories Audit Bureau undertake an assessment of all third party and cost-shared funding arrangements to ensure that all costs are billed. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, in a number of areas, particularly health and social services, our government has major cost-sharing arrangements with the federal government. In these areas our government must be sure to bill the federal government for all allowable costs, including both direct and indirect costs. Committee Members suspect that the total costs for some services, especially some of the services being provided by our government service agencies, are not being

billed. Because this could represent a significant annual loss for our government, the committee is requesting the Audit Bureau to review this whole area.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Five, To Implement Appropriate Controls Over Government Payments, Carried

MR. SIBBESTON: Mr. Chairman, the next recommendation is that the Department of Finance and/or Justice move immediately to: 1) increase the amount level of government cheques to a more appropriate level with appropriate controls; 2) amend appropriate legislation to allow for handling of minor social assistance overpayments; 3) implement appropriate controls over payments. Mr. Chairman, I would move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. The motion is in order. To the motion. Mr. Sibbeston.

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Six, To Conduct A Review Of The Devolution Process, Carried

MR. SIBBESTON: Mr. Chairman, recommendation six is that the Department of Executive conduct a comprehensive and independent review of the devolution process: 1) to determine the full financial and operational impacts, short term and long term, of program transfers on our government; and 2) provide an assessment of whether the objectives of the Government of the Northwest Territories devolution policy are being achieved. Mr. Chairman, I move that recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. Your motion is in order. Mr. Sibbeston.

AN HON. MEMBER: Question.

MR. SIBBESTON: Mr. Chairman, it appears that Members are quite anxiously in favour in dealing with this. I just want to state that over the course of years that our government has been involved in a number of devolution processes where a number of major departments, major functions of government, have been transferred from the federal government to our government. So the committee thought that it was timely that we should maybe review these transfers to see if they have been beneficial and whether all of the costs involved in taking over the programs have been identified and whether, generally, we have done a good job in negotiating these transfers. So it is with a view to examining that before any further are done, that this recommendation is made.

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

HON. MICHAEL BALLANTYNE: I think this particular recommendation makes sense but I am sure the chairman of the committee understands that it is a big job and it is going to take a long time. There are some devolution initiatives that are in progress right now and the government would like to proceed with some of those, namely, airports, highways, land titles, prosecutions, those four come to mind that before this very broad and ambitious evaluation is done. So those are some areas we want to move ahead in, but besides that, the government has no problem with this direction of the committee.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Seven, To Review Causes Of Overexpenditure, Carried

MR. SIBBESTON: Mr. Chairman, recommendation seven is that the Department of Finance review the underlying causes of overexpenditure and develop an action plan to overcome this problem. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. Your motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, the Auditor General's report pointed out, specifically, the causes of overexpenditure as being; 1) Managers are not recording their commitments fully. 2) Managers are lacking the information they need to avoid violating the Financial Administration Act, by committing expenditures without knowing where funds are available.

This recommendation is really responding to a number of areas where the Auditor General thought that the Department of Finance was weak, so it recommended that this matter be dealt with by reviewing the underlying causes. It is simply a matter of the finance managers in various departments being very careful to be certain that their commitments are properly recorded before making the expenditures. Thank you.

CHAIRMAN (Mr. Zoe): Mahsi cho. To the motion.

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Eight, That Stronger Accountability Measures For Deputy Ministers Be Developed, Carried

MR. SIBBESTON: Recommendation eight is that the Department of Finance examine the impact of changing section 32 of the Financial Administration Act to allow budgets to be controlled at the department level and develop stronger accountability measures for deputy ministers. I move that recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, during the hearings, the Auditor General's staff noted that most other jurisdictions control budgets at the departmental level rather than the activity level. Also, there seems to be a trend at present to provide more financial flexibility at the department level, but to hold deputy ministers more accountable for the management of resources. The committee suggests that the Department of Finance review our present procedures in light of these realities and put in place a suitable accountability process.

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

AN HON. MEMBER: Question.

CHAIRMAN (Mr. Zoe): Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Chairman. The government welcomes this particular recommendation and we are in the process right now of reviewing ways to give departments more flexibility to cut down the paperwork and to cut down the level of bureaucracy that it takes to make decisions. So we find this a very helpful recommendation.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation Nine, To Develop Procedures For Controlling Personal Guarantees, Carried

MR. SIBBESTON: Mr. Chairman, recommendation nine is that the Department of Finance review the use of personal guarantees and develop and communicate procedures for controlling guarantees. Any decision not to pursue guarantees is forgiveness and must be approved by the Legislative Assembly in a forgiveness act. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, this arises out of the fact that the Auditor General noticed that in the commercial world the banks pursue collection on guarantees very aggressively. They know that in our government's handling of the small business loan fund that the fund has a poor record of collecting on personal guarantees and so it was to deal with this problem that this recommendation was made.

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

AN HON. MEMBER: Question.

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

---Carried

The Member for Nahendeh.

Motion To Adopt Recommendation 10, To Develop Procedure To Distinguish Between Write-Offs and Forgiveness Of Debts, Carried

MR. SIBBESTON: Mr. Chairman, recommendation 10 is that

the Department of Finance develop and implement a procedure which distinguishes between write-offs and forgiveness of debts; and that it communicate this procedure to all departments and agencies. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, just to refresh Members' memories, write-offs are accounting entries to remove old debts from accounts. Although these debts are removed, they are still collectible. If you owe a debt, and we always use the example of even if your debt with the government is written off, if you some day win a million dollars then you must pay back this debt. This differs from forgiveness. When the government forgives the debt it really does mean that you forgive and the government will not pursue the collection into the future. It is completely forgiven. So the Auditor General uses examples in Economic Development but the issue is really the same for all government departments and this recommendation was made just to note the difference and to have the government do something about it. Thank you.

CHAIRMAN (Mr. Zoe): To the motion.

AN HON. MEMBER: Question.

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

---Carried

Before I call on the Member for Nahendeh, the Chair would like to recognize a former colleague of the House, he used to serve for the Sahtu Region, a former MLA, Pete Fraser. Welcome to the House.

---Applause

Member for Nahendeh.

Motion To Adopt Recommendation 11, To Review The Role Of The THIS Board, Carried

MR. SIBBESTON: Mr. Chairman, recommendation 11 states that the Department of Health review the role of the Territorial Hospital Insurance Services Board, often referred to as THIS Board to ensure that it is still needed and is not duplicating existing administrative procedures. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): The motion is in order. To the motion.

MR. SIBBESTON: Mr. Chairman, I think what brought this issue or matter to the attention of the Auditor General's officials is that last year the THIS Board did not file a report. In fact, the last one that was made was in 1983-84. The Department of Health advised that it is apparently preparing a five year report, in a sense to catch up. A discussion ensued in our committee -- since they are not filing annual reports there was some question about the usefulness of this board. In saying this, it was recognized that health boards were springing up all over the North to serve the people of the North and it was thought that maybe the THIS Board was not essential any more. I appreciate, that in making this recommendation, we are getting into another committee's mandate, I believe the committee that deals with agencies, boards and commissions. We may be stepping into their realm, but it was still suggested that the Department of Health should review the role of the THIS Board.

CHAIRMAN (Mr. Zoe): To the motion.

AN HON. MEMBER: Question.

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

---Carried

Member for Nahendeh.

Motion To Adopt Recommendation 12, That Banks Be Encouraged To Participate In Aiding Economic Development, Carried

MR. SIBBESTON: Mr. Speaker, the next is recommendation 12, and it recommends that the Department of Economic Development and Tourism develop a strategy for encouraging banks to participate more fully in aiding economic development in the Northwest Territories and for reducing dependence upon the department for loans. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Speaker, I think this matter of banks and so forth had a reasonable amount of discussion in the past couple of years, particularly with the work of the SCONE report, so I do not need to elaborate on it. I will just leave it and Members can read the elaboration that is provided on page 8 of the report if they wish.

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

AN HON. MEMBER: Question.

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

---Carried

Member for Nahendeh.

Motion To Adopt Recommendation 13, To Negotiate A Change In The Claw-Back Provision Of The Formula Financing Agreement, Carried

MR. SIBBESTON: The next recommendation is that the Department of Finance negotiate with the federal government a solution to the claw-back provision of the Formula Financing Agreement which presently causes a reduction of funding for interest revenue earned. I move this recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. Your motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, at its simplest this is simply dealing with the fact that at the moment investment revenues are deducted from the annual federal contribution. Any moneys that various departments or agencies have that are unused, which they invest and make interest on, unfortunately gets taken into consideration in the grant that we get from the federal government. It is suggested that this claw-back provision is really a disincentive to wise investing by our government and to wise use of our moneys and, if possible, have the Minister of Finance change it in any future formula funding agreements with the federal government.

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

HON. MICHAEL BALLANTYNE: Thank you. It is a good point and it is a point we have raised very strongly with the federal government during the last two sets of negotiations. This one, along with the so-called perversity factor whereby an increase in our economy means a decrease in the grant, these two things -- I wish the committee had asked me about the other one also -- but definitely it is on our list when the formula is reopened and we are going after it hard. We have tried every way possible to get them to buy into this, but so far we have been unsuccessful. I appreciate the support.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Adopt Recommendation 14, To Review Roles And Responsibilities Of All Major Agencies, Carried

MR. SIBBESTON: Mr. Chairman, the last recommendation made at our May meeting was that the government review the roles and responsibilities of all major agencies, boards, crown corporations and commissions to determine whether they are still needed and, if they are needed, whether they carry out necessary functions in an efficient and effective manner. I move that recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. The motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, just to add further that the committee Members have noted that third party organizations are playing an increasingly significant role in the delivery of various programs and services. Over a three year period from 1986-87 to 1989-90, grants and contributions to these organizations have risen from 24 per cent of the total GNWT budget to 42 per cent. The committee noticed that this was quite a substantial increase, and this includes hamlets and funding to health boards and education boards, so a lot of our money that we pass in the budget goes to third party organizations who in turn spend the money on our behalf for the people.

There is a concern that some of these organizations might be duplicating government operations. In fact, this was an issue the other day in our Assembly as to whether these boards and so forth should have their own personnel, their own public services and so forth. It is a current issue in the Assembly, so this recommendation here requests the government to look closely and review all these boards to be sure that they are efficient and doing their job. Thank you.

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

HON. MICHAEL BALLANTYNE: I think this one is a very important recommendation, and the chairman of the committee is correct. There are some \$400 million of expenditures that are going to be directly controlled by boards and agencies next year. It is an area, though, that we welcome this recommendation, and hopefully we are going to get assistance from Mr. Zoe's committee to also do their part in looking into the roles of boards and agencies, but I want to say one thing. Our experience, so far as we have dealt with this area, is that it is very controversial; it is very upsetting to boards and agencies that set up their own power structures, so I think we have to recognize the context in which we will have to

undertake this very necessary review. We hope that we will continue to get the support of the Assembly if there are recommendations to make some tough decisions in this area. Thank you.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, lastly I just want to bring Members' attention to pages 10 and 11 of the report, which are really the result of a planning meeting that we held in Fort Simpson this fall. After a number of days of meetings, the committee Members identified nine priorities that they thought should be investigated in the future. I will just list them for the attention of Members: 1) the performance indicators for programs and services. That was a matter that we thought we should hold as a priority for future investigation; 2) the accountability of boards and agencies; 3) the level of bureaucracy, the question of how big the government in the Northwest Territories is. It seems to grow each year and at some point somebody should be questioning the size of the bureaucracy in the North. Do we need as many civil servants as we presently have? 4) the area of cost-shared programs and services; 5) decentralization and regionalization; 6) asset management; 7) management of capital projects; 8) resource management; 9) miscellaneous revenues. These are possible areas that auditor generals can review in the future. We have identified these areas as areas of concern that the Auditor General's staff could perhaps investigate in the future.

Motion To Table Auditor General's Report At Fall Session, Carried

Mr. Chairman, lastly, as a result of our meeting in Simpson there were two further recommendations. The first one is that the committee chairman approach the Auditor General to explore the possibility of tabling his opinion on the financial statement and the "Report on Other Matters" in the fall session, following the year end. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): Your motion is in order. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Before the vote is taken on this, this is with a view to having the Auditor General provide his report as quickly as possible and having it before the Assembly as quickly as possible. The longer the delay the more difficult and the less relevant it seems. So this is an attempt to get the Auditor General to really do the work quickly and make the report available to us in the fall, so that in the future, we hope beginning next year, this would happen.

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

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

Motion To Invite Federal Auditor General To Public Accounts Committee Meeting, Carried

MR. SIBBESTON: The last recommendation is that the public accounts committee undertake and invite Mr. Kenneth Dye, the federal Auditor General, to a future public accounts committee meeting with a view to expressing our appreciation for his work. I move that this recommendation be adopted.

CHAIRMAN (Mr. Zoe): Thank you. Your motion is in order. To the motion.

MR. SIBBESTON: Members may know that Mr. Ken Dye, who has been Auditor General for the federal government for a number of years, is about to retire this coming spring. I think Mr. Dye has given good service to our government, to the people of the North, in doing the audits that they have done. I think they have done their audits with a special sensitivity to the people of the North, recognizing that things are not as straightforward and easy as in the South. In their review of government in the North I think they have been conscious of that, so they have not unduly criticized and have not been unreasonable. I think they have been good to the government and the people of the North. So in appreciation for Mr. Dye's and his officials' work in the North we thought we would invite him sometime when we have a meeting and just have him come north and meet with us one last time before he retires, and perhaps give him a small present or something to show him that we appreciate his work. So that is the reason. With this, that will complete all of our recommendations.

CHAIRMAN (Mr. Zoe): To the motion.

AN HON. MEMBER: Question.

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

---Carried

Mr. Sibbeston.

MR. SIBBESTON: Mr. Chairman, that concludes our recommendations for today and we appreciate the Members' active interest. If you are not fully satisfied yet with it, take it home. It is good bedtime reading. It is exciting as can be, too, and we just hope that you also feel the same. Mahsi cho.

---Applause

CHAIRMAN (Mr. Zoe): Thank you. Does the committee agree that CR 5-90(2), standing committee on public accounts report, is now concluded?

SOME HON. MEMBERS: Agreed.

---Agreed

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

MR. WHITFORD: I move that we report progress.

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

---Carried

I will now rise and report progress.

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

MR. SPEAKER: I will call the House back to order. Item 18, report of committee of the whole. The honourable Member for Rae-Lac la Martre.

MR. ZOE: Thank you, Mr. Speaker. Your committee has been considering Bill 8, Bill 16 and CR 5-90(2), and wishes to report that CR 5-90(2) is concluded.

MR. SPEAKER: You have heard the report of the chairman of committee of the whole. Are you agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Item 21, Mr. Clerk, orders of the day.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, there will be a meeting of the CPA executive in the committee room immediately after adjournment this evening. Meetings for Wednesday, October 31st: ajauqtit at 9:00 a.m.; at 10:00 a.m., standing committee on finance.

ITEM 21: ORDERS OF THE DAY

Orders of the day for Wednesday, October 31st.

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: Bill 8; Bill 16
18. Report of Committee of the Whole
19. Third Reading of Bills
20. Assent to Bills
21. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Wednesday, October 31st, 1990, at 1:30 p.m.

--ADJOURNMENT



