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YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, FEBRUARY 15, 1985

MEMBERS PRESENT

Mr. Angottitauruq, Mr. Appaqaq, Mr. Arlooktoo, Mr. Ballantyne, Hon. Tom Butters, Hon. Nellie Cournoyea, Hon. Tagak Curley, Mr. Erklou, Mr. Gargan, Mrs. Lawrence, Mr. MacQuarrie, Mr. McCallum, Hon. Bruce McLaughlin, Mr. Paniloo, Hon. Dennis Patterson, Mr. Pedersen, Mr. Pudluk, Mr. Richard, Hon. Nick Sibbeston, Hon. Don Stewart, Hon. Gordon Wray

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Don Stewart): Orders of the day for February the 15th. Item 2, Members' replies. Mr. Paniloo.

ITEM 2: MEMBERS' REPLIES

Mr. Paniloo's Reply

MR. PANILOO: (Translation) Thank you, Mr. Speaker. I would like to talk about the concerns that I have regarding the young people in my constituency. Ever since the ordinance has been in effect, last year, April 1984, the Young Offenders Ordinance, they have had some young kids taken into open custody. I have a concern about young people being taken away because it seems that they keep wanting to go out of their community. This is a concern that I have. Because 1985 is the International Year of the Youth, I think it would be better if the communities that are not largely populated, say about 500, were able to get a facility in their community to look after the young people, to teach the young people right in the community before the young person turns 18, if he has not committed a serious offence. When the younger people are sent away from their community, when they have committed a crime, they seem to want to go back to whatever facility they have gone to because they like the place better than their home town. I would like this concern of mine to be heard by the Members of the Assembly. The native elected Members could try to help our young people a little bit more. That is all I wanted to say right now, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. Paniloo. Item 2, Members' replies.

Item 3, Ministers' statements. Item 4, oral questions. Mr. Ballantyne.

ITEM 4: ORAL QUESTIONS

Question 86-85(1): Errata To Main Estimates

MR. BALLANTYNE: Thank you, Mr. Speaker. I would like to ask the question of the Minister of Finance. The finance committee has been very patient the last three or four days as there have been a number of inconsistencies and errors in the budget book. The Minister of Finance promises an errata but by the time we get the errata I think the budget debate may be over. My other concern is, perhaps the errata will be bigger than the actual budget book, so I wonder if Mr. Butters can tell us when the errata will be forthcoming.

MR. SPEAKER: Mr. Minister.

Return To Question 86-85(1): Errata To Main Estimates

HON. TOM BUTTERS: Yes, Mr. Speaker. I expect that it will be printed and ready for the Member's attention on Monday. I think I can guarantee that.

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

Question 87-85(1): Reinstatement Of Regular X-Ray Surveys

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. My question is directed to the Minister of Health. I recall that there were some X rays taken of the native people. A little while ago they had to keep getting X-rayed every six months. But right now they do not do that any more. They only find out after the person has been sick and some of them do not even make it. So for that reason I would like to ask our Minister of Health if they could start up the business of getting people X-rayed again even if they are not even suspected of having anything, TB or something. I would like the Minister of Health to look into this. I think maybe we could catch the sicknesses earlier that way because right now they do not find out whether the person has it until they find out from X rays. I would like to know if the Minister can get it going. Thank you.

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

HON. BRUCE McLAUGHLIN: Yes, Mr. Speaker, I will take notice of that. I will discuss that with the Health and Welfare Canada officials and my department and see if I get an answer to the Member before the session ends.

MR. SPEAKER: Question is being taken as notice. Oral questions. Mr. Richard.

Question 88-85(1): Status Of NTCL Transfer

MR. RICHARD: Thank you, Mr. Speaker. My question is for the Minister of Government Services. Could the Minister at this time give the Assembly a status report on the question of the transfer of NTCL from the federal government? It appears, Mr. Speaker, that nothing has happened since the federal government chose one of the bidders, in particular nothing has happened with respect to the northern participation in that particular bid. Can the Minister advise the House whether he is aware of any current information which might allay the concern of northerners regarding the whole question of NTCL?

MR. SPEAKER: Mr. Minister.

Return To Question 88-85(1): Status Of NTCL Transfer

HON. TOM BUTTERS: Mr. Speaker, the honourable Member in his question correctly summarized the present situation and that is that there has not appeared to be a great deal of progress being made between the proponent, Northern Industrial Carriers Limited and interested agencies and groups in the North. Mr. Nerysoo and I met with Mr. Mazankowski some two weeks ago and communicated to him personally and his staff the concerns of northern peoples with regard to this sale and the interest that we have in being intimately involved in the final decision. As the Members know, cabinet has approved a tentative purchaser and rejected two other proposals. The tentative purchaser was given a 30 day period in which to develop satisfactory and adequate northern native content in the new company. The time limit has been extended and I believe that at present no firm arrangements have been achieved. However, we have been advised by the Minister of Transport that we will be informed and involved with regard to the eventual disposition of that very important public facility.

MR. SPEAKER: Thank you, Mr. Butters. Oral supplementary. Mr. Richard.

Supplementary To Question 88-85(1): Status Of NTCL Transfer

MR. RICHARD: Mr. Speaker, can the Minister indicate whether one of the options that the federal government has before it is to retender the whole matter again, in that the proponent that was selected has not met that criterion of northern involvement? Is the Minister aware of any plans of the federal government to retender the matter again?

MR. SPEAKER: Mr. Minister.

Further Return To Question 88-85(1): Status Of NTCL Transfer

HON. TOM BUTTERS: I am not aware of any plans for such an approach. However, I believe it is a very valid option and communication I received from people in Ottawa with whom I have spoken is that in the event a satisfactory resolution to this proposed sale does not occur, then the option of retendering is a very valid one. However, I am not consulted by the Minister, but I think it is a very valid option.

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

Question 89-85(1): Wildlife Regulations And Officer, Sanikiluaq

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. My question is to the Minister of Renewable Resources. We appreciate very much that Nellie was able to come to Sanikiluaq and we welcome her into our community. I hope you know that. The Sanikiluaq people use Cape Dorset's wildlife officer as their wildlife officer, but I heard that Cape Dorset's wildlife officer does not really have time to look after Sanikiluaq as much as he should although he told me that he will be. The question from my community is that you met with the HTA in Sanikiluaq and stated that you were going to send them a pamphlet. It was supposed to go to the Cape Dorset wildlife officer but he is too far from our community and he is not in Cape Dorset right now. I would like to know when that pamphlet or regulations would be sent to Sanikiluaq. Thank you.

MR. SPEAKER: Ms Cournoyea.

Return To Question 89-85(1): Wildlife Regulations And Officer, Sanikiluaq

HON. NELLIE COURNOYEA: Mr. Speaker, certainly we are taking a look at the problem of having the Cape Dorset wildlife officer looking after Sanikiluaq. I believe that the deputy minister and myself have been able to come up with some type of arrangement where you will have someone working in Sanikiluaq after April 1st. I can give you the information so you can take it back home if it has not been received yet but we will check out the information that was to be sent to Sanikiluaq and get it there directly.

MR. SPEAKER: Thank you, Ms Minister. Oral questions.

Item 5, written questions. Are there any written questions today? Item 6, returns. Are there any returns? Mr. Butters.

ITEM 6: RETURNS

Further Return To Question 83-85(1): Appointment Of Liquor Inspectors

HON. TOM BUTTERS: Mr. Speaker, I have one return to a question asked yesterday by the honourable Member for Slave River with regard to the appointment of liquor inspectors. The appointment of liquor inspectors is made on the recommendation of the chief liquor inspector and the Liquor Licensing Board to the Minister of Justice and Public Services. The Minister considers the recommendations and makes the appointments as provided for under section 70 of the Liquor Ordinance. The duration of liquor inspector appointments are until they are revoked by the Minister. There are two full-time liquor inspectors who are government employees, one in Yellowknife and one in Hay River. There are three part-time liquor inspectors, one in each of Fort Smith, Inuvik and Yellowknife. Their remuneration is \$10 per inspection report in Yellowknife and \$20 per inspection report outside of Yellowknife.

While I am on my feet I must just respond to another question that the honourable Member for Slave River addressed with regard to government policy on the appointment of JPs. I would just ask him to be patient until Monday when Mr. Nerysoo returns and that return will be given by Mr. Nerysoo.

MR. SPEAKER: Thank you, Mr. Minister. Are there any further returns? Mr. Curley.

Return To Question 71-85(1): Economic Development Planner, Fort Providence

HON. TAGAK CURLEY: Mr. Speaker, I have a return to oral Question 71-85(1), asked by Mr. Gargan on February 13, 1985, regarding an economic development planner. In response to a request from the community of Fort Providence to obtain a community economic planner, my department has taken a

number of steps. A community meeting was arranged for Monday, February 4, 1985, in Fort Providence. The meeting was attended by Anne Fehr, regional economic planner, Kyle Reid, business services officer, Hay River. As a result of the meeting a proposal for a community based economic planner will be forwarded to the EDA. The plan would include the identification and assessment of viability of economic opportunities in all sectors, including tourism. My department's support of the proposal is subject to the community first identifying and assigning one person to work with the planner. This is essential to ensure effective liaison and consultation with community on an ongoing basis. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Returns. Mr. Patterson.

Return To Question 78-85(1): Adult Educator For Hall Beach

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. This is a return to oral Question 78-85(1), asked by Mr. Erkloo on February 13, 1985, concerning an adult educator for Hall Beach.

Hall Beach is one of five communities in the Baffin Region that are not provided with services by a resident adult educator. We do not currently plan to place an adult educator in the settlement as we do not have the additional person years required. In addition, housing is currently unavailable for such a position. We are, however, exploring ways of providing services such as arranging for the Arctic College to deliver an academic upgrading program in the community this year. We are also seeking funds through the economic development agreement in an effort to locate an employment/educational counsellor in the community. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Are there any further returns? Item 7, petitions. Mr. Patterson.

ITEM 7: PETITIONS

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Petition 4-85(1), Instruction Of Languages at Nakasuk School.

- 1) We, the Francophone parents of Frobisher Bay, request that our children have the right to one hour per day of instruction in their first language.
- 2) We request that Francophone students receive further English instruction to improve their second language while Anglophone students are receiving French instruction.
- 3) We request that Francophone students, newly arrived in Frobisher Bay, who have not mastered the English language, have the right to an intensive course of study in the English language to permit them quicker integration into the school system.

MR. SPEAKER: Thank you, Mr. Minister. Are there any further petitions?

MR. BALLANTYNE: Very impressive.

MR. SPEAKER: Petitions.

Item 8, reports of standing and special committees.

Item 9, tabling of documents. Item 10, notices of motion. Mr. Curley.

ITEM 10: NOTICES OF MOTION

Notice Of Motion 4-85(1): Appointment To Nunavut Constitutional Forum

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Speaker. On Monday, February 18th, 1985, I will move, seconded by the Member for High Arctic, Ludy Pudluk, that Nellie Cournoyea, MLA for Nunakput, be appointed to the Nunavut Constitutional Forum. I will be asking for unanimous consent at the appropriate time to move the motion today. Thank you.

MR. SPEAKER: Thank you, Mr. Curley. I would point out to you right now that your seconder is not in the House if you are going to ask for unanimous consent. So, you might have to change that when the time comes, okay? Notices of motion.

Item 11, notices of motion for first reading of bills. Item 12, motions.

ITEM 12: MOTIONS

Motion 1-85(1), Atomic Energy of Canada Limited to Appear as Witnesses. Mr. Curley.

Motion 1-85(1): Atomic Energy Of Canada Limited To Appear As Witnesses, Carried

HON. TAGAK CURLEY: Thank you, Mr. Speaker.

WHEREAS Atomic Energy of Canada Limited is developing technology for small-scale nuclear reactors;

AND WHEREAS it is important for Members to be informed of such developments;

NOW THEREFORE, I move, seconded by the honourable Member for Mackenzie Delta, that representatives of Atomic Energy of Canada Limited be invited to appear as witnesses before the committee of the whole as the first order of business for Wednesday, February 27, 1985.

MR. SPEAKER: Your motion is in order. Proceed, Mr. Curley.

HON. TAGAK CURLEY: Mr. Speaker, very quickly, I believe that the issue of the small nuclear reactors has been on the front pages, on the news reports and so on, for some time and I think it is very important that Members of the Assembly be given an opportunity to actually be able to ask questions and exchange views with the members of the Atomic Energy of Canada Limited.

I have been asked by them, some time ago, about a year ago, whether the Members would be interested in having that kind of an opportunity, of presentation of the whole aspect of that technology. So I have asked the Members through caucus and they have generally agreed that they should be given an opportunity to explore what is going on in that field and I think it is important that we be given an opportunity to pose questions to them. So, I would ask that the motion be granted at the moment. Thank you.

MR. SPEAKER: Thank you, Mr. Curley. I should have informed you that your seconder is not in the House. I will allow you to name a seconder at this time. Mackenzie Delta, that would be Mr. Nerysoo. Who would you like to second the motion today, Mr. Curley? Mr. Patterson, thank you. Mr. Patterson as seconder to the motion. To the motion. Motion 1-85(1).

AN HON. MEMBER: Question.

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

---Carried

Motion 2-85(1), Federal Government's Arctic Air Facilities Policy. Mr. Wah-Shee. Mr. Wah-Shee is not in the chamber. Clerk will set this motion aside for the next sitting day. That concludes motions. Mr. Curley, did you wish to ask for unanimous consent today?

HON. TAGAK CURLEY: Yes, I would ask that unanimous consent be given to the notice that I just gave earlier.

MR. MacQUARRIE: Nay!

MR. BALLANTYNE: Nay!

HON TAGAK CURLEY: Shame!

MR. SPEAKER: Unanimous consent has been denied. We can close the motions for the day.

Item 13, first reading of bills.

Item 14, second reading of bills. Item 15, consideration in committee of the whole of bills and other matters. Bill 7-85(1), Appropriation Act, 1985-86, and Bill 3-85(1), Workers' Compensation Act, with Mr. Gargan in the chair.

ITEM 15: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 7-85(1), APPROPRIATION ACT, 1985-86

Northwest Territories Housing Corporation

CHAIRMAN (Mr. Gargan): The committee will now come to order. We are on general comments on the Housing Corporation. Mr. Butters.

HON. TOM BUTTERS: Thank you, Mr. Chairman. Before we move to the general comments, I would like to respond to two questions raised yesterday by the honourable Member for Yellowknife North. At the very conclusion of the session, he asked whether there was a document from the Auditor General on the Housing Corporation that might come under the heading of "any other matter". I suggested, to my knowledge there did not exist such a document. We did pursue by a phone call this morning to the Auditor General's office to determine whether there may be such a document and whether it was in transit. We were advised by the Auditor General's office that there were no matters considered significant enough to include in a separate report. So there is no other document and I believe the practice would be if one did exist that that document would be sent directly to the Speaker, Mr. Chairman.

Cost Overruns

The second question relates to the question asked by the honourable Member with regard to cost overruns. And the response is as follows: The problem arose because cost overruns for one year, for example 1978-79, could be paid with appropriations of the following year, 1979-80. This compounds as years go by and is a nationally recognized problem of government appropriation accounting on a cash basis. As Members know, the GNWT went on an accrual basis of accounting for expenditures in 1982-83 and for revenues in 1983-84. The potential recovery of the cost overruns of six million dollars was identified and accrued as of March 31, 1984, after consultation with the Auditor General. The receivable can be carried for one year, at which time an allowance for doubtful account would have to be established. Therefore, if the receivable is not collected by the time the Housing Corporation's financial statements are finalized in September of 1985, then an allowance for doubtful accounts would be required as of March 31, 1985, and supplementary authority would be required for the year 1984-85.

It should be noted that such supplementary appropriation would not be a cash outlay of funds and would not affect the Housing Corporation budget for 1985-86. In addition the Legislative Assembly had given appropriation authority and supplementary appropriation No. 4 for 1983-84 in 1983 for the complete amount of \$8,860,000, which was not fully utilized at the Auditor General's recommendation. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Butters. We are on general comments for the NWT Housing Corporation. Is it agreed that the Minister brings in his witness. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Minister. For the record would the Minister introduce his witness.

HON. GORDON WRAY: Thank you, Mr. Chairman. I would like to introduce Mr. Vic Irving, president of the Housing Corporation.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Would the Minister like to make a comment?

HON. GORDON WRAY: Thank you, Mr. Chairman. During committee yesterday a number of questions were asked with regard to the transportation of materials as it pertains to the separate supply, ship and erect, and questions on the overruns from 1979.

Contract Specifications On Transportation Of Materials

On the transportation of materials, and I will table this document so that Members have it, but for the record, the general contractor shall be present at the arrival of the carrier and during unloading of materials at the settlement and shall report in writing any damages, shortages and surpluses immediately to the owner's representative in the settlement. Or if a representative is unavailable the report is to be made to the owner's office. If the contract is awarded after the materials have been unloaded at the settlement then the general contractor will check materials within 14 days of contract award and report immediately in writing any damages, shortages and surpluses to the owner. The NWT Housing Corporation will not be responsible for delays in the work caused by materials, deficiencies and shortages not noted and reported by the contractor.

Where contract is awarded prior to material arrival, a detailed report on damages, shortages and surpluses of items in the crates shall be forwarded to the owner within seven days after signing of the contract by the general contractor or receipt of materials dock site. The owner will be responsible to resupply any damaged or lost items as a result of deficiencies identified under clauses 154 and 155, but will not be responsible for any other materials, shortages or damages during the term of this agreement. The material is a responsibility and is in the care and custody of the general contractor when it arrives dock site at the settlement. The owner shall not pay for stolen, damaged or lost materials for any other reason than is identified under clause 154. This is a page out of the contract specs so I will make it available to Members.

Reasons For Cost Overruns

With regard to the question on cost overruns, I do not have a detailed breakdown of the figures because it will require some extensive research because we have to go back about six years in the files, which we will do. It is just going to take time but I do generally have the reasons why it happened.

Prior to 1982, the NWT Housing Corporation had only one person year devoted to materials acquisition. Due to this lack of manpower no fully co-ordinated material purchasing, inspection, expediting or control existed. As a result materials were ordered piecemeal. Resupply, usually by air, was a constant problem and extras had to be paid to erection contractors for down time. This same lack of manpower left little capacity to ensure protection of materials between shipping points and the construction site. As a result more resupply was required and more construction down time experienced.

The corporation has since developed a small core group of specialists in materials management with experience and expertise in purchasing, particularly of building materials, and in transportation and expediting of these materials. This group is augmented by contract expeditors and marshalling agents ensuring the inspection and monitoring of materials through all phases of acquisition, packaging and delivery.

In 1980 and 1981, experiment in prefabricated housing proved disastrous. The resources available to the corporation for design standards and specification preparation, and particularly, for field project management, were too few for adequate monitoring of either supply or construction activity. The supplier of the public housing units proved unable to meet shipping schedules, had many shortages in the housing packages, again with expensive resupply and construction delays. Short lead times available and inexperience in large scale supply operations also forced the supplier into providing substitutions for components, such as furnaces, without regard for differing standards of space separation required. This resulted in extensive field rework and contract extras. Again, since this time, the corporation's construction division has been reorganized and expanded so that design and pre-tender activity have been improved and with three project managers and nine field project officers now on strength there has been a significant catch-up on old projects and excellent progress in the recent projects.

During the years in question, the corporation, in support of government priorities for community development and development of a northern construction labour pool, entered into contracts with co-operatives, housing associations and other local bodies for construction, particularly on the rehab program. These contracts, and others with construction management groups and with individual trainers, included requirements for the training of local residents in the building trade. Almost without exception, these projects suffered extreme delays and excessive costs which had to be borne by the corporation. It should be noted, however, that despite the high costs involved, the training programs were at least a partial success. Currently the corporation is accessing the labour force thus created by requiring contractors to maximize their use of local labour.

The Northwest Territories construction industry was also undergoing some growing pains during this period. Some contractors failed to complete their projects which subsequently had to be recontracted to others with extra costs in repairing improper work and replacing wasted or lost material. Currently with a more regularized and more stringent inspection program, the corporation can recognize problems arising from construction deficiencies at a much earlier stage, thus minimizing such losses.

Summary

In summary, the project overruns were a combination of insufficient corporation resources assigned to design, supply, materials, transportation and construction inspections, coupled with major supplier inadequacies in the public housing program, inexperienced erection contractors and impact of the training program. The corporation has taken steps to correct internal deficiencies, with much success in the past three years, and has done all possible to minimize the risk of external deficiencies. I should note also, Mr. Chairman, that this is an historical problem and one of the problems we are faced with is that many of the individuals involved during this period no longer work for the Housing Corporation and so it has been somewhat difficult to try and put together the problems at that time. Thank you.

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

MR. BALLANTYNE: I guess there are two parts to that. I will get back a little bit later on in response to Mr. Butters' statement earlier, as soon as I have a chance to review the document a little more, but I guess my problem is, that from what you are saying, obviously a report was not done. There is not a report on file, that you have to get the information together. My question is then how can the Housing Corporation make a case to CMHC that they should pay their share of the cost overruns if in fact there is no documentation? So, I am amazed actually that there is not a report that was given to CMHC explaining the circumstances of the cost overruns in order to justify CMHC paying their share of the cost overruns and if there is no report, I can see there is no chance that we are going to get the extra three million dollars. I am surprised that CMHC is even giving us anything at all. You are telling me then, that we went to CMHC for six million dollars with no report and no documentation? Is that what you are trying to tell me?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Contracts Being Assessed On Individual Basis

HON. GORDON WRAY: Thank you, Mr. Chairman. No, that is not correct. Each project where there were problems is being assessed as an individual case. I am amazed that no comprehensive report was done either but as I said yesterday I was not around and neither were most of the present officials, so I cannot really answer for the reasons as to why it happened six years ago or five years ago and I do not think that I should be trying to answer for past mistakes. We are presently assessing each contract from that period on a case-by-case basis and this is how so far the corporation has recovered three million dollars from CMHC. The work is still ongoing. It is very extensive and we have I think a fair amount of confidence that we are going to recover additional money but it is not known at this time. As to the answer whether a comprehensive report was done or not, no, I am not aware of such a report.

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

MR. BALLANTYNE: If the Minister says that there has obviously been some data put together to justify the three million dollars that has been recovered, that should be readily available. Do we have copies of that data on those projects that have been approved for which we have in fact received the three million dollars? That is half of the problem there.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. Yes, that information is available. It is very comprehensive information because we are talking about many dozens and hundreds of contracts but the information is available on the three million. If it was not available we would not have been able to get the three million.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

Request For Comprehensive Audit An Assembly Motion

MR. BALLANTYNE: Okay, I will come back to this particular point later on during this discussion. Another point I want to make, Mr. Butters is correct in that there was no document "on any other matter", because under the terms of the audit done now by the Auditor General of the Housing Corporation, it was not a comprehensive audit so it is common practice that those questions were not looked into. In order for this House to be aware of any problems within the Housing Corporation, any detailed problems as perceived by the Auditor General, there has to be a request from this government to the Auditor General, to do a comprehensive audit. Now, Mr. Wray was part of the public accounts committee which actually made a motion in this House which was carried, and Mr. Wray has some eloquent comments here as to why there should be a comprehensive audit. A letter was written to the Commissioner, to the Executive Council asking government to request a comprehensive audit of the Housing Corporation on the advice of this House. That motion was passed in this House. Mr. Wray was one of the prime proponents of that motion. Now, my question to the Minister is, why was the Auditor General never asked to do a comprehensive audit of the Housing Corporation after there was a direct request from this assembled House to do so? If it has not been done, will Mr. Wray entertain the thought at this point in time to recommend to the Auditor General that he does a comprehensive audit of the Housing Corporation?

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

HON. GORDON WRAY: Thank you, Mr. Chairman. As I stated yesterday, this House and -- when I was sitting in coffin corner -- I made many recommendations to the former government that were never acted upon and you are asking me to comment on something that I would not have any knowledge of. It was a previous government and a previous government decision. This is a new government, if you have not realized it yet.

AN HON. MEMBER: Hear, hear!

HON. GORDON WRAY: But, I am advised by the Member, the Minister of Finance, that in fact a request was made to the Auditor General by the government and the Auditor General replied that he did not feel that it was necessary at the time to complete a comprehensive audit because the Housing Corporation was in the throes of changing over to a new financial system. He did not feel at this time that it was appropriate. So, in fact, the government did ask for one and the Auditor General did not think that it was appropriate.

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

MR. BALLANTYNE: Sorry, my information is a little bit different and if there is any correspondence to that effect I would like it tabled in the House. My information is that the government did not request a comprehensive audit. Now if you have any correspondence that shows otherwise, I am prepared to accept that. My information is that the government has never asked for a comprehensive audit and that is the information I got from the Auditor General's office. So, if you are prepared to table that correspondence, I am prepared to...

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. I am advised that discussions were held with Mr. Raymond Dubois, the Deputy Auditor General, and it was mutually agreed at that time that a comprehensive audit was not required. And, you know, if the Member is going to continue to ask me questions about what happened in the past, then, I wish you would give me a warning because I can vacate the chair, we can get the old Minister back in here, we can re-find the employees of the Housing Corporation who were employed at that time, then, perhaps we can give the House some answers but he is asking me about things that I have no knowledge of.

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

MR. BALLANTYNE: The Minister has to recognize that he has been responsible for this portfolio for a year and, no, he is not responsible for the actions of the Housing Corporation prior to that. He now is in a position to get the information that we are asking for, first of all. And, secondly, the Minister when he was an ordinary MLA, thought there was a need for a comprehensive audit. Hopefully, some of his principles do not change totally when he becomes a Minister.

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

HON. GORDON WRAY: I do not have any problem with principles, unlike some people, but the Auditor General is the person who dictates whether or not a comprehensive audit will be carried out. Now, obviously, if in the not too distant past, he has agreed that no audit is necessary, but with the fact that the Housing Corporation has now changed its entire financial system, then a question of an audit is necessary -- but I will discuss it with the Auditor General and with my colleagues in the Executive -- if it is still the feeling that with the new system an audit will shed some light on problems in the past, then we will look at it. I am not dismissing that, but time and circumstances change. You know that audit was requested two years ago -- well, two years ago Pierre Elliott Trudeau was in power and things have changed in this country too.

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

MR. BALLANTYNE: I find the Minister's comments interesting and illuminating. The fact is, there is still a motion of this House and, I guess, the way to resolve this is at some point in this House to bring forward a motion to do a comprehensive audit of the Housing Corporation and it behooves the Minister to either accept that advice or not and, also, I want to emphasize it is not just the Auditor General that decides that. Now, the Auditor General consults with the government and the Auditor General, I am quite sure, is quite prepared to do it if the government supports the concept. That is not a problem. It is not the Auditor General saying "No, we will not do it." It is the government saying "Hey, we are in the midst of doing some financial reorganization and we do not think it is appropriate now." Now maybe there is some mutual agreement at this point in time that it wasn't. Anyhow, I just wanted to make the point, and we can bring it forward and the Minister in his new capacity, now that he is part of the inner circle, you know, can make his decision based on that advice. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. Would the Minister like to comment?

HON. GORDON WRAY: No thanks, Mr. Chairman.

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

---SHORT RECESS

Order, please. We are dealing with the Northwest Territories Housing Corporation. Mr. Pudluk.

MR. PUDLUK: For the record, we do not have a quorum.

CHAIRMAN (Mr. Erkloo): Apparently, we do not need a quorum, we are not working on anything. As for the quorum, would the Sergeant-at-Arms ring the bell until we get a quorum? Okay, we have a quorum now. Any general comments? Could we have order, please? Any general comments? Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. I have a comment to make about the corporation. It seems that this is confusing -- for me it is, anyway. If the corporation can explain how they ran up an \$8.86 million debt, how can they expect the housing associations to keep their books straight? They are supposed to be training the housing associations staff to keep up books. With all the expertise and the lawyers around, they seem to be in such confusion with their books and you can imagine what it is like at the community level when individuals sign little pieces of paper and they are supposed to know exactly what is expected of them. Because of that confusion, a lot of people have given up their homes thinking that they will be able to buy some of these houses so that they were putting in applications that were given to them and there are not too many happening in my constituency. I can't understand this at all. There seem to be some people on the Housing Corporation still there for a few years; surely they can look into some of these programs to make sure that it is done properly.

Implementation Of User-Pay System

I have another comment to make and it really concerns me and I am sure it is a concern for other Members as well. The Minister said yesterday that he would implement the user-pay system in all the Northwest Territories communities. Right now the user-pay communities pay a different rate. How are they going to make this policy apply fairly to all the communities? How will the people on

social assistance pay their power bill? It is very, very high right now in the communities, even for some individual little homes the power bill is over \$200 and if they are on social assistance how does the Minister expect them to pay for these power bills? Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mrs. Lawrence. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. To reiterate what I have said already. Of the senior staff of the present Housing Corporation, the longest serving member took his office three and a half years ago. Since the new staff has taken place, they have been working for three years to try and put together the reasons, the causes, and the documents relating to this overrun. Now, you must understand that our relationship with CMHC is such that when we claim that cost, it is done on a project-by-project basis and going back to 1978, 1979, 1980, we are looking at probably well over 300 contracts so you must appreciate that it takes extensive time and work to do. So far, the staff have put together over three million dollars worth of claims and were successful in getting those back from CMHC and they are continuing their work.

With regard to the user-pay system, we are going to be carefully looking at the different areas and the different costs associated with user-pay and coming up with systems whereby no tenant is unduly penalized because we went to a user-pay system. For above the tree line, our records show that in the north Baffin, which is probably the highest consumer of electricity of all the regions we have, the average bill to a tenant in a month is about seven dollars. We do not think that seven dollars is unduly harsh for somebody to pay for electricity but if, in fact, that person does have a hardship case, then he has the alternative of going to Social Services, who pay the rent in any case. Anybody who cannot afford to pay rent is looked after by Social Services. For below the tree line, because we have different circumstances, we again will have to take that into account.

Adjusted To Local Conditions

So, while user-pay is implemented, it will not be the same program right across the Territories. We will adjust it to the conditions of the communities or to the area we are dealing with. That work is in process right now, the staff are collecting all the facts from every community to assess power costs, to assess what the costs to the tenants are going to be so that if there is going to be an adverse impact on people's income, we will be able to advise Social Services to what extent but we do not think, at this time, that generally speaking there is going to be too much adverse effect.

My only reason for implementing the user-pay system across the Territories is because it is basically unfair to have some communities paying and some communities not but we will still have to come up with a system whereby people are not unduly penalized because power costs are extremely high and generally speaking, people in public housing do not have the incomes to pay a \$200 or \$300 power bill, but we are not looking at that. In the Eastern Arctic, our figures show that on average right across the three regions above the tree line, or the four regions above the tree line that probably the costs will not be in excess of eight or nine dollars per month per tenant, if that person is carefully using his power. There are some places where people, maybe, have to pay \$30, \$40, \$50, but we think that once people get the idea that they have to pay, then they will start to conserve a lot more electricity.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. In some homes, the homes are in such poor condition that they have to keep the furnace up very high in order to keep the house warm and that makes the power bill very high. I might be wrong in saying this -- if I am wrong I would like to be corrected -- social assistance only pays up to \$30 or \$32, and what happens, then, if the power is over \$100? So, naturally, the poorer person has to pay all this power bill and has no money because she is only on assistance. Usually such families are single parents with two or three children and it makes it very hard for them.

CHAIRMAN (Mr. Erkloo): Thank you. Mr. Minister.

HON. GORDON WRAY: Thank you. In a case like the Member is describing then we would look at it on a case-by-case basis. I do not think there are too many of those cases, but the ones that do exist, we will look at on a case-by-case basis. It is not our intention to penalize people unduly.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. Mrs. Lawrence.

MRS. LAWRENCE: Who will pay the rest of the power bill then? Will social assistance pay for it or will the Housing Corporation?

CHAIRMAN (Mr. Erkloo): Thank you. Mr. Minister.

HON. GORDON WRAY: It is pretty hard to give an answer to a hypothetical question like that but if in fact it turns out that the reason for the high power costs is a fault of the house and not a fault of the tenant, then the Housing Corporation would have to look at picking up the bill. If, however, we determine that it is because the tenant uses excessive power over and above the requirements needed to maintain a house then the tenant would have to pay that. And if they cannot afford it I presume that they would go to Social Services and talk to them. But we do not think we are going to get too many of those cases with the limits that we are going to set.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. Mr. Ballantyne.

Correspondence Regarding Proposed Comprehensive Audit

MR. BALLANTYNE: Thank you, Mr. Chairman. What I would like to do is just try to sum up this concern about the comprehensive audit and really emphasize that the intent of a comprehensive audit is not to dwell on mistakes of the past whatsoever. I think there is general agreement that the work of the Housing Corporation, their internal financial systems have improved a lot over the past year. I think it is agreed Mr. Wray is doing a good job. One looks at the comprehensive audit as the tool. And the reason for understanding better the mistakes of the past is not to punish anybody for those mistakes but to better ensure that those mistakes will not be repeated in the future.

I actually have a letter here to Mrs. Sorensen from the Auditor General, Kenneth Dye, which I think explains the situation as it was then and where it is now a little bit better. Some of the things that Mr. Wray said and I am sure Mr. Parker in his discussions with the Auditor General, is that perhaps the timing was improper when the request was made because of the internal review that was done of the Housing Corporation. But I will read this letter written on October 14, 1983, and it may put things a little bit into perspective.

"Dear Mrs. Sorensen: I thank you for your letter of September 10, 1983 advising me that the Legislative Assembly had agreed that the Auditor General of Canada be requested to complete a comprehensive audit on the operations of the Northwest Territories Housing Corporation and that the results of the audit be referred to the 10th Assembly's standing committee on finance and public accounts for public review.

"You will recall that the Legislative Assembly passed a similar motion by you, on behalf of the standing committee on finance, recommending that the Auditor General undertake a comprehensive audit of the financial information system. In this case, I was formally requested by the Commissioner to undertake this audit. This approach could be regarded as a precedent for me to undertake any special audit requested by the Legislative Assembly.

"While I would be prepared to undertake a comprehensive audit of the NWT Housing Corporation, I would be placed in a better position if the request to me came from the government, since the Housing Corporation is an entity of the government. The same purpose could be achieved if the corporation itself made a direct request to me. Both approaches would greatly facilitate the audit.

"Also to be considered" -- I think this is a point that the Minister made -- "is the timing of the audit. As mentioned by us during the public accounts committee meetings in May 1983 to deal with my report to Council on 'any other matter' for the year ended March 31, 1982, the corporation now has a new senior executive staff. This staff inherited problems from the previous executive and are making efforts and considering ways to correct those problems. A comprehensive audit at this time could perhaps disrupt their efforts." I think that was the point that the Minister made. Remember, this is a year and a half ago. "It would, in my view, be far better to undertake a comprehensive audit based on the results of their efforts" -- which are these efforts right now, which are going on in the Housing Corporation -- "since an underlying principle of a comprehensive audit is that it should be a co-operative and constructive effort." I think that is very important. "Some of the corporation's problems will be referred to in this year's report to Council on 'any other matter'." And in fairness to the corporation there was not a lot of considerations. In fact I think the Auditor General agrees that the situation has improved in the corporation. "This subject could be discussed further with the standing committee on finance and public accounts..." And it just goes on, "Cordially yours, Kenneth M. Dye."

Constructive Use Of Audit

So, the point there is I think this is where we can all come together. There have been problems in the past. The Minister and the corporation are really trying right now to correct those problems but it might still be in the coming year of some benefit to the Minister and to the corporation as a tool, a constructive tool, to have a comprehensive audit done of the corporation. Anybody that knows how audits are done -- I mean with the audit done in this government itself and "any other matter", the Auditor General has made some very constructive comments and this government has responded to them and I think the government as a whole performs better now because of those comments. So, in light of those thoughts from the Auditor General, I would submit that perhaps the Minister could at least consider the concept of a comprehensive audit being done of the corporation for himself and for senior corporation officials to use as a constructive tool. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Ballantyne. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. I accept the Member's comments. I agree that perhaps at some point of time in the near future an audit is called for. However, as the Member alluded to yesterday or the day before, there are only so many things we do and priorities have to be established and for the past year I have had other priorities with respect to the corporation in the programming and construction area. I have been reluctant to try and spread corporation staff too thin because I have given them several major new changes of direction in the program area which has been my priority for the last year or so. The FIS system is now in the second or third stage of implementation or will be fairly soon. I think once the full financial system has been implemented then I will seriously consider an audit. However, for the time being I just have had other priorities but I am not ruling it out. The Member is correct that perhaps, you know, within the next year or so it could be done so we can see where some of the problems lie. So I will give them the undertaking that it will be seriously considered in the very near future. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. Any further general comments? Mr. Richard.

Development Of Five Year Capital Plan

MR. RICHARD: Mr. Chairman, yesterday the Minister alluded to the fact that they are working on a capital plan. Just for my own clarification, there was a reference made in December at the meeting of the standing committee on finance, that the capital plan would be ready or should be ready by -- the date given then was mid-December, 1984 or mid-January, 1985. Could the Minister clarify that what he has produced so far is a one year program only but that he is working on a five year plan and when might that be available?

CHAIRMAN (Mr. Erkloo): Thank you. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. The present document, yes, it is only a one year plan. My understanding is that call letters went to the regions and draft plans were submitted by the regions in January. These were reviewed by Housing Corporation staff. Clarifications and letters went to the regions to attempt to rectify some of the problems of the capital plan. My understanding is that the regions are supposed to have those submitted to the corporation by February 15th, at which time the management board of the corporation will sit down, review the document, put it into a comprehensive five year plan and then forward it to me for my approval. I would suspect that that will take place within the next 30 days. We should have the plan ready by the middle of March or by the end of March, the final document. I have committed myself to consulting with MLAs so while I have the final proposed document I will require some time to talk to the MLAs with regard to their respective regions. But I will have a working document probably within the next 30 days or so. Thank you.

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

Needs Survey, Yellowknife

MR. RICHARD: I take it that the development of the five year plan will include the needs survey that the Minister keeps speaking of. He is going to improve that methodology of looking at the needs of each community and, again, at the risk of harping on one area, the needs survey for Yellowknife. The Minister indicated to the standing committee on finance in December that the past surveys were deficient throughout the Territories, as he mentioned yesterday, in that they would

only do a survey of tenants of the Housing Corporation, in effect of public housing, and that he has now plans to expand that, but he, at one point yesterday, indicated he would not do a wide survey in Yellowknife because he cannot find in his millions of dollars budget the resources to conduct such a survey. In December, in the standing committee on finance meeting, the Minister indicated that the corporation was, however, in possession of a needs survey from the Yellowknife housing authority and I believe the Minister indicated at that time that he would provide that figure to the committee. Can the Minister clarify what is available by way of figures for the need for public housing in the city of Yellowknife and specifically what his plans are to ascertain these needs when he and his officials, with the help of the MLAs, develop the five year capital plan?

CHAIRMAN (Mr. Erklou): Thank you. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. We do have the needs survey that was compiled by the housing authority and we can provide it to the Member. However, I must reiterate what I said yesterday, I cannot or will not conduct a needs survey in Yellowknife similar to the ones which we do in other communities. I do not have the resources to do a door-to-door visitation in this community. We are, however, going to attempt to do a needs survey utilizing some other method that is not as expensive. I have not quite figured out how we are going to do that yet but we are going to think about it and see if we can come up with a method of assessing the true needs of Yellowknife. It may be perhaps that we have to get together a group of the agencies in this community to try and glean those figures, but we will attempt in the next three or four months to come up with some definitive figures on the needs of Yellowknife and I will provide the needs survey document that the housing authority has provided to us. Thank you.

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

MR. RICHARD: Mr. Chairman, if the Minister or the corporation is in possession of figures from the Yellowknife housing authority, as incomplete and deficient as those figures might be, why do they not appear on this summary that is provided to us, the community needs summary? Why are there no figures at all for the city of Yellowknife?

CHAIRMAN (Mr. Erklou): Thank you. Mr. Minister.

HON. GORDON WRAY: The figures in the book are the figures which were compiled under the regular needs study methodology.

CHAIRMAN (Mr. Erklou): Thank you, Mr. Minister. Any more general comments? Mr. Angottitauruq.

Vehicles And Sheds On Housing Lots

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. Well, first of all I am going to look for some information and something to guide me first. Hearing some policies about the Housing Corporation from different communities has made me quite confused on one thing. One other thing is one person told me one time that they could not park their skidoos outside their houses and they could not even keep sleds or sheds on the lots where the houses are built. Well, I perfectly understand that it may be true and his main concern was that sometimes when you leave your boat on a shore, as we use skidoos a lot, there were a number of incidents in some of the communities that boats are ruined by the sleds that are being pulled by skidoos. His complaint was that he has to be quite a way from his shed and he does not know what is going on and a lot of his stuff is damaged because he could not keep his eyes on his shed. I guess he did not have a lock on it. It has come to my attention that I should check into it and maybe ask for a policy book, if there is any available book that the Housing Corporation has.

CHAIRMAN (Mr. Erklou): Qujannamiik, Mr. Angottitauruq. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. To my knowledge, in fact I can tell you for sure, the Housing Corporation has no policy that would not allow snowmobiles to be parked outside of houses. I suspect that what has happened is that the hamlet council of that particular community do not want snowmobiles parked because of snow clearance. I am aware in several communities the hamlet does not like snowmobiles sitting around outside the houses because they cannot plow the roads properly, but the Housing Corporation certainly has no policy in that area. With regard to sheds or shacks beside houses, I believe that is probably a fire regulation or even again a hamlet

council regulation. I know that a lot of fires are caused by sheds where people have heaters and they store gas and similar types of materials which cause fires, so perhaps there is a fire regulation...

AN HON. MEMBER: (Inaudible comment)

HON. GORDON WRAY: No, I am also talking about sheds. There are fire regulations in terms of separation. I believe the fire marshal stipulates that there should be, between wooden structures, 40 feet of separation. I think that is the regulation in most of the small communities and it can be cut to 20 feet or 10 feet, depending on the siding that you have on your buildings, but there is a fire regulation with respect to storage sheds and so on in communities. I know also in some areas the hamlet councils or community councils have asked people to put their sheds down on beaches or away from the town area just because of the look of them. Some communities do not like old sheds lying around the community. But, certainly the Housing Corporation has no policy in those areas.

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

Maintenance Of Pads

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. Well, that clears up part of my question. There is also a problem in some communities, a part to the question I have asked already, regarding pads. A lot of pads are built and a lot of them have only about 10 feet overlapping the building and that does not leave much for anything to be put at the side. There are some things that you want to put close to your house and in a big, large settlement or cities, we see people have everything outside their house, their belongings. They do not leave them on the shore. Well, I know sheds that look shabby are terrible looking beside the houses but I guess for the most important things like the boats, sometimes some people would like to keep their boats outside their house, close to their house where there is no traffic that would destroy them. I know there is money involved to build larger pads and at the same time I do not agree with it. In springtime when the water starts running it is easy for some ground to erode and that shifts the house and when a pad is so small, well, some houses are there for 20 years, 15 years and even more and if there is no improvement looked at for those pads that are so small, I am pretty sure there is going to be some problem with houses before their time is up. So, I was wondering if the Housing Corporation is going to do something about the pads that are too small or do something in the future to make them a little more satisfactory so that the erosion may not take too much out of the pads and shift the house.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. That is a problem we recognized and we are undertaking to put it into a maintenance program, to correct some of those deficiencies. As you know, most of our houses built in the last couple of years have been built on steel piles because of the problem. I am aware in Gjoa Haven of a serious problem with several houses, not because of the pad but because of the drainage. The spring run-off has eroded the pads under the houses severely. We have requested some action and study be done by the Department of Local Government to see if they can come up with a better drainage system because to replace the pad would be of no value because the spring run-off would merely wash it away again. So we have to come up with a more permanent solution which involves the correction of drainage problems in that community and we have asked the Department of Local Government to take a look at it. We are also considering, in Gjoa Haven, that if we cannot solve the problem, or the problems are going to be too expensive, we are considering moving the units to other sites and putting them on steel piles. So we are looking at the problem in conjunction with Local Government and with the Department of Public Works and Highways to see if we can solve it to some extent. Thank you.

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

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. I will move to another subject now. I guess it should be talking about almost the whole Territories, most of it anyway. Those people who live in buildings that the Housing Corporation have, and there are a lot of them across the Northwest Territories, when you first move into a house when your application -- you fill out an application to move into a house and you finally get a house and you are told that you cannot -- well, I mentioned that last year and I mention it again, that you cannot do anything unless you get the okay from the housing association.

Looking at a lot of houses, there is no protection, a lot of them are on foundations and wide open on the bottom. Every spring we have to do some cleaning and you cannot crawl under some houses. We have no trees in a lot of places and there are some strong winds that could blow cans under the house, paper, even dogs bring some old food under the house and it gets very difficult to clean up under the house and you cannot crawl under sometimes. So, I was wondering if it was possible -- or some form of chicken fencing around the house would help. You know, it is not only the dirty look. Sometimes when you go near the house there is a lot of old junk, mainly like old food or any other thing that was brought under the house by dogs and they sometimes are quite smelly. Chicken fencing around the house, under the house, to keep things from going under the house would certainly help. I was wondering if that was too much of a dollar sign for the Housing Corporation to try and do something about it?

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

HON. GORDON WRAY: Thank you, Mr. Chairman. As you can appreciate, we have a lot of overall deficiencies that we have to attempt to correct in the next coming years and that is one of them that we are looking at. For a lot of the houses, we have to look at the foundations and probably readjusting them, jacking some houses up, but plans like that are in the overall maintenance plan. Thank you.

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

Use Of Qualified Local Maintenance Men

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. I should have been aware of it but I just wanted to bring it up to make sure that I get the answer. I just did not want to keep wondering what they were going to do. Now, I am going to move to another subject again and this is -- I have difficulty saying it but I must say it, I guess. The housing associations have maintenance people, they have men that are supposed to do the service to the settlements but, then again, at the local level I have seen a number of ex-housing maintenance men and for some reason they are not working for the housing associations any more. Besides that, I know of a few that are journeymen who were trained outside the housing associations and our settlements are very small and it is hard to find part-time work after you have done your training. So it seems to me, when a person trains to be an oil burner mechanic or learns something to do with the plumbing and electrical and he already has the training and he cannot move from his settlement like, maybe, to Yellowknife or Edmonton or any other place and if you are looking at people that are in need of work -- and I have not approached any housing association, it all has to start from the Housing Corporation. The problem is the maintenance men work all day and there are times after working hours that they are called to work. When they are not working they do not stand by at home, they have some other things to do like maybe go visiting or do something outside their house and people like that, who work eight hours a day, they have to have free time. Sometimes I have seen maintenance men that are called to do something while they are at a meeting and it has happened a number of times, not only in one settlement.

What I was thinking was that if you are in a big city, you could have your own little business. If you have an ability to do something, even some company has its own workers, at times you could be hired to do something. I was wondering if the Housing Corporation could think of using those qualified, if there are any in settlements, to have them on stand-by after working hours so that the knowledge of those people who have trained for some things like that, if there are any in settlements, is not wasted and use these people. They could run their sort of little private business that way and a lot of times when there is work to be done in the summer, when they do a lot of cleaning of furnaces and other maintenance and I have seen a lot of times that people who do not have any education, they require some work and a lot of times I have seen those people picked up to help clean up furnaces and it makes me think it is rather hazardous to have someone who does not know anything about it. There is this person who knows something about it. He is not even asked or approached. I guess you got my question clearly already.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. The Member is talking about privatization which I support and we are moving in that area. However, you must understand that because of the low level of maintenance money that we are able to provide to a housing association, they are barely able to do what they are supposed to be doing right now without having to contract people to do other

work. But of the new money, the priority money that we have been allocated, I have indicated to the district offices and to the housing associations that as much money of that as possible is to be used in contracting those types of services out. So, we are addressing the issue and moving toward it. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you. Mr. Pudluk.

Funding For Maintenance

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I am in full support of the Member that just spoke about his concerns when he was talking about the maintenance men. This year we had a very major problem regarding the money that is supposed to be used in communities. I think everybody has to look into the communities and see the differences between the communities and communities' needs before the money is allocated to the communities. I do not think they have a study or a survey of how much they should have, to concentrate on getting things done in certain communities. For example, in Resolute Bay, they have some pipes underneath the ground and they always have to repair the pipes that are underneath the ground in Resolute Bay and therefore they use a lot of money to fix these pipes up. A lot of times the supplies that are coming from outside of the community which are supposed to be parts for furnaces or pipes, those parts are not able to come most of the time. Last year they were trying to order through the sealift for parts for pipes and furnaces but they were told that they were never put into the ship that was supposed to come up to Resolute Bay. That is what we heard for quite some time and last month this is what we heard -- they were never bought, they never ordered them or never paid for them, never purchased them. So, for the reasons I have talked about I do not think the Housing Corporation employees are made aware of these problems from Frobisher Bay housing association employees. We understand that there is always the lack of money. I am quite aware that we never have enough money.

Disposal Of Surplus Funding

I will be discussing something other than what I have been discussing now. The housing associations in the communities are given an allowance, they are given some O and M and salaries and wages and also to pay for oil and electric power. I think sometimes there is surplus from these moneys used to pay for what we were just mentioning, for oil and power. I hear that the Housing Corporation has to get the money back. If there was a surplus from these moneys used in the communities to pay for oil and power, the Housing Corporation has to get it back. So I want to ask, what does the Housing Corporation do with this money that they get back from the communities? The communities were supposed to use this money for power and oil and if they get it back what do they do with it? Where do they put it? Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Pudluk. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. That is a problem that I have recognized since we took over because if we are encouraging people in the communities to save money on fuel and power then there has to be some way that they recognize that that money is going to be put to use.

In my opening statement yesterday, I indicated that we are going to move very quickly toward block funding for housing associations, very similar to what is now done with hamlets so that, in fact, if they can save money on power and fuel then they will be able to retain a portion of that money to put back into maintenance. So that at least the housing association and people in the community can see that any money they do save is going to go right back into maintenance and that is why I want to move in that area. It is no use telling people to save power and fuel if they do not see any reason for doing it. So, what we will do is attempt to return a portion of the money to the association which they can put into maintenance.

I should also indicate that in the priorities exercise the government has allocated an extra million dollars, half a million to go toward staff and half a million to go toward materials. Our hope is to build up a small inventory in each housing association of necessary items, water pumps, windows, door knobs, things like that that are commonly used so that we do not run out of supplies. So, that is how we are attempting to address that problem. It will not be a large inventory but our hope is that we can establish a small inventory in every community so that they do have enough materials on hand that they do not have to wait for a plane or for a ship or whatever reason. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. NWT Housing Corporation. Mr. Pudluk.

MR. PUDLUK: (Translation) I would just like to thank the Minister. In regard to electricity and oil and when we are talking about surplus, I would like to ask him this question about the surplus we are talking about in each of the settlements not only in regard to electricity or power. As he indicated you are trying to move toward this area. The salaries and wages -- will this be taken off the O and M instead of the surplus? Will the surplus be put into use instead of taking any other funding out of housing associations? (Translation ends)

Mr. Chairman, the surplus grant for the power and fuel will not be sent back to the government. So if they do that, will the grant for the next year be reduced because of that surplus?

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Pudluk. Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. No, the grant will not. That has been a problem of incentive because again you would destroy any incentive for them to save money so why would a community save \$50,000 one year to put into maintenance when they know that their next years grant is going to be reduced by \$50,000? That would defeat the whole purpose of it. We will try and channel the money back into maintenance and every year their budget will be allocated as it normally is, based on the number of units and so much per unit.

They might be able to save \$20,000 or \$30,000 one year in power and fuel but maybe the next year it is going to be a colder winter so they will not be able to save any money. So it would be too difficult to reduce the grant to a housing association assuming that because they saved \$50,000 one year they are going to save it the next year. That does not follow. It might be that they can only save \$20,000 the following year. So we will not do that.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. Any further general comments? Mr. Minister.

HON. GORDON WRAY: Mr. Chairman, I wonder if I could have the indulgence of the House to have a five minute recess. My wife and children are leaving for the airport and I would just like to see them before they go.

CHAIRMAN (Mr. Erkloo): We will have a break for five minutes.

SOME HON. MEMBERS: Agreed.

--Agreed

CHAIRMAN (Mr. Erkloo): The committee will come back to order.

MR. PUDLUK: I recognize that we do not have a quorum.

CHAIRMAN (Mr. Erkloo): We will ring the bell for 15 minutes and if there is no quorum, I will make a report to the Speaker.

---SHORT RECESS

Order, please. We now have a quorum. Mr. Pudluk.

MR. PUDLUK: Thank you, Mr. Chairman. I think we have a little difficult time to have a quorum. I move to adjourn.

CHAIRMAN (Mr. Erkloo): All those in favour of the motion? To the motion, to report progress. All those in favour? Raise your hands. Opposed. The motion is carried.

---Carried

MR. SPEAKER: Mr. Erkloo, please.

ITEM 16: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF BILL 7-85(1), APPROPRIATION ACT, 1985-86

MR. ERKLOO: Mr. Speaker, your committee has been considering the departmental details of 1985-86 main estimates and wishes to report progress.

Motion To Accept Report Of Committee Of The Whole, Carried

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

MR. SPEAKER: Thank you, Mr. Erkloo. The Members have heard the report of the chairman of the committee of the whole. Are you agreed?

SOME HON. MEMBERS: Agreed.

---Carried

MR. SPEAKER: Are there any announcements from the floor? Mr. Clerk, announcements and orders of the day, please.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a meeting of the standing committee on legislation on Monday morning at 10:00 a.m.

ITEM 17: ORDERS OF THE DAY

Orders of the day for Monday, February 18th, at 1:00 p.m.

1. Prayer
2. Members' Replies
3. Ministers' Statements
4. Oral Questions
5. Written Questions
6. Returns
7. Petitions
8. Reports of Standing and Special Committees
9. Tabling of Documents
10. Notices of Motion
11. Notices of Motion for First Reading of Bills
12. Motions: Motions 2-85(1), 3-85(1), 4-85(1)
13. First Reading of Bills
14. Second Reading of Bills
15. Consideration in Committee of the Whole of Bills and Other Matters: Bill 7-85(1); Bill 3-85(1)
16. Report of Committee of the Whole
17. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until 1:00 p.m., Monday, February the 18th.

---ADJOURNMENT

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