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YELLOWKNIFE, NORTHWEST TERRITORIES

TUESDAY, MARCH 10, 1987

MEMBERS PRESENT

Mr. Angottitauruq, Mr. Appaqaq, Mr. Arlooktoo, Hon. Tom Butters, Hon. Michael Ballantyne, Ms Cournoyea, Hon. Tagak Curley, Mr. Erklou, Mr. Gargan, Mrs. Lawrence, Mr. MacQuarrie, Mr. McCallum, Hon. Bruce McLaughlin, Hon. Dennis Patterson, Hon. Red Pedersen, Mr. Pudluk, 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 Tuesday, March 10th. Item 2, Ministers' statements. Mr. Curley.

ITEM 2: MINISTERS' STATEMENTS

Minister's Statement 29-87(1): North Warning System Operation And Maintenance Contract

HON. TAGAK CURLEY: Thank you, Mr. Speaker. I wish to bring the Members of this House up to date on tendering north warning system work because I think it is important that Members have some information before the Minister arrives. The request for proposals to operate and maintain the system has been sent to five bidders, five companies, by the federal government. Each of the proponents has been required to submit northern employment and business plans as a part of their proposals.

With respect to business, Mr. Speaker, each proponent has to identify goods and services to be purchased in the North. Total annual direct expenditures for goods and services and transportation have to be stated. Each bidder will also be required to show how large components of the work will be broken down into smaller packages, and the potential for the establishment of new businesses must be examined. The bidders are being asked for commitments for equity participation by northerners.

In the employment plan, Mr. Speaker, the bidders must clearly define their plans to recruiting and training local workers, and set out affirmative action programs and opportunities for advancement.

As well, Mr. Speaker, certain innovative requirements have been put into this request for proposals. Each bidder has to identify measures to ensure that non-unionized workers and contractors have access to work, if the contractor selected is unionized. Bidders also have to explain plans to transfer technology and expertise to the North. The successful bidder must be prepared to commit to northern benefits in contracts for all undertakings proposed.

Mr. Speaker, I am sure the Hon. Perrin Beatty will be congratulated on his innovative approach to the North ensuring that the maintenance contracts result in maximum benefits for northerners. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Minister. Item 2, Ministers' statements. That appears to conclude this item of business.

Item 3, Members' statements. Item 4, returns to oral questions. Mr. McLaughlin.

ITEM 4: RETURNS TO ORAL QUESTIONS

HON. BRUCE McLAUGHLIN: Thank you, Mr. Speaker. I have waited for Mr. Nerysoo, who is absent because of an illness in his family, to return to the House for some returns to oral questions, but since they are also of interest to other Members I would like to give them the responses to oral Questions 072-87(1) and 073-87(1), which you ruled were separate questions.

Return To Question 072-87(1): Notice Of Award Of Contract To Musk-Ox Program Developments Ltd.

The return to Question 072-87(1), which was asked on February 25th, concerning Musk-ox Program Developments Limited: I have been advised by my departmental officials that Musk-ox Program Developments Limited were advised of their successful bid on their request for proposals, by telephone, on February 10th, 1987. Letters were mailed later on that same date to both the successful firm and those firms that were not successful.

Return To Question 073-87(1): Appeal Process For Reviewing Contracts

Mr. Speaker, if I may, I have another two or three sentences to answer to oral Question 073-87(1), on the same subject. There is no formal appeal process in place for the review of decisions made under the request for proposals guidelines. There is always, with ministerial authority, the option for the Minister to review the process which took place, to ensure the government guidelines were followed. In this particular instance, I am sure that this was the case and that no irregularities exist. Thank you, Mr. Speaker.

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

ITEM 5: ORAL QUESTIONS

Question 0120-87(1): Explorers' Guide Competing With Private Enterprises For Advertising Dollars

MR. MacQUARRIE: Thank you, Mr. Speaker. My question is for the Minister of Economic Development and Tourism. It refers to a letter that the Minister received from the magazine, Up Here. Mr. Minister, it notes that at one point the government intended to privatize the publishing of Explorers' Guide. It also notes that that has not been done; the government is continuing to publish it, but also to sell advertising and therefore it is in direct competition with private enterprises for advertising dollars. The question, Mr. Minister, is, what is the government's plan for the future? Will it go directly to privatizing that publication or will it continue to publish itself but not look for advertising dollars?

MR. SPEAKER: Mr. Minister.

Return To Question 0120-87(1): Explorers' Guide Competing With Private Enterprises For Advertising Dollars

HON. TAGAK CURLEY: Thank you, Mr. Speaker. The decision to invite the advertising from the operators was a joint decision by the industry and the government. It was felt that this was a good way of exposing the operators in the North to the international and North American market. As a result of that, that enabled the government to produce the Explorers' Guide with the new colour designs and so on and it still has, I believe, wide support to continue the advertising because it does give the operator much-needed exposure to the markets that the industry itself is not meeting.

As far as the long-term plans are concerned, the government is still exploring and we have briefly discussed the possibility of completing the privatizing of the publication in the future. Up to this stage we have not had a formal agreement, but in time I am sure it will happen. Thank you.

MR. SPEAKER: Supplementary, Mr. MacQuarrie.

Supplementary To Question 0120-87(1): Explorers' Guide Competing With Private Enterprises For Advertising Dollars

MR. MacQUARRIE: Thank you, Mr. Speaker. I understand that it was a joint decision by the government and private industry but, Mr. Minister, was that not an interim decision in order to see how things work and the thought was that if it appeared to be successful, it would be privatized at some point and since that was some years ago, five years ago I believe, is it not perhaps time to make that decision within the next year?

MR. SPEAKER: Mr. Minister.

Further Return To Question 0120-87(1): Explorers' Guide Competing With Private Enterprises For Advertising Dollars

HON. TAGAK CURLEY: Mr. Speaker, I am sure that it will be discussed with the Travel Industry Association in the future, in due course. I know that we did explore the possibility of that with the Travel Industry Association and no doubt there are other companies that will be interested in the privatization of that very popular Explorers' Guide. But I am reluctant at the moment to give a specific date, because I think it will require a stage -- either step by step or in totality -- so, I would wish to be cautious at the moment because we did raise it and I know that it is something that will happen eventually but exactly when, I cannot say at the moment.

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

Question 0121-87(1): Transfer Of NCPC Headquarters To Northern Community

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. My question is for the Minister responsible for Energy, Mines and Resources, Mr. Butters. Last year we talked about NCPC, about getting it transferred to the Northwest Territories and there was a motion made to transfer it to two communities. One community would be for administration and the other would be for facilities. I was wondering if he could answer my question as to where the headquarters of NCPC would be transferred. Or have you thought more about this? Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 0121-87(1): Transfer Of NCPC Headquarters To Northern Community

HON. TOM BUTTERS: Thank you, Mr. Speaker. The Commissioner in his Opening Address indicated that I would be making a report on the progress of our negotiations with the federal government with regard to NCPC devolution and other matters relative to that initiative. I was anticipating doing that when the Energy, Mines and Resources budget came before the House. I will make a brief statement at that time, indicate the progress we are making or lack of progress and address questions with regard to the headquarters initiatives that various communities have put forward. At the present time there has been no decision made, but I will give some indication when the EMR budget is before the House what our expectations are with regard to that decision.

MR. SPEAKER: Supplementary, Mr. Erkloo.

Supplementary To Question 0121-87(1): Transfer Of NCPC Headquarters To Northern Community

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. I just have a supplementary to the question. He was saying that he was not sure -- they have not decided. Does that mean you have not decided where the headquarters of NCPC will be, or do you have an idea? Thank you.

MR. SPEAKER: Mr. Minister.

Further Return To Question 0121-87(1): Transfer Of NCPC Headquarters To Northern Community

HON. TOM BUTTERS: There has been no decision taken as yet, Mr. Speaker.

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

Question 0122-87(1): Northwest Territories Quota For Producing Eggs

MR. GARGAN: Thank you, Mr. Speaker. I want to refer to an article on February 20th in which the Northwest Territories was granted a quota for producing eggs and the quota is based on 200,000 egg-laying hens. I would like to ask the Minister of Economic Development whether it is still the intention of the Department of Economic Development to grant an egg quota to the Hay River Dene Band before any other quota will be given to anybody else.

MR. SPEAKER: Mr. Minister.

Return To Question 0122-87(1): Northwest Territories Quota For Producing Eggs

HON. TAGAK CURLEY: Thank you, Mr. Speaker. I think I should add that when the interview was taken, my statements to the reporter were that the Hay River Dene Band originally had requested 200,000 hens in order to be able to market and export the eggs outside of the NWT to make it economically viable. That was the first proposal.

Mr. Speaker, since then there have been other developments that have taken place at Hay River. So in the town of Hay River, another business proponent has put forward a local proposal in order to meet the domestic market, which is a territorial requirement. But as far as the overall quota for the whole Northwest Territories, that is still before the federal government and Canadian Egg Marketing Agency. The negotiations are being carried out at the moment and at this moment we are not at liberty to release the kinds of figures that the two parties are negotiating. But the interesting point is that we are still attempting to settle the quota for the total of the NWT, and if that were to happen, I can assure the Member that the Hay River Dene Band will be one of the major proponents to develop that resource. Thank you.

MR. SPEAKER: Supplementary, Mr. Gargan.

Supplementary To Question 0122-87(1): Northwest Territories Quota For Producing Eggs

MR. GARGAN: Thank you, Mr. Speaker. I also wanted to ask the Minister, in order for the North to start producing eggs for market, 200,000 egg-laying hens is what is considered to be viable to make a business like that work. I would like to ask the Minister, under whose authority has the establishment of an egg facility been done in Hay River? Has there been a commitment by this government to give them a quota, or what is the situation with regard to the establishment of a facility in Hay River?

MR. SPEAKER: Mr. Minister.

Further Return To Question 0122-87(1): Northwest Territories Quota For Producing Eggs

HON. TAGAK CURLEY: Thank you, Mr. Speaker. Any businessman in Canada can within the free enterprise system establish any kind of venture that he wishes, provided that he meets minimum requirements. He was granted minimum requirement to acquire 50,000 hens with the support from the territorial court, I believe, from the courts in the NWT. That is, to satisfy the existing domestic, territorial market; but in terms of the larger issue, that is still before the federal government and ourselves. We are negotiating that part. It was through the authority of the court that he was granted 50,000 and 50,000 hens was the number originally offered by Canadian Egg Marketing Corporation to the Dene band to meet the local requirement but that was not satisfactory at that time. They are looking for a broader market, which is to export the eggs to the other provinces, and so on. That is something we are working on and the Hay River Dene Band is fully informed and aware of what is happening. As recently as last week they were meeting with my officials and getting up-to-date on their own plans. I know that Mr. Fabian from the Hay River Dene Band is fully up-to-date on all these events. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. Wah-Shee.

Question 0123-87(1): Tax Grant Pay-Back Program

MR. WAH-SHEE: Thank you, Mr. Speaker. My question is for the Minister of Municipal and Community Affairs. I understand that recently the federal Department of Public Works has backed out of tax grant pay-back program for the Yukon and the Northwest Territories. I wonder if the Minister could indicate how this will impact the Northwest Territories, in particular the Lot 500 lands set aside for the Dene people from the Detah band.

MR. SPEAKER: Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Speaker. I will take that question under advisement and get back to the Member with a reply. Thank you.

MR. SPEAKER: The question is being taken as notice. Oral questions. That appears to conclude this item for today.

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

ITEM 7: RETURNS TO WRITTEN QUESTIONS

Return To Question W19-87(1): Details Regarding Musk-Ox Program Developments Ltd.

HON. BRUCE McLAUGHLIN: Thank you, Mr. Speaker. I have a return to written Question W19-87(1), asked by Mr. Nerysoo on February 27th, concerning Musk-ox Program Developments Limited: 1) The office of Musk-ox Program Developments Limited is located at 307 Bellanca Avenue, Yellowknife; 2) One Northwest Territories resident is employed in this office; 3) There are 14 NWT residents employed by Musk-ox Program Developments in all of their present contracts. Of this number, two are native northerners; 4) Musk-ox Program Developments Limited provide child care training to their employees who require this type of training. Thank you, Mr. Speaker.

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

CLERK OF THE HOUSE (Mr. Hamilton): Mr. Speaker, the following returns have been filed: return to written Question W9-87(1), asked by Mr. Richard to the Minister responsible for the NWT Housing Corporation; return to written Question W10-87(1), asked by Mr. Arlooktoo to the Minister of Social Services; return to written Question W14-87(1), asked by Mr. Appaqaq to the Minister of Health; return to written Question W25-87(1), asked by Mr. Pudluk to the Minister of Renewable Resources.

Return To Question W9-87(1): Cost Of NWT Housing Corporation Move To New Location

Hon. Michael Ballantyne's return to Question W9-87(1), asked by Mr. Richard on February 23rd, regarding the NWT Housing Corporation move to the Scotia Centre:

1) Cost of space before the move: Northern United Place. Rentable space: 16,212 square feet; NWT Community Services Corporation, 13,087 square feet at \$17.83 -- \$233,362; YWCA sublease of 3125 square feet at \$18 -- \$56,250; for a total of \$289,612.

2) Cost of space after the move: Scotia Centre. Rentable space: 19,800 square feet; base rent \$21 per square foot per year -- \$415,800; operating cost, variable, 1986-87, \$7 per square foot per year -- \$138,600; for a total of \$554,400.

3) Cost of tenant improvements: As an incentive for early occupancy of the building, the developer offered a cash allowance against the first year's rental to support the cost of tenant improvements. Actual cost to the corporation for tenant improvements is: \$23,739.54.

4) Cost of physical move: By Whitford Holdings (Mike's Moving), \$23,000.

5) Cost of decision. Term of lease is 10 years, with an option for two additional five year terms. Lease provides for a rent review with negotiation/arbitration after the first five years. Analysis of decision cost is based upon first five years of the lease, up to the point of renegotiation.

In terms of the decision, the corporation had only two viable options. Remaining in Northern United Place was not viable for the following reasons:

a) Space occupied in the YWCA sublease area was on a month to month lease and was approved as a temporary measure only. The space was in a part of the building specified in the subsidized mortgage documentation as reserved for residential use. Our use of the space was contrary to the authorized use and was permitted only as an interim measure while we sought a more permanent solution.

b) The total space available in Northern United Place, including the sublease space, was inadequate to house our staff to minimum government standards.

The viable options were:

a) Retain the existing direct lease space, 13,087 square feet, for part of our headquarters operation and seek space elsewhere for the remaining staff. The existing space would have been available at \$18 per square foot, adjustable over five years for changes in operating costs. Additional space could have been obtained at approximately \$28 per square foot in the Scotia Centre.

b) Move the entire office to new space capable of accommodating all staff. The annual and one-time costs of option b) are provided in answers to questions 2, 3 and 4 above. The annual and one-time costs of alternative a) are estimated at: annual cost, existing space of 13,087 square feet is \$235,566; annual cost, overflow space of 6700 square feet is \$187,600; the total 19,787 square feet would cost \$423,166.

One-time costs. Tenant improvements, assuming landlord would be prepared to provide equivalent cash allowance, \$8033; physical move, estimated at \$8000.

Decision cost: based upon five year period. Annual cost difference (\$554,400 - \$423,166 x 5) is \$656,170; tenant improvement difference (\$23,740 - \$8033) is \$15,707; physical move difference (\$23,000 - \$8000) is \$15,000; for a total cost of \$686,877.

6) Justification. Prior to the move, the NWT. Housing Corporation head office occupied space in Northern United Place. For some years this space has been inadequate to the space requirements of the corporation. Further, part of the space then occupied, some 3125 feet, was rented on a sublease arrangement with the YWCA. This sublease was in space intended for social housing subsidized rental -- single persons accommodation -- and our occupancy of this space had been approved on a temporary basis only. When it became evident that additional space was not going to become available within the building then occupied by the corporation, the corporation sought assistance from the Department of Public Works and Highways accommodation services group.

Accommodation services arranged a space requirements analysis, confirmed the corporation's need for additional space, and reviewed available space. The space offered by Bellanca Developments Ltd. in the new Scotia Centre tower was identified as the only available office space which could meet the needs of the corporation.

Accommodation services, thus, on our behalf, negotiated with the developer for a lease to meet our needs. The move out of Northern United Place returned some 3125 square feet of space to the YWCA to be used for residential accommodation and provided the management of the building with the potential to convert some or all of the space previously occupied by the corporation into apartment use or, potentially, for commercial rental. The move into the Scotia Centre provided the Housing Corporation with space to meet immediate requirements, with optional space available, on reasonable notice, for future requirements.

Return To Question W10-87(1): Financial Assistance For The Incurably Ill

Hon. Bruce McLaughlin's return to Question W10-87(1), asked by Mr. Arlooktoo on February 23rd, regarding financial assistance for incurably ill:

The Department of Social Services provides a special allowance of \$125 for persons who are over 60 years of age or who are not able to work for a medical reason: This "incidental" allowance is in addition to the regular allowances for basic needs and rent. In Cape Dorset, a single person who is unable to work because of cancer would be entitled to social assistance benefits totalling: Food for a single person, \$190; family of five, \$722; family of three, \$488. Clothing for a single person, \$20; family of five, \$100; family of three, \$60. Household for a single person, \$20; family of five, \$20; family of three, \$20. Personal for a single person, \$5; family of five, \$25; family of three, \$15. Incidental for a single person, \$125; family of five, \$125; family of three, \$125. Rent: actual amount. If a person or his spouse received a pension income, the above amounts would be reduced by the amount of the pension. Similarly, if a spouse or a married disabled person received income from employment, the family's social assistance entitlement would be reduced.

I am unable to reduce the age at which persons in the NWT receive pension benefits. The territorial government has no jurisdiction over the federal old age security and guaranteed income supplement programs. The senior citizens benefit of \$85 per month provided by the Government of the NWT is available only to persons who receive the federal guaranteed income supplement. This means that they must be over 65 years of age, or be widows or widowers over the age of 60, as well as having no or little income.

Persons over 65 years of age and widows or widowers over the age of 60 with little or no income would receive the following pension benefits: Old age security: a single pensioner receives \$297.37, and a pensioner with a pensioner spouse receives \$297.37; guaranteed income supplement, a single pensioner receives \$353.41, and a pensioner with a pensioner spouse receives \$230.17; NWT senior citizens benefit, a single pensioner receives \$85, and a pensioner with a pensioner spouse receives \$85.

Please let me know if I can clarify this matter further.

Return To Question W14-87(1): Payment Of Essentials For Children With Medical Escort.

Hon. Bruce McLaughlin's return to Question W14-87(1), asked by Mr. Appaqaq on February 25th, 1987, regarding payment of essentials for medical escort children:

In his question, Mr. Appaqaq expressed the concern that on occasion people staying in the patient transient centres in Churchill and Winnipeg have had to purchase milk and diapers for their children. These transient centres exist to provide accommodation and meals in an appropriate cultural setting to Inuit patients and their escorts from the Keewatin Region. Patients, including small children, and escorts are provided with their accommodation and meals free of charge. No families have to pay for milk for their children while they are at either of the transient centres. When contacted by staff in the Department of Health, the managers of the two facilities could not recall any occasions when mothers were required to buy milk for their children. If the Member can cite any specific incidents I would be happy to have my staff investigate.

When people come to either of the centres with babies, it is their responsibility to bring a supply of their own diapers. However, this is often not done and the centres will provide cloth diapers. Transient centre staff will also launder the diapers. Disposables are not used for cost reasons. Some people have indicated they do not prefer cloth diapers and on occasion they buy disposables. This is a personal choice for which individuals should be prepared to pay.

Return to Question W25-87(1): Assistance To Caribou Hunters

Hon. Red Pedersen's return to Question W25-87(1), asked by Mr. Pudluk on March 5th, 1987, regarding caribou hunters' assistance:

The total amount of funding provided to communities who requested direct assistance for organized hunts in the 1986-87 fiscal year was \$19,500. The communities which received funding were: Coral Harbour, \$8000; Grise Fiord, \$4555; Broughton Island, \$2445; Fort Franklin, \$2500; Fort Norman, \$2000.

MR. SPEAKER: Thank you, Mr. Clerk. Are there any further returns to written questions?

Item 8, replies to the Opening Address.

Item 9, petitions.

Item 10, reports of standing and special committees. Item 11, tabling of documents. Mr. Patterson.

ITEM 11: TABLING OF DOCUMENTS

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I wish to table the following documents: Tabled Document 41-87(1), Development Plan, Arctic College, February 1987; Tabled Document 42-87(1), Northwest Territories Education, Annual Report, 1986; and thirdly, Tabled Document 43-87(1), Improving Grades, a Department of Education Report Card. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Tabling of documents. That appears to conclude tabling of documents for today. Item 12, notices of motion. Mr. Pudluk.

ITEM 12: NOTICES OF MOTION

Notice Of Motion 13-87(1): Approval Of Tabled Document 1-87(1)

MR. PUDLUK: Thank you, Mr. Speaker. I give notice of motion which I will move on Thursday, March 12, 1987. I move, seconded by the honourable Member for Yellowknife Centre, Mr. MacQuarrie, that this Assembly approve Tabled Document 1-87(1), entitled, "Boundary and Constitutional Agreement for the Implementation of Division of the Northwest Territories Between the Western Constitutional Forum and the Nunavut Constitutional Forum". Thank you.

MR. SPEAKER: Thank you, Mr. Pudluk. Notices of motion. Mr. Curley.

Notice Of Motion 14-87(1): Plebiscite On Proposed Boundary

HON. TAGAK CURLEY: Thank you, Mr. Speaker. I give notice that on March 12, 1987, I shall move the following motion: I move, seconded by the honourable Member for Inuvik, Mr. Butters, that this Assembly recommend to the Commissioner that a plebiscite be held on the question of the proposed boundary as contained in Tabled Document 1-87(1); and further, that the date for the plebiscite be Wednesday, May 20th, 1987; and further, that the question to be asked be substantially in the form suggested in Tabled Document 1-87(1); and further, that the plebiscite not take place if Tabled Document 1-87(1) is not ratified in the manner contemplated therein and formal notification of such ratification conveyed to the Commissioner prior to April 1st, 1987, by the appropriate parties. Thank you.

---Applause

MR. SPEAKER: Thank you, Mr. Curley. Notices of motion. Mr. Wray.

Notice Of Motion 15-87(1): Plebiscite Act Amendment

HON. GORDON WRAY: Thank you, Mr. Speaker. I give notice that on Thursday, March 12, 1987, I will move the following motion: I move, seconded by the honourable Member for Kitikmeot West, Mr. Pedersen, that this Assembly recommend to the Executive Council that a bill incorporating amendments to the Plebiscite Act that will facilitate the holding of the plebiscite, as contemplated in Tabled Document 1-87(1), be introduced to this Assembly prior to the recess of this sitting; and further, that the bill include the text of the question to be asked in the plebiscite. Thank you.

MR. SPEAKER: Thank you. Are there any further notices of motion? Mr. Angottitauruq.

Notice Of Motion 16-87(1): First Air Licensing For Scheduled Service

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker. On Thursday, March 12, 1987, I will move, seconded by the honourable Member for High Arctic, that this House support the efforts of First Air in obtaining the required licence; and further, that this house request that the Government Leader, on behalf of the Legislative Assembly, communicate this support to the secretary of the Air Transport Committee, Canadian Transport Commission, in Ottawa.

MR. SPEAKER: Thank you, Mr. Angottitauruq. Notices of motion. Mr. Angottitauruq.

Notice Of Motion 17-87(1): Gasoline Dispensing Shed At Gjoa Haven

MR. ANGOTTITAUURUQ: Thank you, Mr. Speaker. On Thursday, March 12, 1987, I will move, seconded by the honourable Member for Baffin Central, that this Assembly recommend to the Executive Council that it allocate funds to move the gasoline dispensing shed in Gjoa Haven.

MR. SPEAKER: Thank you, Mr. Angottitauruq. Are there any further notices of motion? Item 13, notices of motion for first reading of bills. Mr. Butters.

ITEM 13: NOTICES OF MOTION FOR FIRST READING OF BILLS

HON. TOM BUTTERS: Mr. Speaker, I wish to give notice of first reading of four bills: Bill 14-87(1), Bill 25-87(1), Bill 26-87(1) and Bill 29-87(1).

Notice Of Motion For First Reading Of Bill 14-87(1): Loan Authorization Act, 1987-88

Mr. Speaker, I give notice that on Thursday, March 12, 1987, I shall move that Bill 14-87(1), An Act to Authorize the Making of Loans to Municipalities During the Fiscal Year Ending the 31st Day of March, 1988, be read for the first time.

Notice Of Motion For First Reading Of Bill 25-87(1): Supplementary Appropriation Act, No. 4, 1986-87

Mr. Speaker, I give notice that on Thursday, March 12, 1987, I shall move that Bill 25-87(1), An Act Respecting Supplementary Appropriations for the Government of the Northwest Territories for the Fiscal Year Ending the 31st Day of March, 1987, be read for the first time.

Notice Of Motion For First Reading Of Bill 26-87(1): Supplementary Appropriation Act, No. 1, 1987-88

Mr. Speaker, I give notice that on Thursday, March 12, 1987, I shall move that Bill 26-87(1), An Act Respecting Supplementary Appropriations for the Government of the Northwest Territories for the Fiscal Year Ending the 31st Day of March, 1988, be read for the first time.

Notice Of Motion For First Reading Of Bill 29-87(1): Write-Off Of Assets And Debts Act, 1986-87

Mr. Speaker, I give notice that on Thursday, March 12, 1987, I shall move that Bill 29-87(1), An Act to Amend the Write-off of Assets and Debts Act, 1986-87, be read for the first time.

MR. SPEAKER: Thank you, Mr. Minister. Notices of motion for first reading of bills. Mr. Patterson.

Notice Of Motion For First Reading Of Bill 24-87(1): Student Financial Assistance Act

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I give notice that on Thursday, March 12, 1987, I shall move that Bill 24-87(1), An Act to Amend the Student Financial Assistance Act, be read for the first time. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. Notices of motion for first reading of bills.

Item 14, motions.

Item 15, first reading of bills.

Item 16, second reading of bills. Item 17, consideration in committee of the whole of bills and other matters. Bill 1-87(1), Appropriation Act, 1987-88; Bill 7-87(1), Education Act; Bill 6-87(1), Criminal Injuries Compensation Act; Bill 2-87(1), Advisory Council on the Status of Women Act, with Mr. Erkloo in the chair.

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

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-87(1), APPROPRIATION ACT, 1987-88

Department Of Economic Development And Tourism

CHAIRMAN (Mr. Erkloo): The committee will now come to order. We are still on the Department of Economic Development and Tourism. Mr. Curley, do you wish to bring your witnesses in at this time?

HON. TAGAK CURLEY: Yes, Mr. Chairman.

CHAIRMAN (Mr. Erkloo): Does the committee agree that the Minister bring in his witnesses at this time?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Erkloo): Mr. Minister, for the record would you introduce your witnesses?

HON. TAGAK CURLEY: Thank you, Mr. Chairman. On my right is Mr. Alan Vaughan, acting deputy minister of Economic Development, and on my left is Mr. Bill Graham, chief of finance and acting assistant deputy minister of Tourism. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. We are still on general comments. General comments. Mr. Gargan.

MR. GARGAN: Thank you, Mr. Chairman. I wanted to ask my question to the Minister on whether at present the Northwest Territories has an agricultural act? Also is this department responsible for the exporting of goods from the Northwest Territories?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

Regulations And Legislation For Northern Agricultural Products

HON. TAGAK CURLEY: Thank you, Mr. Chairman. No, at the moment we do not have the agricultural products act or commodities act. What we do have is a number of business people or potential farmers in the Northwest Territories who are interested in producing northern produced agricultural and farm products. Therefore, the department is preparing various kinds of regulations that would have to be in place, prior to any products being exported and developed in this area. So the work is under way. There are consultations with Agriculture Canada and our Department of Renewable Resources. So once various proponents and plans have been developed, we would then be in a position to have appropriate regulations and legislation in place.

CHAIRMAN (Mr. Erkloo): Mr. Gargan.

MR. GARGAN: Thank you. In the News/North article you did indicate that you will be exporting eggs, poultry, turkeys and other agricultural products. I would like to ask the Minister whether he would run into difficulties as they did with regard to the egg quota. In those areas, too, I believe that you need a certain quota to be produced, whether it is turkeys or others. Are you going to run into the same challenge as you did for the egg quota?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. As we are doing with the Canadian Egg Marketing Corporation, which regulates and distributes quotas for eggs, with the other products, particularly the poultry industry, I am sure we would have to have federal approval. Quotas would then again have to be established by the federal government, likely through the national Farm Products Marketing Agencies Act, which regulates all the farm products right across the country. Again, we would then have to go to the federal government to at least ensure that we do get an acceptable quota, if we are thinking about marketing outside of the NWT. But presently the farmers in the Northwest Territories, are interested in meeting the local domestic requirement, which is not regulated as export products are. So, I think the first thing is to try and meet the local market but in the case of the eggs in the Northwest Territories, the proponents are interested in marketing outside of the NWT. Thank you.

CHAIRMAN (Mr. Erkloo): Mr. Gargan.

MR. GARGAN: Thank you. Mr. Chairman, I would like to ask the Minister if, as I understand it, there was an out-of-court settlement with regard to a quota being given to the Northwest Territories. I wanted to ask the Minister if this out-of-court quota is a one-time deal or what is the situation with that? If there is a demand for the Northwest Territories to have a higher quota, is CEMA going to be in a position to give that? Or are we going to run into the same situation where there could be a challenge and then again another out-of-court settlement might occur? I am just wondering what is the situation with that? Because I know if we settle out of court, it could be just a one-time thing and if we want a further increase in our quota then we might have to again challenge CEMA to court. It could end up in a vicious circle of challenges and settlements and challenges and settlements. I was wondering what this government's position is on whether or not they still intend to get maybe a Supreme Court ruling on what the Northwest Territories is entitled to with regard to what the rest of the provinces are enjoying right now.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

Present Negotiations Create Sensitivity Re Figures Projected

HON. TAGAK CURLEY: Thank you, Mr. Chairman. Because of the sensitivity at this moment, with the negotiations that are going on with the federal government and Canadian Egg Marketing Agency, I would love to be able to give the kind of figures we are talking about but I cannot because they are still at the very sensitive negotiations. I did quote the 200,000 chickens because that was the original figure that was used but that is not the bottom line we are dealing with. We are dealing with something that would meet the long-term requirements of the Northwest Territories and enable the egg producers in the Northwest Territories to have a market share for exporting purposes as well as meeting the domestic, which is local markets, in the Northwest Territories. There was never any problem in obtaining the local market. Canadian Egg Marketing Agency and the federal government have never disputed that the NWT should have its share of domestic quota, which was roughly 50,000 hens.

But because of our court challenge, through the Supreme Court, there was a bit of confusion whether or not CEMA should release those 50,000 hens to meet the domestic needs but the court, through this year, decided that is not part of the long-term problem which the Supreme Court is dealing with. I think, for the Member's sake, I would love for him to sit down with my officials and have at least half an hour of his time -- sit down with us and we could give him the whole nature of this issue, because I do not think we can meet the concerns through here. But the Member should know that we are dealing with the long-term requirements of the Northwest Territories. So, that is not going to be compromised. If his concern is with the Hay River Dene Band, they are a major proponent and they are the ones that we are representing and we have their concurrence and in the event that CEMA were to release a significant acceptable quota, which would be acceptable to the Government of the Northwest Territories, they then would be one of the first groups to have a major exporting quota so that they would be able to sell their products outside of the NWT. The NWT alone is not enough to make it a viable industry. They must be able to export it outside.

CHAIRMAN (Mr. Erkloo): Mr. Gargan.

MR. GARGAN: Thank you, Mr. Chairman. I would also like to ask the Minister with regard to economics in the Northwest Territories about a lot of difficulties with regard to exporting of goods from the North down south. Although it is pretty easy for them to export up here to the North and into the United States, there seem to be some restrictions that northerners have to put up with. I would just like to find out what this government's position is with regard to the -- it is as the Minister said, we do have free enterprise and we are allowed to establish a business anywhere. The only problem is that if you establish a business up here, you do not enjoy the same type of flexibility as you do down south with regard to the exporting of your products. I am referring to the Freshwater Fish Marketing Board and I am referring to the lumber industry, in particular. Those are areas where there are restrictions and as long as we have those restrictions we are not going to get any further ahead with regard to economics unless this government takes some major steps in supporting businesses in those particular areas. I would also like to ask the Minister, what is this department's direction with regard to the same issue that has been addressed time and time again? I do not think it has been with any apparent result, even though Members have concerns in those areas.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

International, North American And Interprovincial Trade Agreements Complicate Issue

HON. TAGAK CURLEY: Thank you, Mr. Chairman. There are a whole lot of issues raised in the Member's comments there. It is a complicated issue when we are dealing with international or North American trade or interprovincial trade with the Northwest Territories. The Member, I think, should recognize the fact that Northwest Territories and Yukon are not part of the club in Canada where there are trade agreements. When you are talking about agricultural products, these quotas for a variety of the farm products are regulated, like CEMA -- which you know a little bit about -- the fisheries marketing agency, within the Northwest Territories and you can count the number of items. They are regulated through federal and provincial legislation and agreements. The Northwest Territories and Yukon were never considered a part of the economic group, so we have been left out. This is one reason we registered through the Supreme Court. We believe that the Northwest Territories has a right to have a share in the free market system in North America. So,

failing the negotiations with the egg marketing corporation, which we are doing now, then the Supreme Court will have to rule whether or not it should become part of the club in terms of egg production.

As far as the other commodities and other products are concerned -- the Northwest Territories in terms of other products, business opportunities and production of goods for service industry -- our problem is really not necessarily that they are regulated but it is the viability of the product. Products that we produce up here are much more expensive than the ones that are produced down south. That is where we have a number of difficulties. We have to import a product in order to produce a commercial product, to make it a commercial product. Even in my area, the Eastern Arctic, we have difficulties mainly because of raw material that we must bring in. For instance, for the arts and crafts industry, or parka factory, we must import a product first, the raw material, and that takes considerable expense. Then when we want to export the finished product, we again have to pay and maybe even double in some cases because of the labour costs attached to it, and so on, to compete with the southern markets. That is the disadvantage that we have, so it is not necessarily all the fault of the federal-provincial group.

But one thing that I think we should put our hopes on is that at least there are discussions in Canada going on today, international discussions, free trade discussions, interprovincial meetings, that are trying to open up restrictions on provincial trade. But if that were to happen, would the Northwest Territories be better off than we are today, if there were no restrictions, for instance, no northern preference contracts? If we were to open that up wide, with the provinces, many of our northern businesses in the Northwest Territories would be in a much more disadvantaged position. That is why we have such a thing as a business incentive policy so that we give a northern company a bit of a break, not a big one but a small break. It is a big, complex issue and one that I cannot answer. It requires your initiative to speak to the other provinces, and so on, and I do not think we can satisfy you through this answer. Thank you.

CHAIRMAN (Mr. Erkloo): Mr. Gargan.

Products That Must Go South Before Being Brought Up For Sale In North

MR. GARGAN: Thank you, Mr. Chairman. I would like to tell the Minister that I am supporting his initiatives in challenging some of those unfair, maybe, advantages that those other provinces are having. At the same time, most of the products that are being produced up here are sold down in southern markets before they are brought back up.

I could only think of the whitefish that is taken out from the Great Slave Lake. It has to go all the way to Winnipeg before it comes back up and is sold up here. Lumber is the same type of example that I could use. I do not know whether there are any industries up here that grade lumber, for example, or treat lumber up here and sell it up here. The problem right now is that because of building standards certain types of lumber are used for building a residential home, as opposed to maybe a commercial garage or something like that, so in order to get this lumber you have to ship it down south. I do not know whether the government has looked into such a business and whether it is viable, but I think that is why the cost of buying lumber is so high up here, because if it has to be graded down south and then shipped all the way back up here, the transportation, labour, everything, is added to the cost of the lumber.

I wonder whether this government has looked into those possibilities of maybe having some of those industries up here and whether they might in fact help the home-owner, for example, or whether there are other ways of marketing fish, for example, that might make it a lot cheaper for people up here. I do not know what the answer is but certainly this government must have looked at the pros and cons of exporting and importing and must be able to come up with a kind of scenario that could be used in order to give the economic activities a boost up here. I do not know what the answer is but those must have all been looked at before. There must be some answers somewhere.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

Potential For Lumber Industry

HON. TAGAK CURLEY: Thank you, Mr. Chairman. Again, another complexity is involved in the Member's comment. The Northwest Territories is the small member of the lumber industry. I think my information is that we only produce about five million board feet of lumber in the Northwest Territories. I remember a year or so ago my department's and the total government's estimates for lumber requirements, domestically, were about 25 million board feet a year for the housing and

construction industry. We only produce about five million board feet a year. So, there is a market, domestically, in the Northwest Territories for the lumber but we do have problems with the lumber industry mainly because some of the sawmills are outdated and they are not meeting the production requirement, the product permits that they have. Each sawmill must have a permit. Presently the federal government is in charge of issuing permits to allow them to harvest a certain amount of lumber and my information is that the kind of permit that they normally give to a company is only about 2.5 million board feet of lumber. We have attempted to increase the permit requirements to each company last year but because of the negotiations to transfer the forest industry to the Government of the Northwest Territories and because there is a land freeze in certain parts of the southern Mackenzie, the federal government said, "We cannot change the regulation to allow some companies to produce a larger share until all these things have been resolved."

I can tell the Member, though, that there is tremendous potential for lumber production, particularly in the southern Mackenzie, near the Yukon border. Fort Liard has probably the richest resource of lumber. They have conducted a major study and I think they have a major plan at the same time to get into large production of lumber in the Northwest Territories. So these will be coming into force before long and our budget estimates will reflect that we do have some capital funds to help pay some of the capital requirements of the lumber industry. At the same time, because the Northwest Territories always had a disadvantage in terms of international trade and trade with the northern products, we now have established a small division in our department for trading purposes to seek new markets from other countries and so on. So the northerners will at least have better information on what the potential market is from the companies or provinces or North America for that matter. So we are attempting to improve that inequity but it will take again a bit of time. Thank you.

CHAIRMAN (Mr. Erkloo): General comments. Mr. McCallum.

Business Loans And Guarantees Fund

MR. MCCALLUM: Thank you, Mr. Chairman. I have a couple of areas where I would like comments from the Minister. One is in relation to the Business Loans and Guarantees Fund. I do not want to get into the territorial accounts or anything like that but I note that this year we are being asked to approve the \$16 million fund, for business loans and guarantees. I think it is up to \$16 million this year. I think we had increased it over the past years but it has increased from 1985-86 now into 1987-88 and we are talking \$16 million. I know that there has been some concern in the past about, if you like, the accounting system for this particular fund. I wonder if the Minister could comment on where that accounting system stands now in relation to previous comments that have been made in the House by the Auditor General. As I say, I am not talking about this year's public accounts, but it seems to me that there has been some difficulty with this whole topic of the Business Loans and Guarantees Fund.

The second area that I have a concern about, Mr. Chairman, is in the area of the Minister's search for a deputy minister. It is my understanding that this has been going on for some time. I wonder if the Minister could indicate just where it stands now in this search for a deputy minister to look after the department or to take the responsibility for the administration of the department. I recognize that the Minister has an acting deputy minister at the time, but it seems to me the search is going on and we are fast approaching another election for this House. If the search is successful -- down the road, next week or tomorrow or sometime this month -- I suspect that the person that the Minister will then hire or the government will hire, will have a tenure of approximately, if it is done by the end of March, maybe seven months. A tenure of approximately seven months because it seems to me that the accepted practice is that the Ministers who take on responsibility for certain portfolios have some say in who will be at the deputy minister level. Now, I would expect that that is done in conjunction with other Members of the Executive, not the least of whom would be the Government Leader, whoever that person will be after the next election. So I would expect that if the present Minister of Economic Development and Tourism selects or finds a new deputy minister, that person is going to be on strength I would suggest for a maximum of seven to eight months before somebody new may possibly be taken on.

So I guess I would like some indication from the Minister in this regard as to how long does he see this search going on. Or has the search been abandoned? What kind of an arrangement does the Minister intend to pursue? Is it on a contractual basis to serve for seven months? It would seem to me that the Minister would have no authority to hire this person for any longer period of time,

given that it is at that particular level. Possibly the Minister could then indicate to me, if it is on a contractual basis, could he let us know? If it is not to be a contractual basis or the appointment is to be at pleasure, what kind of an agreement will the Minister have to enter into in order to buy out that individual, given the past track record of buying out? I will not ask any pertinent questions here of that process. I could save those for public accounts, I guess.

I would like some indication of how the Minister looks at these two particular issues. The Business Loans and Guarantees Fund and how this accounting system is working out; where it stands in its development; what version are you on; and whether the Minister has been able to indicate that he is up to snuff per the kind of comments that have been made in the past, both at the standing committee on finance and the public accounts committee, etc., and the Auditor General's comments.

The second issue is this whole issue of the search for a deputy minister. Thank you, Mr. Chairman.

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

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I will make a very short reply to the short question. We are running out of time. Mr. Chairman, I will comment by way of the annual report of the Business Loans and Guarantees Fund, which I tabled earlier as Tabled Document 11-87(1). The comments and recommendations that are being made by the public accounts as well as by the Auditor General have been well-received by the department and duly noted, in view of the fact that historically there have been problems with the accounting of the loans fund and so on. On page two of the report, it is stated, "It is also anticipated that regional staff will have on-line access to loan accounting system information in 1986-87. This will facilitate improved monitoring of accounts and increase the efficiency of fund accounting operations." I am told that the loans accounting computer system will be completed by the end of March. So I would think that would be properly in place then.

Selection Of New Deputy Minister

As for the position of the deputy minister, the position was advertised early this year throughout the territory and outside of the NWT. It took about two months to screen all the applications. That was carried out by the officials from Personnel and my staff. There were over 60 applications for the DM's position, so there was wide interest and a number of northern people applied as well. We have now received the final screening report from the people involved, a three-member committee with senior members of Personnel and my department's representative. They made a recommendation after screening, of one individual mainly, because the others were not that strong in terms of previous experience and so on, the requirement of the job.

I have now made a recommendation to our Government Leader because he has to make the final appointment as the Leader of the government. That recommendation was approved by my colleague and we now are in the process of working out the terms and conditions of the job. The job offer is now being worked on and Personnel is now making the final arrangements. If all goes well we hope to have the individual hired to the deputy minister position within at least a couple of months from now.

As far as the future is concerned, the deputy ministers are hired at pleasure of the government. So, I do not think there is much point in trying to secure a contract arrangement because it should really be at the pleasure of the government, the Government Leader and the Minister. So, as a result, whatever agreement we finalize will stipulate that the deputy minister will serve at pleasure. Those people that were interviewed by the staff are very well aware of the political sensitivities, that the politicians are the masters of the department and they are there at pleasure and if the Ministers and the government are satisfied with the performance of the deputy ministers and that they do meet the objectives as stipulated in the contract, then obviously, they would have a place in the future government. We are satisfied that, with the offer that we made to this individual, he is also committed to serving the North and to staying up here. He has assured us that he is prepared to stay long-term if he meets the requirements of the government. Thank you.

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

MR. McCALLUM: Mr. Chairman, just on the first issue. The Minister referred to a report and I will have to try to get a copy. I do not recognize and I do not see a similar one in my basket of goodies. So, I just want to indicate that this whole business of the accounting system that has been in vogue regarding the Business Loans and Guarantees Fund has come under a great deal of scrutiny and I know that the department has been working on something for quite some time in order to bring it up to the requirements that are being set down. I trust that this will be in place and that it will meet all the particular demands as the Minister has said. I think he said somewhere in the vicinity of another month or so but how long was he talking about? I hope it would be in place for this next fiscal year because I am sure if it is not, there will be the same kind of criticisms levelled against the department and one will just have to take into some kind of consideration whether we have the proper people there within the department to do it.

As to the other topic, that is the topic of the deputy minister's position, the Minister indicated that there were 60 applicants for this job. Now, I am not sure how many of these people were northerners. But regardless of the number of people that were interviewed and then screened by the three-person committee, could I have an indication later whether the person being offered the position is, in fact, a northerner? Or is the person within the employ of the present government now? Or in the employ of any particular group or organization or government within the Northwest Territories? Or are we taking somebody in from outside? As we old-time northerners say, "You are from the outside."

I have some concern, Mr. Chairman, on the comments of the Minister regarding the finalization and this group zeroing in and the Minister being happy with one person and making a recommendation to the Government Leader and his colleagues on the Executive Council, that a job offer will be made. It is going to take two more months to get a person going. That reduces the period of time that this person will be on this particular job. I do not think that the government, at the present time, has the right to offer a particular person at this level, a position for a period beyond the time, for example, when the new Minister, whoever that person may be, will determine that he may or may not want this person.

Terms Of Contract Of New Deputy Minister

The Minister indicated a stipulation of the contract agreement; he does not want to have a contract deal but in certain contracts of the government, this guy or gal, whoever this person is, is going to be employed by the government and says, "Well, look, I am prepared to stay up north", so if he meets every requirement going on with the government, he is going to stay in here for a while. Well, we do not know what the government wants. We do not know who the government is going to be eight months down the road. And it may be a long-term employment. Is the Minister saying to me that in this particular offer that is being made to this individual, that one of the things that was said to him or to her is that you have to commit yourself to a long period of time and that the present government will guarantee you a job beyond the period of time that you are employed as a deputy minister?

It may very well be that the Department of Personnel can do that. But I do not understand how the Minister or the Executive Council through the Government Leader can guarantee this person a position as a deputy minister of Economic Development and Tourism beyond the tenure of the present Minister. So, I would like to get some idea from him in terms of why it is going to take two months to finally hire this person, if everybody has decided on who this person is. If you all agree to the person, why is it going to take an additional two months? Secondly, is the person from inside or outside the Territories? And finally, what does the Minister mean by "a long-term employment" being offered to this particular individual? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Resignations Not Requested By New Governments

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I am not speaking for the future government, obviously. At the same time, I think it should be clear that it is not normally the practice of a new government to overhaul and fire all the deputy ministers on the day that the new government kicks in. If that were the case, there should be no exception to anyone that has been appointed, because you could be appointed to the deputy minister position tomorrow if you resign today and then be fired just because a new government comes in. That is not normally the practice. There should be no exception to the newcomer because we could be hiring someone from within the civil

service or outside. There are no exceptions to the rules that they do carry on because on the basis of the merit principle they do qualify. They are not political hacks of the government. Otherwise, you know, there would be no such thing as long-term deputy ministers, who are presently serving this government, if it were the usual practice to get rid of them once the new government is introduced. So, from that experience, we think we are making the right -- we stipulate that deputy ministers serve at pleasure of the government but at the same time, it is not the usual practice of the government to ask for their immediate resignation upon the new government being introduced, in this jurisdiction.

Mr. Chairman, there were reasons for the final arrangement being concluded, taking into account the school year. That is always the situation, but we have made it very clear that once the person agrees to the terms and conditions that are being worked on now, once he has accepted the offer, we have stipulated that he should be in -- in spite of his family and sooner than he would like to be -- because of the ongoing events that are happening, which I would think are very important to the senior manager of the department. So, he has agreed to that and my initial two months idea is one that would involve the transfer of his family and so on, but obviously he has agreed to be on hand and help the department, particularly in some of the interprovincial meetings of the federal government and so on, and that will likely happen.

Private Sector Experience Recommended

But in terms of the other matters, I think the case goes for all deputy ministers. I cannot speak for the new government but I think we are looking for the person who is qualified to satisfy the private sector. Most of the applicants were obviously from outside. There were six northerners who applied and most of them were civil servants, but many of our advisers and members of the committee, which involved the business representatives recommended there should be a strong case to bring in a private sector man who has experience in economics. Obviously, when we narrowed that down, since most of the northerners were civil servants, this individual is going to come from down south. Thank you.

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

MR. McCALLUM: Thank you, Mr. Chairman. Well, I do not say that smart people live only in the North, obviously there must be some bright ones outside, too. So, I do not have any difficulty with that. It just piqued my curiosity more than anything else -- 60 applicants and you only got six from the people in the North and if the wisdom of those concerned and those involved is that we should go outside, amen, so be it. You people live with your decisions. As to the time of the job offer being dependent upon the school year and his family, I can appreciate that, but the department has been carrying on without a deputy minister for some time, as I recall. Notwithstanding that you have people now serving -- and I mean no disrespect to Mr. Vaughan, or his capable colleagues within the department, most of whom are sitting up back -- nevertheless, I think that to wait two or three months until the end of June, or certainly getting into June, leaves July, August, September and October and bingo, we may have new people in this dance hall. That person that you have hired for four months, five months at the most -- and I agree with the Minister in saying that if he is not named the Minister of Economic Development and Tourism on his next successful election to this august body, then it is going to be Mr. Gargan -- Mr. Gargan likely would not fire the deputy minister the next day, after being named. It may take a day or two but regardless of that -- I just want to make sure that we are on the same wave length -- Mr. Gargan would have the right or should have the right to fire the person on the day that he is named Minister of that department and whether that person is going to be a political hack, or whatever you want to call it, does not enter into the discussion. The rationale of hiring people at ministerial pleasure, I accept, and I think people who accept the job should come under that particular kind of agreement. Certainly, within the last two years or the last four years, there has been a switch of deputy ministers. I mean, we have had three teams, one coming, one playing, and one going.

HON. MICHAEL BALLANTYNE: They played well.

Concerns Regarding Tenure Of Appointment

MR. McCALLUM: Some of them obviously did not, that is why they are gone. But certainly, I do not have to go into the naming of certain deputy ministers that Ministers did not want when they came in to take over that particular department. All I am suggesting in all of this is not the idea

that you should not have a deputy minister or that the Minister should not be able to say "at pleasure". I am suggesting that the person you are going to hire to take over this job, to serve for the remaining time that you are a Minister, Mr. Curley, if you do not hire him for two and a half or three months from now, you are only going to have him there for four or five months and, personally, I wonder, is there any good reason to have that person taken on now, because there is no guarantee that he is going to be hired at the same level? My point to you and to other Members of the Executive is that I do not think you have the right to do that, to hire him for a longer period of time.

In the business of getting a person from the private sector, from the South, if that is the best person you can get -- this man, I think you said it was -- I can say fine, I do not have any difficulty with that, if that is what you come up with. You make the decisions, you live with them. As far as the time is concerned in getting him in, I would have some difficulty, but, again, that is your decision. You are going to hire the person. All I want to know is when you are going to get one on. And finally, the business of this tenure, I would be concerned that if you do hire him for a matter of four or five months, that within that, this buy-out arrangement that has been going on -- I would be concerned with what kind of arrangement the government is making for the expenditure of public funds to simply hire a person for five months and then pay him out because you are offering him a job for a long period of time.

Buy-Out Package May Be Included

I say that that is wrong. I know that there are certain -- I do not know what terminology I want to use -- but there are certain hoops you want to jump through or you have to in accordance with coming into the public service or even within the Hay Plan or whatever and if you want to hire somebody, the guy is obviously going to try to get the best possible deal and that may include buy-out. I know that in the past there have been substantial buy-outs of people. You may have to do that with this person, after a matter of four, five or six months, if you are not going to hire him from now, unless you have already made the decision to hire the person and he is going to do the job from afar by attending interprovincial ministerial meetings or getting along with people from other areas. If he can do the job from afar, then I am not too sure you need him in here in the first place.

MR. MacQUARRIE: Maybe he could be the trade commissioner in Halifax.

MR. McCALLUM: No, I am saving that one, or I hope he is saving that for somebody else. But those are the only concerns I have. The Minister is obviously going to have to make the decision, or he and his colleagues, and he will make the decision and he will be held responsible. The only difficulty I have with that is that I may not be around again to ask him to be accountable for those kinds of actions.

MR. MacQUARRIE: But neither may he be.

MR. McCALLUM: Well, neither may he as well. Maybe that is all to the better. Regardless, we have one more session in here in terms of this particular House that will likely end sometime in June and the House will be shut down sometime in June which may be just about the time the Minister is going to take this person on. I have a concern about the tenure, if there is a buy-out package involved with it. Again, that is the right of the government and the Ministers to do that but it obviously will become a concern of future public accounts committees because of this business of the kind of pay-outs that have been made in the past. I would hope that, given that the Minister has made a recommendation and he has accepted the report of his three-person group that they settle on this individual, that individual could come in and get into the position here as quickly as possible. It may be that the department is running smoothly enough now under the capable hands of the Minister and his present staff. I cannot believe that, because you have been out searching around for somebody for some time. I just want to make those points, Mr. Chairman. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. McCallum. Would you like to respond, Mr. Minister?

Deputy Minister Does Not Just Serve The Minister

HON. TAGAK CURLEY: Mr. Chairman, I think it is important that we not single out the fact that if the new government comes in, there would be a major overhaul and the ones to suffer the most would be the newcomers -- the latest comer. I do not think that kind of a viewpoint is acceptable to the

public service. The politicians, for sure, are accountable to the people of the Northwest Territories -- the voters. But are all the deputy ministers accountable to the voters once the new government kicks in, that there must be an immediate buy-out and major overhaul? I think the government does that with very, very careful consideration. There is a careful review in that there is not, if at all possible -- the government takes it with great care and with respect to the experience of the deputy ministers who are presently in place. I must say the deputy minister, or the acting deputy minister, is not there just to serve me as a Minister. I want to make that very clear. The new deputy minister that has been recommended is not going to be there to represent me or serve me. He is there to serve the public service requirements of the government. He is going to be there to serve the private sector, the business community, and to be involved in the formulation of the economic strategies requirement of the Government of the Northwest Territories. He will be there to represent small business people and the tourist industry and to be a team player with the present staff of the Department of Economic Development -- not at all to me.

I could not care less about what I am doing there. I acquired the department with pleasure -- it has been a privilege for the last four years. Sure, we have made some improvements. Maybe we have lost some friends but overall I think the image of the department is in better shape than ever before. And we want to build on that from now on. The deputy minister recommended is aware that there is a job to do in this very exciting economic development area in the Northwest Territories. If we were to try and politicize that and take it into a major issue, like the provincial governments do, I do not know what consensus government really would mean then. If I were to try and hire the deputy minister mainly for my own interests, yes, obviously with only a few months left, it really is not justifiable but I am not looking at it from that point of view.

There are immediate requirements. There must be stability in the department in terms of senior managers. The acting deputy minister has a major responsibility at the moment to carry on the workload that has been placed upon the tourist industry. Obviously, the private sector, the business council and chamber groups are wanting to see some senior management person with private sector experience who would be able to help them with, or at least advise them on the financial and investment opportunities that we are seeking from across the country and so on. So having said those things, I do not apologize one bit for making the recommendation now. Sure, we are vulnerable mainly because of the fact that the election is coming up and so on, but I think we are planning much beyond that and the comments made by the Member will obviously be noted. Thank you.

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

Management Of Soapstone Quarries, Baffin South

MR. ARLOOKTOO: (Translation) Thank you, Mr. Chairman. Concerning the soapstone, Economic Development have at times assisted in funding for quarrying soapstone. In my own area, they want to have a limitation for individuals who are making use of the soapstone quarry and they would like to implement that. They would like to start selling the soapstone in the co-ops. My question is, this coming summer if you are going to be assisting some of the communities, if they are going to be coming with Peterheads to quarry some soapstone, the people I represent, I would like to have them be consulted prior to any kind of decision. The people I represent would have to be involved in quarrying the soapstone and make wages. If you were to help any of the communities in quarrying soapstone, like Coral or Iqaluit, I would like to recommend that the people I represent be involved in future.

We do not know just exactly how big the soapstone quarry site is and there are five different types of soapstone -- then you would have to consult the people I represent on what kind of soapstone you should get if you were to be assisting some individuals who want to quarry from that soapstone quarry. I would appreciate if the Lake Harbour hamlet council or Cape Dorset hamlet council or myself be consulted. We would want to be approached in this way. I am not too sure of what plans you have in assisting the other communities, but just in case if you have any plans to assist some of the communities in quarrying some soapstone, I would like to get my area involved. We would like to have a say as to what this soapstone quarry should be. I do know that the soapstone quarry does not belong to anybody and we would like to start planning ahead of time how this soapstone quarry should be managed. If you were to help or assist any of the communities in quarrying soapstone from this side, I would appreciate it very much if we could be consulted. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. If you want to own that quarry site, which one of the communities will own it -- Lake Harbour residents or the Cape Dorset people or just an individual? For a person who has his own business, if you let me know that so-and-so would like to own this site, then we would be able to inform the federal government. If those communities were to request soapstone, I would recommend that they be allowed to quarry some soapstone. When there is no soapstone in their area, it is difficult for that community. Legislation or policies concerning this would have to be put in place. We would have to inform the federal government too. But you would have to make some recommendations on just how to go about this. Thank you.

CHAIRMAN (Mr. Erkloo): Mr. Arlooktoo.

MR. ARLOOKTOO: (Translation) Thank you, Mr. Chairman. I would like to inform you that the Cape Dorset and Lake Harbour co-ops have been consulting each other because the soapstone quarry is in between Cape Dorset and Lake Harbour. The quarry site is quite large. They have not come to a conclusion on just exactly who would like to own the quarry sites. Perhaps each of the communities could own the closest one to their community. I would like to get this clear, that the soapstone quarry, if it were to be managed by the Lake Harbour residents, then it would be open but the soapstone would be on sale. We are not trying to limit the other communities, but we would like to be managing the quarry along with the Cape Dorset co-op and the Lake Harbour co-op.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

Commercial Fishery Project, Igloolik

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. There was some commercial fishing done close by Igloolik and they were assisted by Economic Development. It did help the community in terms of wages. I would like to get some indication if Economic Development will be assisting them and I would like to know if you see any viable business in this so it could be run independently.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) There is no information concerning the Baffin area. From information I have, it has succeeded quite well. They probably have been given a larger quota since last summer. Usually when they start out they are given a smaller quota. We will be assisting them and we have heard that the Freshwater Fish Marketing Corporation will be able to market it in Montreal. I just want to inform you that we will be continuing our support if they have to get any equipment, because it was a success and it was greatly appreciated by the residents of Igloolik.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

MR. ERKLOO: (Translation) I am happy to hear that you will be continuing your support. The reason I asked, free lance entrepreneurs or businesses, when would they be able to operate without any of your assistance? How long will your department be assisting the commercial fishing?

CHAIRMAN (Mr. Gargan): Mr. Curley.

HON. TAGAK CURLEY: (Translation) In Chesterfield Inlet they had commercial fishing. If it were to operate independently, this is what we would prefer, to be owned by the Freshwater Fish Marketing Corporation. When it is owned by a company, when they apply for extra funding, they are able to acquire funding a lot more easily. But it is a seasonal thing and one person is operating this and they will be only able to make profits on the fish caught. He probably will be getting some assistance for his equipment and he sells this product per pound or per weight. I just wanted you to know that we would be encouraging a business to operate that.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

MR. ERKLOO: (Translation) The Minister stated earlier when they were on a first pilot project that they had a set quota. Were they going to increase the quota for the fisheries in the North, the arctic char especially? They have a quota for commercial fishing. There is a small quota in Pond Inlet. There are three lakes that they fish, totalling 15,000 pounds quota for commercial fishing. Following the research, can you tell me, I have seen through television as well as in

other media where they have fisheries, fish farming in the South -- have you researched into planning aspects in the North where they can have fish farming in Baffin Island and in the cold regions of the North? Have you had any plans in this regard? Thank you.

Fish Farming Research

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. Yesterday we spoke about fish farming. I told you in my statement yesterday we are starting to research into that. When we were travelling with my colleague, Red Pedersen, in the Nordic countries, there is a lot of fish farming although they have not as cold a climate and their lakes and rivers in northern Europe, in Sweden, are not as cold as our Baffin Region. They have houses, large houses, where they have fish farming. When I returned from my trip I suggested research be done, if it is possible to start a pilot project on fish farming. It will be very costly to implement and they can only grow better inside, indoors. The amount of energy required would be enormous. If we could use the water coming out of the NCP plant, maybe they could use that to heat the fish farm. These are the kinds of research that we are thinking about and we will be getting out to the media how the progress is coming along in this research. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

Business Loan Funds Available To Baffin Residents

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I have another question which is completely different from that. About two years ago, I think, we passed an act in regard to loans from Economic Development where funds from the business loan funds were allocated if people cannot get loans from regular banks. In Baffin Region, in my constituency, they are not well-known. I have two questions in regard to business loans. There was going to be a council according to the different regions; there would be one for Baffin, Keewatin, Kitikmeot and other regions involved in the council. Is the council established? Where can we submit applications or proposals for loans? My other question is, if there are some loans allocated from that fund, to how many people have they been allocated in the Baffin Region? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. Maybe there is not a translation in the annual report of the Business Loans and Guarantees Fund. It has been written for two years. The report is there for two years. In Baffin Region there is a regional loans board. They were not all from Iqaluit. Meeka Kilabuk was involved and Sali Peter and another woman, Gerlinda Sidla but the council is not all full and I nominated Thomas Sudluk from our board who would be with the Baffin regional board, who sits with the regional superintendent of Economic Development in Baffin Region. There are five councils throughout NWT. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. Since that board has been established, how many loans have been allocated to Baffin Region from the Business Loans and Guarantees Fund? Can you tell me up to now if there are quite a few people that have taken advantage of this funding available to them? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. For this year, we will know by the fall, there will be a report. For 1985-86, from Baffin Region there were 13 applications from the Baffin Region. Some were approved, some were not approved but \$1,679,000 was lent to businesses in Baffin Region from the Eskimo Loan Fund directly. Business Loans and Guarantees Fund is for non-Inuit; Inuit receive loans from the Eskimo Loan Fund, \$1,679,000. In 1984-85 fiscal year, in the last report there were only six applications before the loan fund was made more available, \$343,000 before 1985.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

Information Not Available In Communities

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I asked this in our Assembly because it is an area where there might be some problems involved and where economic development officers are not letting us know anything that is going on in parts of NWT. Not just in Baffin Region but other regions as well. Many times I have been asked in my region and I have been trying to make information known to them when people ask me so many questions. I believe that I get tired of doing that when the government should be involved in providing information to them directly. They do not even seem to know the economic development people; do not know where they can lend them -- where business incentive loans are available. Would they be able to get some people who could speak to them in their own language?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Before that can happen there are going to be lots of problems. In the meantime in the Baffin Region the private sector is very slow in developing, even slower than the Keewatin. If they can try and catch up on the private sector aspect of our human resources it would be to our advantage. In all the regions there is that kind of problem prevalent and there are very few people, economic development officers, who are very busy in other paper work. There are quite a few information services available and they have newsletters. Maybe I can tell you that if you can listen to the radio or on TV, they can get more information as to what funding is available. We will try harder in that aspect.

There is no Inuktitut programming from our department in Baffin Region as to where they can make applications, where funding is available for loans. Regarding the request for Inuktitut material, I think we do not have enough in the media explaining our department. Thank you.

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

Regional Disparity In Contributions Allocated

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. Regarding the total of funding for contributions in Economic Development -- where it is allocated for contributions to the Baffin Region and Keewatin -- there are 13 communities in the Baffin Region and there are only seven in the Keewatin, only half, but according to the money allocated to the Baffin Region and Keewatin, there is more money in Keewatin and there is less in the Baffin Region. I am not complaining in regard to the funding available but I would like to know what is the great difference in the amount of money allocated for Baffin?

I say that the Baffin Region private sector is not well developed and maybe it is because they do not apply as often as the Keewatin people. Seeing the difference in the population and the communities in both regions, maybe they do not apply for loan funding or contributions as much. Maybe they do not use the government services available to them. What possible reason could there be for that amount of discrepancy between the two regions in this area of private sector loans available to them. I am not trying to say that we are being discriminated against and I am not trying to say that there is something wrong with it, I would like to know the cause of it.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. It would have been informative. I am not sure which page you are on, but last year I tabled some information which showed \$1,600,000 was allocated to Baffin and \$411,000 to Keewatin. But after that there were businesses arising and, using that information, we allocated the funding. I am not sure what you are talking about but we usually allocate funding according to the amounts applied for and I think you could explain more about what you are asking. Thank you.

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

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. Right now, I do not have very many more questions but maybe if we go page by page I could ask some more questions. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Erkloo. General comments. Mr. Angottitauruq.

Programs To Obtain Soapstone Supplies

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. In the Minister's opening remarks, he rang me a good word, "cookie jar". The communities that I represent, which are Spence Bay, Pelly Bay and Gjoa Haven, would like a grab at that cookie jar too, toward economic development and we seem to have a problem there in the three communities. The communities have applied for some kind of soapstone harvesting, as it has been known for a long time, and it seems that none of the applicants have ever been successful. I have seen a local co-op with very little equipment trying to harvest some soapstone and they have never seemed to be successful. I was wondering how the communities could be more successful in getting funds for soapstone harvesting for carvings.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. That situation is, I think, true to many of the remote communities where they do not have a close interaction with major communities where there is a large supply of soapstone. Some communities did apply through the economic development agreement and were able to get a small amount during the last agreement, but obviously not all communities were able to take advantage of that, so I think for the Member's sake I would say this year we have just established a policy -- we call it a soapstone supply policy -- and there is a very small item in our estimates which would allow a community to at least get some assistance toward quarrying soapstone supplies. I would think then that your regional superintendent should be advised so that he can at least make an application to a community so that they can take advantage of it. I also can inform the Member that once the new EDA agreement is signed, there will be a major program -- we call it an arts and crafts subsidiary agreement -- which should kick in then. That will have a whole lot more financial assistance than the department can carry out throughout the North. Thank you.

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

Assistance Requested For Spence Bay Craft Shop

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. The reply sounds very good, if the regional offices could follow up this procedure. There is another thing: I know the Minister has already replied to the Spence Bay ladies craft shop there. It seems that the craft shop had at least 10 full-time ladies with 30 part-time workers, or employees, and now it is closed down. This craft shop was already famous for its animal crafts plus some parkas, I believe. I believe that the craft shop was closed down because the utilities were too high there. They had a very old school there. A craft shop like that should have been helped by Economic Development because it employs some ladies and keeps them from getting welfare. That is one way they were trying to be self-sufficient. But the utilities in their building were too high. I am wondering if Economic Development could think of ways to find some building or assist the Spence Bay craft shop in some way so that they could be more successful in the future. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. The department, I think ever since it was created, has been helping many communities in running many of the arts and crafts shops throughout the Northwest Territories. Quite a large amount of money has been spent, spent, spent each year and we spent during the last three years significant amounts of dollars for the Spence Bay craft shop. We did, but the simple problem was that it was not economical. The products that were produced were not able to even cover the costs of the materials. Because of the government's restraint policy, we tightened up our support to those that are not economically viable. That is one reason why the craft shop was finally closed down.

There Must Be Markets For Crafts

The other point is that if you are producing crafts, there must be a market for them. The market has been a problem. In our new initiative this year, we are trying to find promoters down south who would try to line up enough markets for particular communities so they can get back in -- maybe even at a reduced scale. I do not know whether each time there is craft production in communities you always have to have a huge or large building or whether or not you would be better off producing crafts in your home. These are the kinds of things that we are looking at.

I can tell the Member that we are not ignoring the state of Spence Bay. We are talking to the co-op. Our regional staff are exploring different options so it can eventually get back in, but it is going to take a little more careful planning. Once new opportunities or new markets are secured, I can assure the Member that, with the new opportunities for funding from EDA -- I know that we are going to be able to do a little bit more. First of all, I think in order to have a new beginning we have to clean up the old mess that was there. So I think that that is what happened to the Spence Bay craft shop. I want to assure the Member that we will not give up on Spence Bay. Thank you.

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

---SHORT RECESS

The committee will come to order. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, I would like to ask the Minister, how much did Expo '86 cost this government after you subtract whatever was made from the restaurant, the sale of arts and crafts, etc.?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Net Cost Of Expo '86

HON. TAGAK CURLEY: Thank you, Mr. Chairman. If the Member looks at the short report that I tabled, Tabled Document 23-87(1), right in the middle is revenues and expenditures by fiscal period to December 31, 1986 and the net total cost to the government is \$6,140,808. Net cost to the government.

CHAIRMAN (Mr. Gargan): Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. In the past, funds were made available for a consultant to do feasibility studies and recommendations were made and that is as far as it got. I just wondered what happened to the new EDA. They were supposed to make funds available to hire someone, or exactly where does that stand? That is one question that I have.

I guess in my community, things are not moving as fast as in some communities. They do not even have the basics to start with. Since I have been elected, what happened in Snowdrift was that they finally got hold of that Anderson enterprise, but they had to do a lot of work on their own and it just seems that they did not get as much help as they should. It seems that when a community initiates steps toward a project, and if it is a viable business, many times the idea is taken by the government employee, because they have access to all the information. They have access to all the information on where they can get the funds and many times they go into business themselves. It does not seem right a lot of times. I get paranoid every time I see something like that happening.

There were a lot of good comments made by the Minister in his opening remarks. Just how well these comments are taken, how far, how they are getting these good ideas or these existing funds -- projects that are supposed to be going into the community, how are they doing? How are they implementing this idea into the community? I know for a fact that sometimes when individuals take the initiative themselves, they are given so much running around to the point where they want to give up; or it seems that it is set up so that they will fail so that somebody else could take over.

I know for a fact that there are people in the department that are paid to do this kind of work to get proper information. I am not saying they should do all the work, because the community has to do its share of it. The ones that are doing their share of it are not given proper information. It is easy for the individuals to sit in their office and say, "This is the policy. You go by it or else." You know, you are forgotten. I just feel many times we get rejects from another department, another area to our area, because not too much is happening in my area. You just look around and I know that there is not too much happening.

Community Should Have Results Of Study

I would like to know what is happening. There was some kind of feasibility study or some kind of study going on in the East Arm of Great Slave Lake and they did not allow any outfitters any licences or any lodges -- for them to establish any kind of lodge in these areas. I agree with that to a certain point, and if they completed this feasibility study, then the communities should be aware of it so that if they decide to go into some kind of business in that area, they should be given the first chance because they have a lot of good ideas coming up and they are set back because "we are doing this and you cannot do this because we have to do this first."

I remember that there were times when we used to be able to fish right off Great Slave Lake. Right in front of Fort Res, you used to get all kinds of trout. People came in from the South and fished right out of it. If we get one trout today, we think we are very lucky and there were times we used to get all kinds of huge trout right off that lake. For that reason, I agree some kind of feasibility study should be done in the East Arm but once that is completed, I would like the community to have access to that study and see what can be done after that.

In the comment that the Minister made, he said there were three million dollars available to support the construction of various businesses such as a fish plant, a tannery. Who is going to make this information available to the people in the community? We cannot even get someone in their office, let alone trying to get somebody to assist us.

In motels, where they have motels -- I know we have one motel in Fort Res -- they are almost closing down that motel because any time government officials come in, they stay in the DPW place -- the house, or else they do not want to stay there and they zoom back out of town to the nearest motel in Hay River or Pine Point. How can we do business if people are doing that? Yet, we are trying to promote tourism. Now, I understand there is money available to expand or modernize the motel. If we put some kind of submission in, they find all kinds of reasons or we cannot find anyone to help us.

I, myself, am not able to help every individual or group that is trying to set up some kind of business. My understanding is that we have people in the department to help individuals like this. I know that a lot of these people get a lot of money. They get paid to do that. So with all this good information that is going on, I would like to know how the department is making this information available to the people. And how is that study coming along that was being done in the East Arm? Thank you.

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

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I do not know where to start with all these concerns. Mr. Chairman, I know that the Department of Fisheries and Oceans has been analysing the fish stock in that region. I think the field studies have been completed, and now they are analysing the kind of information that they think is required to continue the expansion requirements of the sport fishing industry in that area. So, we should have these formally before too long. Once I have received them, I will be prepared to write a letter to the Member.

Federal Government Restrictions Beyond Minister's Responsibility

I think the Member should also be aware that some of the restrictions that are put on by the federal government are beyond my responsibility. In the future, we can only hope that the inland fisheries regulation will be transferred to the Government of the NWT, so that at least we would have a direct accountability in this Legislature or any other legislature that might be formed in the future.

In my remarks in the introduction, I preferred to be optimistic rather than negative. It is very easy for me to be negative and discourage someone who might wish to develop something and create something, at a great venture, in his or her home community. So that is what I do. I want a proponent from your community who is optimistic enough to try to get something going, even improve the hotel; provided he or she has that optimism, something is going to get done. I said in my remarks that the government can only do a certain part but the private sector, which is you and your community, is going to be a major vehicle to get certain things going.

Some Financial Assistance Available

There is some help available, in terms of financial assistance, from the government. By and large we give a lot of money to native communities -- Inuit, Dene and Metis -- to put forth business plans. Once a business plan is developed by an individual then, yes, there will be financial assistance. If the community does not require government assistance, the banks are there to help. We only take bank loans and give out loans that the banks themselves refuse to finance. That is when we get involved in terms of loans, in those proposals that the banks have refused because it is too risky for the banks. Only then do we put in loan applications through the business loan boards.

So I do not want to speak for her community because I think she certainly is capable. But in terms of getting all that information out, every one of us has to be involved. Publicly we have made it a stated policy through this Assembly that we do have certain amounts of assistance that are going to be available to communities and to the regions, and again it is going to be up to the community, very much, to see whether or not they want to take advantage of these opportunities. If not, they will go to some other regions.

As for the quality of our officers in the government, I know that is always a problem, and that is one reason we are proposing, and I made an announcement, that we would like to have more native managers in the system. That is one program we announced and we will try to do that. We need more native individuals as economic development officers. We want their interest. If they are interested, we will find a training program so that they can take care of all the financial requirements, so they are aware of the accounting procedures and everything else. It would be very good in all the regions if all our field officers, development officers, were local area people. That is something I would like to see as quickly as possible. Thank you.

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

Economic Development Officer Wanted For Snowdrift

MRS. LAWRENCE: Thank you, Mr. Chairman. Are there any funds available for economic development officers in a community? I am referring to Snowdrift. They identified a few things that they can do but there is no one to follow up and implement some of these initiatives that have been taken. We desperately need someone in that area.

I realize that there is some help available but we cannot even get some help. Where do you go? The officer who is helping gave wrong information. We are not even asking for funds; we can go to the bank to do that. But proper information was not given and a lot of money was wasted because proper information was not given to this individual. The guy that helped her out planned all these things and she went ahead and built it up. Then they turn around and say, "You cannot do that." Now, obviously the information officer, or whoever is giving it, does not even know. So that is where we are set up to fail and I just do not like that kind of system. We can certainly go without that kind of system.

Many times, too, the department itself is confused. Maybe there are too many people working in there, but it just seems that you go from one person to the next person to the next person and back to the same one and you are still not anywhere ahead. That has to be improved because, really, if the department is confused, then it confuses the people as well.

My other question that I had asked in the House, too, is that the community of Snowdrift would like to deal directly with Yellowknife instead of going through Fort Smith. It takes too long for them to go through Fort Smith. Many times the guy there, for whatever reason, holds back the paper and we miss out on the deadlines. We have missed out on so many things. We do our share and look up to the department to do certain things and it really holds back the community. I would just like to know if there is any way we can improve that communication process, or maybe just deal directly with Yellowknife.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Plans For Reorganization Of Fort Smith Region Not Completed

HON. TAGAK CURLEY: Thank you, Mr. Chairman. On the last part, I think that is clear. I did indicate in the House that we would certainly look at that. The final plans for reorganization of the Fort Smith Region are not completed yet and I have assured the Member that one thing that we

will do is to try to incorporate a kind of reporting relationship in servicing that community right from Yellowknife. That is something that my staff and my department is looking at. Once the Government Leader has finalized his reorganization plans for the other areas, for deployment of Fort Smith Region, then we would like to be part of that announcement. At the moment, the plans are not completed so I can only assure the Member that is one area that we are looking at and we certainly hope to respond positively to that because, you know, I share the Member's concern that she should not have to run around more than she does. It is something I think we should be able to do. Thank you.

CHAIRMAN (Mr. Gargan): Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. I understand there is some kind of funding available for a tannery. Where does a person have to go? There is a group of people who are interested in starting some kind of a tannery. I am not talking about a huge tannery, just a small thing to start at the community level. Where would a person have to go for some information on this?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I think the first thing to do is consider what they want to tan. What kind of volume are they talking about? That is the first thing to do. Because if one is interested in developing a tannery, obviously this is a private industry and, again, it has to have enough volume to produce a product that will be economically viable, which means that they should be able to pay off their debt loads and carry that on. So what are we talking about? I do not think it is just a matter of a person who is interested and wants some information. We have to have a plan. We have to have a proposal. If you want to tan 100,000 muskrat or beaver or caribou skins -- we need all that information, and that is going to take some time. Obviously, this department is responsible for development of these projects, so if you have difficulty talking to a development officer from Fort Smith or Hay River, speak to my deputy minister.

CHAIRMAN (Mr. Gargan): Mrs. Lawrence.

MRS. LAWRENCE: Thank you, Mr. Chairman. The Minister did not answer me. We have all that information. I just want to know where we can go with this information.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you. She can call Rankin Inlet, Frobisher Bay or Inuvik and ask my superintendents, if she is not satisfied with the superintendent in Fort Smith -- I am only kidding. Thank you.

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

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I have a general comment to make concerning the small business sector in Baffin Region and in my area. I know in my area there have been quite a few applicants to get their own businesses going and they never seem to have any approval for their applications. It is obvious their applications just go to Iqaluit and I do not think they go to headquarters any more. When the economic development officers visit the communities to look into whether there are any applicants, they just inform the applicants that there is no funding available. It is obvious, looking at what we have in front of us for the small business development, "Identify viable business opportunities in support of large scale development, defence initiatives, light industrial development and trade", that there is \$3,350,000 available. I would like to ask the Minister why Baffin Region is not included in this. I do know, personally, there have been quite a few applicants. Maybe he can indicate to me why Baffin Region is not included at all. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. I cannot respond to you if I do not have any evidence. You mentioned earlier that there is no funding available. I know Katherine Trumper from Iqaluit and maybe if she were to be informed of this, she would not be too happy about it. If I do not know the names of the applicants, I do not want to make a comment on it. I do not believe what you said about Baffin Region last year and the year before that. The Baffin Region used an awful lot of money from Special ARDA loans that were made in Baffin Region. They were over

one million dollars, larger than in Keewatin, which was only \$400,000. When I travelled in Baffin Region in 1985, I saw for myself after we assisted the Arctic Bay hotel. In Pond Inlet we assisted them with funding of over one million dollars.

Funding For Baffin Is Not Less Than Other Regions

Baffin Region is a very large region and the funding available for that area is always one of the largest. And I want him to be aware of that. The Baffin Region is not less than other regions. They appear less because their applicants are all different and the applications are funded in different grants. They are reviewed by different boards, not thinking of the regions they are coming from but depending on when their applications were made. With regard to what you are telling me about applications, when I know which applications you are talking about or for what purpose, maybe I can answer you on that. For what reason? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Pudluk.

MR. PUDLUK: Thank you, Mr. Chairman. I am not complaining about the funding, nor about your workers because they follow the rules. I am not blaming the economic development officer in the region for this problem but I wrote down the name of that person who is responsible for visiting the communities. He was supposed to stay in communities but he would leave before the time for him to leave, maybe he has so much work to do. We do not know why he leaves so quickly. He always says that there is no funding available. Maybe the reason why the funding is not available for our region is because -- I was going to mention further in this regard. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister. No comment. Mr. Erkloo.

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. What Mr. Pudluk is talking about verifies -- I am not an accountant so I cannot really say. The capital estimates under tourism and parks, states on page 13.08, total Baffin Region expenditures, \$410,000 and on the other side, total Keewatin, \$457,000. Then on page 13.11, under business development, foster the "private sector by identifying economic development opportunities" and on the following pages you can see, totals for Fort Smith Region and for Inuvik Region and for Keewatin Region, but there is none for the Baffin Region. That is the reason I want to know why there is no other funding available for the Baffin in the capital estimates.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Chairman. What he is talking about is capital projects. What we have in Baffin Region is not very much, \$410,000 in the capital estimates; in Pangnirtung, Auyuittuq Park and in Iqaluit, total \$410,000. Keewatin is \$457,000. Iqaluit and Rankin are going to develop centres for tourism development next year as has already been established in Pangnirtung, under capital, buildings and works. Buildings designed for tourism committees of the Travel Industry Association are inconsistent under zone associations. We used to fund these through them. If you look further to the other pages you will be able to figure it out for yourself. I will be able to explain more.

CHAIRMAN (Mr. Gargan): Mr. Erkloo.

MR. ERKLOO: (Translation) I am in agreement with him that as we go further on in the estimates we can understand further. But before we change to another subject, I have another question. I believe the mandate of Economic Development is to help to develop private business, to start pilot projects in all of the NWT, and to research into how to start private businesses. It is very difficult to get jobs in the NWT and there are more young people that are getting into the wage economy. I heard that the Yellowknife Chamber of Commerce stated that they do not want any economic development assistance of loans that are not going to be paid back. I know their reasoning for it, because the private business -- I would not wish to have anybody else look after my business for me. That would be applicable for businesses that are thriving but for our region it is very difficult for businesses to be in top condition. So I want more grants and contributions to our region. I know that for the private sector, when they have a chamber of commerce established in their regions, it is easier to go through them and get funding through them. You know the people in my region need more help and assistance in the private sector. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: (Translation) I received a letter from the chamber of commerce in Baffin Island and they would assist the government in their policy in helping develop small businesses. I have heard from small communities that there is not much employment. There is a big population here in Yellowknife in comparison to small communities. There is not that much unemployment here in Yellowknife. We will try and improve as the years go by, but developing takes quite a while and it goes slowly; I know that we have to assist the Baffin Region and Kivallivik on the private sector. Thank you.

CHAIRMAN (Mr. Gargan): Does the committee agree that we go to the details of the capital estimates? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Tourism And Parks

Buildings And Works, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): We are on page 13.07, Department of Economic Development and Tourism. Details of capital, tourism and parks, buildings and works, headquarters, total headquarters, \$80,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Fort Smith, Total Fort Smith, \$620,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Page 13.08, Inuvik, total Inuvik, \$295,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Baffin, Total Capital

CHAIRMAN (Mr. Gargan): Baffin, total Baffin, \$410,000. Agreed? Mr. McCallum.

MR. McCALLUM: Thank you, Mr. Chairman. Just a question for the Minister. I note that in the Baffin area here, there are two visitor centres being planned. Some of them have had prior moneys spent on them. Others will have money in the future. As well, within the same area that we are discussing, this buildings and works, in the Keewatin there is a regional visitor centre in Rankin Inlet that has big dollars associated with it in the future. I wonder if the Minister can indicate to the committee what these visitor centres are? Why does it cost so much to put up a visitor centre? What is involved with a visitor centre?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Function Of Visitor Centres

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I think one good example is the one that has been pretty much finalized at Pangnirtung, where there is tremendous interest with the tourist industry. Many of these communities do not have access to the historic past of the community nor do they have any kind of museums or whatnot, that would be of interest to visitors. I think, in short, we are calling them visitor centres but they will incorporate the information of the

community and the region. Really, I suppose they will be like mini heritage centres or places where people can seek historic information and as well, see some of the artifacts of the history of that region. I think they would incorporate the modern requirements of a visitor in terms of travel and so on, they would also have a booking agent for community tours and trips to nearby attractive sites, and a small museum maybe. They would incorporate a craft shop so the artists can take an active part in supplying the tourists, as well as a place to meet with the local residents and elders in developing a relatively modern history and so on. So, they will be incorporating a number of the needs of the community, as well as the tourist industry. For that reason, I think, we can safely say the Pangnirtung project was a good beginning. Thank you.

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

Departmental Funding For Visitor Centres

MR. McCALLUM: Thank you, Mr. Chairman. If these are more than just for tourism information, tourist booths or whatnot, and they do involve, for example, as you suggest, materials that may be more properly identified as museum areas, is the Department of Culture and Communications, which has responsibility, I think, for museums, putting any money into these visitor areas? I would expect that; when justice had responsibility for museums you spent money in prior years they may have had some involvement there. In those that you are planning now for Iqaluit and Rankin Inlet, those two, is the Department of Culture and Communications involved with some kind of shared cost as far as these are concerned? And if not, why not, because it seems to me that you are talking about putting up, as you suggest, mini museums? I did not think that that was the role of the Department of Economic Development and Tourism. I would have thought it more properly belonged with Culture and Communications.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. These particular centres that are being developed will involve a whole lot more than just a small museum, which will be part of the establishment. There will be general information about travel industry-related attractions and services provided through that establishment, as well as a craft shop, for instance, which is my department's responsibility. In terms of the program content and development of these centres, my department co-operates and has an interdepartmental co-ordination with DPW, Culture and Communications, and the Heritage Centre is involved -- Pangnirtung being the good model. For Pangnirtung, we were able to separate the capital funds, because there was a lopsided proposal; regionally a small proposal first, then we kicked in the second year. As a result there were separate items put forward by two departments, Justice and Public Services being involved, because they were responsible for museums at that time. Now, because we are asking for new funds, totally new funds, allocated directly from the general revenues, we thought it made sense to put forward a major proposal. But through it all we have an interdepartmental program co-ordination and they get quite involved in the kinds of things that they did for us for the Pangnirtung visitor centre. Thank you.

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

Location Of Visitor Centres

MR. McCALLUM: Mr. Chairman, are these the only two areas, in the Baffin and the Keewatin, where you are putting in these regional visitor centres or visitor centres or mini museums or whatever you are calling them? Who starts these things going? Is it your department? Is it Public Works, Culture and Communications? Who starts the ball rolling with these things? What are the plans? Is there a policy that you have developed that sets out how you are going to go about these? Are there communities that can apply for these regional visitor centres? Are they open to any community in the Territories? Are they just to occur in the regional centres that we now know, seeing as I am iffy-iffy on being from a regional centre? Could we, for example, apply for a regional centre? I see you have put them in Rankin Inlet and in Iqaluit. Both of these are regional centres. Could we, I do not want to speak for Mr. Butters, but could he get one in Inuvik? Where do these regional centres go? Is there one available for -- what is another one -- Coppermine? I do not know what the regional centre is up there -- they could split, half and half. You say they are regional centres. How does the government determine where you are going to put these? Is there a policy in place to develop what you are calling "regional visitor centres" cum mini museums, and whatever other name you want to apply to them? How do you go about it?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. This is not a small program. This is a very heavy, heavy...

MR. McCALLUM: I got that much.

HON. TAGAK CURLEY: ...this is a heavy item. It is a major capital item. The tourist industry has been growing. Travel industry zone associations have been active in planning regional tourism strategies throughout the Northwest Territories. Some of the regions have less access to resources that are available, such as through highway routes to interconnect what the visitor might see, so if they miss it at Fort Smith, they would be sure to see it at Yellowknife in the museum here as the historic resource information is here.

As a result, places like Baffin and Keewatin have developed their regional tourism development strategy. Incorporated in those plans were these kinds of proposals, and therefore within our five year plan it was finally agreed that they should begin to start that. But I do not necessarily want to speak for any other region, because it is going to be up to the zone association to show the kind of initiative they might wish to develop. As far as the Baffin Region was concerned, they had exhaustive tourism plans that they developed, which were funded by EDA. As a result of those major plans, out came some of the projects that we thought were going to help the tourist industry in those areas. How far they are going, I really cannot say. Thank you.

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

Applying For Establishment Of Visitor Centre

MR. McCALLUM: Thank you, Mr. Chairman. If these regional tourism groups determine that they want one of these, they make an application. To whom do they apply to get it started, if these regional tourism groups feel that they must have one? You are going to be giving them a regional visitor centre and a museum, and it is my understanding that in Iqaluit, they have a community museum there. I am not sure about Rankin Inlet, whether it has a small museum or not, but I know in Iqaluit that there has been one. Who do these regional tourism groups go to to get such a building started? Do they go to your department, or to Culture and Communications because that is where museums are, or do they go to Public Works?

I agree it is a big item, you are talking, to start with, three of them at \$3.5 million. I still do not know whether you have answered the question whether your department or the government has a policy on it. I do not know. You say you get recommendations from these regional tourist groups, so I would like to know how you go about it. Is there a form that you have to fill out?

Maybe Fort Simpson would want one if they become the regional centre. They do not have any museum that I know of, and whatever other area. If you are going to embark upon a particular program of putting in regional visitor centres, I see nothing wrong if you are going to get them involved in these, but surely you have a policy involved. I would like to know what department has it, so people who want to get involved with this from various communities will know where to go, whom to get in contact with. How do they apply for money? How do they get on a five year capital plan? So if I could have those kinds of answers, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Minister.

This Program Is Based On Regional Need

HON. TAGAK CURLEY: Thank you, Mr. Chairman. We can easily develop an application form. We can easily develop a short policy. We can develop all kinds of other policies for fish plants, agricultural capital plans, but that would be like establishing a program. These are not necessarily programs that we are going to develop each year, because they are based on the need of the region. Therefore we are not putting in a pot of money in our base each year. It is strictly based on the regional need and therefore -- it would be like me trying to develop an agricultural policy so Keewatin Region, Rankin Inlet, can develop a hog farm or anything else. It does not make sense. It is going to be based on the need. Sure, we will develop a policy and put out application forms and various other requirements. But I think it would be a bit presumptuous for me to indicate publicly that all of these are going to be an established pot of money each year in the department's capital plan, because I do not think it is going to be that.

So we will do what we can, but the department obviously is responsible for crafts industry, tourist industry, serving the travel industry, but I think incorporating resources from other agencies is a good idea. This is a joint interdepartmental proposal. Pangnirtung was one good example. I would like to satisfy the Member but I know I will not because this is a new phenomenon that did not exist three or four years ago when he was a Minister, obviously.

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

MR. MCCALLUM: You are right on two accounts: that you are not going to satisfy me with those answers and, you are right, that it does not make any sense at all. So I agree with you, to start with. You are saying that you have no policy, you have not got a program, and you do not know where people go to to get in on it. It is just that you get a feeling from somebody from a tourist association, who wants to say that they want to get a program and you, through your largesse, you are going to put it through, if you can get funding from museum and other particular groups that are there. Oh I know, you pick it out of the sky. I can go through the whole thing here. When we get down to it, we have been picking that kind of stuff for years.

Lack Of Policy

The problem is knowing how one gets in on it. You do not know that. All I am getting from you is that somebody in a particular tourist association wants to get a visitor centre and you go ahead and do it. Not anybody, because you are not going to get them all through if there is no program involved. You do not have any policy about how you are going to spend the money or where it is going. Who pays for the upkeep on these, the O and M? You are going to put a craft shop in it and you are going to sell goodies. You are going to show some pictures of the community and you are going to start a small museum in it.

It seems to me that there is a museum policy for setting them up. There is a policy that is involved with space and everything else for everything else, but here where you are going to start putting out regional visitor centres, as the one you are putting in Rankin Inlet, and a visitor centre in Iqaluit, there is no policy involved with it at all. It is not a program of the government, so you say, and there is not much sense in doing it because it would not make any sense to have a program involved with the expenditure of this money, nor would it make any sense to have any kind of a policy on it, so you say.

So you are absolutely correct, Mr. Chairman, I am not going to agree with his answers. I have nothing further to say on it.

CHAIRMAN (Mr. Gargan): Thank you, Mr. McCallum. Total Baffin. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, I want to share some of Mr. McCallum's concerns on these visitor centres. I have to be honest with the Minister. I do not feel good about agreeing with something like this, especially when I think of some communities in my region where people are working on a volunteer basis to try to keep selling arts and crafts with no support from this department. I see figures in these books -- \$150,000 for, I guess it must be for planning a visitor centre. So I really cannot agree to it.

You say that there is no program to cover these things. Essentially, what you are saying is that there are special circumstances that determine that a visitor centre will go here and not there. You say that it would not make any sense in a situation like this to have a policy. The question then has to be, is there no other place in the North, especially in the Western Arctic, that requires visitor centres? Are there no other places in the Western Arctic, that require the same kind of facilities, only the ones that we see in this part of the capital plan?

CHAIRMAN (Mr. Gargan): Mr. Minister.

No Government-Sponsored Project Without Long-Term Discussion With Government And Departments

HON. TAGAK CURLEY: Mr. Chairman, I do not know what he wants me to say. I did indicate that it is not difficult to establish a policy. This notion that these kinds of things just come out without a plan, without co-ordination, without discussion with the department, without consultation and without sharing of information with the regional staff of the government is just out of space. No government-sponsored project comes here without long-term discussion with the government and the departments. I can even assure the Member that -- what does he want me to do with the request for a such a visitor centre for the Sahtu region, which just arrived a short time ago? They want us to

study the possibility of a regional centre in his riding. So do I just throw it away and say that the Assembly is not in favour of those kinds of things? We have an obligation to satisfy the tourist industry. We have many rainy days in the North, which allow these kinds of centres to satisfy the tourist industry. But we will study the possibilities and see whether or not we can do something to help them. If it is interpreted differently from what it is, I do not know what it is. Thank you.

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

MR. T'SELEIE: Mr. Chairman, it is the first I heard of this request for a visitor centre. What does he want me to tell him to do with it? I would tell him to include it in this capital plan now.

CHAIRMAN (Mr. Gargan): Mr. Minister. Mr. Patterson.

Visitor Centre For Iqaluit Integral Part Of Regional Tourism Strategy

HON. DENNIS PATTERSON: Mr. Chairman, I would just like to point out that the regional visitor centre for Baffin, which happens to be planned for Iqaluit, is something that has been worked on for years and years by people planning to develop our fledgling tourist industry in the Baffin Region. It is an integral part of a regional tourism strategy and I would like to point out, if I may, that we do not have some of the advantages in Baffin of other regions. It costs \$800 to get to Baffin Island from any point in the South. There are no highways; there are no docks for boats. There are no winter roads. We have no small air charter business and we do not have a lot of other economic activity going on in Baffin. There is no oil and gas industry. There is no significant exploration activity going on, but tourism is one of our biggest prospects. And this is part of a strategy to benefit the whole region. It is designed, basically, to encourage people who arrive in Iqaluit to see something of the history, language and culture attractions of the entire region. It is promoting Iqaluit as the gateway to a region with 13 other attractive communities with excellent prospects for visitors. I think it is a good idea because it is something that has been worked on hard by the people planning tourism in the region and maybe it will be an inspiration for other regions. But I would like to point out that it did not just come up yesterday. It has been something that has been worked on by the regional tourism association for a long time and it is critical to the whole region. Thank you, Mr. Chairman.

Buildings And Works, Baffin, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Patterson. Total Baffin, \$410,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Keewatin, Total Capital

CHAIRMAN (Mr. Gargan): Total Keewatin, \$457,000. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, in the item that is listed here under infrastructure for community-based tourism, I see for the Keewatin, \$90,000 and for the Inuvik Region, I see the figure for the same item of \$15,000, listed as various. For the Kitikmeot, I see a figure of \$100,000 for the same item. I am wondering, why is there such a big difference in those numbers? Is there any good reason for that?

As well, I would like to ask about the figure in the budget book, the \$217,000 that is listed as the implementation of a tourism development something or other for Coral Harbour, Rankin Inlet and Repulse Bay. I would like to know what that item involves.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Inuvik Region Has Not Completed Regional Tourism Strategy

HON. TAGAK CURLEY: Thank you, Mr. Chairman. The reason there is a significant difference in some of the numbers you quoted earlier is that the Inuvik Region has not completed its regional tourism strategy. These are major tourism plans for the whole of the region which were done in Baffin,

which were done in Keewatin and which are now being carried out in that region. These are conducted jointly through the zone associations and the Travel Industry Association. That is what we are basing our capital projects on; that the zone association and the Travel Industry Association identify projects that they would like improved. So that is an initial seed fund for that region. In the following year I am sure there will be incremental projects to that region. And the plans being put forward are exciting. For further information, the TIA offices here can provide much of the information. But these are important projects to the region.

Some regions do not need improvements. They have infrastructure and they have historic parks and day use areas for visitors. But like your region, many of the regions are not fully developed. Many of the studies were finalized last year, extensive studies in my region -- the \$217,000 item that you quoted involves communities of Repulse Bay, Coral Harbour and Rankin Inlet. A recommendation from site development studies for Native Point -- this is an historic site where regional peoples of Southampton had died off -- is that Native Point will now become a part of the tourism attraction and in Repulse Bay, an archaeological assessment of the Rae stone house which is an historic site. They will be developing interpretive planning for a marine historic trail on Harbour Island, as well as developing signage and visitor services to be established at two historic parks near Rankin Inlet, Marble Island being one and the other a site right near Rankin Inlet. So that involves three communities to implement, which were recommended through the studies that were completed last year.

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

MR. T'SELEIE: Mr. Chairman, the Minister just listed a couple of projects in Coral Harbour, Rankin Inlet and Repulse Bay that his department is going to be putting some money into. The projected costs for all these projects in the end is going to be around \$800,000. I am not aware of how the decisions were made or the decision was made to fund those projects. So my question would be, were there any other projects anywhere else that were at the same point of readiness for funding from his department, other than the ones in Coral Harbour, Rankin Inlet, Repulse Bay?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Other Regions Likely In Next Year's Capital Plan

HON. TAGAK CURLEY: Mr. Chairman, in terms of the capital items listed here, unless the Member will be more specific, it is hard for me to answer. If you are talking about the \$217,000 item, obviously that is set aside for these three communities to complete these various tourism-related projects. But if you are asking me about other regions, if we do not see them here then obviously they are not here but will likely come up in next year's capital plan.

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

MR. T'SELEIE: The reason I think these items have to be clear is that I can think of a group of projects in my constituency that should be funded, if we go on the same basis that the Minister has just talked about in terms of this item here, this \$217,000 item, and having to do with native history, etc., etc. I can see a situation in the future where there could be a whole lot of competition to have projects such as these funded in other regions. I do not want to be nasty about it, but the question might be, "Do you have to become a Minister to have them funded in your constituency?"

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, getting the regional zone associations to shape up would probably help, particularly if you are the Minister responsible for the tourism industry. It helps to ask the zone association to shape up and get their plans organized so that they can get various projects under way and brought before the regional tourism officers so that they can be incorporated and considered in the regions. But some regions did not have their regional tourism zone association established far behind Keewatin, Baffin and Kitikmeot. Mainly because they have more communities of interest, maybe, I do not know, they were able to establish their plans ahead of some regions. There were some difficulties in Sahtu and Inuvik Region and it was not the fault of the communities; there were obviously some executive problems with the zone association and therefore, as a result of lack of communication and exchange of ideas with communities, they did not incorporate and complete their tourism plans. All these projects that I listed were completed through studies. There were extensive tourism studies completed in those areas and it was handled

through Keewatin Travel, which is a zone association. The other regions were behind, but now I can tell the Member that Inuvik Region and Sahtu, in terms of zone association, is in a good, solid state now. They have their ideas together. I was impressed with the presentation they made to the TIA meetings which I attended the other day. But they were behind, compared to other regions, for a little while. Thank you.

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

MR. T'SELEIE: Mr. Chairman, I guess what I can say is that I do not think that there is that awareness out there that communities have to get the approval or the permission of a zone tourism or zone travel association. I do not know if they are the same thing but the zone association anyway, I do not think that communities are aware of it. If that is the rule that the Minister has set up, then the people are not aware of it. I can tell you that. I do not know if the officials of your department have done that much to make people aware that they could be eligible for some of these projects. The only other comment I want to make is that, you know, whoever the next Minister of Economic Development is, he may not want to fund all of these marble sites or whatever and so you may just have ended up getting away with it. That is all I have to say.

Buildings And Works, Keewatin, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. T'Seleie. Total Keewatin, \$457,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Kitikmeot, Total Capital, Agreed

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

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total buildings and works, \$2,012,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Equipment acquisition, Fort Smith, total Fort Smith, \$50,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Kitikmeot, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Kitikmeot, total Kitikmeot, \$10,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total equipment acquisition, \$60,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Tourism And Parks, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total tourism and parks, \$2,072,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Business Development

Buildings And Works, Headquarters, Total Capital

CHAIRMAN (Mr. Gargan): Page 13.12, detail of capital, business development, buildings and works, headquarters, total headquarters, \$3,000,000. Mr. Wah-Shee.

MR. WAH-SHEE: Thank you, Mr. Chairman. I wonder if the Minister could tell us what types of projects are we talking about? And what are the areas?

CHAIRMAN (Mr. Gargan): Mr. Minister. Could you use your microphone, please?

HON. TAGAK CURLEY: Thank you, Mr. Chairman. This particular item is a major territorial-wide allocation. It is designed to support the infrastructure facilities in the NWT with respect to the renewable resource economy. You can look at fisheries, you can look at the farming industry, the fur industry, pretty much all the areas of the renewable resource sector. The type of project which I listed in my opening remarks involved projects such as greenhouse and agricultural projects, relocation of wildlife, dairy farming and aquaculture which is fishing industry, in establishment of maybe reindeer or musk-ox farms, shrimp and marine fishery development, mainly in the Eastern Arctic. So, it is designed to try to at least give the renewable resource industry, capital related projects which they cannot acquire through the various assistance programs that our department has carried throughout a number of years. Thank you.

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

MR. WAH-SHEE: Thank you, Mr. Chairman. I wonder if the Minister could indicate whether his department has supported any research or projects dealing with hydroponics?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you. Mr. Chairman, the project that seems to be going well is in Pond Inlet. Pond Inlet is an example of a greenhouse. I think it is one that is setting a good example as to what could be done in the Eastern Arctic and in the remote communities that have fewer opportunities, such as the south of the lake area. Thank you.

CHAIRMAN (Mr. Gargan): Mrs. Lawrence.

Store Manager's Residence, Nahanni Butte

MRS. LAWRENCE: Mr. Chairman, are we on page 13.12? Under Fort Smith, the store manager's residence, Nahanni Butte, \$200,000. I thought this amount came under another department. Are there two log houses coming up or just one? And if it is one, then why does it cost so much for one house? Is it made out of brass? But according to this, it says "log". What is it that costs so much about this house? How many bedrooms? Or is that tourist information facilities? But in here it says "manager's residence". I am really confused. Maybe he can explain that to me.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, I hope the Member is not confused with the figure. The figure is correct; it is a \$200,000 item. But that was based on the original estimate provided to the department through the Housing Corporation planning division with respect to construction of a house. Since then, the department has been able to get commitments that we would be privatizing the operation shortly. Therefore, that item is not going to be expended but I did make a commitment through the finance committee that that fund would be reallocated to the more important

projects in Fort Smith Region. But the project is not going to proceed since an offer has been received for the store, which will be privatized, and we will not have to build a store manager's castle in that community.

---Laughter

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

MR. MCCALLUM: Well, Mr. Chairman, given that the Minister said that he is not going to go ahead with that project, I guess it would be proper to move a motion that we delete \$200,000 from this budget. And so I will.

CHAIRMAN (Mr. Gargan): A motion is made. Can we have a copy of your motion, Mr. McCallum? Could you repeat your motion?

Motion To Reduce Capital Budget Of Department Of Economic Development And Tourism By \$200,000

MR. MCCALLUM: I will speak slowly; watch my lips. I move that the capital budget for Economic Development and Tourism in the area of business development, that the \$200,000 allocated for a residence in Nahanni Butte be deleted.

CHAIRMAN (Mr. Gargan): I will repeat that motion again.

---Laughter

AN HON. MEMBER: Slowly.

CHAIRMAN (Mr. Gargan): I move a motion that 1987-88 capital estimates under Economic Development and Tourism business development, that \$200,000 for the store manager's residence be deleted. Your motion is in order, Mr. McCallum.

MR. MCCALLUM: Thank you, Mr. Chairman. I appreciate that the Minister recognizes that he got poor advice from his other departments about the cost of building this residence for a store manager. Originally it was indicated to Members of the standing committee on finance that the total cost of this log house was to be \$325,000. Now, I recognize that they have reduced it so that the total now is only \$265,000; \$65,000 that was spent before to plan for it and now they want to spend \$200,000 to put this mansion on the hill in Nahanni Butte as proposed and recommended by the Housing Corporation. I appreciate that the Minister has indicated that he wants to take it out of there because it is just too much.

The whole business of the store in Nahanni Butte is going to be privatized. Now, as I said in jest before, I think the person to whom they are going to privatize this is going to be disappointed because I am sure that that offer to get into the privatization of this store will now be taken back, because the guy figured he was going to get this \$265,000 home. Anyway, Mr. Chairman, I think we have enough around here now so we will go along with it. I appreciate his taking it out. So I simply agree for once -- no, that is three times today I have agreed with him. I agree with the Minister that he should delete it and take it out of this particular part altogether. That is the motion I made and I hope that we get enough support for it.

CHAIRMAN (Mr. Gargan): Thank you, Mr. McCallum. Your point of order, Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: Mr. Chairman, as I understood the motion, it was not quite the same as the way that you read it back. I wonder if you could please read for me what the motion was.

Motion To Reduce Capital Budget Of Department Of Economic Development And Tourism By \$200,000, Restated

CHAIRMAN (Mr. Gargan): The motion reads: I move that the capital budget of the Department of Economic Development and Tourism be reduced in the amount of \$200,000 for the residence of the store manager in Nahanni Butte.

HON. MICHAEL BALLANTYNE: Point of order.

CHAIRMAN (Mr. Gargan): Point of order, Mr. Ballantyne.

HON. MICHAEL BALLANTYNE: My point of order is that, in a motion to reduce, that sort of specific direction cannot be given. So I say that this motion is out of order.

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

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I am not attempting to compel the Member to agree with me because I think that would be a major mistake on his part. He is quite well able to disagree without having to...

MR. MacQUARRIE: ...major mistake on his part to agree with you.

Reallocation Of Funding

HON. TAGAK CURLEY: Right. So he should not have to apologize or anything else for that. Mr. Chairman, although we did indicate that we have since had an agreement to privatize the building and therefore any building constructed would then be done by the private sector, the item, as I indicated in the standing committee, would be reallocated to the region, because there are now projects that are required that involve capital. We have since found a project that has not been funded.

There has been a delay in the Fort Smith/Fort Liard area. They were looking for third party federal funding. They have not gone through the major negotiations with the major tourism industry related -- did not come through native economic development funds. So, we agreed that we had a reallocation of the fund in my department in the amount of \$200,000. Specifically, another border crossing information centre is required in that region. We were attempting to incorporate it with the major gas station and complex service station that the Fort Liard Development Corporation is planning. But the federal government has not been able to come through with the funding, so from our contribution part toward that project, we agreed to reallocate that item to that project. It is an equally important -- I think a more important investment than the original idea. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. I would like to remind the Members to address this particular motion. Mr. Erkloo.

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I would like to support this motion. Maybe I can ask, Mr. Chairman, if the \$200,000 were deleted -- across from that is the total business development. Would it be reduced to less than \$3,350,000, or without changing that total, would \$200,000 be moved to another project, not just the residence for the store manager? I am not too familiar with how the bookkeeping is done.

CHAIRMAN (Mr. Gargan): There is a reduction in the total buildings and works and that would then be three million dollars. The committee of the whole cannot give a directive to the government to refer that \$200,000 to a different project. To the motion. Mr. Sibbeston.

HON. NICK SIBBESTON: Thank you, Mr. Chairman. I think Members should listen to what the Minister has said in this regard. He has agreed that the money for housing in Nahanni Butte is no longer needed and has said that the money should go to a project in Fort Liard instead.

MR. McCALLUM: Point of order.

CHAIRMAN (Mr. Gargan): Mr. McCallum, your point of order.

Motion Says Only To Delete \$200,000

MR. McCALLUM: The motion says to delete the \$200,000. It has nothing to do with where the money should be going. People should understand what the motion says, to delete the \$200,000. It does not say anything about telling them where they are going to spend it. I think the Member's comments and the Minister's comments are out of order.

CHAIRMAN (Mr. Gargan): Mr. McCallum, you are correct. I would like to remind the Members to refer to the deletion of the \$200,000 and make statements to the deletion. To the motion. Mr. Sibbeston.

HON. NICK SIBBESTON: Just to say again that the money should not be deleted. The \$200,000 should remain as part of the budget of the department because the Minister has indicated a good use for the money. It could be used in the Fort Liard area for a border facility. That is the reason why I am speaking against the motion to delete.

CHAIRMAN (Mr. Gargan): The motion is to delete \$200,000. The Member should either speak for or against the motion.

HON. NICK SIBBESTON: Let me just continue, Mr. Chairman. I think the Member should know that if the money is deleted, then it will not be made available for any other project. The money will be lost and it will not be available for any other projects that the Minister has talked about. This is why it is important that the motion should not be supported. I think it is agreed that the purpose for which it was identified in here maybe is not a good reason. The amount indicated does seem a bit high and the Minister has said that the money is no longer needed for that project. But in saying that, he has said now that the money could be used for a project dealing with a border crossing in...

MR. MacQUARRIE: Point of order.

CHAIRMAN (Mr. Gargan): Mr. MacQuarrie, your point of order.

MR. MacQUARRIE: Mr. Chairman, the remarks were out of order, I believe. If there is some other project that the government has in mind, it has the option of bringing in a supplementary estimate in order to deal with some other project. This is merely the deletion of the money.

CHAIRMAN (Mr. Gargan): Mr. MacQuarrie, you are correct. May I remind Members to speak for or against the motion.

Motion To Reduce Capital Budget Of Department Of Economic Development And Tourism By \$200,000, Defeated

Question has been called. All those in favour? I will call question one more time for the record. All those in favour to delete? Opposed, if any? The motion is defeated.

---Defeated

---Applause

MR. McCALLUM: Report progress.

CHAIRMAN (Mr. Gargan): There is a motion on the floor to report progress. All those in favour? Opposed, if any? This motion is defeated. We will continue.

---Defeated

Buildings And Works, Headquarters, Total Capital, Agreed

Details of capital, business development. Buildings and works, headquarters, total headquarters, \$3,000,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Fort Smith, total Fort Smith, \$200,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total buildings and works, \$3,200,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, in regard to the \$200,000, I would just like to make a brief statement. In the finance committee we had an assurance that this funding was no longer required. I feel that there are many projects in the NWT that have been sitting in the back room because there has not been adequate funding. I certainly would like to make the recommendation, without a motion, that if this money is going to stay in the Department of Economic Development and Tourism that an assessment be made of the various projects that are outstanding and each one of them be weighed for their particular priority and the value of all the projects that are in the NWT. It should not particularly be assigned to Fort Smith. In the Fort Smith Region, tourism development has been going on for many years and the access to that community is quite efficient and of a fairly high quality. I feel that for this amount of money there are a lot of projects in the NWT that should be considered equally in the allocation of those funds. Those are just my thoughts on that particular subject. Thank you.

Equipment Acquisition, Headquarters, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Ms Cournoyea.

Headquarters, total headquarters, \$15,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Fort Smith, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total Fort Smith, \$5000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Inuvik, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total Inuvik, \$15,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Equipment Acquisition, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total equipment acquisition, \$35,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Contributions, Keewatin

CHAIRMAN (Mr. Gargan): Total Keewatin. Mr. Wah-Shee.

MR. WAH-SHEE: I wonder if the Minister could indicate whether other regions have come up with ideas concerning fish plants. Or is it the case that it is only Keewatin that comes up with these bright ideas?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Thank you, Mr. Chairman. No, not at all. There are other regions that are presently being planned, such as Kitikmeot Region. It is underdeveloped in terms of renewable resources so they will be addressed through the major capital item which we just dealt with on the previous page. This particular item is part of the contribution. It is definitely not a total renovation requirement of the plant. We are hoping to privatize that, but before we do so we have been advised that the private sector would not be prepared to invest in that fish plant until it has been brought to up-to-date standards. That is the reason that item is in that figure. Thank you.

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

MR. WAH-SHEE: Thank you, Mr. Chairman. I wonder if the Minister could indicate then, with regard to this amount of \$100,000, is that primarily just for research and can we expect that there will be additional capital money being requested for this particular project?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, no, this is not for any research at all. This is strictly capital expenditure which would put the fish plant in shape so that it can at least be more efficient and less costly in terms of energy consumption and so on. We will not be expending any other funds, other than the ones that are being approved through the House.

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

MR. WAH-SHEE: Okay, just to get it straight, then. Is it my understanding that this particular fish plant is already in existence and this \$100,000 then is basically to upgrade an existing building before it is being sold to private enterprise? Is that my correct understanding?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Yes, that is correct.

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

MR. WAH-SHEE: Mr. Chairman, I wonder if the Minister could indicate, then, what seems to be the problem in regard to selling the fish plant as it is? Normally in a private business, other than government operated enterprises, normally the practice is that in some of the businesses, people would sell the business enterprise as it is without really having to expend additional moneys into a project which one wants to dispose of. So why are we spending an additional \$100,000 of public money if we in turn are going to be selling it to private enterprise?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Present Fish Plant Facility Is Not Efficient

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I am sorry I made a mistake in saying that that is for renovations. The present facility is just not efficient at all, because it was originally not designed as a fish plant. It is a building that was converted into a fish plant. As a result of that it has very major problems in terms of health and safety standard requirements. It is not in a good location for the fishermen and it is sitting right next door to the NCPC operating plant. So that facility is really run down and I think if the inspectors were to look at it fully, it probably would not pass. As a result of that, the local fishermen are going to have to build a new plant and that is part of the contribution. Originally, I indicated in the House and to the standing committee on finance that that should have been incorporated into the major capital item. It was never done, so I had thought that it was going to be incorporated into the item that we have just dealt with.

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

MRS. LAWRENCE: Thank you, Mr. Chairman. I am getting desperate -- jokingly. Mr. Minister suggested that maybe I have to contact Rankin Inlet or Iqaluit. I might just have to do that to get something going. There seems to be a lot more activity going on up there than there is in my

area. This fish plant project, what do they do? Is that canning fish? If it is, is there any way we could send our fish down there or could we establish something similar to it in our area, for Great Slave Lake?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, if the Member has ever seen a fish plant, a small-scale fish plant, then she would know something about it. If she has visited a fish processing plant, like the one in Hay River, which is in her area, she would know what it is. I will not interpret for her exactly what a fish processing plant is all about. But that is what it is, but it is run down. It was built in the early 1950s and it is really not in good shape. I will not try to convince you on that but in terms of your requirements out here, we approved a major item, which will be designed toward developing and enhancing the fishing industry north of Great Slave Lake. If you have any fishermen who are interested in commercial fishing, you are right in the greatest lake in the Northwest Territories, in terms of commercial fishing. There must be one fish plant either here in Yellowknife or in this vicinity so that the fishermen can at least have a receiving station and processing facilities in order to increase the market. I think there is some optimism going on right now toward developing an alternate fish receiving station north of the lake.

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

MRS. LAWRENCE: Mr. Chairman, I am not in the fishing business but I am really aware of all the fishing that we get out of our area. I have seen that fish plant that they have in Hay River and all they do is they put fish through there, package it and send it south. What I am asking is, is this fish plant in Rankin Inlet -- and I am not trying to be funny, I want to get some information, if I knew that information I would not be sitting here asking you this -- do they can fish at this plant? That is all I want to know. I did visit the fish plant that they have in Hay River and it has nothing like that. Is it any different over there in Rankin Inlet or is it similar to that?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Issitak Fish Plant Operations

HON. TAGAK CURLEY: Mr. Chairman, they do not can fish but they do process and clean fish and everything else as well as smoke fish for local consumption. Some has apparently been imported to Yellowknife for local markets here. Thank you.

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

MR. McCALLUM: Thank you, Mr. Chairman. This is a one-time grant to this Issitak fish plant. It is a one-time grant by government, there is no ongoing program to do anything more to upgrade it. The department or the government are going to privatize it. They require government support to get into the privatization. That is what the \$100,000 is for -- nothing more, nothing less. That is what the Minister told us. I am concerned, Mr. Chairman, that even if you put \$100,000 into an old plant, you are still going to have an old plant. You are not going to get anything out of it -- you would be better off closing it down and saving \$100,000, and if you want to start building it up and getting private business in, let them apply for a loan through the particular business loans that this government has. It is ridiculous to spend another \$100,000 in here on a one-time grant so that the government can sell it and come back and what are they going to generate out of it? There are no ongoing moneys involved with this to update the plant itself. You are going to simply give whoever is there now, \$100,000, and then turn around and privatize it. I do not know whether the government has a buyer or a bidder. I cannot imagine anyone is going to bid on an old building that the Minister says is old.

Motion To Delete \$100,000 From Department Of Economic Development And Tourism Budget Contributions

So, I move, Mr. Chairman, that this particular \$100,000 be cut from the budget of Economic Development.

---Laughter

No sleep tonight, Gordon.

---Laughter

MR. MacQUARRIE: The Government Leader is gone.

MR. McCALLUM: He is telling Harry that the building is okay. He is going to get the building. That is \$100,000 in there, it is only a one-time grant to this thing.

CHAIRMAN (Mr. Gargan): The motion reads: I move, that this particular \$100,000 be deleted from contributions under the Department of Economic Development and Tourism. Mr. McCallum. Your motion is in order. To the motion.

SOME HON. MEMBERS: Question.

CHAIRMAN (Mr. Gargan): Question has been called. Mr. Angottitauruq.

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. Just before the motion is passed, I would like to know, what is the total amount of fish that is processed, that goes through there, or the quota? What is the community dealing with in terms of how many pounds a year?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, it varies from year to year and I remember, even though this is one of the pioneering fish plants, in some years they have had, about five years ago, up to 50,000 pounds and some cases a bit more but during the last few years it has averaged about 30,000 pounds. The 50,000 pounds included the ones that are being harvested from Whale Cove and Chesterfield Inlet, because they were ferrying in fish from Chesterfield and Whale Cove. So, it is supporting not only one town, but Whale Cove as well. So, it is a very important project.

Mr. Chairman, I was just going to indicate, and I did make a correction to my information when responding to Mr. Wah-Shee, that this was for a new plant. The old plant is being closed down. It is just not economical the way it is. So, I did attempt to correct that and I did. So it will be used toward a new plant which will be financed by the private sector and our contribution will be that much. That is what...

CHAIRMAN (Mr. Gargan): Thank you. Again, may I remind Members to speak for or against the motion. Mr. MacQuarrie.

MR. MacQUARRIE: Could we have some clarification? I am confused now. Is the \$100,000 to go toward an existing operation that is run by the government to improve a building that is there already, or is the \$100,000 to go to some other group that is creating a new enterprise and the \$100,000 is a government contribution toward that? Could that be clarified, please?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Contribution From GNWT To New Privately Owned Fish Plant.

HON. TAGAK CURLEY: (Translation) Thank you. Perhaps if I speak Inuktitut you will understand better. As I mentioned earlier, I was incorrect and we had thought about this in the past, to renovate the fish plant. We are not going to be doing so; it is too old. This is going to be contributed to the new fish plant. As I mentioned earlier, this is going to be privately owned by fishermen and they will be borrowing some money from elsewhere and this is our contribution from the GNWT; the \$100,000 is going to be a contribution for the new fish plant.

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

MR. MacQUARRIE: What the Minister said seems to me quite different from what I heard initially. And so, if it is going to be owned by fishermen, using that term, do I understand that there is a fishermen's co-operative or something in Rankin Inlet that will establish the business? Or is it individuals who are establishing a business who happen to be fishermen?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, we have a small plant now which was initiated in Baffin Region and one at Chesterfield Inlet which is a summer operation. These plants operate only in summer. They are small-scale plants. Chesterfield, for example, is owned by the fishermen's association.

They run it and they seek other funding through EDA in order to carry out their harvest during the summer months. Rankin Inlet still has not a formal fishermen's association but they have a large sector of the fishermen in the community. There is one operator of northern food, a country food operator, who has just established his operation. So he is one of the parties interested. But the fact is that this plant will be privatized. And it will no longer be a government operated enterprise.

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

MR. MacQUARRIE: If the government is setting aside the money to support a new business, it must be somebody who is going to apply for that money from the government and from the most recent answer given by the Minister, do I understand that there is already somebody who has applied?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Discussions Under Way With Possible Proponents

HON. TAGAK CURLEY: Mr. Chairman, there have been a number of studies. There have been a number of proposals received. There was a call for proposals by the regional staff but not many of them were strong enough really to be able to keep it going because you cannot establish, for instance, a farming business unless you are a farmer and really know what you are going to get yourself into. We did receive quite a few proposals. But, one thing is clear. Right now my regional staff have narrowed down the proponents and they are working on the deal. One of them is one man who participated at the food conference. I do not want to release the names of these individuals because I do not think it is proper here. But they are very able people who are interested in privatizing it and obviously consideration is given to broaden the participation of the fishermen. The idea, one scenario, is that it be owned by the fishermen and this gentleman who is in the country food business will manage it. That is one part. So, deals are being made but we know that we will contribute in that amount in order to be able to leverage other funding that will be required to complete the total plant.

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

MR. MacQUARRIE: It is not at all clear to me, if a new business is being established, why that business does not apply for the grants that are available in the various grants programs in the same way that other businesses would? I do not understand that.

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

HON. TAGAK CURLEY: Mr. Chairman, I know that it is not clear and I do not think it will ever get across to those Members, those people that are not from that region. But...

MR. McCALLUM: Well, you explain to us.

HON. TAGAK CURLEY: No. You know, even if I did, you will continue to disagree.

MR. McCALLUM: When you spend money foolishly, you are right.

HON. TAGAK CURLEY: You know you did not even spend one lousy cent for the fishing industry when you were a Minister.

CHAIRMAN (Mr. Gargan): Can you speak for or against the motion? We are not in debate here. Mr. Erkloo.

MR. ERKLOO: (Translation) Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Order.

HON. TAGAK CURLEY: Mr. Chairman, I was responding to Mr. MacQuarrie's question regarding contributions. Mr. Chairman, there are no necessarily capital contributions, so we have been upfront, because I thought it was important with the capital contribution toward a major facility. That is why it is listed separately and it is not part of the overall that comes out of the grants policy.

CHAIRMAN (Mr. Gargan): Mr. Erkloo, to the motion.

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. As you mentioned, the \$100,000 is a contribution to the private sector for implementing a new fish plant. I want to get clarification on the fish plant. Altogether, how much is it going to cost to put up this fish plant?

CHAIRMAN (Mr. Gargan): Mr. Minister, clarification.

HON. TAGAK CURLEY: Mr. Chairman. (Translation) It is similar to the fish plant in Cambridge Bay. Perhaps it is one of the largest fish plants for dealing with arctic char. We have estimated \$750,000 to put up a new plant. If they can get further funding from EDA, perhaps \$250,000, we would give them \$100,000, and they can get a loan of \$400,000. That is what we estimate.

CHAIRMAN (Mr. Gargan): Thank you. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, certainly I would support the motion if this funding was to go to an older building, but if it is going to a new plant, in the experience that I have of these particular facilities and the need for funding, the \$100,000 toward a new plant would hardly cover the total costs. So it seems to me that the confusion on this subject and the use of the \$100,000 -- first of all, the conversations that have been going on for the last few minutes are that it is for a new plant. This is a partial contribution toward a new plant; \$100,000 does not buy you a lot in developing a freezer facility that will meet the restrictions and the rules and the laws that you have to meet in order to promote and sell fish outside the Northwest Territories.

Old Plant Totally Inadequate

I believe that Mr. McCallum has had his questions answered, in terms of the motion that he has put forward, and probably he has put the motion forward in terms of deletion because it appeared that this was going to renovation, toward an old plant. I am familiar with the plant in Rankin Inlet; the old one, which is totally inadequate, should be burned down. I can support that region in having a fish plant but I would support it in terms of it being a new plant, up-to-date, that will last for a time in the future. If we can be assured that this is indeed going toward a new plant, and we all know that this is a partial contribution because these are inadequate funds -- as you can see by building a small home-ownership home without the extra costs of putting in the freezer conditions that are required, and the fact that this is to be an inspected plant. It would cost far more than this and I would assume that the people who will be going into this venture would have to raise additional money to reach the \$700,000 or so, which is the normal cost of a sophisticated plant. Can I be assured that this is toward a new plant, and that the future owners would have to make a contribution themselves, a financial one, and also go to other funding agencies to upgrade the amount of money that would provide a plant that would serve that area in a very up-to-date, technologically advanced stage? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Mr. Chairman, in my reply to Elijah Erkloo, I did indicate the estimates that we have for the new plant would be about \$750,000. We hope to lever from EDA, Special ARDA, hopefully, the amount of \$250,000; the contribution from GNWT would be \$100,000; and the local contribution in terms of loans would be in the amount of \$450,000. So, that is what our estimates are projecting at the moment and it has to be less than one million, definitely. Thank you.

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

MR. MACQUARRIE: Could I ask the Minister what happens to the existing business then? And those who are working out of the present plant? Is it some of those people who are initiating the new project or is it somebody different?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Employees Of Existing Plant

HON. TAGAK CURLEY: Mr. Chairman, the fish plant is operated on a casual basis during the summer. One of our officers, the renewable resource officer acted last summer as the manager. Since he was new and was getting into the renewable resource development, he acted as a manager. They hire

local people, casuals, during the summer. So, we do not have permanent PYs in that operation at all. It is normally run by the existing staff, on loan for a two month period, two and a half months, and then all the rest are local people, local women, that are unemployed. Thank you.

CHAIRMAN (Mr. Gargan): Thank you. To the motion. Ms Cournoyea.

MS COURNOYEA: Yes, Mr. Chairman. Could we have assurances from the Minister that none of this \$100,000 will be used to upgrade the current facility in the interim period from now to construction?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TAGAK CURLEY: Well, Mr. Chairman, I will swear that not one cent will be spent toward the old plant in this exercise. Thank you.

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

No Information Given On Change Of Purpose For Allotment

MR. McCALLUM: Well, Mr. Chairman. In this particular project we were told what the money was for. How can I quote what was said to us? I am not supposed to do that from the standing committee on finance; what we were told it was for. The Minister now comes before the House and once we put a motion to it, then we find that there is a change. The Minister changes it and indicates, "Well, now, that is not really what it is for at all." Now we can only deal with what is in front of us. I recall last Thursday dealing with this in other departments. I thought I had made the point last Thursday that where there were changes to be made we would know something about it. There was no information given to us about these changes. But I understand that Members opposite and the government had talked about this and said, yes, we were right; we should be advised of the change. But today there were changes made to areas and we were not told about them until we made motions to delete the moneys. Now we are going to be a group of bad guys and gals; we are now going to stop somebody from getting a new fish plant in Rankin Inlet.

HON. TAGAK CURLEY: I will not be the bad guy.

MR. McCALLUM: If the government are going to change their minds half way down, then for God's sake why don't you let us know in time...

CHAIRMAN (Mr. Gargan): Mr. McCallum, can we speak to the motion, please?

MR. McCALLUM: I am speaking to the motion, Mr. Chairman. I am simply indicating to it that now, in allowing the remarks of other Members, the motion has now come around...

CHAIRMAN (Mr. Gargan): The Chair will now recognize the clock and report progress.

MR. SPEAKER: Mr. Gargan.

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF BILL 1-87(1), APPROPRIATION ACT, 1987-88

MR. GARGAN: Mr. Speaker, your committee has been considering Bill 1-87(1), Appropriation Act, 1987-88, and wishes to report progress.

Motion To Accept Report Of Committee Of The Whole, Carried

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

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

SOME HON. MEMBERS: Agreed.

---Carried

MR. SPEAKER: Mr. Clerk, announcements and orders of the day.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. Members are reminded of the reception with the Hon. Perrin Beatty this evening at the Explorer Hotel. There will be a meeting of the standing committee on finance tomorrow morning at 9:30 a.m.

ITEM 19: ORDERS OF THE DAY

Orders of the day for Wednesday, March 11th, at 1:00 p.m.

1. Prayer
2. Ministers' Statements
3. Members' Statements
4. Returns to Oral Questions
5. Oral Questions
6. Written Questions
7. Returns to Written Questions
8. Replies to Opening Address
9. Petitions
10. Reports of Standing and Special Committees
11. Tabling of Documents
12. Notices of Motion
13. Notices of Motion for First Reading of Bills
14. Motions
15. First Reading of Bills
16. Second Reading of Bills
17. Consideration in Committee of the Whole of Bills and Other Matters: Bills 1-87(1), 7-87(1), 6-87(1), 2-87(1)
18. Report of Committee of the Whole
19. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Wednesday, March 11th at 1:00 p.m.

---ADJOURNMENT

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