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YELLOWKNIFE, NORTHWEST TERRITORIES

WEDNESDAY, FEBRUARY 26, 1986

MEMBERS PRESENT

Mr. Angottitauruq, Mr. Appaaq, Mr. Arlooktoo, Hon. Michael Ballantyne, Hon. Tom Butters, Ms Cournoyea, Hon. Tagak Curley, Mr. Erkloo, Mr. Gargan, Mrs. Lawrence, Mr. McCallum, Hon. Bruce McLaughlin, Mr. Nerysoo, Mr. Paniloo, Hon. Dennis Patterson, Hon. Red Pedersen, Mr. Pudluk, Mr. Richard, Hon. Nick Sibbeston, Hon. Don Stewart, Mr. T'Seleie, Mr. Wah-Shee, Hon. Gordon Wray

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Don Stewart): Orders of the day for Wednesday, February 26th.

Item 2, Members' replies. There do not appear to be any replies for today. Item 3, Ministers' statements. Mr. Sibbeston.

ITEM 3: MINISTERS' STATEMENTS

Minister's Statement 10-86(1): Cruise Missile Update

HON. NICK SIBBESTON: Mr. Speaker, just an update on the cruise missile crash. The Department of National Defence has advised my office that the Canadian/US recovery team arrived in Inuvik last evening and have proceeded to the crash site this morning via a military Twin Otter. RCMP and military personnel were successfully put into the crash site area yesterday and overnighted at the site.

The military spokesman says that the clean-up operation should be completed by tomorrow, if the weather conditions remain favourable. A Chinook helicopter will also be on site to assist in the removal of the debris. This is all the information that I have on this matter.

MR. SPEAKER: Thank you, Mr. Minister. Ministers' statements. That appears to conclude Ministers' statements for today. Item 4, oral questions. Mr. Paniloo.

ITEM 4: ORAL QUESTIONS

Question 94-86(1): Teacher/Interpreter To Be Full-Time Employee

MR. PANILOO: (Translation) Thank you, Mr. Speaker. I will be directing my question to the Minister of Education. I realize we have already dealt with the Department of Education but I would like to look further into this and see if I can find out any more about this. In Pangnirtung there is a teacher who only works for four days a week. Her name is Mary Kilabuk. She also acts as an interpreter. I would like to know if she could be paid by the hour.

For those students that do not go to school she has to go to the family and talk with the mother to discuss the situation. As an interpreter she does a lot of work in that area. I do not know where she gets her salary from. I was wondering if she could be paid as a full-time employee instead of part-time. Thank you.

MR. SPEAKER: Mr. Minister.

HON. DENNIS PATTERSON: (Translation) Mr. Speaker, I do not know but I will be answering his question at a later date.

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

Question 95-86(1): Funding For Community Hall, Hall Beach

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. My question will be directed to the Minister of Local Government. I have asked this question earlier, regarding the Hall Beach community centre. The previous Minister of Local Government told me that everything is possible on earth. He further told me that he would know for sure by this session whether or not there will be funding available. I am wondering if the Minister of Local Government would be able to tell me if there is any funding available for a new recreation centre for Hall Beach.

MR. SPEAKER: Mr. Minister.

Return To Question 95-86(1): Funding For Community Hall, Hall Beach

HON. GORDON WRAY: Thank you, Mr. Speaker. Under the new community gym program responsibility for this project has been transferred to the Department of Education, the Baffin Divisional Board of Education. I have discussed the matter with the Minister of Education and it will be jointly funded by our two departments. As of yet I cannot indicate to the Member the dates for construction but we are discussing the matter between our two departments to see what we can come up with. I should indicate, however, at present no funds have been identified. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. McCallum.

Question 96-86(1): Construction Companies In Keewatin

MR. MCCALLUM: Thank you, Mr. Speaker. My colleague, Mr. MacQuarrie, is not here today but I have a question of the Minister of Economic Development and Tourism in relation to comments that were made yesterday during the debate on the Department of Public Works. I wonder if I could have the information from the Minister if he knows of other construction companies in Rankin Inlet or in the Keewatin who would be able to carry out construction work within that region. Does he know of more than one company that is capable of carrying out that work?

MR. SPEAKER: Mr. Minister.

Return To Question 96-86(1): Construction Companies In Keewatin

HON. TAGAK CURLEY: Thank you. Mr. Speaker, if the Member asks me the question in relation to the erecting or constructing of a major property or office complex or housing, yes, there are a number of construction companies but if you are asking me whether they have been successful in acquiring a government contract, no.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. Paniloo.

Question 97-86(1): Funding For Heating Gas For Church, Clyde River

MR. PANILOO: (Translation) Thank you, Mr. Speaker. My question is to the Minister of Finance. I do not know how to go about this -- in my community there is one brand new church and it is being operated by Inuit people. They have been using a lot of gas for the furnace and they would like to know if they would be able to purchase 15,000 gallons worth of gas. They were wondering if they would be able to get some support in funding for approximately half the cost of the gas they would like to purchase. Thank you.

MR. SPEAKER: Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, I believe you have referred the question to me because it is related to petroleum products. As I understand the question it seemed that specific assistance was being required by a particular religious organization to allow them to carry out their function. A matter like that would be discussed by the Executive. It would be in the area of Executive grants if such were made, but I would very much doubt that such a precedent would be set by the Executive. However, I could make it known to the Executive Council.

MR. SPEAKER: Thank you, Mr. Minister. Then you are taking the question as notice and will bring back a reply, or is there another Minister here that would like to reply to that question? I did not think so.

---Laughter

The question is being taken as notice. Oral questions. Mr. Erkloo.

Question 98-86(1): Ratio Of Teachers To Students In Baffin Schools

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. My question is directed to the Minister of Education. The Baffin divisional board met in Pond Inlet and I believe you attended the meeting. They were discussing that there were too many students for the classrooms and there were not enough teachers. The ratio of teachers to students is not enough in the Baffin schools. They were talking about the problem of not enough teachers for the Baffin area and that the western part of the NWT had more teachers for students. They wanted to know if the Minister would make it more balanced for the whole NWT. Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 98-86(1): Ratio Of Teachers To Students In Baffin Schools

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Yes, Mr. Speaker, something has been done. I have completed a very detailed analysis of the level of staffing of all schools in all parts of the Northwest Territories, and based on an equitable formula, have recommended some adjustments to the staffing levels so that every community will be treated fairly. At the moment, Mr. Speaker, I am consulting with superintendents on the results of our review and once I get their reaction I will consult with the Executive Council with the view to implementing adjustments in time for the next school year. So that is the timetable, Mr. Speaker. Thank you.

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

Question 99-86(1): Inclusion Of Administration In Pupil/Teacher Ratio

MR. McCALLUM: Thank you, Mr. Speaker. Maybe a supplementary to that question if I may. Could the Minister tell me, in the new formula for pupil/teacher ratio, does he intend, or is it the department's intention, to include administration in that total overall formula or will they be separate?

MR. SPEAKER: Mr. Minister.

Return To Question 99-86(1): Inclusion Of Administration In Pupil/Teacher Ratio

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. The formula is based on student enrolment and programs. Administration has not been factored in because it is a consistent requirement in every school. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. Pudluk.

Question 100-86(1): Medivac From Grise Fiord

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I have a question for the Government Leader. There was a medivac which went out from Grise Fiord and I was wondering about the status of the situation to date. Thank you.

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

Return To Question 100-86(1): Medivac From Grise Fiord

HON. NICK SIBBESTON: Mr. Speaker, the situation arising from water contamination in Grise Fiord is as follows: The co-op construction crew members accidentally contaminated the domestic water tank of the house in which the construction crew was staying. The person did this by accidentally adding hot water from the house boiler heating system rather than from the ordinary hot water tap. This occurred on Sunday, February 23rd. On Monday afternoon the nurse was notified that there was

something wrong with a number of people who had apparently drunk this contaminated water. They were complaining of vomiting, lower back pains, increased heart rate and a few other aches and pains. The nurse then arranged to have all of those in contact with the contaminated water supply medivaced to Frobisher Bay and these people arrived in Frobisher Bay about 5:30 in the afternoon, our time. I am advised that the people had been treated for possible alcohol poisoning but that none of the persons is in any danger. They are all well. Further testing is going on. The arrangements were made by Health and Welfare Canada and as I said the indication is that there is no serious problem.

In all of this the town water supply was not affected. I am being kept posted on this by the regional director in Frobisher Bay and I will report to the Member if there is any additional information in the next few days.

MR. SPEAKER: Thank you, Mr. Sibbēston. Oral questions. This appears to conclude oral questions for today.

Item 5, written questions. Item 6, returns. Mr. Ballantyne.

ITEM 6: RETURNS

Return To Question 81-86(1): Delay In Installation Of Electricity In HAP Houses, Fort Providence

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I have a return to oral Question 81-86(1) asked by Mr. Gargan on February 21, 1986, regarding HAP clients awaiting electrical installation.

Of the four 1985 HAP houses in Fort Providence, two are ready for electrical installation. One other house is substantially complete, including electrical, while the fourth unit has only a pad constructed to date. The corporation is committed to payment of \$1000 toward the installation while the clients have an obligation to pay \$800. The contractor is reluctant to begin work until he has received payment from the two home-owners. The Housing Corporation district office is attempting to have the contractor go ahead with rough-in installation.

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

HON. TOM BUTTERS: Mr. Speaker, on February 20th the honourable Member for Yellowknife Centre addressed written Question 75-86(1) to me. I will advise the House that the question will be answered by my colleague, the honourable Minister responsible for the Department of Public Works.

MR. SPEAKER: Thank you. Returns, Mr. McLaughlin.

Return To Question 57-86(1): Medical Services Covered By NWT Health Care Plan

HON. BRUCE McLAUGHLIN: Thank you, Mr. Speaker. I have a return to Question 57-86(1) asked by Mr. T'Seleie on February 18th, regarding medical services covered by NWT health care plan.

Mr. T'Seleie requested that I provide a list of the medical services that are covered by the health care plan. The Canada Health Act is the federal legislation which sets out the minimum health care services provided to all Canadians. The NWT health care plan is the mechanism used by the Department of Health to finance services for residents of the NWT. Generally, the NWT plan covers all medical doctor services, including examination, treatment and surgery. The plan also covers all medically necessary services performed by a hospital, including the daily costs of keeping a patient and any medical treatments or laboratory tests performed by hospitals. The medical services just outlined are insured under the NWT health care plan.

Mr. Speaker, there are also non-insured services that are covered in the following manner. For status Indians and Inuit the federal government, through Health and Welfare Canada, pays for these non-insured services as per their Indian health policy. For the rest of our residents, the GNWT Department of Health provides benefits dependent upon existing employer plans as follows:

- 1) A pharmacare program that pays for the cost of prescription drugs for those 65 years of age and over and for those with an illness listed on the special category list.
- 2) An extended medical benefits program that provides additional benefits for the cost of travel and equipment for those residents afflicted with an illness listed on the special benefit category.

3) Medical travel subsidy for medical travel that provides the cost of transportation only to the nearest point where treatment is available. Residents are required to pay \$100 toward the cost of the round trip ticket. Further, more detailed information is available from the department in brochures which are readily available to the public. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Are there any further returns? That appears to conclude returns for today.

Item 7, petitions.

Item 8, reports of standing and special committees. Item 9, tabling of documents. Mr. Pudluk.

ITEM 9: TABLING OF DOCUMENTS

MR. PUDLUK: Thank you, Mr. Speaker. I would like to table Tabled Document 26-86(1), Request for a New Community Freezer for Arctic Bay. It is from Ikajutit Hunters and Trappers Association. Thank you.

MR. SPEAKER: Thank you. Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I have two documents to table. Tabled Document 27-86(1), Security Fence for New School in Sanikiluaq. It is a letter from the hamlet and it is directed to the Minister for Education. The other one, Tabled Document 28-86(1), is concerning the cost of food. It is a comparison of prices down south with those in Sanikiluaq and this is something that will have to be considered. Thank you.

MR. SPEAKER: Thank you. Tabling of documents. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, I wish to table two documents. First, Tabled Document 29-86(1), the Annual Report of the Territorial Accounts of the NWT for the Year Ended March 31, 1985. The second, Tabled Document 30-86(1), the Auditor General's Report to the Council of the NWT on the Examination of the Accounts and Financial Transactions of the GNWT for the Year Ended March 31, 1985.

MR. SPEAKER: Thank you, Mr. Minister. Tabling of documents. That appears to conclude tabling of documents today. Item 10, notices of motion. Mr. Pudluk.

ITEM 10: NOTICES OF MOTION

Notice Of Motion 9-86(1): Devolution Of Federal Powers

MR. PUDLUK: Thank you, Mr. Speaker. I would like to give a notice of motion which I will move on February 28, 1986. Now therefore, I move, seconded by the honourable Member for Natilikmiot, Mr. Angottitauruq, that this Assembly recommend that the heads of Inuit Tapirisat of Canada and the Tungavik Federation of Nunavut meet, at the earliest opportunity, with Members of this Assembly who represent the Inuit communities. Thank you.

MR. SPEAKER: Thank you, Mr. Pudluk. Ms Cournoyea.

Notice Of Motion 10-86(1): Territorial Home-Ownership Assistance Program

MS COURNOYEA: Mr. Speaker, I give notice that on Friday, February 28, 1986, I shall move the following motion: Now therefore, I move, seconded by the honourable Member for Tu Nede, Eliza Lawrence, that this Legislative Assembly recommend to the Executive Council that they urge the Canada Employment and Immigration Commission and the Department of Indian Affairs and Northern Development to place a high priority on allocating funds for a labour component to support the territorial home-ownership assistance program.

---Applause

MR. SPEAKER: Thank you. Notices of motion. Ms Cournoyea.

Notice Of Motion 11-86(1): Aboriginal Land Claims

MS COURNOYEA: Mr. Speaker, I give notice that on Friday, February 28, 1986, I shall move the following motion: Now therefore, I move, seconded by the honourable Member for Sahtu, Mr. John T'Seleie, that this Legislative Assembly give their full support to the Executive Council in their positive approach toward aboriginal groups in their difficult task in negotiations with the federal government.

MR. SPEAKER: Notices of motion. Ms Cournoyea.

MS COURNOYEA: Mr. Speaker, I give notice that...

MR. SPEAKER: Sorry, Ms Cournoyea. You can only give two notices of motion a day. You might wish to have a colleague present that. Notices of motion. Mr. McLaughlin.

HON. BRUCE McLAUGHLIN: Mr. Speaker, when the opportunity arises I have a document I would like to table that would help Members once my budget comes up. I would like to return to that at the appropriate time.

MR. SPEAKER: Thank you, Mr. Minister. Notices of motion. Ms Cournoyea.

MS COURNOYEA: Mr. Speaker, I have consent from the seconder of this following motion, Mr. Angottitauruq, except he cannot read my writing. I can read it and then he would move it.

---Laughter

MR. SPEAKER: This is what you call triple interpretation. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Sorry, Mr. Speaker, I cannot read this writing but accept to move it.

---Laughter

MS COURNOYEA: Can the Clerk read it?

MR. SPEAKER: I think possibly Ms Cournoyea could stand behind you and tell you what she is saying.

---Laughter

HON. TOM BUTTERS: Point of order. Is there any urgency that the Member is going to be leaving the House in the next couple of days because we will be sitting for another couple of weeks and I am quite sure we will have a chance to discuss her motion during that time?

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: I have no idea whether the motion is of an urgent nature or not. I assume it must be or the honourable Member would not be endeavouring to get it on the floor. Until I hear it, of course, there is no way of my knowing whether it is urgent or not. If they wish to proceed with it they should have the opportunity to. Mr. Angottitauruq, can you make it out sufficiently to give us the intent of the motion? That is all we need. If you cannot read it I guess that is the end of that.

Are there any further notices of motion? Notices of motion for first reading of bills.

ITEM 11: NOTICES OF MOTION FOR FIRST READING OF BILLS

Mr. Butters, you have a bill, the Income Tax Act, that has not been dealt with and has been taken off the orders of the day. It will require first reading to be put back on. Do you wish to? Mr. Butters.

HON. TOM BUTTERS: Yes, Mr. Speaker, I wish to give notice to two bills today, Bill 2-86(1) and Bill 8-86(1).

Notice Of Motion For First Reading Of Bill 2-86(1): Income Tax Act

Mr. Speaker, I give notice that on Friday, February 28th, I shall move that Bill 2-86(1), An Act to Amend the Income Tax Act, be read for the first time.

Notice Of Motion For First Reading Of Bill 8-86(1): Petroleum Products Tax Act

And, Mr. Speaker, I give notice that on Friday, February 28th, 1986, I shall move that Bill 8-86(1), An Act to Amend the Petroleum Products Tax Act, be read for the first time.

MR. SPEAKER: Thank you, Mr. Butters. Notice of motion for first reading of bills. Item 12, motions. Motion 6-86(1). Mr. Arlooktoo.

ITEM 12: MOTIONS

Motion 6-86(1): Rent Calculation, Public Housing

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I would like to move Motion 6-86(1). I will read my motion as is. I hope the interpreters have their copy in English.

WHEREAS the present method of determining the rents by public housing authority is based on the collective income of the household;

AND WHEREAS because of their low income, the renters are sometimes unable to meet their payments;

AND WHEREAS only the income of the head of a household should be considered when calculating rent;

NOW THEREFORE, I move, seconded by the honourable Member for Hudson Bay, Mr. Appaqaq, that the Legislative Assembly recommend to the Executive Council that it consider implementing a program whereby the income of the head of a household be the only income taken into consideration when calculating the monthly rent.

That is my motion. Thank you.

MR. SPEAKER: Mr. Arlooktoo, your motion is in order. You may speak to it now.

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I will make my comments brief. A lot of constituents in our area have great concerns about this and most of the people that live in Baffin Region live in the Housing Corporation public housing. We all know that many people have problems with this and they have told their MLAs to rectify this problem a lot of times. The price of everything is going up, even the price of gas is going up. For these reasons, due to inflation, with this rent calculation they have a tendency to be late with their payments and their debts tend to build up a lot. I know a lot of people who live in Housing Corporation units. I was wondering if maybe it would be better for the head of the household to pay for the rent and it would be more adequate for the family. That way the debts of the Inuit people would decrease. A lot of Inuit people have problems with this so that is the reason why I am trying to move this motion. I will be requesting support from other MLAs who have constituents who use public housing.

Also during the time when the special committee on housing were touring the northern parts we know that people have expressed their problems about their rents. For this reason I move the motion and I will be requesting full support. If I am supported well, I will be able to support other motions that are moved. Thank you.

MR. SPEAKER: Trading post is open. Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I will make this brief. I am in support of his motion. He could not find a seconder for the motion but I am very happy to second it. However, in Sanikiluaq the operation of the housing is a bit different since the hamlet is taking care of the housing units. We do not have housing problems. However, we have been trying to get the head of the household to pay for the rent in our area. I know that it is a bit different in the Baffin Region so that is the reason why I seconded the motion. Thank you.

MR. SPEAKER: Thank you, Mr. Appaqaq. To the motion. Mr. Pudluk.

Recommendation Of Special Committee On Housing

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I would like to make everybody aware that I am in support of this motion. During the time the special housing committee toured, this was expressed as a great concern. The special committee on housing came up with recommendations and this was one of them. They wanted this to be dealt with as soon as possible. For that reason I am in full support of this motion. I think that this motion would speed up the process of the study.

During the fall session we were supposed to be informed about this. They were supposed to give us an update and I still have not seen the update yet as of today -- the Executive Council updating the MLAs concerning the rent calculations. Yes, I am in full support of the motion. Thank you.

MR. SPEAKER: Thank you, Mr. Pudluk. To the motion. Mr. Erkloo.

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. I do not want Mr. Arlooktoo to be worried about not being supported because I am going to support him fully. In my constituency most of the people are unemployed and the people who are working pay the rent. For some of the unemployed people the housing is a lot better than for the ones who are employed. For example, in Hall Beach the people who are employed moved to smaller older houses because they cannot pay for their rent and they are not able to keep up with their rent. For these reasons it is obvious that the Housing Corporation's rent calculation has to be rectified and that way we will be able to deal with this better. At the present time with this rent calculation, if a wife and husband both work, it is really hard for them to move into a bigger house even though they have a big family because it costs a lot of money. For this reason they have a tendency to move to a smaller house which is cheaper to pay for. So the people who are employed move into cheaper buildings and the unemployed move into expensive buildings. Thank you.

MR. SPEAKER: Thank you, Mr. Erkloo. To the motion. Mr. Richard.

MR. RICHARD: Mr. Speaker, I must admit I have some difficulty with the motion. I am aware that the Assembly's special committee on housing, in the last year or two, did some study on the rents to be paid by occupants of public housing units in the NWT and I would hope, Mr. Speaker, that this Assembly will, during this debate, hear from some of the Members of that special committee on housing or from current or past Ministers responsible for the Housing Corporation.

Mr. Speaker, if the tenants or renters of public housing are unable to pay the rent because of their low family income, if the scale is set up so that they cannot afford the housing with the scale as it is applied to the total family income, then it occurs to me, Mr. Speaker, that the scale is wrong. There is something inequitable about the way the scale is being applied to total family income. I would be prepared to support any motion that would address that wrong, if there is a wrong scale, a fraction of total family income. But I do not see that in this motion, Mr. Speaker, and I have difficulty in accepting that a scale applied to only the income of the head of the household is any more fair than a scale applied to total family income. I do not understand that part of the motion.

The "whereas" states that only the income of the head of the household should be considered when calculating rent. I do not understand that. I do not accept it without further explanation from the supporters of the motion. Because, Mr. Speaker, I feel that if the government is going to be fair from one family to the next in calculating what rent or what level of subsidization the government is going to give to the occupants of public housing units, then surely it is total unit income that should be considered. Therefore, Mr. Speaker, I have difficulty understanding why the income of only the head of the household is more fair. I cannot in conscience support the motion and I will abstain. Thank you.

MR. SPEAKER: Thank you, Mr. Richard. To the motion. Ms Cournoyea.

Difficulty Extracting Contributions From Family Members

MS COURNOYEA: Mr. Speaker, I was not going to speak in support of the motion or against the motion at this time. However, since a question has been thrown out as to why this type of request would come forward at this Legislative Assembly, my parents live in a low rental house and they too have

the same difficulty because it is difficult at this stage of evolution in the NWT to impress upon your children, when they have a job on the oil rigs or anywhere else, who work for two or three months, to contribute toward the house and to the home that has been provided at this level.

In the calculation of rent when some of the people are living in the house, even though you feel you have some authority in the home to say "Maybe you should be contributing," sometimes by the end of the month the money is all spent and that increase in rent goes toward the householder and there is a great deal of pressure put on the head of the household, whether wife or husband. That is where the difficulty arises.

I know several families who wish to have their children gain their own accommodation but because of the way people live it is very difficult for them to turn their own children, however old they are, away from a home that the parents provide. This is the difficulty that every community faces, because there is that feeling that if your child comes to your house, he may be 26 or 30 years old, you still feel that responsibility and caring for him, you just cannot turn him away. I have talked to many home-owners and people who are living in public housing, who say that they have to take that strong stand. But it is very difficult and that is where the problem arises. The money is spent, the calculations are in and the only people left in that house are the people who have the ongoing responsibility, with that kind of feeling and responsibility for their children. So I believe that in a matter of clarification, I can support the motion which is a recommendation to explore that.

Certainly I know in government housing when an individual comes in and is employed by the territorial government, the rent on that house is calculated on the income of the head of the household. So the wife may work or you may bring in the cousin and he is working, but you are still calculating on that one person's income. I suppose sometimes when you look at that, it seems a bit unfair. I believe that the big problem is the inability of parents to turn away their children and the inability to impress upon those children that they should contribute when they have the money, because the calculation comes in next month and they may not be there. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Ms Cournoyea. To the motion. Mr. Ballantyne.

Review Of Rent Scale

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. Speaking as a former Member of the housing committee, I think in every community there was a difficulty with the rental scale and the recommendation of the committee is that the corporation would review the scale with a view to coming up with a more equitable rent scale, which we are in the process of doing. Hopefully within the next few weeks we will have a draft report to circulate to MLAs and communities for discussions to deal with some of these issues. I want to make it very clear to Members that in this we are bound by federal legislation, the National Housing Act. They set the rental scales, they set the criteria and any deviation from that will come from the coffers of this government. It is as simple as that.

As it stands right now, the problem we have found is that in the South public housing is essentially set up for unemployed people. Here in the North it is not quite so. There are partly employed and sometimes fully employed people and the southern rental scale is not appropriate. So our government now is subsidizing it to the tune of many hundreds of thousands of dollars. Any major change as proposed in this motion will mean that our government is going to have to find within our budget the money to do that. I am not worried about the motion and I have no problem with the motion coming forward. It is something we will look at as one of many options. But as a Minister I cannot promise that this will be the way that we will go as that, ultimately, is going to be the decision of the Financial Management Board and the Assembly, whether or not we have the money to spend on this rather than spending it on health, education or any of the other programs we have. So we are reviewing it.

We will have a draft shortly that we will circulate to the MLAs and to the communities and will put together at some point, hopefully in the fall session, a final resolution of this issue. In the meantime, I have continued the former Minister's policy. In fairness, we have frozen the rent scale until we come up with a new rent scale. So the rent scale is still frozen and it will be frozen until we come up with the new one. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, I would like to support this motion. In my constituency, we had a lot of complaints about rents. I will support the motion but I also think that in terms of addressing the real issue of public housing I do not think the motion goes far enough. We just heard the Minister of Housing say that really public housing is controlled by federal legislation and I think that if we are to try to get around some of the real problems of public housing, there needs to be a real serious look at implementing a whole new housing program. That is probably something that has to involve the federal government for sure but it does not appear to me that the ground rules, as they are laid out in governing public housing, are really in the interest of the big majority of northern residents. Those are the points that I wanted to make.

MR. SPEAKER: Thank you, Mr. T'Seleie. To the motion. Mr. McCallum.

Rent-To-Income Concept Not Appropriate In NWT

MR. McCALLUM: Thank you, Mr. Speaker. I too had some problem with the motion, that is with the "whereas" clauses but I do not have any difficulty in asking the Executive Council to consider implementing a new program. I just want to remind the Executive Council that the special committee on housing did, in fact, indicate that this rent-to-income concept as applied throughout Canada under CMHC is not appropriate to the NWT. That was one of the fundamental statements that came out of that. Whether that is acceptable or not as a principle, I leave to the Executive Council.

However, to the people in the NWT and the communities that is not acceptable. Rent-to-income may very well work out in southern-based cities, towns or communities. But in the NWT it does not and I need not go into any great detail, Mr. Speaker, as to why it does not, save to say that the cost of living has a great deal to bear on this and that residual income for purchasing of other particular goods and services after rent, given that these costs are high in the Territories, has a very strong bearing. So the rent-to-income concept on public housing as imposed by the federal corporation is not accepted and in the viewpoint of the special committee on housing is not acceptable to people and not appropriate.

The committee had asked the government to review its rental scale. We met and heard all kinds of things that the corporation wanted to come up with. In essence, nothing was done. We found that the tinkering or the adjustment that would be made to the rental scales, the benefits that would come from it, social and economic results, it is very difficult to put those down, on an interim thing. It is not very easy to get something that is explicit and so we said as a result of that, what has to come up is a real review of the rental scale system in a northern context.

Now, it is true as Mr. Pudluk said that we were supposed to get something in the fall. We did not but there has been a switch in the portfolios and the Minister has indicated that they were still trying to get something done. I recognize that things are a little different here because we are talking about subsidy on the behalf of the territorial government to take up the market rent concept. That is where it presents a problem. However, I will support the motion because I think it is an initiative whereby the Executive Council will really get down and get something to this House so that we can really discuss the merits of a new system.

MR. SPEAKER: Thank you, Mr. McCallum. Mr. Gargan.

MR. GARGAN: Mr. Speaker, I have done some research into unemployment in the NWT and it is people between the ages of 15 and 24 that are the highest unemployed. One of the reasons perhaps is that these people are living with their parents in these public houses and if they go out and work then perhaps their salaries are going to be adjusted, too, for rent. Maybe that is part of the reason why there is a such a high rate of unemployment among young people between the ages of 15 and 24. For this reason I would like to support Mr. Arlooktoo with his motion.

The other thing I wanted to mention too, Mr. Speaker, is that last winter I passed a motion with regard to the user-pay policy in which there is a fair distribution of how you pay electricity in the North. One of the things that came out of that was that in the West the communities pay three cents per kilowatt hour on power. In the East it is two cents because of the cost of living perhaps being higher in the East. And this is another way -- the rental scale as it now exists affects all the people of the NWT regardless of whether it is east or west. I believe that in the East they do have some difficulty in paying for their rent and for this reason too, I would like to support this motion. Thank you, Mr. Speaker.

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

Policy Contained In National Housing Act

HON. GORDON WRAY: Thank you, Mr. Speaker. Just briefly to lend support to my colleague, Mr. Ballantyne's comments. It has got to be understood by the Members of this House that the rent-to-income policy is not a policy of this government. It is a policy of the federal government through CMHC which is in the National Housing Act. Now, this is the same act under which we obtain our funding from CMHC for housing. Both formally and informally, I when I was Minister and the new Minister both agree on this, the rent-to-income policy is not appropriate to the North. However, I can state that to this point in time -- I have just talked to my colleague -- we have approached the federal government on a number of occasions and asked them to make an exception within the National Housing Act on this rent-to-income policy. The federal government's response through CMHC is that they will not change the National Housing Act for the sake of the Northwest Territories. It is their opinion that if people want to live in public housing then they have to pay for it. They say that there are other alternatives such as home-ownership. If people have a sufficient income and they are paying such a high rent, then home-ownership is the way in which they should be going. They should not be living in public housing. So they are very adamant about that. They will not change it, they have just refused.

So the Housing Corporation recognizing that the federal government would not make that concession has come up with its own subsidy to alleviate some of those high costs. However, for any further deviations or any addition to that subsidy, then it has to be understood that the money will have to come from the GNWT. It will not come through the federal government. So I can support the motion. I will abstain from voting for the motion. I can understand the reasoning behind it but it must be understood that if this motion was accepted by the Executive it would probably cost in the neighbourhood of one million to one million and a half dollars. That is money that would have to come out of either Education or from Local Government or from Health.

It is not a simple matter of just adjusting the rent scale. We are not in control of that rent scale. In fact it was 25 per cent of gross income. I can indicate to you that in the last federal/provincial Housing Ministers' conference in late summer or early fall, the federal government indicated it is going to move to even increase the scale from the present 25 per cent to 33 per cent. So that in itself will cost, once again, more money from this government having to be kicked in to subsidize public housing rents, which we do to an inordinate amount at the present time. So I just wanted to make those points for the sake of clarification, Mr. Speaker. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. To the motion. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker. I would just like to notify the mover of the motion that I find it a little difficult to support. But in another way from my experience as one of the alternates on the special committee on housing and the experience I have seen in my constituency, I find it very hard to oppose it so therefore I am going to support the motion because the federal government could put all kinds of things to make people agree to what they want people to do and they put it on a base of 25 per cent. They may say if you cannot afford to pay 25 per cent, get your own house. But then again, there are some people that are making too much money under that policy so that they cannot get any assistance. Besides that, lumber and materials are kind of expensive. You cannot get assistance.

I do not know whether it is true but it seems there was one applicant who tried to apply for assistance to get his own house. He was turned down. They stated that he was making too much money and that he does not qualify. At the same time, renting his own house it is too much for him to pay rent because it is 25 per cent. It is not only those people who are working full time there are people that work part time earning \$600 a month after deductions and before deductions the 25 per cent is taken out. That is kind of hard for some people, especially the people in the smaller communities where the cost of living is higher. These people do not really go for steaks and things like that. Some of them have to go many miles away using a lot of gas and other things because that is their lifestyle in some way. Some of them have to try to go trapping on the small amount they have received for groceries and other things that are required to go hunting in order to help themselves. But then again, they do not have enough to pay for the rent and I think that is what the mover is trying to say.

As we know, it is the federal government who hold in their hands the whole situation of how the rent scale is worked. Then again, I believe that even though the motion is not perfectly clear, a lot of the speakers that spoke to the motion have made it clear. I think we just have to try and make the federal government understand. A lot of them have not experienced living in a small community. They are professionals but they have not seen with their own eyes and they have not felt how hard it is with that rent scale the way it is. Therefore, I am prepared to support the motion. Thank you.

MR. SPEAKER: Thank you, Mr. Angottitauruq. To the motion.

MR. PUDLUK: I wonder if I could speak twice today?

MR. SPEAKER: Not today you can't, Mr. Pudluk.

---Laughter

Mr. Arlooktoo, you may close the debate now.

MR. ARLOOKTOO: Thank you, Mr. Speaker. I will not be speaking further to this motion. But I would like to thank the supporters of my motion because I believe it is very important and I thank the Members that were able to clarify my motion. I would like to ask everyone to stand up and have a recorded vote. Thank you.

MR. SPEAKER: A recorded vote has been requested, Mr. Clerk. All those in favour of the motion please stand.

Motion 6-86(1), Carried

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Erkloo, Mr. Pudluk, Mr. Paniloo, Mr. Appaqaq, Mr. Arlooktoo, Mr. Gargan, Mr. T'Seleie, Mrs. Lawrence, Mr. McCallum, Mr. Angottitauruq, Ms Cournoyea.

MR. SPEAKER: Opposed to the motion, please stand. Abstentions, please stand.

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Wah-Shee, Mr. Richard, Mr. Wray, Mr. Ballantyne, Mr. Patterson, Mr. Curley, Mr. Sibbeston, Mr. Butters, Mr. McLaughlin, Mr. Pedersen.

MR. SPEAKER: The official count please, Mr. Clerk. The vote is carried. Eleven for, with 10 abstentions.

---Carried

---Applause

Motions. Motion 7-86(1), Support for Hunters and Trappers. Mr. T'Seleie.

Motion 7-86(1): Support For Hunters And Trappers

MR. T'SELEIE: Thank you, Mr. Speaker.

WHEREAS this Assembly is committed to the preservation of aboriginal culture and traditional lifestyles;

AND WHEREAS this Assembly has repeatedly expressed its concern over the impact that the anti-trapping movement has had on native people in the North;

AND WHEREAS this government has committed itself to providing incentives to hunters and trappers under the trappers incentive program;

AND WHEREAS this Assembly passed a motion at the sixth session of the 10th Assembly calling for additional support to hunters and trappers;

NOW THEREFORE, I move, seconded by the honourable Member for High Arctic, that this Legislative Assembly recommend to the Executive Council that the trapper incentive program be

enhanced by leaving the minimum eligible fur sales at \$600, eliminating the maximum amount of eligible fur sales, and paying incentives according to the following scale: 25 per cent on \$600 to \$2000; 20 per cent on \$2000 to \$4000; 15 per cent on \$4000 to \$6000; 10 per cent on \$6000 to \$8000; five per cent on \$8000 plus;

AND FURTHER, that these changes become effective in the 1986-87 fiscal year.

MR. SPEAKER: Mr. T'Seleie, your motion is in order. It almost gets out of order in your last line, directing when it should be applied. But inasmuch as your first part "now therefore" is a recommendation, I will accept your motion. You may proceed and speak to it now.

MR. T'SELEIE: Thank you, Mr. Speaker. I had sent information to other Members on this proposal some time ago so I think Members are aware of what the proposal involves. Mr. Speaker, about a week or so ago there was a lunch held here with members of the Fur Institute of Canada. I was encouraged that most of the Members of this Assembly showed up at that lunch. Somebody remarked that we had been trying to get people together for about three years for a lunch on correctional services and had never been successful but on the occasion of the lunch with the Fur Institute, all the Members were there except for a couple of Members who were busy somewhere else. This is pretty unusual. I think if I can take that as an indication of the general commitment of support of this Assembly for the situation of the people in the North who depend mainly on trapping for their income, then I think it is a pretty good show of support and concern.

I want to also say that the research that I had done indicates that in 1984-85 there was a little over three million dollars worth of fur sold for the NWT. The incentive grants last year totalled a little bit over \$400,000. This was calculated on the basis whereby people would have had to gain an income of at least \$600 during the year from fur sales and there was an upper limit on the calculation which was \$3000. What I am proposing is that -- and this is what the scale is in the motion and it is fairly self-explanatory -- but essentially what it would do is make the program more of an incentive so that those who choose to make more of their income from the occupation of trapping, would be able to do so with a proper level of incentive. I might add, sir, that the occupation of trapping is not a lucrative industry. In 1984-85 there were 50 people who made over \$8000 in the NWT. On the additional costs, if this were to be implemented, it would be another \$250,000 more to this government, based on last year's figures of total fur sales. So Mr. Speaker, I would like to request that Members support this motion.

MR. SPEAKER: Thank you, Mr. T'Seleie. Mr. Pudluk, as seconder do you wish to speak now?

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. I will make my statement brief. I would like to thank the mover for being able to come up with this motion. When the government was handed over to the NWT government, they had to work a lot trying to start the procedures and administration of this government. In the smaller communities some of the governments are very well in operation. There is lack of employment, mainly for young people. The young adults are living on trapping and they are trying really hard to make a living. It is very cold when you have to go trapping and they have to have some transportation also because there are very few people who have dog teams these days. For this reason I will be in full support of this motion. I seconded the motion. I would also like other Members to support the motion. Thank you.

MR. SPEAKER: Mr. Paniloo.

Support For Traditional Lifestyle

MR. PANILOO: (Translation) Thank you, Mr. Speaker. I will be in support of the motion. In the Inuit communities, and also in the aboriginal and native communities, we would like to preserve our traditional way of hunting. Also we would like to be able to live off what we get and try to make some money from trapping. This motion is going to be very beneficial to my constituents so I will support the motion fully. We know as hunters we definitely have to support the motion. I just wanted to make that comment. Thank you.

MR. SPEAKER: Thank you. To the motion. Mr. Erkloo.

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. I would like to make a comment on this and I am in support of the motion. We have been discussing this for a long period of time because there is a lack of employment opportunities in the Arctic. If this motion goes through I think that we

would have to try and get them more interested in the trapping economy. We have to advertise the trapping to the younger people so that they can make some money on it. We should also try and get them interested in the traditional way of life. Thank you.

MR. SPEAKER: Thank you. To the motion. Mr. Gargan.

MR. GARGAN: Thank you, Mr. Speaker. I was quite disturbed yesterday when I was listening to the news and heard that there was a study done on aboriginal languages in Canada. In BC and in some communities it is sometimes only about two elders in the community that know their own mother tongue. In other communities the languages are going into extinction. The only place where there is a real positive movement on aboriginal languages is with the Inuit people who have a strong language program. As far as the western aboriginal people go they are also in an area, as far as the study goes, close to extinction. One of the recommendations that came out of that particular study is that more money should be geared toward the preservation of aboriginal languages. Mr. Speaker, that disturbs me quite a bit. Also, I would like to say that at least this government is making efforts in the area of aboriginal languages and in the areas of wilderness programs and also in the area of arts and crafts. I believe too that hunting and trapping is another area that has to be preserved and supported. For this reason I would like to support the motion.

The only other thing I wanted to mention, Mr. Speaker, is that with regard to the capitulation of the incentive program based on the scale, there is not that much difference between the scale as you go up. The only time that the incentive is there is if you make over \$8000. That is, if you make about \$15,000 then there is more incentive money there. I just wanted to mention that. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. To the motion. Mr. Pedersen.

HON. RED PEDERSEN: Thank you, Mr. Speaker. I would like to state that I am in favour of this motion. I welcome the motion. The mover of the motion raised the financial implications of it. I had intended to do so but I would like to just mention to the House that we base these payments on last year's take of fur and therefore we are not able to predict either prices or catches. If this motion passes and the recommendations are accepted by the Executive Council, we may have to come back for supplementary estimates to cover off the costs. I will be delighted if I have to come back for sizeable supplementary estimates.

Mr. Speaker, I just want to indicate that in order to provide the proper incentive and encouragement to hunters and trappers, I am very pleased to see this motion. As it is a recommendation for action to the Executive Council, I will abstain from voting on it, not to indicate that I am against his motion but I do feel awkward recommending to myself. Thank you.

MR. SPEAKER: Thank you. How many more Members wish to speak to this motion? The mover has the right then to close the debate at this time.

MR. T'SELEIE: Mr. Speaker, I have no other remarks.

Motion 7-86(1), Carried

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

---Carried

---Applause

I will recognize the clock as being 4:00 o'clock. We will recess now.

---SHORT RECESS

I call the House back to order. We just concluded Item 12, motions. We are now on Item 13, first reading of bills. Mr. Ballantyne.

ITEM 13: FIRST READING OF BILLS

First Reading Of Bill 4-86(1): Insurance Act

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I move, seconded by the honourable Member for Kivallivik, that Bill 4-86(1), An Act to Amend the Insurance Act, be read for the first time.

MR. SPEAKER: I have a motion on the floor. To the motion. Ready for the question?

AN HON. MEMBER: Question.

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

---Carried

Bill 4-86(1) has had first reading. Mr. Ballantyne.

First Reading Of Bill 5-86(1): Jury Act

HON. MICHAEL BALLANTYNE: Mr. Speaker, I move, seconded by the honourable Member for Inuvik that Bill 5-86(1), An Act to Amend the Jury Act, be read for the first time.

MR. SPEAKER: I have a motion on the floor. To the motion. Question being called. All those in favour? Opposed, if any?

---Carried

Bill 5-86(1) has had first reading. Mr. Ballantyne.

First Reading Of Bill 9-86(1): Public Trustee Act

HON. MICHAEL BALLANTYNE: Mr. Speaker, I move, seconded by the honourable Member for Inuvik, that Bill 9-86(1), An Act to Amend the Public Trustee Act, be read for the first time.

MR. SPEAKER: I have a motion on the floor. Question being called. All those in favour? Opposed, if any?

---Carried

Bill 9-86(1) has had first reading. Mr. Ballantyne.

First Reading Of Bill 10-86(1): Society Of Management Accountants Act

HON. MICHAEL BALLANTYNE: Mr. Speaker, I move, seconded by the honourable Member for Inuvik that Bill 10-86(1), An Act to Amend the Society of Management Accountants Act, be read for the first time.

MR. SPEAKER: I have a motion on the floor. To the motion. Question being called. All those in favour? Opposed, if any?

---Carried

Bill 10-86(1) has had first reading. First reading of bills. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, may I have unanimous consent from the House to give first reading to Bill 2-86(1) and Bill 8-86(1) this afternoon?

MR. SPEAKER: Those are the two bills that Mr. Butters gave notice of today. He is asking for unanimous consent. Are there any nays?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Procéd, Mr. Butters, you have unanimous consent.

First Reading Of Bill 2-86(1): Income Tax Act

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Pine Point, that Bill 2-86(1), An Act to Amend the Income Tax Act, be read for the first time.

MR. SPEAKER: I have a motion on the floor. Are you ready for the question? All those in favour? Opposed, if any? The motion is carried.

---Carried

Bill 2-86(1) has had first reading. Mr. Butters.

First Reading Of Bill 8-86(1): Petroleum Products Tax Act

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Yellowknife North, that Bill 8-86(1), An Act to Amend the Petroleum Products Tax Act, be read for the first time.

MR. SPEAKER: I have a motion on the floor. Are you ready for the question? All those in favour? Opposed, if any? The motion is carried.

---Carried

Bill 8-86(1) has had first reading. First reading of bills. That appears to conclude first reading of bills.

Item 14, second reading of bills. Mr. McLaughlin.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Speaker. I would like to seek unanimous consent to return to Item 9, tabling of documents, so that I can table an alcohol and drug co-ordinating council report which Members may want to use tomorrow during committee of the whole.

MR. SPEAKER: Are there any nays for unanimous consent to go back to tabling of documents?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Proceed, you have unanimous consent, Mr. McLaughlin.

REVERT TO ITEM 9: TABLING OF DOCUMENTS

HON. BRUCE McLAUGHLIN: Thank you, Mr. Speaker. I wish to table the following document: Tabled Document 31-86(1), Annual Report of the Alcohol and Drug Co-ordinating Council, April 1, 1983 to March 31, 1984. Mr. Speaker, I am doing this so that Members could use it tomorrow. It has been delivered to your office in June but it has never been tabled.

MR. SPEAKER: Thank you. Tabling of documents. Item 15, consideration in committee of the whole of bills and other matters: Bill 1-86(1), Appropriation Act, 1986-87; Bill 3-86(1), Institute of Chartered Accountants Act; and Bill 7-86(1), Official Languages Act; with Mr. Gargan in the chair.

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

PROCEEDINGS IN COMMITTEE OF THE WHOLE OF BILL 1-86(1), APPROPRIATION ACT, 1986-87

CHAIRMAN (Mr. Gargan): The committee will now come to order. We are dealing with the Financial Management Secretariat and it is on page 4.06 of your main estimates book.

Financial Management Secretariat

Would the Minister like to make opening remarks?

HON. TOM BUTTERS: Yes, Mr. Chairman, I would like to have permission of the committee to bring into the committee two witnesses when they arrive, Lew Voytilla, acting deputy secretary to the Financial Management Secretariat and Eric Nielsen, the secretary of that secretariat.

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

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Minister.

Minister's Opening Comments

HON. TOM BUTTERS: I would just like to make brief reference to the budget statement made by the Hon. Michael Wilson this afternoon. I am quite sure I express the pleasure of Members of this House in noting that the federal government adopted many of the recommendations that this Legislature had developed over the past years and referred to Mr. Wilson and other federal Ministers for consideration. Especially with regard to the resolution that the federal government worked out in relationship to the taxation of northern allowances. I would say a major portion of that solution was developed and recommended by Members of this House. This was a major achievement I think for us and I think we are all pleased to see that the benefits that were enjoyed by say some 80 per cent of our populace have now been extended to all residents with regard to such benefits in housing, holiday travel and medical travel.

The other item I think that has been a success -- I think it was at the last session the honourable Member for Yellowknife South sponsored a motion relative to approaching Mr. Mazankowski in an attempt to have some recognition that the raising of the cap on the taxation of travel penalized northern residents very heavily. The budget did take some recognition of that concern, a concern expressed by many other agencies besides this Legislature, did seek to address it in some measure and reduce the cost of that tax, especially on those travellers who are travelling long distances in the NWT and in Canada. So I think that we can be quite pleased with the accomplishment that we have collectively achieved and which has been reflected in the federal budget.

Mr. Chairman, in the Budget Address while I projected a deficit for the 1986-87 fiscal year, I indicated a continuing deficit was unacceptable and although it might be difficult to achieve, the FMB has tailored its financial planning toward the development of a more balanced budget in the near future. The establishment of a ministerial task force to conduct a fundamental review of government activities is one method we have established to assist us in equalizing expenditure and revenue growth rates. However, the regular program planning and the resource allocation process will be the key tool that must be used to balance the budget. All program decisions must be made with complete knowledge of their short and long-term financial impact. All of our financing options must be identified and fairly analysed.

The FMB Secretariat provides financial advice and staff support to the Financial Management Board. The board uses the secretariat to co-ordinate the budgeting process, research program proposals and advise the board on their impacts. In addition, the secretariat monitors financial trends and maintains multiyear fiscal framework projections as well as providing advice on all matters of fiscal management in the GNWT. The co-ordination and production of a financial and economic overview document is a major project that is being done in conjunction with the Department of Finance and will involve the regular publication of a general and sectoral overview of social and economic developments in the NWT. The review will include labour market trends, government activities, resource activity in other areas, as well as provide a statistical overview of the NWT. The review will allow government to be kept up to date on a wide range of important issues and assist in the process of making sound informed decisions.

Program Performance Measurement System

The program performance measurement system has received considerable exposure with the standing committee on finance. In this Assembly I am pleased to be able to state that government-wide implementation of program performance measurement systems has been approved by the FMB. All departments are to submit their implementation proposals by March 15, 1986 and are to have fully functional systems by April 1, 1987. The Financial Management Secretariat, after being heavily involved in the initial concept and the Social Services pilot project which resulted in the basic system structure, will now be responsible to provide technical advice to departments in design -- the implementation of departmental systems. The secretariat will also be producing a basic training manual and other support material and will be expanding its level of activity in providing general financial management training to government managers.

With regard to our incentive award program, part of the financial management initiatives being taken in 1986-87 is the implementation of this program. The secretariat has developed the program for FMB approval and will provide the co-ordinating resource for the administration of the program. The incentive award program is designed to foster a management attitude conducive to innovation and creative problem solving.

Mr. Chairman, as adviser to the FMB, the secretariat is closely involved in the financial aspect of all federal program transfers. The secretariat participates in the transfer negotiations to provide financial expertise and advice to departments in this regard. The secretariat's role in program transfers is closely related to its ongoing responsibility for the conduct of staff level discussions with the federal government on financial matters and the provision of support services in ministerial level financial negotiations. The secretariat will continue to be active in this area primarily through participation on a middle management technical working group made up of representatives from GNWT, DIAND, Finance Canada, the federal Treasury Board. This working group discusses issues that arise with a formula finance agreement and works out each year's formula financing subagreement.

Overall Operational Planning System

Mr. Chairman, sound financial planning requires that all parts of our planning processes be linked and be conducted at approximately the same time. This is necessary so that if one part of the plan changes we can quickly adjust the other parts to keep the overall planning synchronized. To achieve this aim the Financial Management Secretariat has been directed to implement an overall operational planning system. This will combine the capital, operational, the electronic data planning and priority planning functions of the GNWT, development of more effective procedures and logistical support for identifying capital program objectives. Filing capital infrastructure and determining funding guidelines is part of this process modification.

For 1986-87 the planning process must also accommodate the program review of the ministerial task force. In conjunction with the task force review, the secretariat will also re-examine the expenditure restraint program implemented in 1983, with a view to recommending to the task force modifications and improvements. This year's main estimate document, Mr. Chairman, was prepared on a computerized system. The automated budget preparation system has been developed and has resulted in enhancements to the accuracy of the document and the speed with which it can be compiled and adjusted. We hope to extend this system into the area of long and medium-term planning during the 1986-87 fiscal year.

Other achievements of the secretariat in the past year include hosting the Fourth Annual Interprovincial Budgetary Conference and receiving for the second consecutive year, the award for distinguished budget presentation, confirmed by the Government Finance Officers Association of North America.

I would mention at this point, if some Members are not aware, that our deputy secretary of the Financial Management Secretariat, Robert Stewart, who has been with us for some three and one half years, has submitted his resignation and will be leaving the government's employ at the end of the week. We have been very well served by Mr. Stewart and are very, very sorry to lose his services. He is not leaving the North but is entering private industry in Yellowknife. So he will obviously be continuing to take an ongoing interest in government and other activities occurring in the NWT. While it is with regret that we note his departure, I am confident that over that time staff has been well trained and will be able to step into his shoes and continue the good work that he has carried out for us.

Mr. Chairman, the 1986-87 budget of the Financial Management Secretariat seeks a two person year increase to its staff complement, over the original 1985-86 person year allocation of 19. One of these person years is related to a capital budget control officer that the Legislative Assembly approved in 1985-86 Supplementary Appropriation No. 1, when capital planning was in the Department of the Executive. This capital planning section growth now appears in the secretariat and it is included in the 1985-86 revised forecast, although the funding appears in the next year's budget, the integration of the two functions -- capital planning and operations and maintenance -- has already occurred and has been in a functioning phase for the last three months. The remaining person year, associated salary and other O and M funding of \$75,000, is required due to direct volume increases and the issues and submissions before the Financial Management Board. Workload increases for the board have a direct impact on the resources required by the secretariat to provide support and advisory services.

The balance of the funding growth requested for 1986-87 is due to allowances for inflation and for wage settlements. In view of the tasks being placed before the Financial Management Board and the vital support role that will be demanded of the secretariat, I feel this is a modest increase and I hope I will be receiving the support of Members of the committee for the 1986-87 proposed budget for the Financial Management Secretariat.

If I may, I notice that Mr. Nielsen and Mr. Voytilla are in the room, Mr. Chairman. I wonder if when I move to the witness table that they might be allowed entrance?

CHAIRMAN (Mr. Gargan): Yes, Mr. Minister, bring in your witnesses. For the record would you introduce your witnesses again, Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman. Eric Nielsen, on my right and your left, is the senior financial officer of the GNWT and the secretary of the Financial Management Board. Mr. Lew Voytilla is the acting deputy secretary of the board at the current moment.

CHAIRMAN (Mr. Gargan): Thank you. General comments on the Financial Management Secretariat. Mr. Richard.

Performance Measurement Data In Main Estimates

MR. RICHARD: Thank you, Mr. Chairman. Mr. Chairman, in his opening remarks the Minister referred to the performance measurement system that the government is now going to -- I believe he said -- request each department to submit to FMS or FMB by March 15th of this year, a proposal for a performance measurement system within that department. And the target to have these departmental systems functional is April 1st of next year.

I think, Mr. Chairman, that that is commendable. It is something that I believe various MLAs or committees have been calling for for a year or more. It occurs to me, Mr. Chairman, that the Financial Management Secretariat might consider going a little further, and that I suppose is a year or two down the road. The performance measurement is important as a management tool in order to make management decisions. I think once the performance measurement is on the air, Mr. Chairman, I think it is also important then to tie the results of performance measurement to the future budget. As FMS is responsible for developing the main estimates it occurs to me that the secretariat should consider something that, I understand, is being done in the federal jurisdiction recently in preparation of the main estimates, in that they provide this performance measurement data to the legislators when they are considering the main estimates. And that MLAs like ourselves when considering the main estimates would, by looking at the performance measurement data in the main estimates document or beside it, would be able to tie the results to the budget.

I understand that the information that is now being put in the federal main estimates is as a direct result of a recommendation of the Auditor General, and the federal government or whatever the equivalent of FMS is federally, is committed to including that performance evaluation or performance measurement data in the main estimates document. It is my view, Mr. Chairman, that this would be desirable for our main estimates as well.

When we look at the main estimates document and the objectives that are contained in the main estimates document along with the figures, I for one, would like to see those objectives presented in a way that the results of the performance measurement can be measured against them. In other words, when being asked for funds for the coming year or for future years, we should be able to look at the document and determine whether previous expenditures in the same program area have accomplished the desired result. In other words, whether the public was served by the prior expenditure of funds given the prior objective, or in other words, did the taxpayer get value for money. Perhaps the Minister is familiar with the federal experience in the last year or two, perhaps he could comment on that recommendation, if that might be another target for FMS once we get performance measurement on the air, to then include that information, the results of the evaluation or measurement, in the main estimates document. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: The Financial Management Secretariat is just an instrument of the eight elected Executive Members that make up the board. I think the recommendation of the Member is more properly directed to the board and as chairman of the board, I welcome the suggestion. I have not looked at the federal system that he has outlined to the House over the last few minutes but I do

not think it is included in the federal budget document. Apparently departments provide separate documents also the multi-year projections and that not all departments provide this information every year. So I would have no problem in recommending such advice to Members of the board and attempt to ensure that there is some means of communicating the data that the Member wishes to have, that is to make comparisons on the basis of the previous year's budget and the intention and objectives of government as outlined in such budget. So I would accept the recommendation quite happily.

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

Involvement In The Capital Planning Process

MR. McCALLUM: Thank you, Mr. Chairman. I just have a question on the business of the transfer of the capital planning activity from the Regional Operations Secretariat to the Financial Management Secretariat. As I understand it there was some discussion of this whole topic during the standing committee on finance. I have to indicate that I was not there at that time. It was a Monday morning as I recall, but regardless -- I would just like to find out from the Minister, it has been my experience that I have had very little input into any kind of capital planning within this past couple of years. It was taken from the Regional Operations Secretariat where I might have become involved at the regional level, and moved to the Financial Management Secretariat. I know that ordinary MLAs have expressed some concern as to how we do get involved with any kind of capital planning at the regional level. I was just wondering how the Minister sees this kind of input coming out now within the Financial Management Secretariat. I think he will agree and I think he has indicated previously that he would like MLAs to be involved with it. I just have a difficulty trying to determine how they are going to be involved if it now is within the Financial Management Secretariat. I am not questioning the legitimacy of doing that or anything else -- this whole business of capital as well as O and M has to go hand in hand as the Minister well knows. I just have a concern here about how ordinary MLAs get involved with the capital planning process. I wonder if the Minister could comment on it.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman, as the Member indicated the recommendation of the standing committee on finance, for an integration of the capital planning and the O and M, has now occurred. We feel that this will make a much more rational approach to our planning in that the two requirements are integrated and interrelated. Obviously the people that are responsible for developing our budgets are working together in the process.

During the recent appearance before the standing committee on finance, not only was concern raised, as was raised by the Member for Slave River, but a number of other Members pointed out that the capital planning process in the past, although there has been good intentions, has appeared to ignore the MLAs in that process. Members of our capital planning group have travelled to regions and are seeking to ensure that the involvement of the Members in the various regions does occur at a stage within the development of the plan that will allow them to have an effect on its direction and possible resource allocation. We consider this as a major priority and we will anticipate and expect that in the development of the capital plan for 1987-88 there will be, not only a response to this concern, but that Members will be involved in the process to a much greater extent than they have been in the past. I do not know if that assurance is any good but we recognize that there is a great need to involve MLAs to a greater extent and I commit that we will attempt to improve our track record, or the track record of this government in that regard.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

Formalized Process For Involving MLAs

MR. McCALLUM: Thank you, Mr. Chairman. I appreciate that and I know that Mr. Butters has indicated his concern, that he would like to see more input by MLAs in this whole process. I think it is great that the two now are working together, going hand in hand, the left hand knows what the right hand is saying. I think that is great. I just wonder how we are going to be able to accommodate that, Mr. Chairman? In some regions there are a number of MLAs and in other regions there are few of them. I know that there may be a possible input into it from other different organizations or groups, such as regional councils. I know there were five MLAs with responsibilities south of the lake from Providence, Hay River, Pine Point, Smith and Res. I just wonder, rather than just do it on the Fort Smith Region because there are MLAs north of it, is

there any way that there can be scheduled get-togethers as it were, of a group of MLAs to have input into this process? I think we have to make some kind of an effort to get more involved with it. The mechanism in doing that, is it possible to have something done along the ideas of where there are a group of MLAs that could get input into it and want to have input, is there some way we could get together in the formative steps of the preparation of the capital budget?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: I think there is a way to improve the current process. We have a formalized process in that we have a chart that contains boxes and arrows and communication directions and consultation requirements. But in practice, it does not seem that this diagram has been followed. It is certainly my intention and I am sure the intention of the secretary of the Financial Management Secretariat, Mr. Nielsen, to move to bring these elements together and involve the MLAs more. I can give you my assurances but I would like Mr. Nielsen to speak because I am going to be depending on him considerably to assist me in implementing the formalized process and maybe I could ask him to indicate what he is looking at and the time frame in which he thinks it might be accomplished.

MR. NIELSEN: Mr. Chairman, as Mr. Butters pointed out, there is a formalized process. But in our visits to the regions we found that there were quite inconsistent approaches to the involvement of MLAs. It is our intention to bring forward a decision paper to the Executive within the next month, outlining alternatives for involvement. I believe one of those recommendations will be that the Ministers themselves get together with the MLAs at the planning stage in the process. Certainly I think your recommendation as to bringing a group of MLAs together, is a good one and I think that could easily be accommodated in the process. But certainly you have my commitment that that decision paper will be coming forward to the Executive very shortly.

CHAIRMAN (Mr. Wah-Shee): Mr. Butters.

HON. TOM BUTTERS: Obviously, Mr. Chairman, Mr. Nielsen cannot commit the Executive to the decision it might take, but we will be moving on establishing some formal process for consultation and communication between this government and Members of the House.

CHAIRMAN (Mr. Wah-Shee): Mahsi cho. Mr. McCallum.

MR. MCCALLUM: Thank you, Mr. Chairman. Well, I am pleased to hear that the secretariat is planning to put something before the Executive Council so something can be done. All I am trying to do is emphasize the need and I think it is a real need for MLAs in particular parts to get together to have some kind of an input. I do not know what other Members in my area, say south of Great Slave Lake, what their experience has been, but mine has been nothing. I have not been informed of what is going on. That may be for a number of reasons, timing of getting meetings together, that may be as much my fault as somebody else's. But I think there is a need to have MLAs have some input into it. I would just hope that it would be possible, at least in our instance, that we could bring the other two MLAs who do not have ministerial responsibilities, in to the regional centre in Smith. And you could do it with the Yellowknife MLAs by having them together here and you could do that in other places. But it is something that is necessary. I know that there are other organizations who may want to have input such as, in the Baffin, the Baffin Regional Council. I think they have had certain experience in it over the years but it has not been that way in the West. To be quite honest, Mr. Minister, I kind of miss being involved with it. I guess that is what it comes down to.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Just to add, Mr. Chairman, that I will commit that, once the matter has been examined by the Executive Council or Financial Management Board, I will have a letter sent to each Member, indicating the decision and what formalized process will be used and some indication of the timing that process would be put in place.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

Role Of Secretariat In Ministerial Task Force

MR. McCALLUM: Perhaps just on another topic and that is the ministerial task force that has been involved. I guess we are looking at input. Where does your secretariat fall in line with the ministerial task force? Is it providing some support or advice, or is there a role there for the secretariat in the work of the ministerial task force?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Yes, the secretariat obviously will be called upon to provide some assistance. As yet we have not identified all the sources that we will be using to examine the expenditure patterns of the government and programs of government. Obviously the task force will operate during the development process for the 1987-88 budget year. So we will be operating over a period of seven or eight months. We have not really got at it yet. We have just concluded the current budget process and there has been very little time during the current session to sit down and begin to put our work schedule in place.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

MR. McCALLUM: Thank you, Mr. Chairman. I guess for ulterior motives, that they are involved and if we get involved with the capital planning as MLAs then we would have some input as MLAs as well. I guess that is what I am getting at. I think the task force, the setting up of it, is a good sign and it is a step in the right direction on behalf of the Minister. If there is any way you could look to get any other kinds of input -- I am sure that you would welcome that -- at least getting any kind of constructive criticism in the end result of the work of the task force? I guess that is what I am getting at, if the secretariat has an input and as MLAs we have some avenue to the secretariat, then I think by coming together with everybody we will get the best possible result.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Minister.

HON. TOM BUTTERS: Mr. Voytilla has just indicated to me, and it is a concern that I have too, that we think that the secretariat is grander than it is. It is really an instrument of the Financial Management Board. I wanted to respond to Mr. McCallum. I would expect, while I do not know what the Executive decision is yet, that you would not be meeting with officials, I think you would probably be meeting with politicians, Executive Members. I would feel that that would be the way we would go, but I am not sure.

CHAIRMAN (Mr. Wah-Shee): Thank you. General comments. Ms Cournoyea.

Cost Savings Due To Decline In Oil Prices

MS COURNOYEA: Thank you, Mr. Chairman. Certainly in view of Mr. McCallum's question on how MLAs can be involved in capital planning, I think that the government could save a lot of trouble answering questions if they just had a stock answer and just numbered it 1979, 1980, 1981 -- just change the date. But back to the question.

When the preparation for the financial plan for the NWT was taken in regard to what it would cost the NWT for oil and gas, how was that rated? Was that rated on the oil prices that were four months ago, six months ago? Were you anticipating that there would be a cost saving because of the decline in oil prices for the petroleum products?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister. Turn on your mike, please.

HON. TOM BUTTERS: With regard to the purchase of fuel, northern communities are supplied from a number of different sources. The fuel that is being consumed now in many northern communities was purchased at probably \$29, US, some 12 months ago. Our expectation would be, in the next round of purchases -- and we have not gone out to tender yet for that but we will be so doing in the very near future -- that we will be getting a much greatly reduced price and when that fuel would be put into government tanks it would be averaged out with the cost of the fuel already there. So our expectation would be that the cost of fuel should go down and that northern people would benefit from the current reduced price in oil on the world market. I am also hopeful too that the Norman Wells centre will similarly reflect the changing situation in the world market and that product prices out of that refinery would also be reduced. As yet I have not been able to determine with either the Minister or Esso just what their intentions are for the coming year.

CHAIRMAN (Mr. Wah-Shee): Thank you. Ms Cournoyea.

MS COURNOYEA: I realize that there is an equalization but would there not be a cost saving in the overall estimates to this territorial government if you have estimated what we required next year on \$29, US?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: As Members know, the ad valorem is examined every three months so that as the cost of fuel goes down our revenues from that source will also be diminished. So there will be reduced costs.

CHAIRMAN (Mr. Wah-Shee): Thank you. Ms Cournoyea.

MS COURNOYEA: Then is it fair to assume that if the Norman Wells supply does not reflect what you could get from other sources that you would not be buying from Norman Wells?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: That is an excellent question. It is a question that I have discussed with my staff over the last two weeks and I have also examined the agreement that Canada and Esso have with regard to that refinery. There is an economic factor related to that community and that refinery, and we may just have to look at whether or not we can forego that economic reality and purchase at some other place at a much reduced cost and see the economic aspect of the community suffer as a result of that action. I do not know. We are going to have to look at it. We are going to have to see what is the best deal we can make for the people of the NWT.

CHAIRMAN (Mr. Wah-Shee): Thank you. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, it is my understanding, from the very little knowledge I have, that the oil that the Norman Wells project is pumping down south is going to be competitive with southern prices. So I see no reason why what we take and move north should not face the same kind of economic analysis. Thank you.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: That would be my assessment too, but I cannot indicate just what we will be told by Esso officials when we meet them in the near future.

CHAIRMAN (Mr. Wah-Shee): Thank you. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, is it my understanding that there is an economic arrangement whereby the NWT is committed, whether the prices are competitive or not, to deal with the Norman Wells project if they decided to keep and argue the prices at a higher level?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: My research has not turned up such a commitment but there may be. I think that is an important element in any discussion we have with Esso, obviously. If the Member is finished I would just like to indicate that with regard to answering in 1981, 1982, 1983. This is the first time that the capital planning responsibility has been placed with the Financial Management Secretariat. Hitherto it was in the Executive and I think we will make a commitment this time to see the process improved.

CHAIRMAN (Mr. Wah-Shee): Thank you. General comments. If there are no further general comments, does the committee agree to go into budget detail?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Financial Management Secretariat, total O and M, \$1,415,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Does the committee have any questions on page 4.07, revenues, recoveries and transfer payments? Next page, 4.08, distribution of budget. Does the committee agree that this Financial Management Secretariat has now been concluded?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): I would like to thank the Minister and the witnesses. Would the Government House Leader indicate to the committee whether they are prepared to proceed with Government Services at this time?

HON. TOM BUTTERS: Yes, Mr. Chairman.

Department Of Government Services

CHAIRMAN (Mr. Wah-Shee): Mr. Minister, do you have any opening remarks for this particular department?

Minister's Opening Comments

HON. TOM BUTTERS: The Department of Government Services provides specialized services to other government departments. Such services include the purchase and delivery of goods, the provision of computer services and the provision of such functions as telex, mail, records and forms management. The department also provides services to the public. It distributes for retail sale petroleum products in 41 communities that are not served by the private sector. It is also responsible for the sale of motor vehicle licences and permits and for the retail sale of liquor products.

Late in 1985, the department's mandate was expanded to include the responsibility for the emergency measures program. The department concluded the final compensation payments for victims of the spring flood in Hay River. The total compensation payments were \$611,745 of which approximately \$448,771 will be recovered from the federal government. Mr. Chairman, I will be seeking the federal government's assistance in exploring ways to reduce the effects of floods and minimize any future damage in flood-prone areas in communities such as Hay River, Fort Simpson and Aklavik. My department is presently designing a public awareness program to ensure that all residents will be aware of the limitations of the territorial government's disaster compensation policy. I would again like to repeat that all persons residing in flood-prone areas are responsible for protecting their property and belongings as best they can.

During the last fiscal year the department's activities with regulatory issues revolved around two significant matters. In June, our staff presented this government's support for the Northern Transportation Company Limited's operations to the Water Transport Committee in Inuvik. Frequent discussions with our provincial counterparts enabled me and my fellow Ministers to present a common "go slow" position on deregulation to the federal Minister at the October Transportation Ministers' conference in Vancouver. A month later the parliamentary standing committee on transportation was presented our views which paralleled the committee's final report that advocated that the North be treated differently from southern Canada when new national legislation is drafted.

Action is now under way to minimize the effect of a proposed air cargo tax, although we were not successful in our attempts to ameliorate the impact -- I guess we were more successful than we thought -- the impact of the passenger tax, we do have expectations that a strategy involving the air line industry, the business sector and consumer groups will convince the federal Minister to abandon this initiative. That was referring to the potential extension of the tax on travel to air

cargo tax which would have a much more widespread and damaging effect than even the taxation on the travel element. I have directed my staff to give this issue priority and contact with all concerned will be taken in March of 1986. The target for implementation of this tax is fiscal year 1987-88.

Mr. Chairman, I wish to inform the House I have approved the privatization plan for the department. Department officials have been instructed to prepare the required analysis that could lead to the contracting out of various liquor stores in Hay River, Norman Wells and Frobisher Bay and the motor licensing function in Yellowknife. We will be looking at those opportunities.

There are a number of initiatives that the department is doing that will be of interest to Members. The new Vehicles Act is scheduled to be introduced in the fall session. The department will also be integrating various aspects of purchasing and traffic functions, those functions of Indian Affairs and Northern Development which are being considered for transfer to the GNWT under the forestry umbrella. Also the department will be assisting in the issuance of the report on the business incentive policy's impact on purchasing, supplies and services by the GNWT for the fiscal year 1985-86.

Mr. Chairman, the department's 1986-87 O and M appropriation of \$13,329,000 represents a six per cent increase over 1985-86. The department's person year allotment has increased by five per cent for a total of 241. The capital budget is \$8,795,000 which represents a 17 per cent increase from 1985-86. The department will be raising revenues of \$12,852,000, will operate revolving funds and charge back centres valued at \$58,748,000. Thank you, Mr. Chairman for the opportunity to make those remarks. If Members wish I can ask that John Quirke, deputy minister for the department and Henry Dragon, finance officer for the department, be allowed to join me at the witness table and participate in any discussions which may ensue.

CHAIRMAN (Mr. Wah-Shee): Does the committee agree?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): General comments. Mr. McCallum.

Business Incentive Policy

MR. MCCALLUM: Thank you, Mr. Chairman. I do not want to start out with a general comment. I would like to get some kind of an indication from the Minister or his people if there has been an evaluation made by the department as regards the government's initiative of the business incentive policy on the cost of goods and services. I raised this issue a couple of times. Northern business people are getting preference on supplying goods and services and in a lot of instances, according to some people within different government departments, for example schools and DPW, the price for these goods and services are a little more now because of it, because of the cost of transportation that the individual businessman has to add. Whereas in the past when Government Services were supplying, they looked after the transportation of these goods, basically. I wonder, has the department been able to make an evaluation of the cost to the government of purchasing goods and services with the business incentive policy in place? Has there been enough time to make some kind of an evaluation?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, the simple answer is, no. We have not had the time to do that yet. It is an objective of the department for the current fiscal year or the next fiscal year and we hope to get at that and address a number of the questions that have been raised by the Member.

CHAIRMAN (Mr. Wah-Shee): Thank you. Would you turn your mike on, please?

HON. TOM BUTTERS: Thank you, Mr. Chairman. The department has developed an interim report on the business incentive policy which indicates to some extent the degree of success of the program in relation to the percentage of contracts and business done in the North. I can, and in fact it is my intention to, table this document before the House before this session concludes.

CHAIRMAN (Mr. Wah-Shee): Thank you. General comments. If there are no further general comments, does the committee agree that we go into budget detail?

SOME HON. MEMBERS: Agreed.

---Agreed

Directorate, Total O And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Directorate, total O and M, \$949,000. Agreed?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Wah-Shee): Mr. McCallum.

MR. MCCALLUM: Thank you, Mr. Chairman. This morning at the standing committee on finance the Minister had a piece of paper with some figure changes and some of them were relative to this department. I think it dealt basically with the PYs in Government Services.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Yes, that is correct, Mr. Chairman. Maybe we could use this opportunity. I will ask Mr. Dragon to indicate to Members where those changes should be made. I will be tabling an errata in the very near future which will relate to corrections that are required. Not major corrections but corrections that are required to the budget document for, I think, three departments of which Government Services is one. Mr. Dragon might comment on those.

MR. DRAGON: Mr. Chairman, the one change that has to be made to the main estimates deals with the revolving funds, person years for 1985-86. They are shown in the main estimates at 84.5 PYs, they should in fact be 91.0. That is page 10.05, second last line, revolving funds, person years.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

MR. MCCALLUM: Do I take it that from the main estimates that we were looking at that there was a reduction of 1.5 PYs in the department? You did not give up 1.5 PYs anywhere over the year, I cannot believe that. We approved 91 man years in last year's estimates and the revised forecast after the supplementaries and everything else, you had 89.5 PYs. Is that correct? Those are the figures we have. Otherwise I was going to ask you if the 84.5 PYs was correct, where did you pick up five more? But that is not the question now. The question now is that you said that the 84.5 PYs is wrong, it should read 91 that we approved this time last year. But in the revised forecast the number is 89.5. From my calculations that is only 1.5 person years. Where did it go?

HON. TOM BUTTERS: Mr. Quirke will attempt to respond.

MR. QUIRKE: Mr. Chairman, the 91 PYs that were approved last year with the revolving fund, the revised forecast should also read 91.0. From what I can gather, these figures actually represent the amount of man years we actually used last year. Of the 91 we had, we utilized 89.5. So they represent actual expenditures. But 91.0 was the actual approved figure and should be in both columns as the 1985-86 main estimates and the 1985-86 revised forecast.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

MR. MCCALLUM: So the total number of PYs within the department, including continuing, casual and revolving, the revised forecast was 230.9. Is that correct?

CHAIRMAN (Mr. Wah-Shee): Mr. Quirke.

MR. QUIRKE: Mr. Chairman, working backwards, 1986-87, 241 is what we are seeking approval for now. The revised forecast of 229.4 should be increased by 1.5 to give you 230.9. That is correct.

CHAIRMAN (Mr. Wah-Shee): Thank you. General comments. Directorate, total O and M, \$949,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Office Services, Total O And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Office services, total O and M, \$1,148,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Systems And Computer Services, Total O And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Thank you. Systems and computer services, total O and M, \$1,573,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Supply Services, Total O And M

CHAIRMAN (Mr. Wah-Shee): Thank you. Supply services, total O and M, \$3,916,000. Agreed? Mr. Richard.

MR. RICHARD: Mr. Chairman, under this activity Mr. McCallum had asked about the department's plan on reporting on the results of the business incentive policy. I take it that the statistics that the Minister indicates he is going to table in the Assembly shortly is not all that is going to be reported on. There is going to be some assessment about this policy and whether it has been beneficial. I am wondering when the department anticipates producing that comprehensive report, if I could call it that.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, the report I referred to is just a progress report in terms of the numbers of contracts awarded and the percentages of usage that has been made of northern businesses and suppliers, this type of thing, and names of those people who have been designated as such. The report referred to by Mr. McCallum and Mr. Richard will not be a departmental report and carried out by Department of Government Services. It will be carried out by the Priorities and Planning Secretariat under Louise Vertes and in fact, as I understand, she is actively now beginning to put that report together. How long it will take her committee to do this, I do not know. But it is now under active process.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Richard.

MR. RICHARD: Mr. Chairman, somewhere in the documentation we have been provided with -- I cannot put my finger on it now -- but there was an indication that in the business incentive policy and the administration of that policy within this department, there was a decrease of a person year. I am wondering why that is being decreased? Is the system working well enough that we do not need as many staff? Thank you.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, I think when we initially discussed this requirement -- I thought I discussed it also with the House -- the labour component to set up the program was a term position or two term positions, I think, and one was to become a full-time position. So one position has disappeared. It was a term position and it was only considered to be required during the time the organizational steps were taken and the program put in place. Now that it is in place, only one position is required to maintain it.

CHAIRMAN (Mr. Wah-Shee): Thank you. Supply services. Mr. McCallum.

MR. McCALLUM: The report that will be done, will that be just for the internal use of the government, since it is dealing with priorities and planning? And if it is, how is it intended to be used? Or will it be a public document? Obviously we know that there is a report coming out and it is of some concern to Members if there is to be any change, if this business incentive policy is to be utilized or not utilized. I just wonder, will the Minister be reporting to the House on it or will it simply be used for internal purposes of the government?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: The directive states, and I quote "In recognition that requirements for a business incentive policy in the NWT may change, this policy will be reviewed within two years time." I do not know that that requires that the report would be made public. I think that report, as envisioned therein, would be a report that would be provided to the Executive Council. I do not think there is a requirement to make such a report public. If it were, I think I would have to obtain the permission of the Executive Council to either make that document public or a document which contains the information therein, public.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

MR. McCALLUM: Thank you, Mr. Chairman. I think I would agree with the Minister. I am not so sure that it is necessary to make it public, because there will be concern if there are to be any changes to it. Obviously if it is going to affect people within our constituencies, there must be an avenue open for us to have some kind of give and take if there are to be any changes to it. It may well be that the report will come out and say there should not be any changes and you are satisfied with it. I think that it is of enough interest because of the various business people within our constituencies who take advantage of that and who are now registered within your Government Services.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, I agree with the Member wholly that if there were to be amendments or changes to the existing policy that it would be imperative not only to consult with the Members of this House but other agencies also who participated in discussions previous to the establishment of the policy. So I would agree that amendment would require discussion and further consultation. I would commit that before any amendments were made, you would be advised what was being considered.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

Devolution Of Forestry And Fire Suppression

MR. McCALLUM: Thank you, Mr. Chairman. I appreciate that from the Minister because as he well knows that is a concern. On another topic under supply services, I note that the department obviously is involved with the devolution from federal to territorial and traffic functions, warehousing, purchasing, etc. In light of the pace at which things are progressing for the takeover of these various functions, how are you going to meet that objective of integrating the purchasing and warehousing, the traffic functions of these takeovers? Let us just take one in relation to fire suppression and forest management -- I guess in fire suppression more than anything else, there is some slowdown with these transfers. I expect that in the case of one of them, for example the fire suppression, forestry, that timetable has been moved back. I just wonder what that does to the department in trying to integrate the whole business of devolution. How do you meet that goal?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, the devolution of the forestry suppression element and administration probably will become a textbook example of how devolution should occur. There has been a lot of time and thought gone into the various consultations and negotiations with the various departments of the various governments. The matter has been proceeding now for some 10 months to a year but it has been proceeding at an official level. That is why I am going to ask Mr. Quirke to respond to the question because he has been involved in these discussions.

The decision with regard to "yes, no and when", will come to the Executive table at some time but it has not come yet and I do not know that we have a schedule for its appearance before the Executive. So to respond to Mr. McCallum's question with regard to what Government Services might be required to take on, if and when the transfer occurs, or when the transfer occurs, I will ask Mr. Quirke to respond to that enlarged role.

CHAIRMAN (Mr. Wah-Shee): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The integration of the functions of warehousing, purchasing and traffic I feel will be a very smooth transaction into both our Department of Government Services and Renewable Resources, mainly from the point of view that we have been at it since day one. Since we deal quite a bit with the Department of Supply and Services in Ottawa, we know exactly how many buyers should be coming our way in terms of man years. We know exactly how many people are involved in their operations. It is mainly because we have been working closely with Renewable Resources at the ground from day one, that we feel we have a fairly solid handle on what is coming to us and how it will integrate into our department and Renewable Resources. So I feel the basic integration will be a very smooth one from our part. Thank you.

CHAIRMAN (Mr. Wah-Shee): Thank you. Supply services, total O and M, \$3,916,000. Mr. Richard.

MR. RICHARD: Mr. Chairman, the Minister had indicated to us in our committee meetings that the department had been investigating a replacement for the coast guard, as a contractor to resupply the Eastern Arctic communities. I was wondering if we could have an update on that.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

Contractor To Resupply Eastern Arctic

HON. TOM BUTTERS: Mr. Chairman, the resupply of the Eastern Arctic for many years has been carried on by the Canadian Coast Guard. I believe they carried on that responsibility on a five year contractual basis. Some years ago there was a suggestion that possibly we could find some other agency who would perform that function of resupply for us, particularly a company that operates and is resident in the North. I think about two years ago we specifically approached and requested Nunasi to look at this particular responsibility. In recent months the organization has become interested in assuming the role that the coast guard is currently carrying out. John Hickes has had discussions with this government and received from us our support on any initiative that Nunasi puts forward which obviously is a figure that can be rationalized. The federal government is carrying out discussions or is answering questions put to them by Nunasi with regard to the responsibilities that will be entailed if they take over such a function. So discussions are going ahead. I think the coast guard mandate is for two more years but should there be successful negotiations achieved with Nunasi, which is the only organization I know that is currently seeking to take over the responsibility, then I believe the coast guard would probably step out when they would be ready to step in.

CHAIRMAN (Mr. Wah-Shee): Thank you. Supply services. Mr. McCallum.

Business Incentive Policy And Income Tax Filed In NWT

MR. MCCALLUM: Yesterday, Mr. Chairman, I asked a question of the Minister when he was the Minister of Finance about the business incentive policy and whether there was within that business incentive policy, or if there is any thought of putting a requirement in, that a bidder would pay his taxes in the Territories. We get into a discussion in terms of where the taxes should be paid and the whole business of finance. I had indicated at that time that I was not sure whether I should approach the Minister as a Minister of Finance on it or maybe the Minister of Government Services. Mr. Butters at the time indicated it should maybe come to him at this time. So I would like to readdress the question to him, Mr. Chairman. In the business incentive policy, is there a requirement for a successful tenderer, who takes advantage of a business incentive policy, to file income taxes in the NWT? If there is not, and since you are doing a review of it, I beg a further question. Is that one aspect of the review of this policy that Mrs. Vertes is undertaking at the present time?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, the answer is no, to the first question. It is not a requirement, it is not one of the criteria that has been laid down for defining a northern contractor. With regard to the second question, yes, it should be I think considered by Mrs. Vertes and her committee when the policy is reviewed. I think the Member is aware of some of the problems associated with residency of both individuals and corporations and the difficulty we had with our pay roll tax. But I would be very happy to recommend to Mrs. Vertes that she gives the honourable Member's recommendation very keen consideration.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Richard.

MR. RICHARD: Mr. Chairman, some of us did discuss this item after our committee meeting yesterday. I am not sure how we left the issue with the Minister of Finance yesterday but I for one, and I believe the committee, would be interested in getting some information on how much corporate tax or what share of its corporate tax the southern-based corporations are paying to our government.

Some of the examples that came up in the conversation were the Hudson's Bay Company, Pacific Western Airlines, Nordair, Cominco. All of these corporations are clearly based in the South but generate a lot of their profits in the North. Mr. Nielsen, the deputy minister, indicated when we did Finance yesterday, that we are getting a share of it. But I think, Mr. Chairman, it would be valuable information for us to have exactly what portion is delivered to our government and how it is calculated.

The Minister indicated yesterday that although Revenue Canada are co-operative, the most recent information we have on them is something like 1982. But whatever information is available, Mr. Chairman, I think would be of benefit to Members to satisfy themselves and the public that our government is getting an equitable portion of the corporate income tax. That is not on this department but it is related to the business incentive policy on the point that Mr. McCallum made. Thank you.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

Information From Revenue Canada On Tax Flow Research

HON. TOM BUTTERS: We did not take away from the meeting yesterday, Mr. Chairman, any indication that Members would wish us to pursue a specific or particular company. However, as Mr. Nielsen pointed out we can identify a company and Revenue Canada will provide us with the information we require for the years that we require, providing they are not too close to us in time. So I would be willing to pursue or look at a number of companies. You mentioned The Bay, PWA. We have done quite a bit of work with mining companies because of the situation mining companies in the Territories have found themselves in and find that some years they will pay tax and some years they do not or the number of years in succession they do not. So that the one year look is not enough. You have to have a succession of years, say five years, to get an indication of how the tax flow is. But I would be happy to pursue such research.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. McCallum.

MR. McCALLUM: Thank you, Mr. Chairman. I guess there is a concern with these others but I think the real concern that I had to start with, and it relates to the business incentive policy, is that if we are giving incentive or allowing northern businesses as we know them, those with 51 per cent so-called or they have an office here, if they are getting contracts and they are eligible to get it because of the business incentive policy, it would seem to me that there should be some kind of corresponding requirement on their side to do something for the Territories.

The simple fact for example of PCL having an office, and I know they have and they are a good contractor and everything else, but if they are eligible for the business incentive there should be some requirement on the government's side to ensure that we are getting value again. As I am not sure where it came up or how but there was some concern over the awarding of the contract of Stanton Yellowknife Hospital to PCL. If we are allowing these people to take this type of advantage of a policy that should benefit northern business people, who are in the North and who do pay their taxes, I think that there should be some way to get it done. I would hope that the Minister would impress upon his people, in this case Mrs. Vertes, to take a hard look at whether it

is possible to put that in as a requirement under your business incentive policy or not. I guess that is one concern. The other concern, the tax question, Mr. Richard has addressed that but I would like to see whether you could do something under this business incentive policy since you are going to review it.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, yes. A few minutes ago I asked Mr. Quirke to develop a letter to Mrs. Vertes on the particular matter raised by the honourable Member and to provide with that letter, a copy of the transcript of this discussion. I agree with his suggestion and I feel that if it can be implemented and included as one of the criteria of defining northern contractor then it is a most valid one and we will certainly look at that.

On responding to Mr. Richard, possibly if the chairman of the standing committee on finance, of which Mr. Richard is a Member, could by letter, advise me of certain research that they would wish us to do through Revenue Canada then I would respond to and act on that request.

Supply Services, Total 0 And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Supply services, total 0 and M, \$3,916,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Communications, Total 0 And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Communications, total 0 and M, \$2,559,000. Mr. Richard.

MR. RICHARD: Mr. Chairman, if this is the activity where the government spends money on postage costs, then the Minister had better get his supplementary estimate ready -- from what we heard this afternoon from the federal government.

MS COURNOYEA: Buy computers.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister, do you wish to reply to this? Okay. Communications, total 0 and M, \$2,559,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Freight, Total 0 And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Freight, total 0 and M, \$2,588,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Motor Vehicles, Total 0 And M

CHAIRMAN (Mr. Wah-Shee): Motor vehicles, total 0 and M, \$596,000. Mr. Richard.

MR. RICHARD: Mr. Chairman, on this activity I note a substantial increase in revenues or projected revenues of 39 per cent. I understand that it is partly as a result of the increase in vehicle registration fees. Could I also ask the Minister to confirm, as the price of licence plates is increased -- I am not sure how the request for souvenir plates is handled by the department but I know there is a bit of a market for our licence plates -- whether that price has gone up as well and if so, the reasons why?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, there has been no increase in the cost of souvenir plates. They retailed for five dollars in the past and they continue to be sold at that particular price.

CHAIRMAN (Mr. Wah-Shee): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, I am pleased to see that one of the promises that was made last year, in terms of getting better services for driver examinations, is going to be provided through an additional person year in 1986-87. I would like to know where that extra person would be stationed and if those examinations are going to be conducted outside the major centres in some of the smaller communities where people cannot afford to go to major centres to be examined and receive their driver's licences?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: The position will be established in Yellowknife, but there will be the requirement on that individual to travel to other communities where testing is required. I am afraid that possibly the Delta and the Western Arctic might be in a little more difficulty because the individual who worked on the weigh scale at Inuvik was able to test and with his relocation we will not have that flexibility. But the additional position will allow us to address hopefully the requirement for testing in the smaller communities a little more expeditiously than we may have done in the past. We are also looking at using the services of the RCMP Police more than we have done, so that there are no inordinate delays in providing temporary or other licences.

CHAIRMAN (Mr. Wah-Shee): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, I am somewhat disappointed that again with the request and the shortfall for driver examination or anything else, the position is again created in Yellowknife. I do not know how this reflects on the requirements and how the proposals for driver examinations in the interior are going to be provided for. Because in the past, once the position is in Yellowknife, I very seldom find that they get any further than that. Is there an additional budget for travel so some of the examiners who are out in the region can be more extensively utilized in settlements outside the regional centres?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: We expect that with the additional position, the smaller communities would be served to a much greater extent than they are now. There is an additional body. Where there were two there now will be three and these people will not be operating in Yellowknife, although there is a significant number of tests conducted here. They will be available to travel to the smaller communities. I think that one place where we might experience some difficulties is Inuvik, where we lose an individual who was able to perform two functions. But I do not think there is going to be a diminishment of services, I think the service will be improved with that additional position.

CHAIRMAN (Mr. Wah-Shee): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, is there a policy then, being extended to the communities or to the different regions, that the Government Services motor vehicles division are going to make themselves available for licensing in other than the major centres?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

Driver Testing In Small Communities

HON. TOM BUTTERS: There is obviously a restriction on where tests can be taken to ensure that the standard that the driver competes for is achieved. The practice has been that in the larger communities, we provide driver testing and in the smaller communities the RCMP have assisted us in this regard. But you cannot get a standard test in a number of our small communities. It is just not accepted in other parts of Canada.

CHAIRMAN (Mr. Wah-Shee): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, it is ironic that that statement will be made because most of the requirements for licensing are to do with heavy duty equipment operators and the heavy equipment or heavy trucking operators and most of their activity takes place under the extreme conditions of

winter roads, poor access roads, and these are particular safety issues that would not be experienced per se in Inuvik, Yellowknife or Fort Smith. The requirements of good skills outside and in the industry and exploration areas require a certain kind of expertise. Certainly I do not think that Tuktoyaktuk is so small or remote but it has been extremely difficult to have the testing or licensing done in that community. Most communities such as Fort McPherson as well as Aklavik -- I do not see the difference. But added areas would be of benefit to some of the construction industry and the smaller construction firms who do contract work for the oil and gas industry, who have these peculiar requirements where they do need these extra skills. It would appear to me that testing would be more appropriate in those areas rather than in the major centres.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: The major centres, as I am aware, usually have adjacent ice roads. You can get on an ice road and experience some of the difficulties in driving in constricted places and areas within a few minutes of Yellowknife. So I believe the larger centres offer as many tests to a driver's competence and capability as Ms Cournoyea was holding up for the smaller ones. The problem in the smaller communities is that the communities themselves are not usually large enough to place upon a driver the types of difficulties he may have in handling a semi-trailer or big van and backing up and moving around. That is the degree of skill which a truck driver must have to obtain that licence. In the larger communities he or she can be tested in both situations.

CHAIRMAN (Mr. Wah-Shee): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, there is concern in the smaller communities because of the transportation to a larger settlement and trying to get there. I believe that most of the people living in the smaller communities probably would be inclined to go to a central area or the regional centre. However, they have to take care of their own expenses to get there. In some cases a \$310 round trip is a lot for a person to come up with. Now, for a larger community like Tuktoyaktuk, I know that we have had increasing difficulty getting the licenser to move from Inuvik and do the testing in that community which is only \$120 away from Inuvik. I just feel that there is unfairness created because you do not live in major centres and I feel that this government should correct that situation. If money is going to be allocated for extra time and effort and for people's time, then an arrangement to allow these people to get into the mainstream and get these licences brought up to standard, should be made available where they are.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Minister.

HON. TOM BUTTERS: There is undoubtedly a problem of the nature outlined by the Member. It is not an easy one to resolve. It is one that we have looked at and I do agree that a person in a smaller community who wishes to get a class type licence which will allow them to drive anywhere in Canada is at a disadvantage. If they are not seeking a licence to drive anywhere in Canada, I believe a test could probably be carried out in the area but they would be exempted from using that licence on other of our national roads.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Nerysoo.

Issuance Of Restricted Licences

MR. NERYSOO: Thank you, Mr. Chairman. I just wanted to ask the Minister with regard to the licensing process. Do you make the applicants aware of the limit of the licences that they are being issued? What is the process that is being used?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Mr. Quirke is probably more familiar with the process than I am and I will ask him to respond to the Member's question, Mr. Chairman.

CHAIRMAN (Mr. Wah-Shee): Mr. Quirke.

MR. QUIRKE: Mr. Chairman, when a person for example arrives in the motor vehicle office or licensing office in Norman Wells, Inuvik, and wants to take a test, there is a variety of information that is provided to him. For example he can pick up the manual that is issued by the

Minister that explains all the details of what we test you for and explains the type of classes you can get from class 1 to class 5 based on the weight of the vehicle. So all the information that a person would need is contained in that manual and it is available to anybody. As I say, when they go to the issuing office that book is there for them. They can take it home. They can study it and then they can make the appointment with the driver examiner or the issuing office for a test and he will be scheduled when they arrive. Basically all that information is available in the manual.

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Nerysoo.

MR. NERYSOO: Thank you, Mr. Chairman. I just wanted to express concern with that because in the larger centres you are able to provide the testers or the individual who is involved in the driver examination. When you have a situation where drivers are being issued driver's licences in smaller communities the problems arise from the qualifications of that driver as compared to a driver in a larger centre. For instance you have class 5 or restricted NWT licences. In fact, in the case of Fort McPherson, you have people that have restricted NWT licences that are driving in the Yukon. They could be arrested in the Yukon for driving vehicles with restricted licences and they are not told that. There is no way in which we can resolve that unless, of course, the department comes up with another solution because they are driving in another jurisdiction and as such could be arrested.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Yes, Mr. Chairman, we will have to look at that. It would appear that there is no covering document issued with a restricted licence to indicate the limitations of that licence so I agree the department should look at that and provide that type of information before and after such a licence is sought.

CHAIRMAN (Mr. Wah-Shee): Thank you. Motor vehicles, total O and M, \$596,000. Mr. Richard.

MR. RICHARD: Mr. Chairman, there is a reference to the plan during this year of redrafting the Vehicles Act. This is, Mr. Chairman, yet another piece of legislation that has been promised for revision for some time and I am not going to ask how much money we spent on drafting this one but I am wondering if the committee can be advised as to the target date for the legislation coming forward to the Assembly?

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: The amount of money spent on this one to date, Mr. Chairman, is very minimal. As far as I understand it has been done mostly in-house with our own expertise in Justice. I believe I mentioned in my opening remarks that we were looking at the fall session. However, that might be too ambitious. It is a major amendment document and it has been in process for about a year and a half but I would expect that if it is not done by the fall session then no later than the winter session in 1987.

CHAIRMAN (Mr. Wah-Shee): Motor vehicles. Mr. Nerysoo.

Legislation For All-Terrain Vehicles

MR. NERYSOO: Thank you, Mr. Chairman. I know that one of the issues that arose from the amendment to the Vehicles Act was the question of all-terrain vehicles. In fact it was the three wheelers in particular. I do have some major concern with the use of those vehicles in communities. I am not concerned about the use outside the communities but I do know that there has been an abuse of three wheelers in the communities themselves and in municipal areas. I am uncertain about how the department is going to deal with that because you are not introducing any new legislation to regulate the three wheelers in the communities in particular. I have begun to have a concern because I believe that that same situation occurs even in the city of Yellowknife.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: With a great deal of difficulty. The reason being the Member will recall the concern was raised at Rankin Inlet last year when the Assembly was there. The department did move to attempt to provide a greater degree of control for what you might term the all-terrain vehicle

and in fact did develop legislation which got to the House planning and legislation committee but the difficulty that we found on examining that legislation is that it is just about impossible to draft blanket legislation which will apply to communities such as Yellowknife and the communities such as Coppermine. So the recommendations that the department put forward with regard to licensing and controlling the use of such vehicles and also the trailers that they take along behind them, began to get very complicated.

In fact one time we were looking at putting lights on these various instruments that are dragged or tagged along behind all-terrain vehicles so it became very difficult as I say to develop global legislation. We are now looking at and will be coming forward with legislation which allows greater discretion in communities so that communities will be able to address the concern themselves in a manner that is appropriate in terms of their own particular situation. We are looking at an amendment to the All-terrain Vehicles Act which would require hamlets, villages, towns and cities to pass by-laws which must address certain issues, to control the use of all-terrain vehicles in their own community. In this case the settlements and the territorial government in consultation with and upon the advice of the settlement councils would draft regulations, in accordance with the requirement and the act, amended to suit the needs and wishes of the community. I guess we have come full circle. We cannot do it with global legislation. We are going back to try and make specific legislation or regulations to apply to the particular community experience and requirement. We did have legislation forward for this session, Mr. Chairman, but it was withdrawn at the last moment when it was before the standing committee on legislation because it contained those major anomalies.

CHAIRMAN (Mr. Wah-Shee): Thank you. Ms Cournoyea.

Motion To Make Testing For Licences Accessible To Residents Outside Of Large Centres, Bill 1-86(1), Carried

MS COURNOYEA: Mr. Chairman, I move that the Department of Government Services establish a progressive program whereby testing for licensing can be accessible to individuals who do not live in regional or major government centres.

CHAIRMAN (Mr. Wah-Shee): Your motion is in order. Do you wish to speak to the motion, Ms Cournoyea?

MS COURNOYEA: Mr. Chairman, I realize that the matter of trying to deliver programs to all the people in the NWT is putting some strain on the territorial government budget. However, I feel that this issue has been on the floor for many years and in this I am basically asking that the issue, once and for all, be addressed to provide this service where it is very much needed. I realize it may have to be done over a two or three year period or even longer but I feel that at this time, rather than bringing up the issue every year, that we put a motion in order that the Department of Government Services can act on, as a desire of this Legislative Assembly. Thank you.

CHAIRMAN (Mr. Wah-Shee): Thank you. To the motion. Mr. Minister.

HON. TOM BUTTERS: May I have a copy of the motion, Mr. Chairman, just to have a quick look at it?

CHAIRMAN (Mr. Wah-Shee): To the motion. Do I hear question?

AN HON. MEMBER: Question.

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

---Carried

Motor Vehicles, Total O And M, Agreed

Motor vehicles, total O and M, \$596,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): The rest of the pages are information items dealing with petroleum products, liquor commission, petroleum products revolving fund, liquor commission revolving fund, public stores revolving fund, applications development and systems support centre, and computer services and technical support centre. Mr. Richard, do you have some questions in regard to the information items I have indicated so far?

MR. RICHARD: Mr. Chairman, did we skip over pages 10.13 and 10.14?

CHAIRMAN (Mr. Wah-Shee): No, I was just indicating for the information of the committee that these are information items. All of them. So I am not calling them page by page unless you have specific questions on those individual pages. Mr. Richard.

MR. RICHARD: Mr. Chairman, far be it for me to be critical of you, sir, but page 10.13, petroleum products is seeking -- oh, I am sorry, they are capital funding. I am sorry, Mr. Chairman.

CHAIRMAN (Mr. Wah-Shee): The reason why I am saying...

---Laughter

...your apologies are accepted, Mr. Richard. The rest of the pages do not have O and M items. That is the reason why they are information items. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, in regard to the liquor commission, in the opening statement by the Minister he indicated the privatization of liquor outlets in some communities other than Inuvik and I am wondering why Inuvik is not being sought as one of the possibilities of privatization for the liquor store.

CHAIRMAN (Mr. Wah-Shee): Mr. Minister.

HON. TOM BUTTERS: Inuvik is certainly under consideration. I just would say that we are not necessarily moving toward privatization but certainly those remain opportunities for proposals. Inuvik was in my opening remarks, maybe I did not say that, but Inuvik is also under consideration. I will look at the text tomorrow and see what I did say there.

Total O And M, Agreed

CHAIRMAN (Mr. Wah-Shee): Thank you. Okay, we are back to page 10.05, total O and M, \$13,329,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Does committee agree that this department is concluded? Sorry, just for the O and M. Due to the hour I will call progress. Thank you. I would like to thank the Minister and the witnesses.

MR. SPEAKER: Mr. Wah-Shee.

ITEM 15: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF BILL 1-86(1), APPROPRIATION ACT, 1986-87

MR. WAH-SHEE: Mr. Speaker, your committee has been considering Bill 1-86(1) and wishes to report progress with one motion being adopted and requests leave to sit again.

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.

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

SOME HON. MEMBERS: Agreed.

---Carried

MR. SPEAKER: Thank you. Announcements and orders of the day, Mr. Clerk.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a meeting of the special committee on rules, procedures and privileges at 9:30 a.m. tomorrow morning.

ITEM 17: ORDERS OF THE DAY

Orders of the day for Thursday, February 27th.

1. Prayer
2. Members' Replies
3. Ministers' Statements
4. Oral Questions
5. Written Questions
6. Returns
7. Petitions
8. Reports of Standing and Special Committees
9. Tabling of Documents
10. Notices of Motion
11. Notices of Motion for First Reading of Bills
12. Motions: Motion 8-86(1)
13. First Reading of Bills
14. Second Reading of Bills: Bills 2-86(1), 4-86(1), 5-86(1), 8-86(1), 9-86(1), 10-86(1)
15. Consideration in Committee of the Whole of Bills and Other Matters: Bills 1-86(1), 3-86(1), 7-86(1)
16. Report of Committee of the Whole
17. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Thursday, February 27th at 1:00 p.m.

---ADJOURNMENT

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