



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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Speaker: The Honourable Donald M. Stewart, M.L.A.

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YELLOWKNIFE, NORTHWEST TERRITORIES

THURSDAY, MARCH 28, 1985

MEMBERS PRESENT

Mr. Angottitauruq, Mr. Arlooktoo, Mr. Ballantyne, Hon. Tom Butters, Hon. Nellie Cournoyea, Mr. Gargan, Mrs. Lawrence, Mr. MacQuarrie, Mr. McCallum, Hon. Bruce McLaughlin, Hon. Richard Nerysoo, Mr. Paniloo, Hon. Dennis Patterson, Mr. Pedersen, Mr. Pudluk, Mr. Richard, Hon. Don Stewart, Mr. T'Seleie, Hon. Gordon Wray

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Don Stewart): Order, please. Continuing with the orders of the day for Wednesday, March 27th. We completed motions as of yesterday.

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), Bill 13-85(1), Bill 9-85(1), Bill 10-85(1), Bill 1-85(1), Bill 4-85(1); Tabled Document 67-85(1); Bill 5-85(1), Bill 8-85(1) and Bill 11-85(1), with Mr. Gargan in the chair. I am sorry, correct an error I evidently made. It is Bill 7-85(1) and Bill 3-85(1) and not Bill 13-85(1), 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; BILL 3-85(1), WORKERS' COMPENSATION ACT; BILL 9-85(1), LOAN AUTHORIZATION ACT, NO. 1, 1985-86; BILL 10-85(1), SUPPLEMENTARY APPROPRIATION ACT, NO. 3, 1984-85; BILL 1-85(1), INTERPRETATION ACT; BILL 4-85(1), YOUNG OFFENDERS ACT; BILL 5-85(1), COUNCIL ACT; BILL 8-85(1), FINANCIAL AGREEMENT ACT; BILL 11-85(1), VEHICLES ACT; TABLED DOCUMENT 67-85(1), DISCUSSION PAPER, 10TH LEGISLATIVE ASSEMBLY, NWT, 1985 FIRST MINISTERS' CONFERENCE ON ABORIGINAL RIGHTS

CHAIRMAN (Mr. Gargan): The committee will come to order. Mr. Butters.

Bill 7-85(1), Appropriation Act, 1985-86

HON. TOM BUTTERS: Mr. Chairman, I would apologize to the House in that Mr. McLaughlin and his senior officials are absent but I believe Members are aware that the task force on the Canada Assistance Plan arrived in Yellowknife yesterday from Whitehorse. We met with them yesterday evening and this meeting is going on this morning. So I would like to change the order of business and possibly if we could complete the Executive now, then move to Government Services and do it that way, by that time Mr. McLaughlin and his officials should have completed those discussions and be available for further questions on his department.

CHAIRMAN (Mr. Gargan): Does the committee agree that we go to the Department of the Executive? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of The Executive

CHAIRMAN (Mr. Gargan): We are on page 2.12, Department of the Executive, grants. Mr. Nerysoo.

Changes In Government Leader's Office

HON. RICHARD NERYSOO: Thank you, Mr. Chairman. As I indicated to the House during the examination of the budget of the Executive I propose to make certain fundamental changes in the Government Leader's office.

My colleagues on the Executive Council and I believe that the proposed changes are necessary to provide a more effective and efficient office and to put into place appropriate machinery for the development of strategy on constitutional evolution of the Territories.

Mr. Chairman, I intend to announce shortly the appointment of the official to be in charge of the day-to-day running of my office. This individual will have the responsibility of not only ensuring the routine matters pertaining to the office are dealt with but would also have the task of rendering political advice to me. The full scope and responsibilities of this position will be developed shortly.

As honourable Members are aware the constitutional evolution of the Territories is a major priority of the government. As such it is imperative that we put in place a mechanism to deal with such constitutional matters. There is a question of our full participation in the national constitutional process, such as the elimination of section 42(1)(e) and (f) from the constitution. We expect to continue to play an important role in the process leading to the identification and definition of aboriginal rights as provided in the Canadian Constitution.

On the home front there is the need to seek additional powers from the Government of Canada and to foster the growth of our constitutional responsibilities. In order for this government to address all those issues which are of critical importance, I expect shortly to announce the establishment of a team which will be charged with the responsibilities of developing strategies to seek such constitutional evolution. It will be their responsibility to put together a blueprint which will address the matter of constitutional devolution of functions on a comprehensive basis and not on a piecemeal basis. They will also have the task of establishing a much closer contact with the provinces so that we can obtain their support when it is required.

Mr. Chairman, my colleagues on the Executive Council and I feel that these steps which I have just outlined will be very beneficial not only to streamline the functions of the Government Leader's office but to provide for a focussed approach on the important question of this government's constitutional evolution. Thank you.

Mr. Chairman, the statement itself will be available to Members in this House. There is a change in the organizational chart which will identify those relationships that are now or will be put into place in the Executive. That will be made available to Members in the committee as well.

Total Grants

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. We are dealing with details of the Department of the Executive, page 2.12, detail of grants and contributions. Total grants, \$864,000. Does the committee agree? Mr. Richard.

MR. RICHARD: Mr. Chairman, perhaps I should have asked this question when the Minister responsible for the EMR Secretariat was here. I had understood from a statement that Mr. Curley made in the media recently that the development impact zone funding had been deleted or decreased for one of the groups recently, and I am wondering if this \$388,000 figure is still a good figure.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. RICHARD NERYSOO: Mr. Chairman, I could not answer the specifics of that particular question. I guess I really want to know which development impact zone group the Member is referring to.

CHAIRMAN (Mr. Gargan): Mr. Richard.

MR. RICHARD: For clarification for the Minister, Mr. Chairman, I had understood from a report on the media that Mr. Curley had announced the grants that were going to the Slave River DIZ group were being deleted or decreased.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. RICHARD NERYSOO: Well, I could not answer the specifics about that but I do know that there has been less work with regard to the reason as to why that particular development impact zone group was set up, because I originally established that development impact zone group with the idea of that particular group addressing the whole question of the Slave River hydro project. There seems to be uncertainty about that particular project and whether or not the Government of Alberta would proceed with it. During this lull in the process there is a need -- I believe that probably the Minister would say the same thing -- to spend some of that money in other regions that are now encountering development projects that they did not have an opportunity previously of encountering. That is not to suggest though, that we would not be funding the particular organization in future. I believe it is a reduction and not a complete withdrawal but I would have to find the details to that.

Total Grants, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Department of the Executive. Total grants, \$864,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Regional Operations, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Details of capital. Regional operations. Total regional operations, \$150,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$150,000. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Gargan): We are on page 2.13. Total department, \$150,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Department of the Executive. Dollar summary. Total O and M, \$12,190,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Capital, \$150,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that the Department of the Executive is concluded? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Government Services

CHAIRMAN (Mr. Gargan): Is it agreed that we go to Government Services?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman.

CHAIRMAN (Mr. Gargan): Can we have some order in the House, please? Thank you. Mr. Butters.

HON. TOM BUTTERS: Well said, Mr. Chairman. I notice Mr. McLaughlin is with us but his officials are still in consultation with the task force members. So I would be pleased to go ahead with Government Services if I might have the approval of the House to call my deputy minister at this time, Mr. Quirke. I will make my opening statement from the witness table.

CHAIRMAN (Mr. Gargan): Does the committee agree?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Minister, for the record would you again introduce your witness and then proceed with your opening remarks?

HON. TOM BUTTERS: Thank you, Mr. Chairman. On my right is John Quirke, deputy minister of the Department of Government Services.

Opening Remarks

Mr. Chairman, the main function of the Department of Government Services is to provide specialized services in support of government programs. These specialized services include the purchase, transportation and distribution of goods, the provision of computer services and the provision of office services such as telex, mail, records and forms management.

The department is also responsible for the timely purchase payment of supplier invoices and for goods tendered by the purchase order system. The department also provides services to the public. It distributes for retail sale, petroleum products in some 40 communities that are not served by the private sector. It is also responsible for the sale of motor vehicle licences, permits and for the retail sale of liquor products.

During the past fiscal year, the department played an active role in the quality of telecommunication services within the Territories, which resulted in the GNWT filing an intervention on NorthwesTel's application to the Canadian Radio-Television and Telecommunications Commission for a general rate increase.

The department also was active in the transportation area and presented territorial interests on trucking deregulation, the liberalization of the national air carrier policy and on air services being provided to remote areas.

Revised Business Incentive Policy

On December 17, 1984, the Executive Council endorsed the revised business incentive policy, which reflected the many recommendations of the NWT Business Council. Most significant elements of the policy are: 1) a residency ownership clause; 2) a requirement to be a supplier of goods that the

public has direct access to and can purchase off shelf inventory; 3) variable incentive rates. Determination of northern contractors eligible for the benefits of this policy is made by five regional and a headquarters qualification committee. The department has been given the mandate to administer the policy.

A number of other programs which are of interest to this House and to the public, that the department is doing, include: the decentralization of the petroleum products division to five regional centres; the implementation of a new driver licensing system; and the hiring of northerners into training positions for computer programmers, computer operators, weigh scale operators and a buyer. The department has also hired physically handicapped people in its computer and mail operations. A training program is being developed for the assistant deputy minister's position and the Government Services manager's position in Rankin Inlet.

Mr. Chairman, the department's 1985-86 O and M appropriation of \$12,099,000 represents a 6.6 per cent increase over 1984-85. The department's person year allotment has increased by 8.5 per cent for a total of 140.9 person years. The capital budget is \$5,255,000 which represents a decrease of 14 per cent from 1984-85. The department will be raising revenues of \$11,455,000 and will operate revolving funds and charge-back centres valued at \$43,296,000. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. General comments. Mr. Patterson.

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. Since no one is going to make any general comments it appears, I would just like to...

MR. BALLANTYNE: (Inaudible comment)

HON. DENNIS PATTERSON: Well, while you are gathering your thoughts, Mr. Ballantyne, just a few, Mr. Chairman.

Strong Presentation On Northern Air Transport

I just wanted to mention I think the Minister should be commended for the strong presentation that was made to the Canadian Transport Commission reviewing northern air transport matters, a submission he happened to make in my own constituency by the way, which was also appreciated. I understand that the final report of that northern air hearing review was released yesterday and I would hope that the House will agree to allow Mr. Butters to table that document. I think it reflects very well the input that our government put in. I am hopeful that if the federal government and our government can respond to the recommendations that it will lead to the objectives of reduced air fares and air transportation costs in the NWT. I think that is our goal and I think that our government has helped by making quite a forceful presentation.

So, Mr. Chairman, I would ask that Members give consideration to allowing Mr. Butters to table that report. I think it is also worth noting that the Northern Air Transport Association has been meeting recently in Yellowknife, composed of northern air lines. I believe they have also passed an important resolution endorsing the final report, which I think is also auspicious in that it indicates the air line industry is willing to co-operate with the recommendations, some of which will require them to initiate improved services and training programs. So I think that if these recommendations can be implemented and actioned quickly we can look for relief in air transport costs in the North. I feel very encouraged about that. Thank you.

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

HON. TOM BUTTERS: I do have a motion from the meeting of the Northern Air Transport Association, for which I would be seeking unanimous consent later on to return to tabling of documents and would table at that time. If the final report is available I could table that similarly.

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

MR. BALLANTYNE: It was good to hear the Minister's statement and I hope there are other Ministers' statements on the order paper this morning. I am sure Mr. Butters was going to give us the full details of that tabled document before Mr. Patterson interrupted but none the less I know you welcome his assistance.

I wonder, through you Mr. Chairman, if the Minister could give us some examples of how in his department the programs are evaluated and assessed. Do you have any examples of programs that, because of an evaluation process in place, you have been able to improve or delete?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman. I cannot give you examples of any particular programs. The restraint program that we have put into place applies to this department and has affected this department's operation. There are no priority moneys available to the department so that would indicate that we are working under strictures, but I cannot point out any specific areas where there have been cuts as a result of such monitoring.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

MR. BALLANTYNE: I assume then, you must have some sort of an evaluation process in place. So what you are saying then is that process showed that there was no need for improvements. Is that what you are telling us?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: No, I do not think I am telling you that, Mr. Chairman. I am saying that there is an ongoing examination of the effectiveness of the department's operation. It is something that is a part of the manager's terms of reference that in carrying out his or her day-to-day responsibilities, the examination of the department is ongoing and it is made more effective and more efficient as a result of that managerial examination.

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

MR. BALLANTYNE: Do you have any ideas of any ways that you can improve the process? You say you are using the normal managerial terms of reference and that provides the checks and balances in your department, to provide optimum levels of services. But obviously there are ways to improve. Do you have any ideas of any mechanisms you might put into place in the coming year to improve the perfection of your department?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Changes In Operation Under Consideration

HON. TOM BUTTERS: As I have explained earlier in the Department of Finance budget, the operational plan requires the identification of the lowest five per cent priorities in the department and that has to be developed by the Department of Government Services as well. Some of the things that we are looking at to make more effective and more efficient the department's current role and operation are, as I mentioned in my opening remarks, the decentralization of the petroleum products division to the regions; the elimination of the telex centre in favour of increased usage of electronic mail; and the possibility of decentralizing purchasing authority to the departments to acquire low value items.

There was a suggestion some three years ago that the government consider privatizing the Yellowknife motor vehicles licensing function and that is being looked at to determine whether or not it would be more effective to operate it under private agents.

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

Problems With Drivers' Licences In Provinces

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. This is going to be very brief. It is concerning the driving licences. I think some of the provinces have not recognized territorial drivers' licences. Also when the people from down south go up north to work, they have to change their driver's licence to a territorial driver's licence right away. He can return his driver's licence on his way back down south. However, sometimes we find out that some of those people have to be re-tested on their ability to drive. So I was wondering if you are able to come up with a better solution for the people living in the provinces and for the people who are living in the

North. Sometimes when you are trying to get some money you have to present these licences as your credentials, and when the territorial licences are not recognized we must bring a couple of IDs or something down south. So I was wondering if you can come up with a better solution to this. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, it is my understanding that there is a reciprocal acceptance of licences between the provinces and the Territories, and that unless there is a restriction on a territorial licence, any licence issued in the Territories is acceptable in any province and vice versa. If the Member has a particular instance that he would wish to bring to my attention, I would be pleased to investigate it. But reciprocity, to my understanding, does exist between the Territories and the provinces.

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

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I was told from my constituency that people from the provinces -- I do not really remember -- if he can look into this, I would be happy. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Just to say, Mr. Chairman, that if the individual from southern Canada wishes to drive heavy equipment and he has not been licensed in southern Canada to drive that type of equipment, we would request that he undergo tests in the NWT to ensure that he had that capability and that competence. But I will discuss the point with the Member and look into the matter.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. General comments. Does the committee agree we go into the details of the budget? Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. I wanted to ask the Minister some questions about the business incentive policy, Mr. Chairman. Perhaps I can do it under general comments. Is that agreed?

SOME HON. MEMBERS: Agreed.

MR. RICHARD: Mr. Chairman, I recall in December there was a press release from the Minister's office or the Minister's department about the new business incentive policy and I do commend the Minister and his officials for responding to the recommendations of the NWT Business Council last year. This topic is a very controversial one in the North and it is a very difficult problem and the balancing act which government must do is a delicate one indeed. But I do have some concerns about this new policy and I wanted to raise with the Minister at this time, my concerns on the manner in which the policy has been adopted and the piecemeal amendments that have occurred since December.

I do recall in some of the materials that I have seen that one of the objectives of this department last year, when the estimates were before the Assembly a year ago, was to evaluate the northern preference policy. I take it that was done and it led to this new business incentive policy.

Detailed Regulation Of Business Sector By Government

Mr. Chairman, when I speak on this issue today and ask questions of the Minister, I wish to state that I am not advocating the cause of either southern-based firms or 100 per cent northern firms. Both, if we can group contractors in those two groups, both types of contractors have contacted myself and I know other honourable Members since last December. Some feel that the new policy is too restrictive and some feel that it is not restrictive enough. This, Mr. Chairman, I feel is a problem when government gets into the detailed regulation of the business sector. But our government has made a decision to get involved in regulating to this extent and we must as a government try and do the best we can.

With respect to the amendments, Mr. Chairman, I want to ask the Minister to explain the reasons that the amendments have been made, and I do have a number of specific questions, Mr. Chairman. I will go through them. I have four, five questions and perhaps I will indicate what they are now and the Minister can respond to them in turn.

Firstly, I understand there was an amendment made to the policy as recently as February 28th, restricting the 10 year rule. Or perhaps in other words, providing a more specific definition of who comes under the policy under the 10 year grandfather clause, so to speak. I would like an explanation of why that change was made.

Secondly, I understand that there were amendments made related to questions which Mr. Wah-Shee had asked in this Assembly in February and Mr. Butters responded to. There was an additional requirement placed on the resident ownership firms to have an inventory or a warehouse in addition to the residence requirement. I would like an explanation of that change.

Thirdly, Mr. Chairman, it is my understanding that there were contractors who had status under the northern preference policy who had been refused status under the new business incentive policy that were reinstated, but not reinstated retroactively. So there was a period of time when they were under neither policy. Others I am told initially received status under the new business incentive policy but that status was later rescinded. Regarding these changes, Mr. Chairman, I wonder if the Minister could give an explanation of why these things have happened in the few short months under this new policy.

Fourthly, I have a question of the change from the northern preference policy to the new business incentive policy. I note, Mr. Chairman, that while both policies in the preamble, if you will, indicate that one of the reasons for the policies is to promote the use of northern labour, I note that the northern preference policy under paragraph four, the definition of northern contractor, stipulated that a northern contractor was one who, among other things, employs persons domiciled in the NWT. And I could see that that would be a legitimate requirement of a northern contractor, that you would employ persons domiciled here. However, I note in the new business incentive policy, the definition of northern contractor, it appears that, paragraph six, although we now require the owners to be resident, 51 per cent of the owners, there is no specific requirement to employ persons domiciled in the NWT.

Policy For Engineering And Architectural Firms

And finally, Mr. Chairman, my fifth question of the Minister and this is perhaps a separate item. I note that the policy does not apply to engineering and architectural services contracts. I understand from a previous conversation with the Minister that there is an amendment being considered to rectify the fact that the new resident ownership requirement does not at present apply to engineering and architectural services contracts. And I understand that in that field of endeavour the difficulty with the present policy is that the policy for engineering firms does not distinguish between, on the one hand a northern branch office with few, if any, professional staff resident in the Territories -- it does not distinguish between that type of engineering firm and a northern-based 15 or 20 person office which has a total commitment in ownership and investment and length of stay and domicile, etc., in the North.

It is my view, Mr. Chairman, on this item that we need to stress the dollars staying in the North and getting the benefit of those dollars being reinvested in the North. And I believe that the policy, even if there is a separate policy for engineering firms, that the policy should reflect that emphasis. I recall, I believe in this Assembly in this session, Mr. Wray, the Minister of Public Works, indicating to us that as Minister in that department in awarding contracts, he does not just look at the total dollar value or even as an absolute rule, whether the contractor is on the list of northern status, or status under the new policy, or not. But he particularly looks at the amount of the northern content in the subcontracts that make up the entire contract. I think that is the right attitude to have but I believe that should be translated into the policy which is currently being reconsidered for engineering firms.

Those are five specific questions that I would ask, Mr. Chairman, that the Minister address at this time. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, the fifth question I would respond to and the Member knows this, that the Department of Government Services does not administer or determine regarding services and service contracts provided by engineering or architectural services. These are administered by the Department of Public Works and contracts for these services are awarded to northern firms except in cases where a required specialty is not available in the Territories. So I would expect that if there is additional material required to that comment, that Mr. Wray could provide it. And maybe he could supplement my remarks when I am concluded.

The fourth question dealt with the employing of northerners in the previous wording of the policy. Again, this government has moved actively under Mr. Wray's guidance to ensure that contracts entered into with firms identify and specify our particular interest in the employment of northern skills and labour. So, the expectation here is that contractual arrangements we enter into and the provisions contained in those contractual arrangements will ensure that there is an adequate and full use of northern resources.

Explanation Of Amendments

The other three questions dealt, I think, with the amendments to the business incentive policy that have occurred since the new policy was originally announced in December. Then, before I get to those specifically I would just like to suggest that this government certainly does not consider this policy to be one that regulates the business sector and those are the words that the Member used. We are not regulating the business sector, we are providing an incentive at the request that has been in vogue for many, many years from northern contractors and northern business people, that the territorial dollar be spent in the North to the fullest extent possible and that is the objective that we are trying to achieve and satisfy. Certainly, it is not our intent to regulate the business sector. Obviously, when operating under such a policy it is our intent and our responsibility to ensure that value for money for the goods received and purchased and the services received and purchased can be justified in all cases.

The requirement to amend the business incentive policy was recognized, I believe, in the original document. We indicated that it would be under review within two years. It just worked out that we reviewed it much sooner than we had originally intended, the reason being that we had neglected to address a number of important elements which had been indicated to us for our consideration. One of these was the southern supplier who operates out of Edmonton, whose place of business is Edmonton, or other southern centres, and whose employees live in these centres and who qualified under the previous business incentive policy. To ensure that northern suppliers who have to pay the extra costs of living in the North are not put at a disadvantage to the southern supplier, we added the residency factor and that was the reason for the residency factor for over 10 consecutive years.

The matter of maintaining a physical presence in the Northwest Territories, either by means of business premises, warehouse or resident manager, this too was added to the policy since the December announcement. The reason is that we have been urged to address realistically the problem of what you might call the telephone supplier. That is an individual who may have no property to speak of, may have an eight by eight shack which accommodates a phone and a desk and a typewriter and is in business. So the feeling of the Executive Council was that those firms and businesses who not only provided premises but provided inventory and stock, and provided sales people to serve the needs of the communities were being jeopardized, their interests were being jeopardized by the advent of this telephone supply business. It is for that reason that we have encouraged and are encouraging the development of a physical presence with a premises and a selection of goods and inventory stock which can be made available to the public at large.

Appeal Process

I think that answers two questions. The third one, the other question, dealt with the appeal process. The initial policy did contain a clause which permitted an appeal to the Executive Council. However, in practice it was recognized that that was not really very practical or effective and there were two or three additional steps provided. The appeals now can be made to Mr. Quirke, the deputy minister of the department, to re-examine any new evidence which the company may feel is supportive of their application and should that evidence indicate that eligibility can be provided to the company, then the company is so informed and the admissibility under the policy occurs. The appeal to myself and the Executive Council remains in place so it is just to ensure that deserving contractors or suppliers get a full opportunity to have their appeal heard and receive eligibility if, in fact, the original documentation was either incomplete or some omission occurred in excluding them initially.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. Just to clarify on the architectural and engineering policy, I would just like to advise the Member that, in fact, the changes have now been made to that policy which brings the criteria for defining northern in that policy in line with the business incentive policy so that the two criteria are the same and I will provide a copy of the policy to the Member. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. Just two follow-up questions to the Minister's responses. When I had asked why the requirement to employ persons domiciled in the Territories was deleted, do I take it the Minister's response is that the Minister now relies on the Minister of Public Works and Highways to ensure that those desirable criteria are present. I just wanted to ask the Minister if I am correct in gleaming that that is his response to the question.

Secondly, Mr. Chairman, on another matter. How does the department satisfy itself that the new requirements under the policy are being met? For example, the 51 per cent beneficial ownership being resident or the physical presence, either under the 10 year rule or the residency rule. Do the departmental officials require a statutory declaration? How do you satisfy yourselves that these requirements are, in fact, being met by those deemed eligible under the policy? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: On question number one, I have provided information that I thought was valid but the Minister of Public Works informed me in the interim that there is some problem with my answer and I will ask him to respond.

CHAIRMAN (Mr. Gargan): Mr. Wray.

Contrary To Charter Of Rights

HON. GORDON WRAY: Thank you, Mr. Chairman. With regard to the position of making it mandatory to employ northerners under the contract guidelines, we quite honestly seriously considered this but we had to reject it because of a number of reasons. First and foremost is the Charter of Rights, the new Constitution of Canada, which gives Canadians the freedom to live and work in the country. If we were to make it mandatory in our contract regulations that contractors could only hire northerners, then there is an extremely good possibility that at some point in time, that would have been challenged in a court of law and we would not have been in a particularly strong position in that regard.

MR. RICHARD: Those darn lawyers.

AN HON. MEMBER: Speaking from experience.

Monitoring Of Contracts As To Northern Content

HON. GORDON WRAY: Secondly, the other problem is that while it is our ultimate goal to ensure that contractors do hire as many northerners as possible, you have to realize that in some respects qualified skills and qualified labour are just not available in some of the places in the North and in some of the regions. We have to allow the contractor a flexibility to import those skilled people when required. We have kicked in a monitoring system on the contracts and I think a letter has already been circulated or will be circulated showing responses from various contractors as to the level of northern content within contracts.

This year we could not enforce or force the contractors to provide us with information and in fact I think only 24 out of 94 contractors responded. But to make sure that next year we do have a reporting system, we have made it a mandatory part of the contracts now for every contractor, upon completion of job, to provide us with a breakdown of labour in terms of community labour, northern labour, southern labour and in terms of the payments that are made for accommodation, goods, supplies, air lines. Again, they will be required to provide us with the details on the amount of money they spent in the community, in the North and in the South.

With that kind of information, two things can occur. First of all, we can very quickly pinpoint the contractors who are not living up to our expectations and that information will be used when we come to decide on who gets contracts. But secondly, it starts to provide us with accurate statistical data on just how much money and how big a percentage of these contracts is going into the North. That data was just not available in the past. It was all speculation and we always talked about it but we could never say for sure that contractors were spending their money in the South. This way we will know for sure.

I should indicate to you also that initially or from the very few we have received, it appears that some of our, what we call southern companies, are doing a lot better job than some of our so-called northern companies. So we will also have to take that into account when we are looking at contracts because I think that while our attempt is to make sure that northern companies get contracts, if in fact we find a southern company is also bidding on the job, who has historically a better record of employing northern people and employing northern companies, then we may very well be faced with giving a southern contractor a job over a northern contractor based on that kind of information. So we are starting to work on it but it will take a couple of years for us to get all the information that we require to start making those kinds of subjective decisions. Thank you.

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

Procedures For Approval Of Applications

HON. TOM BUTTERS: Mr. Chairman, the second question dealt with the procedures on processing applications and just by way of information I would advise that under the former policy there were 640 approved contractors. As of yesterday, there were 230 approved under the amended business incentive policy and as of yesterday, 47 applications have been rejected. The procedure is as follows: A search of the files for each application is conducted with legal registries, the NWT Workers' Compensation Board, and the municipality for business licences. And for businesses that passed all three examinations the contractor qualification officer prepares a chairman's list for distribution to qualification committee members prior to each meeting. For businesses that fail one of the three searches, the contractor qualification officer prepares decision items for each application indicating the results of the search, and the recommendation for rejection/deferral. The qualification committee reviews each application on the chairman's list and if there are no difficulties, approves them as a group. They instruct the contractor qualification officer to advise the applicant of such. The decision items are reviewed individually and if the committee agrees with the recommendation they instruct the qualification officer to write a letter to each applicant advising them of the reason for rejection. Then the appeal process is also explained to them.

There is a problem associated, obviously, with this procedure, and that is that businesses are no longer required to provide ownership information to legal registries, and therefore, it is difficult to prove a northern ownership. However, in view of the fact that this policy is an advantage to anyone who wishes to avail themselves of it, we would expect that the interested company would provide us with that information through that process to obtain eligibility.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. General comments. Mr. Paniloo.

Oil Tanks In Broughton Island

MR. PANILOO: (Translation) Thank you, Mr. Chairman. I have a question regarding the oil tanks that have been transferred in my constituency to Broughton Island. The oil tanks were too close to the shore and when there was a storm they were ruined. The community of Broughton Island has been concerned about moving these oil tanks. They have not really been told or informed about how they are going to be moving these tanks away from the shore. They have been told that they will be moving them close to the airstrip. If they move them too close to the airstrip they will be raising the price up six cents a litre. When they were told about this increase they did not mind that even if the rate is going up but they were really concerned that they might get destroyed by the wind because they are too close to the shore. I guess you are aware of this concern they have in Broughton Island and I would like that to be put as a priority in the Baffin Region. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, in the first week of the session the Member asked me the question with regard to the Broughton Island tank farm. I think I informed him at that time that the matter was still under very active consideration with the community and it had been deferred one year while that consultation could occur. I believe that last year the assistant deputy minister, Don Johnston, was in the community and spoke with the council. In view of the problems associated with this project I was intending to visit the community myself and look at the site during the summer when the off-loading is occurring. I would hope that the Member could accompany me at that time and we would look at the situation on the ground and discuss the matter with the council.

Basically, I understand, the problem to be that if the relocation would take place or is to take place, and I do believe the existing site is acceptable, but if the relocation were to occur there would be an additional \$1.1 million cost to the capital cost of the project.

Secondly, the ongoing concern with that location is that the supplier of the product would have to drive between that new site and the community on numerous occasions during the day with his fuel tanker, which could increase the price of the product to the consumer very markedly. So there are a number of problems associated with the project and as I indicated to the Member, through you Mr. Chairman, that it is my intention to go to Broughton Island after the Rankin Inlet session and look at the problem on the ground and discuss it with the council.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. General comments. Is it agreed by the committee that we go into the details of the Government Services? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Directorate, Total 0 And M, Agreed

CHAIRMAN (Mr. Gargan): We are on page 9.6, directorate. Total 0 and M, \$636,000. Mr. Ballantyne.

MR. BALLANTYNE: One of the objectives of the directorate is to reassess the function of warehouse operations in light of the business incentive policy. Has any study been done on what actual impact the government has because of the business incentive policy -- less usage of government warehouses or what are some of the other implications of the business incentive policy?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: The Member may recall that, I think, two years ago at our budget session, we reduced the amount of the number of revolving funds in the region and that reduction of the upper limit of the revolving fund just reflects the fact that there is decreased necessity for us to supply its own needs and that the suppliers in the North are able to provide the products required at a reasonable rate. I would expect that we will see a continuing diminishment of both the use of the revolving funds and the warehousing facilities.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Directorate, total 0 and M, \$636,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Office Services, Total 0 And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Office services, total 0 and M, \$1,009,000. Agreed?

SOME HON. MEMBERS: Agreed.

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Freight, Total 0 And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Freight, total 0 and M, \$2,654,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Systems And Computer Services, Total 0 And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Systems and computer services, total 0 and M, \$967,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Supply Services, Total O And M

CHAIRMAN (Mr. Gargan): Thank you. Supply services, total O and M. Mr. McCallum.

MR. MCCALLUM: Thank you, Mr. Chairman. A question to the Minister. In supply services the tenders that are called for or that are requested by this particular activity, are done at a regional basis as well as the headquarter basis. Are these tenders publicized in local papers on a periodic basis? How do businesses get to know or become aware of various tenders that go out, or request for tenders to supply various goods and/or services? Are the businesses contacted individually? Is there a determination in a regional office or a headquarters as to what businesses are eligible? What is the process?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, yes, the function is carried on both at headquarters and in the regions. No, the requirements are not made known to a newspaper advertisement. The regional offices have lists of the suppliers and the invitational tenders are issued to those suppliers to supply the product.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Supply services. Mr. MacQuarrie.

MR. MACQUARRIE: Thank you, Mr. Chairman. Yes, I would like to spend a bit of time on a matter that is of some concern to me. It relates to tendering for mobile equipment. On the surface it certainly appears that there could be some serious impropriety involved and so I would like to pursue the matter in some detail just to assure myself and other Members of the House and the public that there is not.

On January 16, 1985 tenders were called for 20 mobile units including trucks that would be fitted as water trucks, sewage trucks, fuel trucks, and bids were to be in by the 19th of February. When the bids were received it was found that Kingland Ford of Hay River was able to bid on the basis of 60 days delivery time for these various trucks. It would appear that initially, at least, Kingland Ford was successful on all 20 units. I am told by other companies that are able to provide this kind of equipment that there is no way at all that they could possibly meet the time frame that Kingland Ford was able to meet. For example, Prospector Ford in Yellowknife, in bidding on the same ones, indicated a delivery time of 180 days, and I know that Yellowknife Esso did not even put in a bid because when they checked with their suppliers, they were told they could not possibly meet the kind of deadline that this government expected. So on some inquiry it appears that the reason Kingland Ford is able to have a much shorter delivery time is that the units were ordered ahead of time before the bids were even let.

Now, some could say that is shrewd business. They anticipated the needs and ordered on spec. Well, some may be able to believe that a small company could invest perhaps up to a million dollars on spec for specialized equipment that nobody else would buy in the event they did not get the bid. But I personally find that very hard to believe unless they had some undertaking that they would be successful bidders. But at any rate, to follow it up a little further, I received some information from the Minister on earlier inquiry that shows that, in fact, for 12 of the units, Kingland Ford came in with a lowest price and a shortest delivery time and therefore the bid was given to them.

On the other eight units, it appears that Prospector Ford of Yellowknife actually submitted a lower bid but that initially the successful bidder was deemed to be Kingland Ford nevertheless, because of its shorter delivery date. However, in the information provided to me by the Minister this statement appears under an item listed as number four. Prospector Ford of Yellowknife submitted the lowest bid for eight units, their bid not responsive, as far as delivery. DPW and Highways recommended placement of orders with Kingland, orders placed March 5, 1985, however confirmation POs were not mailed and orders subsequently withdrawn in accordance with instructions. So my first question is, could I clarify with the Minister precisely what does that mean? That initially the government did intend to recognize Kingland as successful bidders but that somebody subsequently gave instructions to withdraw the orders that had been placed.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Availability Of Government's Five Year Plan

HON. TOM BUTTERS: Mr. Chairman, as the Member points out there has been a problem with this bid. It has been a difficult matter for the department. The department is a service department and operates on the information provided by the consuming department. The one thing that members of Government Services, in putting out the tender, were not aware of was the availability of this government's five year plan to a number of suppliers. It would appear that that document has been available for many years and used by many years by various suppliers to this government. Also during this process we became aware that the delivery dates that are forced on us by the barge season were too compressed really to operate effectively and as a result of that experience I think we will try to in future put out the tenders at an earlier date and not find ourselves in a position that we did two months ago.

My understanding of the gamble, because obviously the bidder who was successful on the requirement had no undertaking that they would get the bid or they could sell these vehicles elsewhere beyond the fact that I believe that Kingland Ford has established a supply relationship with Cominco, or, in that it supplies Cominco with a large number of vehicles. So that while Kingland Ford may have been going on spec on the basis of information that it found in our five year capital plan, I might assume that there was an expectation that there would be, in the market down the road, if they were unsuccessful. However, the specific phrase referred to by the Member in his remarks or in his question relates to a document that I gave him and it refers to our concern when we were first apprized of the situation -- that is the Government Services department and my concern when we received a copy of a letter sent by Mr. Clunie to Mr. Wray on February 27th. On the basis of that concern action on the tender was stopped while the whole problem could be examined and considered by the Executive Council, and that examination and consideration did go forward and we did assure ourselves that the material that was used by Kingland Ford was available, not in the tender documents necessarily, but it was available to the public through other avenues. So we felt that the winning award would not be changed. I am told just by way of information that Cominco at Pine Point is a market of some 20 vehicles each year of this type. So the tenderer was obviously fairly sure of finding markets for his equipment if they were not accepted by this government.

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

MR. MacQUARRIE: The vehicles that apparently are needed by other firms, does that just include the type of vehicle, what is it -- the F700 medium size truck, or does it include sewage tanks fitted and water and fuel tanks fitted? That is one question I would like answered. The second is what is the status of the other eight vehicles? The ones were apparently temporarily, at least, the orders were withdrawn because a firm other than Kingland did, in fact, have lower bids in but just a longer time frame.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. TOM BUTTERS: With regard to the second question, Mr. Chairman, the award was stopped for the eight. It was examined and the Executive assured itself that there was no special consideration given to any particular bidder and the award was allowed to proceed. I did not get the full import of the first question. I wonder if the Member would be so kind as to repeat it.

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

MR. MacQUARRIE: In order to justify a company like Kingland, obviously, feeling secure in ordering vehicles, the Minister mentioned that there were other companies in the Territories that ordered the same kinds of vehicles. My question was, since the Minister raised that matter, does he know that these are just the chassis of the F700 vehicles or do they put in orders for vehicles like that, that are fitted as sewage and water and fuel trucks, with the tanks, because that is an additional expense and it takes a fair amount of time in itself to be done?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman. I am advised that it is the total price and it reflects the truck and the chassis combined and the chassis has that capability to adapt itself for the usages that the Member indicated.

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

MR. MacQUARRIE: If the delivery date plays such an important role in this government's consideration as to whether it will accept bids or not, can I ask whether this means that the orders will be cancelled if Kingland Ford does not meet the 60 day time frame which they, themselves, stated as being a suitable delivery date?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, we have not passed or cancelled any such contracts, what we have done is required the successful bidder to pay the additional freight costs of delivering that item to site. However, in this case we could look at that option. I would like to just assure the Member that I am not being defensive with regard to our actions and yet I think we did everything humanly possible as a department. We recognize there is a problem here and we will attempt, in future, where there is such a critical requirement for delivery times, to get the tenders out at an earlier date so that there will not be such a compression on both the government and the tenderer to supply that vehicle to site. I will indicate to the Member that I will work with my colleague, Mr. Wray, to see if that can be done and that this type of situation will not occur again though one of the things that has resulted from this, I am sure, is that Prospector Ford is now aware of the existence of our five year plan and probably has one in hand.

CHAIRMAN (Mr. Pudluk): Mr. MacQuarrie.

MR. MacQUARRIE: It appears that the equipment that is tendered here, the money is allocated in the 1985-86 budget. Is that correct?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Mr. MacQuarrie.

MR. MacQUARRIE: Yes, so it is obvious that the money is not in hand and it is obvious to me that was one of the concerns that I have. Why was the tender date left so late then? It is obvious that the government is not in a better position on January 16th, financially in a sense, than it is in October of 1984. It has a good idea of its requirements at that time and should be letting the tenders out at that earlier date. There is no question about that in my mind and so that is what made me wonder. Is the bid or the tender held for such a time that only a particular firm is able to meet the deadline? That would be a serious thing if that were the case. I cannot see why it could not have been let earlier, but the Minister has assured me that he intends to see that that is done in the future and to help ensure that, Mr. Chairman, I will move a motion at the present time if I may.

Motion To Adhere To Time Frame For Letting Tenders For Mobile Equipment

I move that this committee strongly recommend to the Executive Council that it adhere to a time frame, for letting tenders for mobile equipment, that provides all bidders an equal opportunity to bid successfully and to adhere to a process that provides all potential bidders with the same information at the same time.

HON. TOM BUTTERS: Mr. Chairman, I would like to respond to an allegation that the Member made that I wish he would withdraw. There was no intention made by anybody in this government or any individual in this government to publish...

CHAIRMAN (Mr. Pudluk): Mr. Minister, I would like to see that motion first. If that motion is in order or not.

HON. TOM BUTTERS: Mr. Chairman, I was cut off and I was not speaking to the motion, I was responding to the Member's original question which I did not have a chance to respond to and I think I should have that opportunity before a motion is made.

CHAIRMAN (Mr. Pudluk): Mr. Minister, I thought you were asking a question, that is why. Go ahead, Mr. Minister.

HON. TOM BUTTERS: I would ask that the Member withdraw his imputation that either this government or Members of this government issued a tender call that was developed to favour one particular firm, and that is what I understood from his remarks. I think that is totally unfair. I have indicated to him that there have been some problems with the process. To further answer his question, the reason that the tender was delayed is that we were examining and making reductions to our capital budget as late as December of last year. There are perfectly good reasons why this problem occurs. What we will try and do in the future, and I have indicated to the Member, through you Mr. Chairman, that Mr. Wray and I would look at getting together and seeing if there is some way in which we could publish our requirements at an earlier date than we did this year. But, there is certainly no intent on this government to favour any particular bidder in these Territories. The motion that has just been put reflects on the process as it exists.

MR. MacQUARRIE: Mr. Chairman, how many does it take to determine whether my motion is in order or not. Other Members? Should I come up and help out?

CHAIRMAN (Mr. Gargan): Ms Cournoyea is not here discussing this, we are just deliberating on your motion and trying to read your handwriting at the same time. So just bear with us.

I will now read the motion. The motion is as follows: I move that this committee strongly recommends to the Executive Council that it adhere to a time frame for letting tenders for mobile equipment that provides all bidders an equal opportunity to bid successfully and to adhere to a process that provides all potential bidders with the same information at the same time. Motion is in order. Mr. MacQuarrie, to the motion.

MR. MacQUARRIE: Thank you very much, Mr. Chairman. The Minister, in making comments earlier, certainly indicated that there was some government information that apparently had been available to some potential bidders and not to others. I do not suggest that that was necessarily by design. But if it is happening, what I am saying in the motion is that the government should take care to make sure that all potential bidders have an equal opportunity to get the information and are aware of what information is available. The other part of the motion simply is suggesting that if we have, let us say a June 1st deadline when we want that equipment to be in the NWT, then we should be letting the tenders at a time when all companies can reasonably meet that deadline. It is clear that in order for most companies to order this equipment and to have it fitted especially, that that takes somewhere in the neighbourhood of 180 days to get it delivered here. What I am saying in the other part of the motion then is that we should be letting the tenders at least that amount of time ahead of when we expect the delivery, so that all bidders have the opportunity to meet that deadline. The reason I said that ought to be done is it appears that it is possible to let the tenders earlier than what was done. I made no allegation. I did say that if they are let in a time frame that does not seem to allow equal opportunity, that makes people wonder whether there is anything wrong and it makes me wonder that, and surely I am entitled to say that.

So by approving this motion, supporting it and having the government always act in that fashion, then everything will be seen to be done in the right way and I surely think the government should not have any objection to seeing that kind of motion approved. They have asked for direction. Here is an area where I and perhaps some other Members, see a difficulty and we are simply asking the government to do this particular thing in this particular way. Thank you.

CHAIRMAN (Mr. Gargan): To the motion. Mr. Wray.

Risks Taken In Business World

HON. GORDON WRAY: Thank you, Mr. Chairman. The Member for Yellowknife Centre indicated that he wonders if companies had equal opportunity, and would like us to put a process into place so companies would have equal opportunity. Well, I suppose he does wonder because he has never been in private business, so therefore he does not know the rules of the game out there. But it's a dog eat dog world in the business world, and quite simply what happened in this instance was that Kingland Ford, Hay River, outsmarted Prospector Ford, Yellowknife. Every business in the NWT does have equal opportunity to obtain that kind of information. For years and years, smart businesses have been obtaining those capital plans through chambers of commerce, through council offices and hamlet offices and are planning their work in the coming years based on that information. Now, it could very well have been that Kingland Ford who took a gamble -- that same gamble could have backfired on them. But they are in a position of taking the gamble, they know that if they are

unsuccessful in government contracts that they have another market, namely Cominco, which I understand purchases a large number of vehicles from Kingland Ford. So while it was a gamble it was a calculated gamble and that is what happens in the business world. You take risks, you take calculated risks. It is as simple as that.

With regard to the timing of tenders. The Minister of Government Services has indicated that as late as December of last year, this government made major cuts in equipment and furnishings to this government. Every department in this government was cut back -- I think almost 25 per cent, which is a major bearing on the mobile equipment that we were going to buy as a government. The Minister has also indicated that they were looking at a process or trying to establish a process whereby perhaps we would bring the capital plan to this House in the October session, as opposed to the winter session. Because we recognize that in many instances, coming in now at this time of year with a capital plan, is a little bit too late because for some communities, particularly those in the High Arctic and the Eastern Arctic, we have had to order already. We cannot wait until after this session is over to order that equipment. It would just not get there. Closing dates for some communities for sealift have already arrived. I think Mr. McLaughlin indicated yesterday that it was already too late for us if we wanted to get a vehicle into Grise Fiord, for example. It is too late. And a lot of our communities are like that. So you know any suggestion that people do not have equal opportunity is totally erroneous. People do have equal opportunity. It just so happens that there are some smarter businessmen out there than others. That is just the law of the business world. For those people who have been in business, we understand that. We have no problems with that. Obviously Prospector Ford feels slighted but that is tough. They just were not as smart as Kingland Ford, that is all there is to it.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. To the motion. Mr. MacQuarrie.

MR. MacQUARRIE: I do not mind dogs eating dogs. I suppose that is their business.

---Laughter

MR. RICHARD: Dogs eating dogs.

MR. MacQUARRIE: However, a public government should have no complicity in that process. We have the obligation to ensure that in all of our dealings, we make equal opportunity for all people to do business with us. And I am saying that it was not clear that that was the case here. Even if it was the case, it is not clear that it was the case and we ought to have a process that makes it clear. And although the honourable Member who just spoke has had business experience, I would say that he certainly would be the first to be offended if there were business available and he was not able to take advantage of the opportunity because something about the way in which the government business was being done gave someone else an advantage over him. And that maybe has occurred in this case.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. To the motion. Mr. Wray.

HON. GORDON WRAY: Just two comments. First of all, I would never object to another business outsmarting me when I was in business...

AN HON. MEMBER: It never happened.

Equal Opportunity Exists For All

HON. GORDON WRAY: Because I made it -- that is right, it never happened.

---Laughter

I made it my business to find out what the government was up to because I recognize as a businessman the government was, and is, the major mainstay of the economy in the NWT, and that the bulk of our business came from the government. So I made it my business to know what the government was doing. That is a standard criterion for any successful business in the North. You make yourself available or you make yourself aware of what government plans are.

With regard to equal opportunity, again, I point out, there is not a community in the NWT that I cannot go to and find the capital plan and find out what the government plans are. I just happen to know where to look and a lot of smart businessmen around know where to look. So there always

has been equal opportunity for many years. In most of the communities, all you have to do is walk down to the hamlet office and you will find a copy of the capital plan. The chambers of commerce or some chambers of commerce have the capital plan. That document floats around quite freely at the municipal and the lower levels of government. So I am sorry, I do not agree with the fact that there seems to be a problem with equal opportunity. I think equal opportunity is there. It is just that some of us are more equal than others. We know where to take advantage of it.

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

HON. TOM BUTTERS: Mr. Chairman, if the motion passes, I would just indicate that it would not be Government Services' intention to include a capital plan of this government with every tender call.

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

MR. BALLANTYNE: I think we all recognize that it is a dog eat dog world and I think a lot of businesses are not in the same situation as Mr. Wray, who ate all the competitor dogs in Baker Lake. For less hungry dogs, I think what Mr. MacQuarrie is saying is that businessmen and chambers of commerce have been saying for years, "We want to know the rules of the game and we want those rules fair for everyone." What this motion is doing is attempting to have consistent rules, to give everybody the opportunity to bid fairly, to allow the public to have the perception that the government is doing their job and giving everybody an equal opportunity. What we are, in fact, saying is that we want to see the system streamlined, nothing more than that. So this dog will say good night.

SOME HON. MEMBERS: Question.

Motion To Adhere To Time Frame For Letting Tenders For Mobile Equipment, Carried

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

---Carried

Thank you. At this time I would like to recognize two visitors in the gallery, ambassadors from the Yukon -- Rat River Mary and Lake Laberge Marj. They are coming in the entrance.

---Laughter

Can we have some order in the House, please? Mr. McCallum.

MR. McCALLUM: I just want to say, Mr. Chairman, that is better entertainment than we have had come our way in the last six months.

CHAIRMAN (Mr. Gargan): Mr. MacQuarrie. Your point of order.

MR. MacQUARRIE: It is just nice to see the dignity of the House elevated for a change, Mr. Chairman.

CHAIRMAN (Mr. Gargan): I would like to thank the Minister for that short musical interlude. Can we have some order in the House, please? Mr. Wray.

HON. GORDON WRAY: Thank you, Mr. Chairman. After discussion with the Minister of Government Services, I would like to indicate to the House that what we will attempt to do, and we have been talking about it, is similar to what we did with the Housing Corporation this year, publish what is basically called a pre-tender list. That is, ahead of time we will indicate in newspapers that we intend to tender for the following things so that people do have notice about what is coming up. We did that with the Housing Corporation and it was very successful. If we can sort of tighten the capital plan and move the process ahead a little, we will publish pre-tender lists for things like mobile equipment, etc.

Supply Services, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Supply services, total O and M, \$3,618,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Communications, Total O And M

CHAIRMAN (Mr. Gargan): Communications, total O and M, \$2,271,000. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, I would like to ask the Minister. I have had a request from the community of Colville Lake to establish a mobile telephone for the community. Right now they are having a hard time with communications and I was wondering if the Minister's department could do anything about it.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, at Colville Lake at the present time no commercial power is available and I understand that none is planned for that community. Presently the community of Colville Lake relies on single side band radio and I realize that members in the Colville Lake community are anxious to have their present equipment upgraded. I expect that the real solution to Colville Lake is the mobile telephone service to that community. There is also the northern communications assistance program which is a federal government program, through the Department of Communications, to provide intercommunity communications to isolated communities. Now that would probably be the program that could be used to provide proper service to Colville Lake. The program is not active at the moment. With the new government in, it is waiting for the recommendations and guidance of the new Minister before further commitment of funds.

Our expectations will be that that program will be continued and we could look at attempting to service Colville Lake by implementing or supplying that program to that community which would cost probably in the order of \$250,000. It would require the installation of the earth station, about \$150,000; and additional costs for telephone installation and cable and exchange equipment would be another \$100,000. So that would be probably the best proposal, to provide Colville Lake with more adequate communication services than they now enjoy. There is another cost too. In communities where there is no commercial power, they would be required to establish a generator and a stand-by. That would probably cost another \$100,000. That would appear to be the best process for solving that problem. I will advise the Member of progress being made with our discussions and communication with the federal government on that program as they proceed.

Communications, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Communications, total O and M, \$2,271,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Motor Vehicles, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Motor vehicles, total O and M. Mr. MacQuarrie.

MR. MacQUARRIE: I would just like to compliment the Minister in the matter that I have been dealing with over the past year. I have some concern with the basic driving tests that are given in the NWT. On bringing it to the Minister's attention, he and his staff have addressed that problem. I think the basic written tests that are now in place are quite good and will meet the needs of the public. So I just want to say that I appreciate the work that the Minister and his staff have done in that respect.

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

HON. TOM BUTTERS: Mr. Chairman, I would just like to return that compliment a hundredfold because my involvement was almost as a post office. Mr. MacQuarrie was the one who did the research and took the trouble to examine the driving tests and study methods by which they could be improved and suggested improvements. As a result of his interest and the material he provided us with, we were able to make the amendments that have improved the test. So we thank him for his interest and his involvement.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Motor vehicles, total O and M, \$944,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed---

Liquor Commission

CHAIRMAN (Mr. Gargan): Liquor Commission. Mr. Ballantyne.

MR. BALLANTYNE: I have a question of the Minister, Mr. Chairman. The actual revenues have gone up fairly significantly this year and I wonder if that increased revenue is going to actually accrue to this government. If you increase the prices -- are we going to realize any real revenue as a government from increased prices?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: There would appear to be a slight volume increase reflected in those figures. What that projection takes into account is the price increase which was announced yesterday. If you didn't hear the announcement I will make it right here.

Liquor prices in the NWT will be increased April 1st. The new prices are a result of a 4.9 per cent increase in the federal excise tax and an 8.3 per cent increase in the federal sales tax. These changes will produce increases of 1.8 per cent for domestic spirits, six per cent for domestic liqueurs, 3.9 per cent for domestic wine, 5.3 per cent for domestic beer, 5.5 per cent for imported spirits and .4 per cent for imported liqueurs. The price for imported wines will decrease by 8.2 per cent.

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

MR. BALLANTYNE: Are we doing just a straight charge through the system for the federal government increases? Is there no territorial government increases incorporated in those increases?

MR. MacQUARRIE: Or like the dogs who eat dogs, are we going to take advantage to make a little ourselves?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: The increase to the government is developed from our markup which is placed on the landed costs in Hay River.

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

MR. BALLANTYNE: I think we are looking at around \$800,000 projected increase volume which takes into consideration federal tax increases and territorial markup. Of that \$800,000, what percentage is the territorial markup?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: I cannot provide the Member with that answer at this moment. I can find out and advise him by mail because I do not think we will be sitting tomorrow. I do not have that information nor does my deputy minister.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

MR. BALLANTYNE: My point is, either this government will realize as revenue the total amount of their markup or because of their arrangement with the federal government, in fact we cannot use that as a windfall profit. What I am trying to get is, is there any point for us to mark up our prices unless we are getting full return for it? Under formula financing do we now realize the full benefit of price increases?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman. That is my understanding, for the next three years.

CHAIRMAN (Mr. Gargan): Thank you. Liquor Commission. Mr. Paniloo.

Authority To Enforce By-Laws In Communities

MR. PANILOO: (Translation) Thank you, Mr. Chairman. I would like to direct my question to the Minister. When communities wanted to form their by-laws and become dry communities it had to be authorized by the Commissioner. If it has to be authorized by the Commissioner and the local alcohol committees do not really have authority even when they have their by-laws, the by-laws and ordinances do not really seem to help at all in the communities. People keep violating them. I am just wondering if the local alcohol committees could be given more power. Even the RCMP do not seem to help at all even though they are supposed to be following the Liquor Ordinance. I am just wondering if they could be given more power. Thank you.

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

HON. TOM BUTTERS: Mr. Chairman, as the Member probably realizes the Liquor Ordinance is split under two responsibilities, Mr. Nerysoo's and mine, and the particular area that has been raised by the Member refers to that administered through Justice and Public Services. I think I understand what the Member is saying with regard to the desire of the communities to have more control over the use of alcohol in their community and I am quite sure Mr. Nerysoo similarly appreciates the problem. I would assure the Member that I will look into that matter and probably if he could provide us with a more specific request as to what went wrong with which community and with which particular group, we could look at that to see whether there is anything that we can do as a government to strengthen the powers and authority of the committees who have been given that responsibility.

We understand that alcohol abuse can be best controlled by the community in which it is occurring and as a government we should be taking all steps that we can to assist those people who volunteer or are elected to serve on those committees because we know it is a very thankless job and they are only doing it for the good of their community. I will discuss this with the Government Leader and possibly see if we could get in touch with you and sit down with you and discuss the particular problem that you have outlined.

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

Fetal Alcohol Syndrome Warning Labels

MR. RICHARD: Thank you, Mr. Chairman. I wanted to follow up with this Minister on a response he made the other day when we were examining the budget of the Minister of Social Services. This has to do, Mr. Chairman, with the matter of the placing of warning labels on liquor bottles indicating the danger to unborn children of pregnant women drinking. It has been referred to as the FAS warning label.

The Minister did indicate the other day that the government has already identified some major hurdles to carrying out such a proposal. I wonder if the Minister today, Mr. Chairman, could indicate the current status of that and whether the government is looking into it. I understand from those who advocate the labelling of liquor bottles with such a warning that it is done in some other jurisdictions. I am not sure if they are Canadian jurisdictions, but it is done I understand in some American states. Can the Minister indicate what his government is doing by way of investigation at the moment and is there a point in time when the Minister or the government will make a decision to do what is being requested or decide not to do it?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: On the occasion that the Member mentions, I indicated that the matter is under active consideration and that is correct. It is being pursued. The Member suggested that it is in place in other jurisdictions but I do not know whether he indicated that it is not in place in Canadian jurisdictions as yet. It may be in American ones but it is certainly not in place in Canadian jurisdictions.

The request that this government has received came from the local consumers group. The Consumers Association of Canada is also pursuing this initiative and, I believe, pursuing it with the federal government. I have been in contact with the federal Minister to determine what his response has been to the national consumers body to see whether or not the federal government is looking to move on a national basis. Obviously, it would be much simpler to attack the matter if the federal government would co-ordinate the approach, especially since a lot of the products that we handle and use are international products that are imports. So, that is ongoing. I have not received from the federal Minister an indication of what is being done or what is being contemplated but we will follow that one up.

We have acted to place in our liquor outlets and our agencies, posters which indicate to the purchaser the dangers associated with the abuse of alcohol, especially in cases of pregnancy. So, we have moved to that extent. However, as I say, it is an ongoing consideration and we will continue to discuss it with the federal government. If there would appear to be no action at that level then we could look at possibly moving on it and examining it on a unilateral basis.

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

MR. McCALLUM: I do not think it would be right to pass this particular item without commenting on it. To go back to the increase in price of liquor that was announced, I understood the Minister to say for example it would mean because of the federal excise tax and sales tax in the case of imported spirits, a 5.5 per cent increase. Is that the figure? Regardless of whether it is the correct figure, the principle is, does that 5.5 per cent increase that has been announced now on the price of imported spirits, does that include the territorial markup as well, in order for the Territories to maintain its level of profit? Or, do you have to now increase it as much again in order for the government to maintain its level of profit because we are talking about an ad valorem tax here?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: No, it is not an ad valorem tax but it does include the NWT's profit dimension.

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

MR. McCALLUM: Mr. Chairman, could the Minister indicate to me who makes up the Liquor Commission?

CHAIRMAN (Mr. Gargan): When you say who makes it up, do you wish names of all the staff or who heads it?

Status Of Liquor Commission

MR. McCALLUM: I just wonder what the Liquor Commission is. It says this activity is a Liquor Commission. Is it an in-house group? What are the people? Are they people outside government? Are they here? I am not talking about the Liquor Licensing Board which is the other aspect, but the Liquor Commission. Is there a group of people or is that just the name that is given to the whole activity?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman. It is the old Liquor Control System.

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

MR. McCALLUM: I know that we will be taking this up under public accounts but just to get some idea, have you begun to bring the ordinance into line to establish the Liquor Commission as a separate identity?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: We are moving toward implementing the recommendations of the Auditor General. These recommendations require changes to legislation and it is our expectation that such changes would be ready for examination by the House in bill form in Rankin Inlet and at the request of the Auditor General, we are taking steps to put a couple of other things in place in the interim.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Liquor Commission, there is no total O and M. Does the committee agree that we continue? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Petroleum Products

CHAIRMAN (Mr. Gargan): Thank you. Petroleum products. There is no O and M for petroleum products. Mr. Ballantyne.

MR. BALLANTYNE: If the Minister could bring us up to date. Last year the intention was to develop the agency-type proposal for privatization. I wonder what is happening in the area of privatization of the system.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: We may not be moving as quickly as some people may wish us to move on that. Part of our problem is that through the current arrangements for the tank farm program, it is in effect providing a subsidy in those communities that need it most, that are most remote and which consume on a per capita basis the most fuel in any one year. So privatization is obviously going to affect the service and the cost that we would have to charge to that service in those remote communities. In short, we have not moved on it in a very active sense because of the repercussions it could have for the rest of the system. However we are developing guidelines for privatization of petroleum products and we are continuing to examine the fiscal impacts of privatization, that it might have on the overall system.

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

MR. BALLANTYNE: Is it not a case of a good concept, but the reality is that private entrepreneurs obviously would bid on and be interested in the profitable part of the system but will not want to touch the part of the system that loses money? So if the government privatizes the profitable side of the system, they are going to have to find money from within their overall budget to take on the responsibility in the part of the system that would not be attractive to private business. Is that true?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: That is exactly the problem we face when we examine the privatization concept in this particular service area.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Petroleum products. There is no O and M. Does the committee agree to continue?

SOME HON. MEMBERS: Agreed.

---Agreed

Office Services

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Details of capital. Office services, total buildings and works, \$7000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total acquisition of equipment, \$579,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Office Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total office services, \$586,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Systems And Computer Services, Acquisition Of Equipment, Total Capital

CHAIRMAN (Mr. Gargan): Systems and computer services, total acquisition of equipment. Mr. Ballantyne.

MR. BALLANTYNE: A general question in the area of computers. This government has spent a lot of money over the last few years on computers. Is there any intention or any perceived need for some major expenditures to replace some of the existing hardware we have or extra costs and new sophisticated software? My concern is that it seems that once you get into the area of computers it is a never ending sort of thing because new technology is being produced almost daily and there is always that pressure put on the government to go toward the state of the art. What is happening in that area right now? Can we see the potential of some major costs in the foreseeable future with new computer systems?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: As the Member is suggesting, the state of the art is built-in obsolescence every five years. I guess that statement is fairly accurate with regard to computer technology. We have a fairly major requirement to correct existing deficiencies and problems in our regional facilities and that will be ongoing. There will be some similar requirement in the headquarters area. We are looking at applications development; the work will be almost double the amount planned, \$650,000, as compared with the planned \$369,000, by the time the current fiscal year is completed. There has been an explosion of microcomputer usage. So it is pretty hard to project on what costs are going to result from that latter activity.

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

MR. BALLANTYNE: I see in your total capital projections on page 9.16, the figure there is similar to the 1985-86 main estimates. It seems there is no perceived need at this moment for some major expenditures in years to come. I wonder, in the next year or two years are we going to have a figure in here which is going to be a major expenditure?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: We are not too sure on just what the requirements will be in future years. Our EDP plan for the whole government is the most reliable plan which has been developed by this government and is just at the stage now of being consolidated and being referred to the Executive Council for its consideration. I think once that plan has been examined, we will have a better idea of the electronic data processing requirements of this government in the years ahead. So by the next budget we should have a better handle on that particular requirement.

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

MR. BALLANTYNE: Just one comment. The Minister said that the computer industry is looking at five years built-in obsolescence. I think that has changed. The computer field is so competitive now that we are probably talking of two or three years. My only comment is to beware of smiling computer salesmen.

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

HON. TOM BUTTERS: Just to thank the Member for his comments and say we realize the problems that are related to purchasing new equipment and standardization of equipment that we already have and we will take his advice very carefully.

Systems And Computer Services, Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Total acquisition of equipment, \$635,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Supply Services

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Supply services, total buildings and works, \$126,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total acquisition of equipment, \$15,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Supply Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total supply services, \$141,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Petroleum Products

Buildings And Works, Fort Smith Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Petroleum products, buildings and works, total Fort Smith Region, \$531,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Inuvik Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total Inuvik Region, \$275,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Kitikmeot Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total Kitikmeot Region, \$695,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Baffin Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total Baffin Region, \$795,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Keewatin Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total Keewatin Region, \$720,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total buildings and works, \$3,016,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Inuvik Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Acquisition of equipment, Inuvik Region, \$148,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Kitikmeot Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Kitikmeot Region, \$104,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Baffin Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Baffin Region, \$152,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Keewatin Region, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Keewatin Region, \$145,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total acquisition of equipment, \$549,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Petroleum Products, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total petroleum products, \$3,565,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Motor Vehicles Division, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Motor vehicles division, total motor vehicles division, \$328,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Government Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total Government Services, \$5,255,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. The last four or five pages are all information items. Are there any questions? Mr. Ballantyne.

MR. BALLANTYNE: The systems development and support chargeback centre on page 9.24. We asked some questions about this in the standing committee on finance and the Minister responded that there were some problems and that an operational plan was required. Has this operational plan been developed up to this point in time?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Yes, it has been developed, Mr. Chairman.

MR. BALLANTYNE: Could we have a brief description or maybe just make it available to me?

HON. TOM BUTTERS: I will ask Mr. Quirke who is more familiar with the details to respond.

CHAIRMAN (Mr. Gargan): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The operational plan as we now have it entails us doing work on the following systems: the young offenders information system; the loan accounting system for Economic Development; the financial information system; the utilities management system for DPW; the maintenance management system for DPW; the justice information system; and Social Services. At this particular time for Social Services it is either a rewrite of the child welfare system or the resource management system.

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

MR. BALLANTYNE: When you look at the overall computer process in our government, when you have a number of different systems, has there been a problem integrating those systems? I understand that the FIS system is utilized to gain information that maybe should be under a different system. Do you have a problem right now with duplication and integration of your different computer systems?

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

HON. TOM BUTTERS: The area probably could cause some difficulty but at the present time I understand we do not have any problem interfacing the systems that the Member indicated.

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

MR. BALLANTYNE: The Minister indicated in December that the overall computer system was working at 85 per cent of capacity. My question relates to that. With these different systems the deputy minister referred to, if we have duplication, there might be more capacity in the system and we will not have to purchase added hardware. Have we looked at? The problem with computer systems normally is that it is like taking a suitcase on a holiday -- you always fill it up and not always with the sort of information that you really need. Is anybody studying that to see if, in fact, duplication is eliminated we will have more capacity in the overall system?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman. We have a users steering committee which is helpful in addressing that particular problem and the systems and computer services group also examines those particular questions and problems and would report on suggested solutions if they are required.

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

MR. BALLANTYNE: My only comment is that before this government undertakes some major expenditures in acquiring new hardware, we really look at the proper utilization of our existing system because the easiest way always is to say, "Hey, we need more and newer equipment", when the fact is that we could probably improve the use of our system presently.

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

HON. TOM BUTTERS: Just to agree with the Member's statement and to indicate that one of the benefits of the chargeback system is that the departments are responsible for whatever they become involved with.

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Are there any further questions under information items? Okay, we are back to page 9.5, Department of Government Services, dollar summary, total O and M, \$12,099,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Capital, \$5,255,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Government Services is concluded?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, I wonder if I could ask the committee if I could go back to the subject of freight?

CHAIRMAN (Mr. Gargan): Is the committee agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. T'Seleie.

MR. T'SELEIE: I would like to ask the Minister if there has been a decrease under this item and I would like to ask the Minister if he could explain to me what the reasons for the decrease are? If it concerns discontinuing an assistance program to Fort Franklin, I would just like to be assured that Fort Franklin people are not going to suffer any hardship as far as freight goes.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: I think the main reasons for the reduction in this particular area was that the demand for assistance for Pelly Bay was \$43,000 less than we forecast and, also, that there has been an improvement in the winter road and competitive trucking industry and has resulted in freight rates that are less than what we would have expected had the original barge service remained. So, in those two communities that would be the answer for the reduction.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Mr. T'Seleie, is that satisfactory? Thank you. Does the committee agree that Government Services is concluded? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): I would like to thank the Minister and Mr. Quirke. Mr. McCallum.

MR. McCALLUM: Just a final comment. I hope that the Minister when he raised the price of liquor on April 1st -- that is not an April fool's joke or anything? It is for sure.

---Laughter

HON. TOM BUTTERS: No.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. I would like to thank the Minister and Mr. Quirke again. At this time I would like to recognize some visitors from Bonnyville, Alberta, Andy Beaulieu in the gallery.

---Applause

Is it agreed that we proceed with Social Services? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Social Services

CHAIRMAN (Mr. Gargan): We are on page 14.7, correction service. Mr. Minister.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Chairman. I would like permission to invite in my deputy minister, Mr. Paul Moody and my assistant deputy minister, Mr. Blair Dunbar.

CHAIRMAN (Mr. Gargan): Is it agreed by the committee that the Minister bring in his witnesses?

SOME HON. MEMBERS: Agreed.

---Agreed

Correction Service, Total O And M

CHAIRMAN (Mr. Gargan): Mr. Minister. Social Services. Total O and M, correction service. Mr. McCallum.

MR. McCALLUM: Thank you, Mr. Chairman. One of the alternative programs in this area is the fine options program. I wonder if the Minister can indicate to me where the fine options programs are. I know there is one in Smith. Are there other fine options programs throughout the Territories? Where are they? How are things progressing with this? Can he comment on how well this particular program is being accepted in communities? Has he had time to take a look at the benefits of it?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Chairman. I know there is one in Inuvik because I was there with officials from corrections when they made a presentation to the town. But I do not know if there is any other than Fort Smith and Inuvik.

MR. McCALLUM: (Inaudible comment)

HON. BRUCE McLAUGHLIN: No, but there are some planned. We are working with some of the other communities; Fort Simpson, Cape Dorset, Yellowknife, Hay River and Rankin Inlet.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Correction service. Mr. McCallum.

Purchase Of Rehabilitation Services

MR. McCALLUM: In the third paragraph in the write-up of this activity, it says, "The purchase of rehabilitation services from community agencies will also be a priority." Can the Minister indicate to me what organizations we are talking about? Are we talking possibly of band councils setting up programs or are we talking about programs that are already in place such as some of them that have been used in the past? Is this what we are talking about with community agencies here?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman. We are talking about virtually any community agency. The local municipal corporation or band councils, settlement councils or any other group in town or volunteer agency or anybody who has the capacity to basically supervise people who are doing community correction services.

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

MR. McCALLUM: Does the Minister have that program in place now? Are there community agencies in communities in the Territories from whom you are actually purchasing these services?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: In the two we have already, I believe both in Inuvik and Fort Smith it is with the local town councils. In Inuvik it is with the Ingamo Friendship Centre and it is with the Roaring Rapids Friendship Centre in Fort Smith.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Correction service. Mr. MacQuarrie.

MR. MacQUARRIE: In reponse to a comment I made, the Minister said that he saw no trends with respect to corrections. I would just like a little more information on that. We have for example the fine options program and one of the objectives is to try to make sure that there are fewer people needlessly getting into the institutions. So could I ask if he does not see trends? Basically, what are the comparable statistics between this past year and the year before with respect to inmate days and recidivism? Are they at the same rate as they were the previous year?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, I am advised that the total number of inmate days is approximately the same. There is no major difference but that there are longer sentences. So I guess that would seem to say there are fewer names but longer terms of incarceration. But I can get officials in my department to provide the Member with detailed information on that. We will try for this afternoon but at least within a few days.

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

MR. MacQUARRIE: Yes, I would appreciate getting that information. I think we ought to be keeping very close track of what is happening and if there really are fewer people turning up at the institutions that is a good thing. And if there is less recidivism, that is a good thing too. So I would like to know a little more about that.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Correction service, total O and M, \$8,314,000. Agreed? Mr. T'Seleie.

Renovations, Yellowknife Correctional Centre

MR. T'SELEIE: Mr. Chairman, I would just like to know. Under correction service, there is a major capital item for the correctional centre in Yellowknife. I believe it is listed as renovations. I wonder if the Minister could just give us a short explanation of what the intent of those renovations are. The details of it.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman. I indicated partly the other day what some of the problems were at the Yellowknife Correctional Centre, which were a leaky roof and uninsulated walls. There is some other work being done on the outside fabric of the construction of the building. And there are also interior renovations involving some 30 prisoner cells. We are also making modifications in the centre in order to have inmates who are there for different reasons -- to be able to keep them separate from other prisoners. There are often some prisoners that cause problems. We have to keep them separated from other prisoners. That is one of the things that is being done in the interior restructuring of the building. As well, some of the physical plants in the building -- the heating and mechanical systems are being improved and ventilation, etc. Thank you, Mr. Chairman.

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

MR. McCALLUM: Just one final question. With the opening of the new facility in Frobisher Bay and with the South Mackenzie one and the women's corrections, are all the classification processes centralized? Are they centralized in Yellowknife or do they do their own classification process in each of the particular facilities? Is there a centralized process?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: No, Mr. Chairman. There are classification officers in each correctional facility but the same method or standards are used with classification throughout the Territories.

Correction Service, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Correction service, total O and M, \$8,314,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Alcohol And Drug Services, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Alcohol and drug services, total O and M. Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. I would just like to ask a question to the Minister. We had several recommendations coming from the chiefs conference in Hay River last month. I wonder what action or what plan the Minister has for responding to these recommendations.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, thank you, Mr. Chairman. We have received those recommendations and I have passed them on to officials of my department for their comments. I should say though that one area where we have taken action was on the recommendation that a task force made up of chiefs chaired by Chief Cec McCauley of Inuvik to be set up to meet with the Assembly. We took some action there in order to fund the travel of the chiefs here so we are helping their task force already. And we will be in communication with the task force and the Dene Nation about the recommendations that came out of the conference in Hay River. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Alcohol and drug services, total 0 and M, \$1,642,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Services To The Aged And Handicapped, Total 0 And M, Agreed

CHAIRMAN (Mr. Gargan): Services to the aged and handicapped, total 0 and M, \$2,731,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Financial Assistance Services, Total 0 And M, Agreed

CHAIRMAN (Mr. Gargan): Financial assistance services, total 0 and M, \$11,325,000. Mr. McCallum.

MR. McCALLUM: Thank you, Mr. Chairman. Regarding the supplemental assistance to senior citizens who are on old age security and guaranteed income supplement, is it \$75 at the present time?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, we recently raised that to \$85.

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

HON. BRUCE McLAUGHLIN: I heard the Member ask, how did I do that? We made that effective January 1st. We announced it in February with press releases, etc.

AN HON. MEMBER: Point of order.

HON. BRUCE McLAUGHLIN: And we paid back on that.

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

MR. McCALLUM: Was it done through this special warrant business or did you have surplus funds within your department? How was it done? We began sitting February 6th...

MR. RICHARD: Yes, it is quite a while ago.

MR. McCALLUM: So long as you forget about it.

MR. BALLANTYNE: Seems like forever.

MR. McCALLUM: I just wonder about the process.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, that is an item in our budget and we are able to pay for that within the moneys allocated in last years budget.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Financial assistance services, total 0 and M, \$11,325,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Details of grants and contributions. Mr. Ballantyne.

MR. BALLANTYNE: I wonder if I can have the committee's permission just for a brief comment on services to the aged and handicapped?

CHAIRMAN (Mr. Gargan): Is it agreed by the committee?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

Commendation Of Rae Senior Citizens Facility Project

MR. BALLANTYNE: Thank you, Mr. Chairman. I want to make a comment. We had a very good briefing about the senior citizens facility in Fort Rae and the process that was developed to build that facility. I was very impressed with the process and the fact that the community became so involved. I think the end result of that sort of approach is that you are going to have a facility that people are going to really be able to utilize and be very proud of. So I would like to give a compliment to the department and to Gino Pin, who was the architect who helped develop that process. I think that process could be a prototype for how we develop other capital structures in this government because even though there was that consultation the fact is, it came in under budget. It came in I think in a way that pleased and satisfied the needs of the community and I would like to see that approach taken in other government projects. So a compliment to the department on that approach.

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

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman. The previous Minister, Mr. Kane Tologanak, initiated that approach and, I believe, Mr. Arnold McCallum as well, when they did the home in Fort Providence. The Member will be happy to know that in Yellowknife we are using the same thing. We are involving the Yellowknife senior citizens in the development of the personal care facility in the long-range plans here in Yellowknife. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you. Mr. McCallum. I am sorry, Mr. Ballantyne.

MR. BALLANTYNE: I would just like to say a last comment on that. It was a long and rather difficult process to get that...

AN HON. MEMBER: Hear, hear!

MR. BALLANTYNE: ...a long and rather difficult process to get that facility for Yellowknife under way. Again, I want to thank the Minister and especially a bouquet to Barb Bromley. Lesser people would have given up; she kept at it. I think that process is again a very good one and again the idea of getting the community involved is the key to alleviating a lot of problems with this government. I thank the Minister for his assistance in that project also.

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

Increase In Supplementary Benefits

MR. McCALLUM: Just to go back to the business of supplemental payments to senior citizens. It is my understanding that in this budget you have a certain amount of money set aside for supplementary benefits as well. Is that correct?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman. It is on page 14.10, in the financial assistance services. It is included within that amount of money, within the \$10,817,000.

CHAIRMAN (Mr. Gargan): Mr. McCallum.

MR. McCALLUM: Then obviously we are talking about another increase in that benefit. You are indicating that you raised it and I am not trying to say there was anything bad about raising it from \$75 to \$85, but are you contemplating another increase in the benefit to senior citizens?

HON. BRUCE McLAUGHLIN: No, Mr. Chairman. The Member should be aware that the GIS part which old age pensioners receive who are in need of extra help, has an inflationary factor in it and is continually re-examined by the federal government. So the GIS part is always increasing but we had not raised ours for a while and we wanted to recognize the fact that northerners have an extra cost of living that southerners do not have which was the original reason for the NWT supplement. We felt that going from \$75 to \$85 was due in the situation but we have no intention of increasing that in the immediate future. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Detail of grants and contributions. Mr. Paniloo.

MR. PANILOO: (Translation) Thank you, Mr. Chairman. I would like to ask a question regarding the old age assistance. In my community the older people have formed their own committee especially those who cannot work any more to try and help the young people. I do not know if old people in my constituency are getting assistance. I would like to know if the older people in my constituency are getting this assistance. I was told that these old people would like to build their own Inuit style building by getting help from these young people. I would like to know if these people can get assistance in trying to build some kind of a home.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Chairman. There are three sources of money for senior citizens. One is a universal payment which every resident of Canada who is over 65 years old, gets from the federal government. On top of that, when a senior citizen has no other source of income, in other words he does not have a pension plan from his job or he does not have interest coming to him from savings in the bank, he is eligible for the guaranteed income supplement and the amount he gets there depends upon how much he needs so that there is a maximum and a minimum that is given out. In addition to that any person who receives any guaranteed supplement money also receives from the Northwest Territories government, \$85 a month. The people have to be over 65 years before they are eligible.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. The Chair will now recognize the clock and recess until one o'clock.

SOME HON. MEMBERS: Is that 1:30 p.m.?

CHAIRMAN (Mr. Gargan): At 1:30 p.m., then.

---SHORT RECESS

Detail Of Grants And Contributions

The committee will come to order please. Detail of grants and contributions. Mr. Ballantyne.

Funding For Arctic House

MR. BALLANTYNE: On page 14.11 of the main estimate book, in 1984-85 there is a sum of \$205,000 which the department indicated was for Arctic House and there is no funding in the budget for this year. What is actually the status of Arctic House? I hear they are applying to the city of Yellowknife for land for a facility. What sort of support is the department giving to Arctic House?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Chairman. As Members are aware, Arctic House ran a day parole facility for us here in Yellowknife and the correction division of our department is supportive of having such a facility in existence in the community, as a means of moving inmates back into society and this is definitely the best way to do it. However, Arctic House ran into financial difficulties and we were unable to give them additional funding because they had reached the point where we may have been paying as much as \$136 a day per inmate. With that type of overhead we decided to do the day parole out of our own facility at YCI, using the trailers at the back of the correctional centre out there.

At that time we hired some of the staff that Arctic House had, I believe two or three of them, to help us run the program out there and to help us develop a program, and we were supportive of doing something for them in the long term. As for their seeking land in Yellowknife, all I know is that they have run into some roadblocks in the particular area that they were looking at, with residents not wanting them to set up a facility with inmates in it in that residential area. I will ask my deputy minister to give you the latest on that.

CHAIRMAN (Mr. Gargan): Mr. Dunbar.

MR. DUNBAR: Mr. Chairman, it is my understanding that the Arctic House Society has run into the difficulties that Mr. McLaughlin has just outlined. In addition to running the service out of the correctional centre, the Salvation Army in town has come forward with a program proposal and they are now offering a limited service of a very similar nature and, in fact, may expand as well.

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

MR. BALLANTYNE: I take it then that this government is not planning any sort of financial assistance to Arctic House or to the society that runs it, but are there other sources of funding that they are looking for? Can the operation be viable without territorial government assistance?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, as I indicated, we were paying part of the salary of one employee to work with Arctic House to continue to develop programs for us. What form Arctic House takes in the end, we are not sure. Maybe it will not be a facility, maybe it will just be an organization that develops and operates programs for us. We are also looking at the idea of having that type of program in some of the communities outside Yellowknife as well, instead of having all of them here but that is something that has not been determined yet.

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

MR. BALLANTYNE: Well, what I do not understand is that the society has gone to the city looking for land, talking as though they have the resources to build a facility. Have you told them definitively that you are not prepared to fund a facility operated by the society? I think that if the government does not intend to support the society in the matter that they think they might be supported, I think you are doing a disservice to them and also to the community, because people are getting a little bit upset when they are looking for a site and if, in fact, they are not viable they should be told that and then they could look at realistic alternatives.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, we are in a position as a department to -- we have funds available and want to help fund the operation of a program like that and the way we normally do that is on a per diem basis for each bed that we require.

Total Contributions, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Detail of grants and contributions. Total contributions, \$2,788,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Administration

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Detail of capital, administration, total buildings and works, \$10,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total acquisition of equipment, \$19,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Administration, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total administration, \$29,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Family And Children's Services

CHAIRMAN (Mr. Gargan): Family and children's services, Mr. Richard.

MR. RICHARD: Mr. Chairman, I note on this item the provision in the capital plan for a crisis home in Frobisher Bay. Most of the money on this page indicates in future years -- I wonder if the Minister could indicate if the terminology "crisis home", if that is a shelter for battered women, and what is the size of the facility and the total cost and when will the facility be built?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman. The intention of building a crisis home which is indicated here, for Frobisher Bay, would be under family and children's services. That is what its intention is -- for a family crisis usually involving battered spouses. I think the plan that is being worked out in the region is to have that community serve the region. The task force on spousal assault recommended that having a place in small communities was not adequate, that in most cases you had to get the woman and her children out of the community sometimes to protect them from the husband. That is part of the idea of having that facility. As well, the facility would be large enough to serve other purposes as well -- possibly, the Young Offenders Act or for children themselves, young adults.

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

MR. McCALLUM: Thank you, Mr. Chairman. The renovation work that is going on in Trailcross, is that the Dunbar building, the old receiving home?

AN HON. MEMBER: That is where abandoned boys are.

MR. McCALLUM: Is that the receiving home or is it the juvenile -- I can never keep them straight. Which one is the River Ridge?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman, Trailcross is the facility that is near the river's edge and River Ridge is the one that is in the park in the residential area.

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

MR. McCALLUM: What is the purpose of the renovation?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: There are two long-term intentions. One is to make it a more secure facility. The other thing is to try to put the programs, both assessment and treatment, under one roof.

CHAIRMAN (Mr. Gargan): Mr. McCallum.

MR. McCALLUM: In light of what you have decided to do with young offenders, is this project still going ahead this year?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, that is outside of the young offenders plans, though the programs there might sometimes be programs that a judge or a youth justice committee might feel a young offender be more appropriately put in, rather than secure custody. Thank you, Mr. Chairman.

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

HON. BRUCE McLAUGHLIN: I am sorry, Mr. Chairman, I did not quite finish answering Mr. Richard's question on the crisis home in Frobisher Bay. That is planning money for this year and construction in 1986-87. That is what the intention is.

AN HON. MEMBER: How many beds?

HON. BRUCE McLAUGHLIN: It is still in the planning stages involving the various communities that it is going to serve, so all the details have not come to us out of the regional office yet.

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Family and children's services, total buildings and works, \$794,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total acquisition of equipment, \$67,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Grants, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total grants, \$50,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Family And Children's Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total family and children's services, \$911,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Correction Service

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Correction service, total buildings and works, \$2,417,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total acquisition of equipment, \$230,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Correction Service, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total correction service, \$2,647,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Services To The Aged And Handicapped

CHAIRMAN (Mr. Gargan): Services to the aged and handicapped. Mr. McCallum.

MR. McCALLUM: The senior citizens facility, is that a renovation or an addition to what is already there now or is it a new building?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, that is new plans for a personal care facility for a new building in Fort Smith. What we are doing right now is renovating an existing building to take care of the needs on a temporary basis but it is not our long-term plan to continue keeping people in the pink house which is painted green. Thank you.

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Services to the aged and handicapped, total buildings and works, \$1,660,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total acquisition of equipment, \$100,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Services To The Aged And Handicapped, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total services to the aged and handicapped, \$1,760,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Financial Assistance Services

Acquisition Of Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Financial assistance services, total acquisition of equipment, \$10,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Financial Assistance Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total financial assistance services, \$10,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total Social Services, \$5,357,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. Any questions on the information items? Mr. Ballantyne.

Norman Wells Impact Funding

MR. BALLANTYNE: On page 14.16, the information items on detail of work performed on behalf of third parties. I have questions about both of these. The Norman Wells impact funding -- to provide community social services workers for Norman Wells, Inuvik and Fort Simpson. Is this an ongoing program, that as long as the oil field and the pipeline are in operation that these workers will be provided?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Mr. Chairman, the impact of development in that area caused demands on social services in our department to provide employees where we did not have them before and there will be an ongoing operation in Norman Wells, primarily because of the modernization and the upgrading of the refinery there. There appears to be a lot more people in that region immediately around Norman Wells, Fort Norman, Fort Franklin and Fort Good Hope, who will be working in the wage economy. We found in other areas, like Tuktoyaktuk for example, that when people enter the wage economy we tend to have social problems in communities that did not exist before when the community was primarily living on subsistence living so this will be an ongoing circumstance that we will have to fund continuously.

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

MR. BALLANTYNE: Are we funding this or are the feds funding this?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: We are funding it directly but we have extra funding from the federal government for it. I am not sure if federal funds will be ongoing or not. I will have to ask the assistant deputy minister.

CHAIRMAN (Mr. Gargan): Mr. Dunbar.

MR. DUNBAR: Mr. Chairman, the funding under the Norman Wells impact funding arrangement will be time limited. I am sorry, I do not know off the top of my head when it ends but I believe it is within the next two years.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

MR. BALLANTYNE: That was my point. Originally when the federal government was trying to talk this government into accepting the idea of the Norman Wells pipeline and authorization of the field and what have you, they said that they would help alleviate any social impact. The fact is, within a year or two years their assistance is going to be gone and we are stuck with the problem and we have to fund it. It is a problem in every area of this Norman Wells pipeline with whatever agreements we made with the federal government.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman, that is a problem that this government has. When anything like that happens, the federal government takes the initiative for development in an area, we have to react as a government to such things as capital facilities, to build a new school and provide services to both the transient workers and the original residents of the area who have new needs and demands sometimes. The Member is correct. Thank you.

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

Northern Oil And Gas Action Program

MR. BALLANTYNE: The second aspect of it was this NOGAP funding of \$503,000. The funding is going to allow the department to undertake a social service base study and then develop a training program for social workers. I have a couple of questions on this one. Is the base study to do just with those communities in question that are impacted by the oil field expansion and the pipeline? My second question, regarding the training program for social workers, what is the duration of that training program and how many social workers do we expect to graduate out of that training program?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: I am not sure about the details. I will ask my deputy minister, Mr. Moody, to answer that.

CHAIRMAN (Mr. Gargan): Mr. Moody.

MR. MOODY: With regard to the NOGAP funding and the two areas in which we as a department had money, the base study is really looking at the demography of the area that will be impacted by production of oil in the Beaufort. The base study then is looking at funds to give us a data base by which we can judge later exactly what the impact will be.

The second area of funding under NOGAP was for the social service workers in development of a training program and it is simply that. It is really in-service training that we will be doing and a plan thereof for training our social service workers in that impact area, again to counteract the impact due to production.

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

MR. BALLANTYNE: I wonder how long this program is going to go on. NOGAP is cut back some eight million dollars overall this year, federally. Do you see this sort of assistance carrying on in the future? Is there a time limit? If there is a time limit what is the time limit and how many social workers do you expect to put through this education process?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. BRUCE McLAUGHLIN: It is a five year program which started last year, so there are four years left in it. As far as the numbers of employees, I will have to ask the assistant deputy minister.

CHAIRMAN (Mr. Gargan): Mr. Dunbar.

MR. DUNBAR: Mr. Chairman, the community social service workers that would be benefiting from the training program developed, would number approximately 15 to 20 in that particular region. In addition to those people this is a community-based program that is being developed. There will be

other people working for agencies such as the Peel River Alcohol Society and Delta House, and the alcohol committee in Tuktoyaktuk would also be invited to participate in the types of programs that will be developed.

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Dunbar. Department of Social Services, dollar summary, total O and M, \$37,501,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Capital, \$5,357,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that the Department of Social Services is concluded? Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. I would just like to make a comment. Putting Social Services at the very end may be a good thing. All of us are tired and we are not able to ask many questions but it does not mean we overlook anything. I just wanted to remind the Minister of that. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister, take note. I would like to thank the Minister and Mr. Dunbar and Mr. Moody. Does the committee agree that we go to Bill 7-85(1) clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 7-85(1) is in your binders. We will proceed clause by clause. Clause 2, amount granted for 1985-86. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3, purpose and effect of each item. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4, lapsing of appropriations. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Schedule. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Total operations and maintenance, \$485,953,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Total capital, \$112,222,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Total appropriations, \$598,175,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 1, short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): The bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 7-85(1) is ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. Bill 3-85(1). Mr. Wray.

Bill 3-85(1), Workers' Compensation Act.

HON. GORDON WRAY: Thank you, Mr. Chairman. I have a short statement to make. The purpose of the amendment to this act is to raise the level of the years maximum assessable remuneration for benefits from the present level of \$26,400 to \$30,400 per year. The proposed years maximum assessable remuneration, or YMAR, as it is commonly called, will increase the amount of benefits payable to a worker for new accidents in the event of disability, temporary and permanent, and to the dependants on death. The Workers' Compensation Board has been seeking to develop a long-term policy that will move the YMAR forward in reasonable steps, so that after a few years it will have reached a level accepted as reasonable for all parties concerned. Of course that ultimate level will always be changing in terms of dollars but the task force on workers' compensation recommended that it should be such as to include 80 per cent of the workers covered for compensation purposes in the NWT.

The board's recent analysis of claims and a study on determination of YMAR indicated that the present YMAR is below that level. The board's YMAR study further indicated that a ratio of 120 per cent of the industrial aggregate for the Territories would cover the full wages of approximately 80 per cent of all workers. That level in 1984 would have been \$33,730. To reach this level in one year would have required too large an increase. In order to minimize the impact on employers and on the accident fund, this is to be phased in over a period of years.

The increase in the 1985 YMAR to \$30,400 will give rise to an increase in the following monthly benefits. Maximum disability pension will go from \$1650 per month to \$1900 per month. Widows' benefits will go from \$726 to \$836. Children's benefits will go from \$165 to \$190 and burial benefits will go from \$1056 to \$1216.

Raising the level of benefits in turn increases the amount of pay roll to be assessed for employers who have workers earning more than \$26,400 per year. This amendment, however, comes into effect as of July 1st, 1985, and although the change in YMAR at that date is to increase it to \$30,400, the change for all of 1985 for employers so affected will be an effective level of \$28,400 on which assessments will be charged. An increase in the YMAR for the full year will be at the rate of 7.5 per cent.

Although assessments on employers are increased in respect to all employers where total remuneration exceeds the current YMAR, total assessments on these assessable pay rolls do not increase automatically but are also dependent on assessment rates charged by the board. Assessment rates are levied on 55 subclasses of industry in the NWT. In 1985, there has been an increase in rates on one subclass, a decrease in rates on 10 subclasses and the remainder remaining constant with 1984 rates. I will defer to the chairman of the legislation committee.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Mr. MacQuarrie.

Comments From Standing Committee On Legislation

MR. MacQUARRIE: Thank you, Mr. Chairman. The standing committee on legislation reviewed the bill and agreed that an increase in the years maximum assessable remuneration was in order. The committee had no concerns with the bill and recommends it to this committee as it is.

CHAIRMAN (Mr. Gargan): Does the committee agree that we go clause by clause? Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. I wanted to make a comment on this because of the fact that some of my constituents are aware of this proposed increase in the YMAR and I was asked to make these remarks at this time.

The Workers' Compensation Board a few years ago issued some sort of a policy directive in which they acknowledged the need to increase the YMAR, as the Minister has indicated, but stated and I quote from this document, there is no date on it, I take it is dated in either 1982 or 1983. "It is necessary not to move the YMAR ahead in too large an increase in any one year because of the effect on the contingency and pension reserves and the burden on some employers." The fund that the Workers' Compensation Board administers, Mr. Chairman, is totally funded by employers and not by the government, although the government as we all know is a major employer. This proposed increase would be the second successive increase. I understand the increase in 1984 when the YMAR was brought up to \$26,400 was just under 14 per cent. This proposed increase from \$26,400 to \$30,400 amounts to a 15 per cent increase, roughly. So there are two successive increases, Mr. Chairman, of a fairly substantial amount and I have been asked simply to point that out.

Also, Mr. Chairman, there was concern raised that in the month of January of this year, the Workers' Compensation Board as they do at the beginning of every calendar year, I understand, sent a form letter to all employers in the Territories and in that letter it is stated the years maximum assessable remuneration, the YMAR, remains at \$26,400 for 1985. So that the employer, Mr. Chairman, in fairness was led to believe in January that the YMAR would remain as is for the year and yet as we know in February this bill was presented, increasing it. These, Mr. Chairman, are simply some of the views of some employers who have contacted myself and I know some other Members. Although I appreciate the Minister's explanation that the actual premiums that the employer will pay depends not only on the YMAR but on the assessment rate, and some assessment rates in some subclasses are going to be decreased or have been decreased for 1985, however, I understand that those assessment rates are simply dependent on the accident record within each class or subclass of industry, so that although they may be decreased, they are subject to be increased again in the future. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Richard. Mr. MacQuarrie.

MR. MacQUARRIE: Speaking just in my capacity as the MLA for Yellowknife Centre, and not as chairman of the standing committee, I would have to point out that perhaps some of us have a different perspective about the fund from that expressed by my colleague for Yellowknife South. And I say that while the statement may be made, that benefits are funded directly by the contributions of employers, it is my perspective that in fact the fund is enabled by the skills and the sweat that are generated by employees. I certainly support what the government has done with respect to increasing the YMAR.

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

MR. BALLANTYNE: I echo Mr. MacQuarrie's view. I think that we have to look at this as in the case of a miner who works very hard and makes a wage, because of an accident or an injury that miner should not be deprived of having a fair income. So I too applaud the Minister's initiative and I hope that next year perhaps we could even see another increase in YMAR along with a corresponding decrease in some of the amounts paid by companies and employers.

MR. MacQUARRIE: Hear, hear!

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. Are you ready to go clause by clause? Clause 1, years maximum assessable remuneration. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 2. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 3-85(1) is recommended for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): We will proceed to Bill 9-85(1), Loan Authorization Act, No. 1, 1985-86. Mr. Butters.

Bill 9-85(1), Loan Authorization Act, No. 1, 1985-86

HON. TOM BUTTERS: No, I have no comments, Mr. Chairman. It is a piece of legislation that appears before the House every year in the budget session.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

MR. BALLANTYNE: I have a report that I read into the record yesterday and we have no problem with the bill.

CHAIRMAN (Mr. Gargan): Are we ready for clause by clause?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Gargan): Clause 2, interpretation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3, authority to borrow. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4, agreement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5, authorization to make loans. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 6, conditions of loans. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 7, power to implement obligations and rights. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Schedule 1, \$5,000,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Schedule 2, \$5,000,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 1, short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 9-85(1) is recommended for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 10-85(1), Supplementary Appropriation Act, No. 3, 1984-85. Mr. Butters.

Bill 10-85(1), Supplementary Appropriation Act, No. 3, 1984-85

HON. TOM BUTTERS: Mr. Chairman, no, I believe that the chairman of the standing committee on finance has some comments and I am quite sure that we will concur with his recommendations.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

Comments From Standing Committee On Finance

MR. BALLANTYNE: Again, I read a report into the record yesterday which deals with our concerns. What was most agreed to by committee is that they would actually deal with the supps here in the House and the simplest way of doing it is if we can deal with each department's capital and O and M, maybe Mr. Butters and the witnesses that are here will be able to handle most of the questions without having to bring in witnesses. If witnesses are necessary, at that point in time, I think it may be appropriate to bring them in, but I am sure with the four Ministers here most of our questions could be answered in the House.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. Is it agreed that we go through the details of the Supplementary Appropriation, No. 3, this white book here?

SOME HON. MEMBERS: Agreed.

---Agreed

Northwest Territories Housing Corporation

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Page one, Northwest Territories Housing Corporation, operations and maintenance. Total department. Mr. Ballantyne.

MR. BALLANTYNE: In this one, there is a 1985-86 base deficiency and I understand that there is a Treasury Board submission under the federal government, but what will be the end result if, in fact, that Treasury Board submission is turned down? How will the Housing Corporation look toward making up this base deficiency?

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: Mr. Chairman, are we on the Housing Corporation, \$1,195,400?

CHAIRMAN (Mr. Gargan): Yes.

HON. GORDON WRAY: That is a base deficiency but it is not a base deficiency that will be covered by the Treasury Board submission, it is a base deficiency brought about by increased charges by municipalities and that deficiency is being covered in the existing government budget.

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

MR. BALLANTYNE: The Minister is correct. I was mixing it up with the other costs for running associations. In this though, what is the department going to do to minimize the impact of unanticipated increases and charges for municipal services?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. The Department of Public Works, Local Government and the Housing Corporation, as a joint committee of senior officials, will be recommending to the Executive Council within a matter of days, a new system for hamlets assessing municipal service rates, standardizing those rates, but also looking at bringing some kind of a mechanism in to regulate the increases so that hamlets, etc., do not give you 400 and 500 per cent increases without notice, which is what happened in this case. I have not seen the report yet but I understand that it is coming to the Executive within a matter of days.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Northwest Territories Housing Corporation, operations and maintenance, total department, \$1,195,400. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Personnel, operations and maintenance. Mr. Ballantyne.

MR. BALLANTYNE: I thought we were going to try to do the O and M and capital for each department and go through it department by department. We can deal with the capital of the Housing Corporation now and then go on to Personnel, O and M and capital and we will do each department as a single entity.

CHAIRMAN (Mr. Gargan): Does the committee agree?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page nine, Northwest Territories Housing Corporation, capital. Total department, \$27,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Personnel

Staff Relations, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Page two, Personnel. Operations and maintenance, staff relations, \$51,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Personnel Services, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Personnel services, \$46,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total department, \$5000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Staff Relations, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 11, Personnel, capital, staff relations, \$176,100. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$176,100. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Justice And Public Services

Legal Aid, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Justice and Public Services, operations and maintenance, legal aid, \$60,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Safety And Mining, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Safety and mining, \$29,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Museums/Heritage, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Museums/heritage, \$18,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$107,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Safety And Mining, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 12, Justice and Public Services, capital, safety and mining, \$22,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Museums/Heritage, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Museums/heritage, \$22,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, zero, nil. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Government Services

Freight, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Government Services, operations and maintenance, freight, \$33,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$33,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Office Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 13, Government Services, capital, office services, \$107,200. Agreed? Mr. Ballantyne.

MR. BALLANTYNE: I understand there is a special warrant for this one, \$38,100 for office furnishings. It seems to me office furnishings are really not of an urgent nature.

CHAIRMAN (Mr. Gargan): Mr. Butters.

HON. TOM BUTTERS: My understanding is that where there is a requirement, it is identified and Government Services responds to that requirement, but it does not respond unless there is a need. We are not buying them for the Department of Government Services, we are buying them for other departments, when that need is identified to us.

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

MR. BALLANTYNE: I take it somebody was about to die and needed a deathbed or something like that.

CHAIRMAN (Mr. Gargan): Government Services, \$107,200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Systems And Computer Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Systems and computer services, \$76,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Petroleum Products, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Petroleum products, \$80,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Liquor Commission, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Liquor commission, \$3000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$108,200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Public Works And Highways

Operations/Utilities, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. We are on page five, Public Works and Highways, operations and maintenance. Operations/utilities, \$553,645. Agreed? Mr. Ballantyne.

Comments From Standing Committee On Finance

MR. BALLANTYNE: In the standing committee on finance review there was another base deficiency for heat and power of \$628,000 and we were told a supp was going to come forward for that. What happened to that supp?

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: No, we are not coming forward with that; we have funds within the departmental budget to look after it. Our estimates were too high I think.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Mr. Richard.

MR. RICHARD: Mr. Chairman, are we on page five? On this page, Mr. Chairman, there is a reference to acquiring a new office building in Fort Simpson and then I see over in the capital portion of this department, there is a reference to acquiring an office building in Fort Simpson for \$500,000 and here there is \$10,000 of O and M money. I understand that that was approved in November. Can I ask the Minister what building that is? What was purchased?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you. It was a special warrant for the purchase of the Melton Holdings office building in Fort Simpson. The building was advertised for judicial sale due to a mortgage foreclosure and because we are the main tenants of the building -- we rent about 80 or 90 per cent of the space -- we had to move very fast to buy the building or we would have found ourselves without office space. That is the building that we purchased. It is the area office for that whole region and there was a fear that if we did not buy the building then it could have been bought by somebody from the South and the lease rates and the rental rates could have been jacked up very, very high. So we had to move fast to acquire the building.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Public Works and Highways, operations and maintenance. Operations/utilities, \$553,645. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Operations/Buildings And Works, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Operations/buildings and works, \$45,322, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Operations/Vehicles And Equipment, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Operations/vehicles and equipment, \$162,648, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$345,675. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Directorate, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Page 14, Public Works and Highways, capital, directorate, \$47,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Project Management, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Project management, \$40,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Accommodations Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Accommodations services, \$928,400. Agreed? Mr. Richard.

MR. RICHARD: Mr. Chairman, on this page I notice additional funds required for improvement to various government offices in Yellowknife, \$223,400 and another \$115,000 for additional funds required for office renovations in Inuvik. I understand, Mr. Chairman, that this was approved on November 12, 1984. Can I ask the Minister if these sorts of improvements were unforeseen? Why would this not have been part of the overall budget for improvements to various government offices in these centres?

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: Thank you, Mr. Chairman. There are different answers for different parts of this budget and I will explain them to you. The \$223,400 first of all is an increase to government office renovations. At the second capital outlook, the department identified an overall surplus in capital funds from several projects. It was recommended and approved by the FMB that this funding be used to capitalize some of the office renovations being undertaken by the department. A fairly substantial program of renovations was being undertaken as tenant improvements where building owners were financing the work and would recover the cost through amortization in the leases with GNWT. Rather than amortize these costs the cost could be capitalized at a net savings to the GNWT. Capitalization will be made on renovations offering the best savings to the GNWT. That is one. Don't dare ask me what that means.

I have another one. The \$115,000 in Inuvik was required for office renovations in Inuvik with the completion of the new Semmler Building which was completed midway through the year. In Inuvik, some departments were moved from the Perry and Northern Lights buildings. Space obtained from these buildings was then allocated to other departments. Funding was therefore required to renovate the Perry and Northern Lights buildings to meet different operations requirements of the departments moving in. Of the \$115,000, approximately \$38,000 will be recovered from the building's owners. The owners agreed to replace the carpet, however, as the GNWT was managing the work, it was necessary to upfront the cost. And the other \$500,000 was for the Melton Holdings building as indicated which was a situation that we just did not anticipate. It was a mortgage foreclosure.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Accommodations services, \$928,400. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

MR. BALLANTYNE: Yes, I like to see Mr. Wray kept on his toes. There are surplus funds of \$120,000 for row housing upgrade. Why was that cancelled?

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: Thank you, Mr. Chairman. The \$120,000 was declared surplus with the cancellation of a project to upgrade the row housing in Inuvik. It was felt that with the current GNWT policy to get out of staff housing it did not make sense to expend major capital funding on the row housing units in Inuvik.

Repair And Upkeep Of Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 14. Repair and upkeep of buildings and works, \$658,900, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Operations/Vehicles And Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Operations/vehicles and equipment, \$121,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Highway/Marine Operations, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 16. Highway/marine operations, \$42,300. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$439,800. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Local Government

Municipal Affairs, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Local Government on page six. Operations and maintenance, municipal affairs, \$605,325. Mr. Ballantyne.

MR. BALLANTYNE: This is a transfer of \$605,325 to Holman Island, Cambridge Bay, Fort Norman and Fort Good Hope. I take it that is when they become hamlets. Could somebody explain to me what the net impact is to this government of a community becoming a hamlet? Obviously it takes over more responsibilities but it also can access other funds. Does it actually cost money when a community goes from one status to another? Is there a net cost to the government?

CHAIRMAN (Mr. Gargan): Mr. Nerysoo.

HON. RICHARD NERYSOO: Mr. Chairman, I do not believe there is any net cost. What we are doing here is really identifying the costs to government that are associated to providing that service. It is a matter of transferring that money out of our government into the hands of the hamlets or in fact in the case of Fort Good Hope, really devolving the responsibilities of municipal functions to that particular community. It is a reduction I believe in our budget in that we transfer that money from our government, but I believe it is a one time transfer. It is a one time identification of the money but an ongoing transfer.

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

MR. BALLANTYNE: So that when we look at that sum of money there would be a net reduction somewhere else within the government to correspond to that, right?

CHAIRMAN (Mr. Gargan): Mr. McLaughlin.

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman. For example you will see on page two under personnel services, part of this \$605,325 came from Personnel where they gave up \$46,000 to Local Government. So that is how it works. The other departments are lapsing money or transferring money at the same time Local Government is increasing.

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: There is a net decrease right across the government in whatever programs are transferred to the hamlet then the costs are assessed and each department turns that money over to the hamlet or to Local Government and then to the hamlet. There are maybe some minor net costs to the government. We sometimes have to, say, replace tools because we will turn tools over to the hamlet for maintenance of buildings, but we also have to keep tools for ourselves to maintain our own buildings. So there are some minor net costs but generally speaking they are not very great.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Local Government, operations and maintenance, municipal affairs, \$605,325. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$605,325. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Planning And Development, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Local Government, capital, community planning and development, \$556,400, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Airports, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Airports, \$40,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Recreation, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Recreation, \$30,000, surplus. Agreed? Mr. Ballantyne.

MR. BALLANTYNE: Just a question on the community hall in Norman Wells. In supp number two the department received \$250,000 for this construction which had been deferred from 1983-84 and under the same appropriation received an extra \$175,000 to complete the construction. Now that \$175,000 is being declared surplus. Why was the project delayed? Is the department going to spend that original \$250,000 then they will not be needing that extra \$175,000? I would just like a little update on what is happening here. There seems to be a little confusion as to what money is being needed.

CHAIRMAN (Mr. Gargan): Mr. Nerysoo.

HON. RICHARD NERYSOO: Mr. Chairman, I do not have the actual details on this particular project but I will certainly provide that particular information to the Member as soon as I get it.

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. Total department, \$626,400 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Education

Schools, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Education, schools, \$10,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

College Programs, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): College programs, \$265,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$275,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Administration, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 21. Education, capital, administration, \$3000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Schools, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Schools, \$115,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Continuing Education, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Continuing education, \$2000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

College Programs, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): College programs, \$3000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Student Residences, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Student residences, \$85,000. Mr. Ballantyne.

MR. BALLANTYNE: In the 1984-85 main estimates there is \$180,000 for a renovation program and in 1985-86 there is \$1,470,000 for these renovations, and now an additional \$85,000. Will that complete the project, with this particular supp?

CHAIRMAN (Mr. Gargan): Mr. Wray.

HON. GORDON WRAY: No, Mr. Chairman, I think there is approximately \$4.5 million or five million dollars identified over the next three to four years for Grolier Hall. We are in the position of having to do the work in summer months so as not to inconvenience the school there, so we will spread the project over three or four years.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Wray. Student residences, \$85,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$32,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Executive

Regional Operations, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Executive, capital, regional operations, \$25,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$25,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Information

Directorate, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 10, Information, capital, directorate, \$100,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$100,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Renewable Resources

Field Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 17, Renewable Resources, capital, field services, \$11,500, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$11,500, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Social Services

Administration, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 19, Social Services, capital, administration, \$28,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Family And Children's Services, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Family and children's services, \$3900, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Correction Service, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Correction service, \$22,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. MacQuarrie.

MR. MacQUARRIE: I just thought that this really warranted reading, Mr. Chairman. So if you do not mind, it says under correction service "To provide funds to replace a vehicle for the NWT Correction Centre for Women which is beyond...repair."

MR. RICHARD: Status of Women should be listening to that one.

---Laughter

Services To The Aged And Handicapped, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Services to the aged and handicapped, \$37,100 surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Financial Assistance, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Financial assistance, \$28,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$19,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Economic Development And Tourism

Tourism And Parks, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 20, Economic Development and Tourism, capital, tourism and parks, \$64,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Business Development, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Business development, \$4000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total department, \$68,000, surplus. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that we proceed through Bill 10-85(1) clause by clause? Mr. Richard.

Special Warrants

MR. RICHARD: Mr. Chairman, I wanted at this time to make some comments about the use of special warrants. I am told that each and every item contained in this supplementary appropriation is, in fact, not a request to this Assembly to approve the future expenditure of government funds, as it should be, but in fact each and every one of these items, I believe, Mr. Chairman, my count is that there are 30 or 40 separate items, that these are in fact special warrants that have already been approved by the Financial Management Board and the Commissioner. And our role under the Financial Administration Ordinance today is simply to ratify, or in the vernacular, "rubber-stamp" what has already been done. There is nothing we can do, Mr. Chairman, I understand or I am told, there is nothing legally we can do to prevent the expenditure of these government funds because it has already taken place legally.

The concern that the standing committee on finance has on the use of special warrants has already been documented in the report of the standing committee on finance on the review of the main estimates. Also I believe Mr. Ballantyne filed a report in the last day or so on this particular bill. Our concern, Mr. Chairman, is that there are two kinds of requests that are normally contained in supplementary appropriations. One kind is similar to the requests in the main estimates, that is a before-the-fact approval of government's wish to spend money in certain areas. The second kind of request contained in a supplementary appropriation is a special warrant and we simply are asked to ratify an expenditure that has already been legally made. One of the reasons that the Members of the standing committee on finance are concerned is that there was mention made in our deliberations on the main estimates and in supplementary appropriations in past months, that we as Members of the standing committee on finance and as Members of this Legislature are perhaps wasting our time or not making best use of our time asking questions of government officials about these expenditures when in fact we cannot do anything about them. We can criticize them for having done it but we cannot stop the expenditure, and especially, Mr. Chairman, when we now know that in this particular bill, of these 30 or 40 items each and every one of them is a special warrant. And without being too critical of the Financial Management Board about the perceived overuse or abuse of special warrants, I do note, Mr. Chairman, that in the document, I believe it is called "Territorial Accounts", that was filed for the 1983-84 year, the Auditor General pointed out, in there, that there were in that fiscal year 171 occasions when special warrants were authorized.

If, Mr. Chairman, I could refer briefly to the Financial Administration Ordinance, section 18 indicates that special warrants are to be used when the Legislative Assembly is not in session and the Financial Management Board reports that in the public interest an expenditure of public money is urgently required with respect to a matter and has no appropriation to cover it. In those circumstances, the Commissioner can sign the special warrant authorizing the disbursement. So that there were apparently, Mr. Chairman, in fiscal year 1983-84, 171 cases or situations where the Assembly was not sitting and the FMB felt that there was an urgent requirement for an expenditure. In this bill that is before us there are as I say, 30 or 40 occasions since we left this chamber last November 9th and before we arrived on February 6th. In fact the list that the Minister of Finance's office has provided to us indicates that between November 12th I believe and January 9th, there were these 30 or 40 occasions of urgency that could not wait until we arrived here on February 6th. Or could not have been presented to us when we sat for 10 days in November.

I am told, Mr. Chairman, by way of comparison, that in the province of Ontario, in financial years 1982-83 when that province had a budget in round figures of \$20 billion -- they have a provision in their legislation for special warrants when the Assembly is not sitting for matters of urgency -- in the financial year 1982 the provincial auditor reported that three special warrants were issued and in the year 1982-83, no special warrants were issued under that legislation. So with that background, Mr. Chairman, I would like at this time to move a motion, if that is in order now. I have just had copies made, Mr. Chairman. I am not certain if it has been translated as yet. So might I read the motion now, Mr. Chairman or do you wish to have a copy first?

CHAIRMAN (Mr. Gargan): Mr. Richard, proceed.

Motion That Disclosure Of Expenditures By Special Warrant Be Included In Supplementary Estimates

MR. RICHARD: Thank you, Mr. Chairman. Whereas pursuant to section 18 of the Financial Administration Ordinance, the Commissioner may sign special warrants authorizing the disbursement of public funds when the Legislative Assembly is not in session and the Financial Management Board reports that in the public interest an expenditure of public money is urgently required; And whereas this authority to issue special warrants was used on 171 occasions in the 1983-84 fiscal year;...

MR. MacQUARRIE: Shame, shame!

AN HON. MEMBER: ...opposed the expenditures.

MR. RICHARD: ...And whereas Bill 10-85(1), Supplementary Appropriation Act, No. 3, 1984-85, contains no reference to the fact that special warrants have been used to authorize disbursements of public money while this Assembly was not in session; And whereas Members of this Assembly when deliberating on legislation providing for the payment of additional expenditures of the public service wish to distinguish between requests for approval of supplementary appropriations and requests to ratify the issuance of special warrants; Now therefore, I move that this Assembly recommend to the Executive Council that henceforth supplementary appropriations laid before this Assembly contain specific reference to any appropriations which have been authorized by means of a special warrant, including the date of issuance of the special warrant, purpose of the expenditure and citing of the urgent reasons for the expenditure.

MR. McCALLUM: That is a reasonable request.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Richard. Mr. Richard, your motion is in order. To the motion.

MR. RICHARD: Mr. Chairman, the reasons for moving the motion I have already cited. I do hope that the Members of the Assembly support the motion. I should say to those Members of this Assembly who are Members of the Financial Management Board, I suppose, and to the Commissioner, I really do not want to get into giving the nature of some of the proceedings over the last two months, into a critical mode of the use or overuse of special warrants. I do not want to get into that. This motion simply requests that there be disclosure. I know from some of the deliberations of other Members of the standing committee on finance that if the supplementary appropriation had contained -- for instance just citing one example that Mr. Wray kindly explained for us this afternoon, a half million dollar expenditure for purchasing a building on short notice for legitimate reasons a week or so after we left the Assembly last November -- if those reasons were set out in a

supplementary appropriation opposite the \$500,000 figure, I for one would look at it and say, well, that has already been done. Greater minds than mine have addressed themselves to that, have decided it was an urgent matter and have authorized it. I then would not even have to take the time to question the Minister on it because I feel that is a waste of time when the expenditure has already been legally authorized. So, Mr. Chairman, the motion simply requests that there be disclosure in the supplementary appropriation document when it is first given to us. Because its emphasis is disclosure rather than criticism, Mr. Chairman, I do hope that Members of the Assembly would be in favour of the motion. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Richard. To the motion. Mr. Butters.

Process Is Already In Place

HON. TOM BUTTERS: I just would say that the mover is a Member of little faith. This item, as he well knows, has come up in the standing committee on finance on a number of occasions. I indicated to the finance committee, and I think the Member was present, that we would move toward adopting this procedure and I think I explained this procedure during the estimates, the bill that is before this House. In effect, we are already doing this. We do not deny that there are a number of those items that are not special warrants under the definition contained in the Financial Administration Ordinance. We have already in process a method by which such urgently required items are identified, when they come before the Financial Management Board, and given special warrants and status. Those that are not, are referred for supplementary estimates as just a supplementary estimate. So, I would say the process is already in place and I indicated to you and I indicated to the chairman of the finance committee it would be in place. So, this is after the fact.

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

MR. BALLANTYNE: I am glad to hear that the Minister is responding to the concerns of the standing committee on finance. We have emphasized this in the report but the Executive Council has told us three times that they would like motions to give direction. This is merely a motion to emphasize our concern and we trust fully that Mr. Butters and the Executive Council will take heed of the motion.

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

SOME HON. MEMBERS: Question.

Motion That Disclosure Of Expenditures By Special Warrant Be Included In Supplementary Estimates, Carried

CHAIRMAN (Mr. Gargan): Question is being called. All those in favour? Opposed, if any? Abstentions? This motion is passed.

---Carried

Thank you. We are on Bill 10-85(1). Does the committee agree we go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 10-85(1), clause 2, interpretation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3, amount granted. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4, purpose and effect of each item. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5, deletion of obsolete public property from inventory. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 6, lapsing of appropriations. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 7, coming into force. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Schedule 1, summary of supplementary appropriations. Total operations and maintenance, \$2,500,400. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Total capital, \$119,200. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Total supplementary appropriations, \$2,619,600. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Schedule 2, obsolete public property to be deleted. Total deletions, \$10,807.95. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 1, short title. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Gargan): Could we have some order please? We are on short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 10-85(1) is recommended for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 1-85(1), Interpretation Act

CHAIRMAN (Mr. Gargan): Thank you. We are dealing with Bill 1-85(1), Interpretation Act. Mr. MacQuarrie.

Comments From Standing Committee On Legislation

MR. MacQUARRIE: The standing committee on legislation reviewed this bill and was given to understand that it was a step, perhaps a small step, but a step in the general advance toward responsible government in the sense that this bill would undertake to legitimize use of the term "Legislative Assembly", which has now been used in common practice for a few years, rather than the Council of the Northwest Territories and, also, to begin calling the ordinances of the Territories, "acts".

In committee, there was general approval from Members, although the concern was raised as to whether there might not be some legal difficulty in doing this inasmuch as the Northwest Territories Act, which is our constitution, refers to "the Council" and to "ordinances" respectively. On raising the concern, the committee was assured by the government that it was cognizant of the possible difficulty but that it felt that the interpretation of those words in the act would not be construed so narrowly as to prohibit our use of the terms. It was also pointed out by the government that a similar move has been taken in the Yukon Territory without legal consequences. So, being assured that the government was aware of the potential problem but that it felt it was not a serious problem, and agreeing with the general intention of the bill, the committee decided to recommend it to this committee as it is.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Does the committee wish to go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 1-85(1). Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. Just a general comment or perhaps a question for the Government Leader. I have been asked to query now that we are changing the name of the Council to the Assembly and the name of our ordinances to acts, a suggestion was made to me that we consider recognizing the Ministers opposite as Ministers rather than Executive Members. I will not repeat the suggestion that was made to me as to what an Executive Member is in some parliaments.

The suggestion is pertinent, Mr. Chairman, in that if we are coming of age and renaming the Council and the ordinances perhaps the term "Executive Member" which appears, I believe, in our legislation in recent years, might be changed to "Minister". In addition it has been pointed out to me that one of our ordinances, the Regional and Tribal Councils Ordinance, in fact, does use the word Minister. It defines it as being the Executive Member responsible for the administration of that particular ordinance. Could I ask the Government Leader if it is perhaps contemplated to make that change now that we are coming of age with this other terminology?

CHAIRMAN (Mr. Gargan): Mr. Nerysoo.

HON. RICHARD NERYSOO: Mr. Chairman, just to indicate that we are coming forward in the spring session for an amendment to the Interpretation Act to recognize that particular change.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. Does the committee agree that we go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 1-85(1). Clause 1, citation of statutes. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 2, citation includes amendments. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3, act. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 6, consolidated revenue fund. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 7, Legislative Assembly. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 8. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 9, reference to ordinance. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 10, reference to Commissioner in Council. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 11, reference to Council. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 12, form of enacting clause. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 13. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): The bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 1-85(1) is ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 4-85(1), Young Offenders Act

CHAIRMAN (Mr. Gargan): Bill 4-85(1), Young Offenders Act. Mr. McLaughlin.

Opening Remarks

HON. BRUCE McLAUGHLIN: Thank you, Mr. Chairman. The amendments to the Young Offenders Act which are before you are a result of the process which I promised would occur when we passed the ordinance at last years budget session. There was an urgency to pass that ordinance at that time because the Young Offenders Act was going to come into effect on April 1st, 1984. The standing committee on legislation did not have a chance at that time to review such a comprehensive piece of legislation and they agreed to pass it realizing the urgency, on condition that a comprehensive review take place later and that was done. A large part of these amendments were a result of this standing committee's review and some of them are initiatives taken by the Departments of Justice and Public Services and Social Services in light of their review and a few minor problems that they saw, which arose immediately out of trying to implement the ordinance. So I guess I would like to say thank you to the standing committee for the advice we received at the meeting and a large part of the changes here are a result of that review. Thank you, Mr. Chairman.

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

Comments From Standing Committee On Legislation

MR. MacQUARRIE: Thank you, Mr. Chairman. Yes, and in responding since this is the last day and we are being nice to each other...

---Laughter

...I would like to thank the Minister and his staff for co-operating in the review and generally complying with the requests the standing committee had made for changes. Indeed, pretty well all of the recommendations that the standing committee had made for change have been met in the bill that is before us. The standing committee has recommended to this committee that the bill be dealt with as it stands.

There were a couple of additional concerns that had been raised. At one point the committee had wondered whether it would be desirable to recommend an additional provision to alert judges of the limitation of punishment on young offenders. That was a recommendation that had been made but the government, in its answer, alleviated the concerns that the committee had raised and that is, there is adequate notice in the bill as it is.

There was one other and perhaps the Minister could respond to this. At one point we had recommended that where notification to spouses, of arrest or detention or transfer was required the committee had inquired as to whether or not this legislation should also require notification to common-law spouses as well. I do not see that that is addressed and perhaps the Minister could comment whether the government is still looking at that or just what the situation is with respect to it.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Is the committee ready to go clause by clause? Mr. McLaughlin.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Chairman. I missed the standing committee's review of this during the session. I was not in town that day so it is the first I am aware of that comment. I will undertake to find out the reason why my department and/or legal services division of Justice and Public Services did not do that and I will get back to the standing committee with a letter about that.

CHAIRMAN (Mr. Gargan): Mr. MacQuarrie.

MR. MacQUARRIE: Yes, I thank the Minister for his response. Also at one point we were told that there might have to be other amendments in view of the fact of the difficulties that were arising, I guess across the country, with respect to the age provisions and not having facilities ready in time and so on. Is there going to be any requirement for change as a result of that?

CHAIRMAN (Mr. Gargan): Mr. McLaughlin.

Amendments With Respect To Age Not Necessary

HON. BRUCE McLAUGHLIN: Yes, Mr. Chairman, when the Solicitor General, the Hon. Elmer MacKay indicated that he was favourable to the provincial and territorial arguments that we would have a great deal of difficulty complying with separate facilities, and also when we asked him for a full one or two year delay, he said he would go to cabinet about that. But the federal cabinet did not support the initiative of the Solicitor General in either of those areas. Had the federal cabinet supported that initiative we would have had to amend the section that says that the Commissioner on or before April 1, 1985, will issue a proclamation that the 16 and 17 year olds would now be treated as young offenders. We would have then had to amend to word it so that we could have picked a date and issued a proclamation, at the time we were ready, to say 16 year olds are now young offenders. Then maybe a year later we would have issued another proclamation saying that 17 year olds are now young offenders. But since we do not have that opportunity the amendments are not necessary.

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

Inclusion Of Provision For Alternative Measures Important

MR. MacQUARRIE: Okay, by way of general comment the last thing I would like to say is, perhaps the most important recommendation from the point of view of the committee was that there should be provision in our ordinance, as well as in the federal act, for alternative measures. That has been included and the committee was gratified to see that.

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

Government Policy On Common-Law Relationships Within Legislation

HON. BRUCE McLAUGHLIN: In consultation with the deputy minister of Justice and Public Services, he has informed me that it is not our policy as a government to encourage common-law relationships with people who are under the legal age of majority and that is why the government chose not to put that into the legislation. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Does the committee agree we go clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 4-85(1). Clause 1, alternative measures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 2, responsible Executive Member. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5, alternative measures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 6, right to retain counsel. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 7, notice to parent in case of arrest. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 8, notice to parent in case of summons or appearance notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 9, notice to spouse. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 10, contents of notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 11, service of notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 12, proceedings not invalid. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 13, where a notice not served. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 14, form of notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 15. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 16. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 17, limitation on punishment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 18, forms. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 19, form of probation order. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 20, where a fine or other payment is ordered. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 21, order for compensation or community service. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 22, notice to parent and spouse. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 23, young person to be held separate from adults. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 24, availability of place of intermittent custody. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 25, notice to parent and spouse. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 26, where disposition and sentence concurrent. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 27, transfer to a reciprocating jurisdiction where person is adult. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 28, effect of registration. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 29. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 30. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 31, review of dispositions not involving custody. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 32, decision of youth court after review. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 33, grounds for review. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 34, notice of review from the territorial director. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 35, written or oral report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 36. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 37. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 38. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 39, young person deemed not to have committed offence. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 40, inducing a young person. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 41, waiver of right to consult. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 42, evidence of age by certificate or record. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 43. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 44, appointment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 45, honoraria. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 46. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill -- Mr. Pudluk.

MR. PUDLUK: Just for the record, I have never heard so many agrees in this House. This is the first time I have heard so many agrees. Thank you.

---Laughter

CHAIRMAN (Mr. Gargan): Thank you, Mr. Pudluk. Bill as a whole.

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 4-85(1) is recommended for third reading? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. The next item is Tabled Document 67-85(1), Discussion Paper 1985, First Ministers' Conference on Aboriginal Rights. I would like to ask the committee whether they agree to go to the bills first and discuss this after we are finished with the bills. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 5-85(1), Council Act

CHAIRMAN (Mr. Gargan): Thank you. We will proceed to Bill 5-85(1), Council Act. Mr. Nerysoo.

Opening Remarks

HON. RICHARD NERYSOO: Thank you, Mr. Chairman. I just want to make a couple of comments, really to correct I believe, the reports that might have been made suggesting that we were increasing some of the indemnities quite substantially. Firstly, the salary increase for Members of this House goes from \$17,444 to \$18,000 per annum which is a 3.14 per cent increase. There is a substantial change from \$6000 to \$12,000 but in the clause on the Speaker, the Deputy Speaker, the deputy chairmen, the chairmen of standing committees, standing committees is a new allocation now that has not been in there but it recognizes, I believe, the increased responsibilities of the chairmen of standing committees, as well as recognizing the additional increased responsibilities of the Speaker, the Deputy Speaker and the deputy chairmen of committee of the whole.

There is also a matter of some of the changes that have occurred, really reflecting some of the changes over the past five years since, I believe, the amendments that were made in 1979. There were amendments subsequently and those have not been reflected, I believe, in the actual legislation itself but rather in other amendments. The living allowances and expenses are increasing from \$35 at present to \$40 which is a 14 per cent increase. These are for individuals that live and reside in Yellowknife when the House is sitting and they are entitled to that particular amount. With regard to living allowances for other Members, it goes from \$125 to \$140 which is a 12 per cent increase. The present indemnity for each Member presently is \$154 and it is going up to \$160 which is a 3.9 per cent increase. I believe that the last amendment that was made was in 1980 then, subsequently, there were increases but as well, over the past two years we have been a part of the restraint program of government which was a six and five program which is reflective, I believe, of the commitment on the part of Members here to maintain a certain commitment to the programs that they have established. Again, constituency work indemnity goes from \$154 to \$160. I just wanted to correct some of the, I believe, inaccuracies that were made public over the past day or so.

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

Comments From Standing Committee On Legislation

MR. MACQUARRIE: Mr. Chairman, with this type of bill which involves indemnities for all Members, the standing committee on legislation declines to review the legislation in isolation but, instead, recommends that it be discussed in caucus where all Members are present so that when it is advanced to the House it is advanced with the support of all Members rather than just Members of the standing committee and that is what occurred in this case, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Does the chairman of the finance committee wish to make any comments? Mr. Ballantyne.

Comments From Standing Committee On Finance

MR. BALLANTYNE: Only to say that the finance committee did not consider this particular bill either. It was considered in caucus and the results are a caucus decision. I would like to emphasize, I think Mr. Nerysoo said there were some inaccuracies in the process this morning. One major one -- they said that our per diem went from \$110 to \$160 when really it was from \$154 to \$160. I want to just emphasize that. It was a very minor increase.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. Is the committee ready to go clause by clause? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 5-85(1), clause 1, annual indemnity. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 2, salary of Speaker, Deputy Speaker, chairmen and deputy chairmen. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3, entitlement to salary. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4, idem. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5, living allowance and expenses. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 6. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 7, inflation factor. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 8, indemnity for constituency work. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 9, inflation factor. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 10, Schedule B. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 11. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): The bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 5-85(1) is ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 8-85(1), Financial Agreement Act

CHAIRMAN (Mr. Gargan): Thank you. We are on Bill 8-85(1), Financial Agreement Act. Mr. Butters, would you like to make a statement on Bill 8-85(1)?

HON. TOM BUTTERS: No, Mr. Chairman, but I believe the chairman of the standing committee on finance has a statement.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

Comments From Standing Committee On Finance

MR. BALLANTYNE: The main points of my statement were contained in a report that I gave yesterday but I would just like to make a couple of comments. I think this bill generally is a major step forward by this government and I, for one, would like to compliment the Minister and his staff for, I think, very excellent negotiations. Under formula financing I think it is a step forward. We as a committee have expressed what concerns we have for formula financing. I think the Minister shares those concerns. All of the ramifications have yet to unfold but, basically, I think it is a very good deal for this government. I think we have come a long way and there was a time every year when the Commissioner signed this agreement. In this particular case we have the Finance Minister now, who is being recognized, and the major terms in this agreement will be ratified by this Assembly so I see it as a major step forward for the government and for the Assembly in going toward the road, hopefully to a much more responsible government. I would like to thank the Minister as we had some long and tough negotiations to come up with an acceptable bill. I think there was compromise on both sides and I think generally we as an Assembly can be fairly proud of this bill. Thank you.

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

Minister Does Not Concur

HON. TOM BUTTERS: Well, I was not going to speak but I had asked the Member not to rub it in. I disagree with him on his expressed opinion. I do not share his concerns with regard to formula financing or I would not have recommended it and neither would the Executive Council have recommended it. I think we have got the best possible deal and I do not concur with the concerns of the honourable Member and I do not concur with these concerns, as presented in his report, and I will make these clear at a later date. What, in effect, has happened here is that the consensus government has really taken away from this government the ability to negotiate the financial arrangements. If we were a party system this type of legislation would not appear before this House and I think that really it is probably a step backward and not necessarily a step ahead.

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

MR. BALLANTYNE: I thought we would do this with some co-operation but obviously Mr. Butters has a different idea.

AN HON. MEMBER: Easy, easy now.

MR. BALLANTYNE: No, I will not do anything rash, I do not respond in that way. What I would like to say though, about this, is that I think it is a step forward by this Assembly. I think Mr. Butters is quite right to say that we do not have a party system. Because there is no party system, it is necessary for this Assembly to provide that sort of accountability for the Legislature. I do not think it takes away at all from the Executive's ability to negotiate. They will negotiate and it will come back to us for ratification. I think it is very important that this Assembly is part of that. When we get to a point of party politics it might be different.

When I talked about concerns with formula financing, I expressed generally our approval of the process. We still do not quite know, for instance, what will happen in the Young Offenders Act, how that will be ratified. What will be the implications of direct government-initiated legislation? I said there are some concerns that I have. Perhaps the Minister does not have them. Perhaps the Minister at this point in time knows something that we do not. We expressed some concerns but generally we applauded the Minister and the government for their initiatives.

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

Comments From Standing Committee On Legislation

MR. MacQUARRIE: Yes, the standing committee also reviewed the bill and it is a government bill, incidentally, sponsored by the government. I assume that it has their blessing. The standing committee on legislation reviewed it because there were policy, as well as financial implications and the standing committee on legislation certainly affirmed the position taken by the standing committee on finance that the Assembly should have a significant role in the approval of these financial agreements and supports the position taken by the standing committee on finance.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Is the committee ready to go clause by clause? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 8-85(1). Clause 2, interpretation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3, agreement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4, variation, amendment, extension or termination of agreement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5, effective date. Agreed?

SOME HON. MEMBERS: Agreed.

--Agreed

CHAIRMAN (Mr. Gargan): Clause 6, implementation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 1, short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 8-85(1) is recommended for third reading? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 11-85(1), Vehicles Act

CHAIRMAN (Mr. Gargan): Thank you. We are on Bill 11-85(1), the Vehicles Act. Mr. Butters.

Opening Remarks

HON. TOM BUTTERS: Mr. Chairman, I wish to thank the chairman of the standing committee on legislation for accepting this requirement at a very late stage in these proceedings. I think it was just last week that I asked him whether he would consider advancing this bill at this time. It is required to amend the Vehicles Act and make the regulations sections of the act more explicit. This bill does not call for any new powers or provisions nor does it delete any. It is basically a housekeeping bill designed to clarify the regulation-making power of the Commissioner so that it clearly states his authority to establish what are already existing regulations. The urgency of the bill is that there is some concern that some of the regulation-making power of the Commissioner could be challenged in court. And it is necessary to ensure that the present practice is clarified and precise enough in regulation for and in legislation for all to read and understand.

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

Comments From Standing Committee On Legislation

MR. MacQUARRIE: Thank you, Mr. Chairman. The standing committee on legislation did review this bill and there were some concerns raised. It was clarified for the committee by the government that this does not alter the intention of the legislation that already exists. That in fact the intention of these amendments is the same as the intention of existing legislation but because of trends in the interpretation of wording of legislation, it became clear that this type of amendment would be necessary to clarify for the courts the intention of the legislation. The committee accepted that and recommends the bill as it is to the House. In its deliberations though, there were certainly some concerns expressed by some Members about the manner in which authority given to officers or officials of the government might be used. But it was recognized generally that it was important for the officers to have that authority in order to carry out the intentions of this government and because of that the committee recommends, as I said, that the bill be referred to this committee as it stands.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. Does the committee agree we go clause by clause? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill 11-85(1). Clause 1. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 2. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 3. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 4. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 5. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Clause 6. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Does the committee agree that Bill 11-85(1) is recommended for third reading? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Tabled Document 67-85(1), Discussion Paper, 10th Legislative Assembly, NWT, 1985 First Ministers' Conference On Aboriginal Rights

CHAIRMAN (Mr. Gargan): Tabled Document 67-85(1), Discussion Paper, 1985 First Ministers' Conference on Aboriginal Rights. Are there any questions for discussion? Mr. Nerysoo.

HON. RICHARD NERYSOO: Thank you, Mr. Chairman. Mr. Chairman, as I indicated earlier this week, April 2nd and 3rd will be the days on which the First Ministers' Conference on Aboriginal Rights is held in Ottawa. The Ministers responsible, the federal and provincial and territorial Ministers, met with aboriginal leaders in December to examine the agenda and examine the conference process. Since that meeting in December, the following items have emerged for the First Ministers' Conference in 1985: 1) self-government for aboriginal peoples; 2) sexual equality rights; 3) mandate for continued discussions; and 4) nature of accord to be discussed at the First Ministers' Conference in 1985.

These agenda items will be fully discussed and we are hopeful that we can come to some agreement on the constitutional amendment and proceed to further clarify the sexual equality section in the constitution.

Mr. Chairman, maybe if we can deal with the first item of self-government for aboriginal peoples. Mr. Chairman, during our discussions at the ministerial meetings with the aboriginal leaders it became very clear that the issue that was of most importance to the native people, the aboriginal people, was the whole question of trying to clarify and ensure a constitutional amendment that recognized the right to self-government, the right of self-government according to institutions that would be negotiated on a tripartite nature. And this tripartite nature would involve the aboriginal peoples, the federal government and the provincial/territorial governments. It is still

our opinion as a government, that the Constitutional Alliance process, in creating public governments for the NWT for the Nunavut area and the western territory, remains the best process for the NWT. But it is also clear that the aboriginal peoples in southern Canada require a commitment and recognition of a process in the constitution and, as such, we have supported the right to self-government for aboriginal peoples in the past and we wish to continue that. If we could, Mr. Chairman, look at the recommendations for self-government as have been suggested by the government as the position we would be taking at the First Ministers' Conference and I will then get into the question of sexual equality, the issue of work plans. Mr. Chairman, maybe if I could proceed with recommendation one.

CHAIRMAN (Mr. Gargan): Is it agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Minister.

Motion To Accept Recommendation One, Tabled Document 67-85(1), Carried.

HON. RICHARD NERYSOO: Thank you, Mr. Chairman, I move that this House adopt recommendation one: a) that the Government of the Northwest Territories support a constitutional accord which would recognize the right of aboriginal self-government and which would give a firm commitment to amend the Constitution Act, 1982, to include a recognition of the right of self-government for aboriginal peoples; b) that any constitutional accord which recognizes the right of self-government for aboriginal peoples should include provision for a negotiation process which would lead to agreements between the appropriate governments and the aboriginal peoples respecting the nature and content of the right, as well as agreements respecting institutions for implementing the right; c) that agreements reached in negotiations with respect to the content of the right and the implementation of the right receive adequate and appropriate constitutional protection where the parties to the agreement so agree; d) that the Government of the Northwest Territories should be a rightful party to all negotiations relating to institutions of self-government for aboriginal peoples in the NWT; e) that the Government of the Northwest Territories should be a rightful party to any agreement respecting institutions of self-government for aboriginal peoples in the NWT which might arise from negotiations.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. To the motion.

AN HON. MEMBER: Question.

CHAIRMAN (Mr. Gargan): Question is being called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Thank you. Mr. Nerysoo.

HON. RICHARD NERYSOO: Thank you, Mr. Chairman. With regard to the question of sexual equality provision, as a result of the First Ministers' Conference in 1983, the Constitution Act, 1982, was amended to include a clause which reads, "35(4), notwithstanding any other provision of this act, the aboriginal and treaty rights referred to in subsection (1) are guaranteed equally to male and female persons." When this clause appeared in the Constitution Act, 1982, aboriginal organizations were concerned that it was not the precise wording which was agreed to at the First Ministers' Conference in 1983. The equality provision is limited to the rights in subsection (1) of section 35, existing aboriginal and treaty rights. It might not address all the rights and freedoms pertaining to aboriginal people. Aboriginal organizations wanted to see subsection 35(4) reworded so that it would extend equality to all the rights of the aboriginal peoples. Governments generally felt that the present wording is adequate and no amendment should be made; however, if there were agreement that the wording does, in fact, create a problem, then they suggested amendments could be made to section 35 of the charter to clarify the intent of the sexual equality provisions.

At the First Ministers' Conference in 1984 it appeared that an agreement might be reached on a means of clarifying the equality provision in subsection 35(4). However, the Assembly of First Nations felt at that time that they were not prepared to agree to the proposed amendment of section 35(4) because it would have the effect of undermining what the Assembly of First Nations

interpreted as a guarantee of aboriginal and treaty rights under section 35(4). Section 35(1) uses vague wording which, "recognizes and affirms" aboriginal and treaty rights; however, when read with the existing section 35(4), it appears that the words "recognize and affirm" in subsection (1) actually mean "guarantee". Subsequently, the Assembly of First Nations communicated to the then Prime Minister Trudeau, wording which it felt would be an acceptable means of clarifying subsection 35(4). The Assembly of First Nations proposed an amendment to be made to section 25 of the Constitution Act, 1982, as follows: "25(2), notwithstanding anything in this charter, all rights and all freedoms of the aboriginal peoples of Canada are guaranteed equally to male and female persons."

Most governments continue to take the position that no amendment is necessary to clarify subsection 35(4). The wording proposed by the Assembly of First Nations equality provision is practically identical to section 28 of the charter which contains the general sexual equality provision; however, there is some concern that further uncertainty may arise as a result of placing the Assembly of First Nations equality provision in section 25 of the charter.

Now, at the recent Ministers' meeting on March 11th and 12th, 1985, the federal government again put forward wording that would amend subsection 35(4) in a way which might undermine the interpretation that aboriginal and treaty rights are guaranteed to aboriginal men and women. Some of the provinces are strongly against removing sexual equality as an agenda item at the First Ministers' Conference in 1985. It was felt that an amendment should be made to alleviate any fears which aboriginal women may have respecting the existing sexual equality provisions under the Constitution Act, 1982. More recently, the Native Women's Association of Canada and the Inuit Women's Association have indicated in a letter to the Prime Minister that they are concerned about the proposed wording for a possible amendment to section 35(4). They are strongly opposed to any alteration of the constitution which would weaken their constitutional rights rather than enhance these rights.

Motion To Accept Recommendation Two, Tabled Document 67-85(1), Carried

Mr. Chairman, with regard to recommendation two: I move that the Government of the Northwest Territories support the position that any constitutional amendment to the sexual equality provision must guarantee to aboriginal men and women equally all of the rights and freedoms of aboriginal peoples, as well as all aboriginal and treaty rights under section 35(1) of the Constitution Act, 1982.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. Your motion is in order.

Question is being called. All those in favour? Opposed, if any? This motion is carried.

---Carried

Mr. Nerysoo.

HON. RICHARD NERYSOO: Thank you, Mr. Chairman. With regard to the ministerial meetings that have occurred to date, there is some concern that there will be no agreements reached at the First Ministers' Conference. However, the aboriginal organizations supported by New Brunswick, Manitoba and Ontario in particular, believe that an accord reached at the First Ministers' Conference, 1985, should be constitutional in nature. I must say that as a government we have supported this position. The remaining provinces and the Yukon take the position that an accord should be political in nature, and should not result in any constitutional amendments at this time.

Motion To Accept Recommendation Three, Tabled Document 67-85(1), Carried

Mr. Chairman, if I could proceed with the recommendation three, Mr. Chairman. I move recommendation three: a) that the GNWT support the position that any accord agreed to at the First Ministers' Conference, 1985, should be constitutional in nature and should include a provision for amending the Constitution Act, 1982, to recognize a right to self-government for aboriginal peoples, and that the accord should also include a commitment to conduct negotiations in the period from the First Ministers' Conference, 1985, to the First Ministers' Conference, 1987, with a view to reaching agreements on the institutions of self-government, which agreements would receive constitutional recognition and protection if the parties so agreed; b) that any amendment which recognizes a right to self-government for aboriginal peoples should be without prejudice to aboriginal and treaty rights recognized under section 35(1) of the Constitution Act, 1982.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. Your motion is in order. Question is being called. All those in favour? Opposed, if any? This motion is carried.

---Carried

Mr. Nerysoo.

HON. RICHARD NERYSOO: Mr. Chairman, prior to moving recommendation four, I just want to indicate that recommendation four suggests that we develop a work plan. I believe that one of the deficiencies in the process has been that we have not been able to identify the time period and the kinds of issues that would be required in the ongoing process. The intent of developing a work plan, would indicate the type of work that would be required and necessary to conclude by 1987, discussions, and hopefully clear amendments to the Constitution Act, 1982, that would recognize all the issues. That is not to suggest, though, that 1987 will be the final day or the final year that any issues of constitutional nature, as they apply to aboriginal rights, will be dealt with. It is possible that by 1987, or even earlier, that we might be able to identify a requirement for an ongoing process. Again, that in itself is really dependent upon the work plan, dependent upon the commitment of all members that are involved in these discussions, to ensure that the proper work is done so as to finalize the discussions themselves. I must say it has been a long process. There are many details that were required, until we identified what the issues might be. We have identified them, and have dealt with the whole question of section 42(1)(e) and (f) as well, in the process. So that issue will be identified in the work plan. We do not know at what time we will be able to get to it but it will be identified, for sure, in the work plan. So I must make you aware that we have not forgotten that issue and in fact we will probably raise it as an item during the initial presentations at the First Ministers' Conference. But without question, as was suggested by myself a year ago on behalf of the Legislature and the people of the NWT, we should try to reduce the items that are raised at the First Ministers' Conference, so as to conclude discussions. I believe that now we are slowly bringing together the suggestions that were made at that time by the delegation from the NWT.

Motion To Accept Recommendation Four, Tabled Document 67-85(1), Carried

So, Mr. Chairman, recommendation four: I move that the GNWT support the position that there is a need for a mutually acceptable work plan and timetable for the period First Ministers' Conference, 1985, to First Ministers' Conference, 1987, and that a commitment and mandate should be sought at the First Ministers' Conference, 1985, with regard to establishing an acceptable work plan and timetable as soon as practically possible after the First Ministers' Conference of 1985.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Nerysoo. Your motion is in order. To the motion. Question is being called. All those in favour? Opposed, if any? This motion is carried.

---Carried

Mr. Nerysoo.

HON. RICHARD NERYSOO: Thank you, Mr. Chairman. I guess we have concluded the discussion document but I just wanted to express my personal appreciation particularly to the people working in Justice and Public Services and the deputy minister of Justice and Public Services, Mr. Lal, who continues to develop extremely good credibility throughout this country, not only with the aboriginal organizations but other governments, as a very important key man in the discussions and the definition of aboriginal rights as it relates to the constitution. I believe that the staff members that we have been able to have involved, in Justice and Public Services as well as the staff of the Aboriginal Rights and Constitutional Development Secretariat, have provided a lot of good advice and support without question -- ongoing discussions without the Ministers being on my back in the sense of ensuring that they perceive the issues as being important. As well, of course, receiving direction from the Legislature is extremely helpful. I must also say that my colleague, Mr. Patterson, who heads up the responsibility for Aboriginal Rights and Constitutional Development, has been extremely helpful and I am extremely thankful for his assistance in this process. So I just wanted to make those closing comments on this particular item. Thank you.

CHAIRMAN (Mr. Gargan): Thank you. Are there any other questions for discussion? Does the committee agree that this matter is concluded?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): I will now rise and report progress. Thank you.

MR. SPEAKER: Order please. Mr. Gargan.

ITEM 16: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF BILL 7-85(1), APPROPRIATION ACT, 1985-86; BILL 3-85(1), WORKERS' COMPENSATION ACT; BILL 9-85(1), LOAN AUTHORIZATION ACT, NO. 1, 1985-86; BILL 10-85(1), SUPPLEMENTARY APPROPRIATION ACT, NO. 3, 1984-85; BILL 1-85(1), INTERPRETATION ACT; BILL 4-85(1), YOUNG OFFENDERS ACT; BILL 5-85(1), COUNCIL ACT; BILL 8-85(1), FINANCIAL AGREEMENT ACT; BILL 11-85(1), VEHICLES ACT; TABLED DOCUMENT 67-85(1), DISCUSSION PAPER, 10TH LEGISLATIVE ASSEMBLY, NWT, 1985 FIRST MINISTERS' CONFERENCE ON ABORIGINAL RIGHTS

MR. GARGAN: Mr. Speaker, your committee has been considering Bill 7-85(1), Bill 3-85(1), Bill 9-85(1), Bill 10-85(1), Bill 1-85(1), Bill 4-85(1), Bill 5-85(1), Bill 8-85(1) and Bill 11-85(1) and Tabled Document 67-85(1), and wishes to report that Bill 7-85(1), Bill 3-85(1), Bill 9-85(1), Bill 10-85(1), Bill 1-85(1), Bill 4-85(1), Bill 5-85(1), Bill 8-85(1), and Bill 11-85(1) are recommended for third reading and that during discussion six motions were adopted. And further, Mr. Speaker, Tabled Document 67-85(1) has been concluded.

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. Gargan. Members have heard the report of the chairman of the committee of the whole. Are you agreed?

SOME HON. MEMBERS: Agreed.

---Carried

MR. SPEAKER: Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, before moving to third reading, I wonder if I might have unanimous consent to go back to Item 9, tabling of documents.

MR. SPEAKER: Unanimous consent being requested. Are there any nays?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Proceed, Mr. Butters.

ITEM 9: TABLING OF DOCUMENTS

HON. TOM BUTTERS: Thank you, Mr. Speaker. I wish to table the document referred to earlier. Tabled Document 68-85(1), Final Report of the Air Transport Committee of the Canadian Transport Commission on the Adequacy of Air Services in Northern and Remote Areas. And Tabled Document 69-85(1), Resolution No. 9, Northern Air Transport Association.

MR. SPEAKER: Thank you, Mr. Butters. There appears to be something wrong with my receiver. I wonder if you could get me another one, Mr. Hamilton. Item 17 of the orders of the day, third reading of bills.

ITEM 17: THIRD READING OF BILLS

Bill 1-85(1), Mr. Nerysoo.

Third Reading Of Bill 1-85(1): Interpretation Act

HON. RICHARD NERYSOO: Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for Inuvik, that Bill 1-85(1), An Act to Amend the Interpretation Act, be read for the third time.

MR. SPEAKER: To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 1-85(1) has had third reading.

---Carried

Bill 3-85(1), Workers' Compensation Act. Mr. Wray.

Third Reading Of Bill 3-85(1): Workers' Compensation Act

HON. GURDON WRAY: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Pine Point, that Bill 3-85(1), An Act to Amend the Workers' Compensation Act, be read for the third time.

MR. SPEAKER: To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 3-85(1) has had third reading.

---Carried

Bill 4-85(1), Young Offenders Act. Mr. McLaughlin.

Third Reading Of Bill 4-85(1): Young Offenders Act

HON. BRUCE McLAUGHLIN: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Iqaluit, that Bill 4-85(1), An Act to Amend the Young Offenders Act, be read for the third time.

MR. SPEAKER: Thank you. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 4-85(1) has had third reading.

---Carried

Bill 5-85(1), Council Act. Mr. Nerysoo.

Third Reading Of Bill 5-85(1): Council Act

HON. RICHARD NERYSOO: Mr. Speaker, I move, seconded by the honourable Member for Inuvik, that Bill 5-85(1), An Act to Amend the Council Act, be read for the third time.

MR. SPEAKER: Thank you. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? The motion is carried. Bill 5-85(1), Council Act, has had third reading.

---Carried

Bill 7-85(1), Appropriation Act, 1985-86. Mr. Butters.

Third Reading Of Bill 7-85(1): Appropriation Act, 1985-86

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Mackenzie Delta, that Bill 7-85(1), An Act Respecting Expenditures for the Public Service for the Financial Year Ending the 31st Day of March, 1986, be read for the third time.

MR. SPEAKER: To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 7-85(1), Appropriation Act, 1985-86, has had third reading.

---Carried

Bill 8-85(1), Financial Agreement Act. Mr. Butters.

Third Reading Of Bill 8-85(1): Financial Agreement Act

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Mackenzie Delta, that Bill 8-85(1), An Act Respecting a Financial Agreement Between the Northwest Territories and the Government of Canada, be read for the third time.

MR. SPEAKER: To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? The motion is carried. Bill 8-85(1), Financial Agreement Act, has had third reading.

---Carried

Bill 9-85(1), Loan Authorization Act, No. 1, 1985-86. Mr. Butters.

Third Reading Of Bill 9-85(1): Loan Authorization Act, No. 1, 1985-86

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Nunakput, that Bill 9-85(1), An Act to Authorize the Commissioner to Borrow Funds and Make Loans to Municipalities in the Northwest Territories During the Financial Year 1985-86, be read for the third time.

MR. SPEAKER: Thank you. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 9-85(1), Loan Authorization Act, No. 1, 1985-86, has had third reading.

---Carried

Bill 10-85(1), Supplementary Appropriation Act, No. 3, 1984-85. Mr. Butters.

Third Reading Of Bill 10-85(1): Supplementary Appropriation Act, No. 3, 1984-85

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Nunakput, that Bill 10-85(1), An Act Respecting Additional Expenditures for the Public Service for the 1984-85 Financial Year, be read for the third time.

MR. SPEAKER: To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 10-85(1), Supplementary Appropriation Act, No. 3, 1984-85, has had third reading.

---Carried

Bill 11-85(1), Vehicles Act. Mr. Butters.

Third Reading Of Bill 11-85(1): Vehicles Act

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Iqaluit, that Bill 11-85(1), An Act to Amend the Vehicles Act, be read for the third time.

MR. SPEAKER: To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. All those in favour? Opposed, if any? Bill 11-85(1), Vehicles Act, has had third reading.

---Carried

Before I ask the Commissioner to assent to the bills and prorogue this session I would like to invite all Members and staff to the usual reception immediately after prorogation. Mr. Clerk, would you ascertain that the Commissioner of the Northwest Territories is prepared to assent and prorogue this session?

HON. BRUCE McLAUGHLIN: Point of privilege, Mr. Speaker.

MR. SPEAKER: I am afraid you are a little late.

COMMISSIONER PARKER: Mr. Speaker, Members of the Legislative Assembly: I recognize that there was a breakdown during this session between Members on one major aspect on the matter of constitutional development, in particular, division. I have noted with pleasure the words of those who have counselled their colleagues to seek a consensus to attempt to work in harmony. I further note a return to good humour and a more co-operative spirit in this House. Please bear in mind that we the people of the NWT are few in number and must find ways to work together, even when planning constitutional advances; or perhaps I should say particularly when planning constitutional changes.

We are first and foremost Canadians living in a wonderful part of our country. It is essential that we seek to realize our aspirations and dreams in a fashion which recognizes to the fullest extent possible, both the rights of individuals and the rights of groups or units within our northern society.

ITEM 18: ASSENT TO BILLS

Mr. Speaker, as Commissioner of the NWT, I assent to the following bills: Bill 1-85(1), Bill 3-85(1), Bill 4-85(1), Bill 5-85(1), Bill 7-85(1), Bill 8-85(1), Bill 9-85(1), Bill 10-85(1) and Bill 11-85(1).

The next session of the Legislative Assembly of the NWT will commence on June 5, 1985, at Rankin Inlet. It is now my great pleasure to prorogue the fourth session of the 10th Assembly.

---PROROGATION

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