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

# LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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YELLOWKNIFE, NORTHWEST TERRITORIES

MONDAY, JUNE 8, 1987

MEMBERS PRESENT

Mr. Appaqaq, Mr. Arlooktoo, Hon. Tom Butters, Hon. Michael Ballantyne, Ms Cournoyea, Mr. Curley, Mr. Erkloo, Mrs. Lawrence, Mr. MacQuarrie, Mr. McCallum, Mr. Paniloo, Hon. Red Pedersen, Hon. Ludy Pudluk, Mr. Richard, Hon. Nick Sibbeston, Hon. Don Stewart, Mr. T'Seleie, Mr. Wah-Shee, Hon. Gordon Wray

ITEM 1: PRAYER

---Prayer

SPEAKER (Hon. Don Stewart): Orders of the day for Monday, June 8. Item 2, Ministers' statements. Mr. Ballantyne.

Point Of Privilege

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. Mr. Speaker, I would like to comment on the advertisement placed in last Friday's News/North by the Inuvik strike support committee, NWTPSA. The advertisement stated that as Minister responsible for the Northwest Territories Housing Corporation, I was responsible for all actions of the Inuvik housing authority. This assertion is inaccurate and misleading and does not help, in any way, to end the conflict between the Inuvik housing authority and the union. As Minister responsible for the NWT Housing Corporation, I am empowered by the Northwest Territories Housing Corporation Act, to incorporate housing authorities, make appointments to the board and vest powers, functions and duties relating specifically to property management to the authorities. The act establishes and limits the powers and duties I may pass to the authorities.

In January, 1986, I ordered the incorporation of the Inuvik housing authority. I appointed the members of the authority, designated the chairperson and vice-chairperson and fixed their terms of office...

MR. SPEAKER: Sorry, Mr. Ballantyne, I understand that is not the statement that you filed with the Clerk. That is a point of privilege. That does not meet the rules as a Minister's statement as being filed with our Clerk. So, let us try to straighten it out from there.

HON. MICHAEL BALLANTYNE: Mr. Speaker, I apologize. This is a point of privilege. I should have made that clear before I started.

MR. SPEAKER: Correction is noted. Continue please.

HON. MICHAEL BALLANTYNE: As specified by the act, I also gave the authority the following powers: to acquire and hold lands and buildings as may be necessary for the proper operation, management and maintenance of any housing project that may be lawfully assigned to it; to maintain, repair and renovate the buildings comprising any housing project under its management and control; to let and sublet land or premises held by it; to employ officers, employees and agents as the authority considers necessary to discharge its responsibilities and on such terms and conditions as the authority may determine.



As Minister, and as specified by the act, I establish the authorities and the general framework under which they operate. As a separate legal entity, authorities then carry out their day to day business without any further direction from the Minister.

The advertisement last week inaccurately portrayed the Inuvik housing authority as an organization under my direction. Mr. Speaker, there is a significant difference between enabling an organization and directing it. The advertisement fails to recognize the autonomy of the Inuvik housing authority and confuses my responsibility to incorporate with their responsibilities of operation.

Mr. Speaker, no one likes to see a prolonged strike. I have, and I will continue to encourage the two parties to settle their differences and agree to a new contract. There is, however, a legal and well-established process for the resolution of these conflicts. It is under federal jurisdiction and administered by Labour Canada. The Inuvik housing authority and the Public Service Alliance of Canada must bargain under the auspices of the Canada Labour Code with the assistance of the Canada Labour Relations Board. I can only urge the two parties to continue the bargaining process and bring this strike to an end. As the territorial Minister of Justice, I lack the authority to intervene in labour relations matters. As Minister responsible for Housing, the Northwest Territories Housing Corporation Act grants me specific powers to establish authorities, but once established these authorities are legally independent and accountable for their own actions.

Mr. Speaker, I trust that this will serve to correct the record. I am disappointed that those placing the advertisement were not more careful in describing the correct relationships and remedies for the resolution of this conflict. In my opinion, the ad has not helped the situation. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. The records will show that that was a point of privilege. Points of privilege. Are there any further points of privilege at this time before I go back to Ministers' statements. Ministers' statements. Mr. Ballantyne.

#### ITEM 2: MINISTERS' STATEMENTS

##### Minister's Statement 59-87(1): Community Involvement In Housing

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. This is the statement that you were referring to. Mr. Speaker, at the last sitting of the Legislative Assembly, I reported that a design committee from the Housing Corporation was in the process of travelling to various communities throughout the Northwest Territories in order to obtain input regarding the design of HAP and public housing. I am pleased to inform you that this design tour is complete and is considered to be a great success.

A total of 20 meetings were held during January to April of this year. The design committee met with representatives of hamlet and band councils, housing associations and inhabitants of HAP and public housing, who were enthused to have this opportunity to express their opinions and offer recommendations on current designs. The majority of the meetings were well-attended and many worth-while and beneficial ideas were offered. These suggestions have been studied and evaluated by Housing Corporation design experts for possible inclusion in future housing designs. The Housing Corporation is in the process of writing to each community in order to advise them if their ideas will be utilized immediately, considered for next year's designs or if the suggestions were found to be unusable for technical or cost reasons.

Some communities will be revisited in order to explain certain design incorporations and to build on the improved rapport and public relations that came about as a result of the design tour. The Housing Corporation will make every effort to maintain the forward strides made in communication between the communities and the corporation. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Ministers' statements. Mr. Sibbeston.

##### Minister's Statement 60-87(1): DRIE Funding

HON. NICK SIBBESTON: Mr. Speaker, thank you for the opportunity to provide the Assembly with an update on the Executive Council's deliberations respecting DRIEs funding freeze on projects related to Special ARDA, the native economic development program and the economic development agreement.

First, your Executive Council has placed priority on securing Treasury Board agreement to the DIAND components of our EDA. To this end, GNWT Ministers will be calling Treasury Board Ministers to seek their support this week. In addition, the Executive Council will be taking measures to ensure that the DRIE components of the EDA are considered by Treasury Board as well. One of these measures is a request for an emergency meeting with the key federal Ministers, including Mr. McKnight, Mr. Valcourt and Mr. Cote. Senior territorial officials will be leaving for Ottawa this afternoon to begin making arrangements for the meetings which we hope will take place next week. Mr. Speaker, I would also note that we will be seeking federal support to have the Special ARDA and NEDP programs immediately reinstated as well. We simply cannot afford to have the program frozen for even a short period of time.

Finally, we have been in touch with our counterparts in the Yukon and have determined that it will be impacted as well. In particular, they noted the severe effects the program freeze will have upon the aboriginal residents of the Yukon. I must emphasize to all Members the Executive Council's deep concern over the federal government's current and long-term commitments to funding the EDA, Special ARDA and NEDP. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Ministers' statements. Mr. Pedersen, do you wish to make a Minister's statement today? Thank you. That appears to conclude this item. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, just to indicate that my seatmate, the Hon. Bruce McLaughlin, is absent, he is in Halifax attending a conference of Ministers of Social Services and the Hon. Dennis Patterson, Minister responsible for Education was in Iqaluit on the weekend, meeting the Hon. Benoit Bouchard. It is expected that Mr. Patterson will be back this evening and I will take questions directed to the two Ministers and arrange all replies as required.

MR. SPEAKER: Thank you, Mr. Minister. Item 3, Members' statements. Mr. Arlooktoo.

#### ITEM 3: MEMBERS' STATEMENTS

##### Member's Statement On Return To Question W40-87(1)

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I would like to refer to my question, W40-87(1). In regard to the "Nascopie" wreck, in the answer it was not "Nascopie". This is onshore rather than offshore. It is a private ship that was wrecked. Thank you.

MR. SPEAKER: Thank you, Mr. Arlooktoo. Members' statements. Mr. McCallum.

##### Member's Statement On Fort Smith As Location Of AWG Trials

MR. MCCALLUM: Thank you, Mr. Speaker. I just want to mention the fact that I have been recently provided with a list of sites for the holding of the Arctic Winter Games trials for the coming Arctic Winter Games to be held in 1988. To my surprise and of course, to the surprise of a great number of people in my constituency, Fort Smith, with a number of sport facilities, has been excluded from this list. This is the first time that I am aware of, over the past years since the Arctic Winter Games has begun back sometime ago, I think 1970, that the town has not been able to be involved with hosting some of the trials. We do aspire to hold the Arctic Winter Games, but we believe as a part of the Northwest Territories and with more than adequate recreational facilities in many northern sports, that we should be able to be included in this list. I will be later asking during question period of the Minister responsible for sports in the Territories, as to what he could do to ensure that Fort Smith will be one of the sites for the trials. Thank you.

MR. SPEAKER: Thank you, Mr. McCallum. Members' statements. Mr. Pudluk.

##### Member's Statement On Lack Of Consultation Re Military Exercises

HON. LUDY PUDLUK: (Translation) Mr. Speaker, I would like to relate a story to this House on an incident that occurred 30 years ago in northern Baffin. To us Inuit of that region it was a mystery that turned winter nights into June daylight during the dark season. Mr. Speaker, thanks to the CBC, now I find out for the first time that the bright flashes that occurred 30 years ago were, apparently, caused by United States military photoflash bombs that were simulated bombing raids over our area when the US Air Force was developing a new long-range jet bomber called the B-52.

The following summer and spring, Mr. Speaker, the people of that region developed a skin disease. I was affected, as well as my executive assistant, Titus Allooooloo, along with the rest of the people of the region. People were covered in boil-like skin diseases from head to toe. According to my information the chemicals I am about to mention were used for the photoflash bombs: atomized aluminum powder; barium nitrate; and potassium perchlorate. According to doctors there are no known effects of these kinds of chemicals on the people.

Mr. Speaker, we the people of that region were not informed of the Canadian government's approval of these tests and we do not know what else was dropped, aside from the photoflash bombs. According to my information, neither the Canadian government nor the US government is talking or giving out information on what actually happened and what chemicals were used. They are saying this is classified information. Again, Mr. Speaker, the US military and Canadian Armed Forces want to do low-level military training tests in the North this year and they are telling us there will be no impacts. Mr. Speaker, are the military doing enough to inform people about what actually happens with these military exercises?

Mr. Speaker, I think it is owed to the people of that region by the Canadian government to explain what actually went on, even today, because a lot of people suffered maybe, as a result of these tests. It was not the first time, we, the people of the Northwest Territories were not consulted and it will not be the last time either. As we have seen with the recent Meech Lake accord, once again, we are left out of very important events that affect our lives, and the make-up of the Northwest Territories that will affect us in the future.

CBC Yellowknife broadcast the subject this morning on the 7:30 a.m. news. They attempted to broadcast it again at 8:30 a.m. but had technical problems. Mr. Speaker, I urge this House to prompt the CBC to broadcast the subject yet again. And further, Mr. Speaker, I would urge our government and federal government to document what actually happened to the people and to further investigate whether there is any link between these medical effects and military exercises that took place. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. That was a splendid speech, Mr. Pudluk. As it was a statement of an emergency nature I allowed you to continue over your two minute limit. We also, for the information of those that are looking at the Chair rather suspiciously, we do allow a little extra time for translation, but even then we went over on Mr. Pudluk's Member's statement. Members' statements. Are there any further Members' statements? Item 4, returns to oral questions. Mr. Pedersen.

#### ITEM 4: RETURNS TO ORAL QUESTIONS

##### Return To Question 0169-87(1): Wildlife Officer In Coral Harbour

HON. RED PEDERSEN: Thank you, Mr. Speaker. I have a return to oral Question 0169-87(1), asked by Mr. Curley on June 1st.

Mr. Speaker, I am pleased to hear of the positive economic impact that the polar bear sport hunts are having on the hunters in Coral Harbour. It confirms that our efforts to do the necessary research and studies to identify renewable resource opportunities for hunters and trappers are well worth it. I can confirm that there is a wildlife officer stationed in Coral Harbour. The reason he was not available to issue the export permit was because he was out on the land establishing a fuel cache for the caribou survey scheduled this summer.

An alternate arrangement, to issue an export permit from our Rankin office, was carried out. I am advised that this matter was resolved without undue delay or inconvenience to the sport hunter, who was travelling south by aircraft and had to make a scheduled stop in Rankin Inlet. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. Mr. Butters.

##### Return To Question 0180-87(1): Monthly Instead Of Quarterly Utility Bills, Sanikiluaq

HON. TOM BUTTERS: Mr. Speaker, in response to the question asked by Mr. Appaqaq on June 2nd, I would point out that we will be starting to offer monthly billings to the five private businesses in Sanikiluaq commencing with the next billing cycle. So we are answering Mr. Appaqaq's question with action, sir. Thank you.



MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. Mr. Pedersen.

Return To Question 0170-87(1): Walrus Quota

HON. RED PEDERSEN: Thank you, Mr. Speaker. Return to oral Question 0170-87(1), asked by Mr. Erkloo on June 1st. In response to the honourable Member's question regarding the possible establishment of community walrus quotas for Hall Beach and Igloolik, I can provide the following information:

The Department of Fisheries and Oceans is also interested in making such a change in that area. Representatives from DFO visited Hall Beach and Igloolik the week of May 25th to discuss their interest in community quotas. The DFO district manager for the Eastern Arctic indicated that while Hall Beach is interested in pursuing such a change, Igloolik has decided that the matter needs more discussion. In anticipation of a request, DFO will publish intent for a regulatory change in walrus quotas in order to fast-track any requests received. Following receipt of a request, DFO will confirm the details with the community in question before proceeding with any changes. I will say again, Mr. Speaker, that the responsibility for the management of walrus rests with DFO, although we are happy to assist in resolving questions whenever they arise. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. Mr. Pedersen.

Further Return To Question 0174-87(1): Unlicensed Fishing In East Arm

HON. RED PEDERSEN: Thank you, Mr. Speaker. A return to oral Question 0174-87(1), asked by Mrs. Lawrence on June 1st, regarding sport fishing in the East Arm.

Mr. Speaker, I note that there were two parts to the question and the Member was seeking information on enforcement and also on the results of monitoring the study done last year. My staff have been in touch with the Departments of Fisheries and Oceans and Economic Development and Tourism and I can provide the following information:

The Department of Fisheries and Oceans conducted regular enforcement patrols last year and intend to continue doing this. Last year, seven separate boat patrols were made, each a minimum of three days long and some lasting six days. In addition, our Fort Smith district staff intend to supplement this enforcement work by conducting controls of their own in the area this summer.

I can also confirm that a study was conducted last year in a joint program sponsored by Economic Development and Tourism and the Department of Fisheries and Oceans. I understand a draft copy of that report was completed this week and the final report will be available soon. My staff have advised Economic Development and Tourism of your ongoing interest in this matter. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. Mr. Pedersen.

Return To Question 0176-87(1): Beluga Whale Quotas

HON. RED PEDERSEN: Thank you, Mr. Speaker. A return to oral Question 0176-87(1), asked by Mr. Appaqaq on June 2nd, regarding beluga whale quotas.

With the exception of the community of Pangnirtung, there are no other beluga whale quotas in the NWT. The quota for Cumberland Sound is presently 40 whale and these are harvested by the residents of Pangnirtung. The Department of Fisheries and Oceans have advised the community that the quota is too large in terms of maintaining a stable population and they will be meeting soon with the residents to discuss a reduction in the quota. There are no quotas for the Sanikiluaq area and harvesters of the community can presently harvest what they require for domestic utilization. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Returns to oral questions. That appears to conclude the matter for today. Item 5, oral questions. Ms Cournoyea.

ITEM 5: ORAL QUESTIONS

Question 0214-87(1): Notices Of Release To Economic Development Officers

MS COURNOYEA: Mr. Speaker, this is a question directed to the Minister of Economic Development. In view of the word that was received from Ottawa, and since it appears that we no longer have funds to distribute within the communities and that the government may be wanting to realign budgetary processes to take in the capital requirements of communities, is it the intention of the Department of Economic Development and the Executive to give notices of release to economic development officers, since their primary purpose was to see these funding applications through, that were shared between the federal and territorial governments?

MR. SPEAKER: Mr. Minister.

Return To Question 0214-87(1): Notices Of Release To Economic Development Officers

HON. NICK SIBBESTON: Mr. Speaker, I would say that it is a bit early at this stage to give notice to officers. While the situation is serious, in some respects I am optimistic about some special arrangement for the Northwest Territories. I can tell the Member that I think our message is slowly getting to Ottawa. This weekend there was a front page article in the Globe and Mail concerning this whole issue and I have been advised that there will be a ministerial meeting in Ottawa concerning DRIE tomorrow and that the case of the Northwest Territories will be one of the items on the agenda. As stated, we are sending our officials to Ottawa this afternoon and appointments have been made with officials of DRIE tomorrow and the following day, so I am hoping that our action will have some effect. So, I am still optimistic and would not want to take any drastic steps in any way to notify staff. It has certainly not been determined definitely that the funding has been frozen for the remainder of this fiscal year. So, I remain optimistic and hope that we can have some good news in the next few days.

MR. SPEAKER: Thank you, Mr. Government Leader. Supplementary, Ms Cournoyea.

Supplementary To Question 0214-87(1): Notices Of Release To Economic Development Officers

MS COURNOYEA: Mr. Speaker, I realize we all prefer to be optimistic about this situation; however, a further question to the Minister of Economic Development: At what point in time in the strategy, the fall-back strategy, of this government will the government be realigning and perhaps suggesting that the many economic development officers are no longer required? Thank you.

MR. SPEAKER: Mr. Minister.

Further Return To Question 0214-87(1): Notices Of Release To Economic Development Officers

HON. NICK SIBBESTON: Mr. Speaker, if, after exhausting all possibilities, we do find that we have failed, then of course we will deal with the matter of laying off or terminating officers in the field but I am hoping that things do not get to this. But in the eventuality that we have completely failed, then certainly it is a matter that we will have to consider but I do not believe that that decision would be made until all avenues have been exhausted. I can tell the Member that there are program funds besides those that are being obtained by DRIE. There is some possibility of some funding from Indian Affairs, and we would, of course, look at our own funding resources. We will do everything we can to be sure that there is funding available for businesses in the North.

MR. SPEAKER: Supplementary, Ms Cournoyea.

Supplementary To Question 0214-87(1): Notices Of Release To Economic Development Officers

MS COURNOYEA: Mr. Speaker, to the Minister of Economic Development, is it the intention then, once the talks are exhausted, that in the design and strategy of this government that people will be laid off, a less horrendous criteria for receiving funding would be developed by this government, which would not require the many person years that are presently being supported by this government?

MR. SPEAKER: Mr. Minister.

Further Return To Question 0214-87(1): Notices Of Release To Economic Development Officers

HON. NICK SIBBESTON: We have not given serious thought at this time to what she is talking about, the possibility of laying off of staff. It is a matter that we would have to consider in the event that we have no funding for these officers to administer. So, it is an idea. It is an approach, it is an eventuality that we will have to be conscious of as we go down the road, particularly if we find that we are not successful.

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

Question 0215-87(1): Allocation Of Units To Inukshuk Housing Co-operative, Yellowknife

MR. RICHARD: Thank you, Mr. Speaker. I have a question for the Minister responsible for Housing. Mr. Speaker, the Inukshuk Housing Co-operative in Yellowknife has had an application for almost a year now into Canada Mortgage and Housing Corporation for an allocation of co-op units under the CMHC program. I know the Minister has made representations to the federal Minister responsible for CMHC. Can the Minister confirm that the federal Minister, Mr. McInnes, has now made a commitment to allocate some housing units to the Northwest Territories under the co-op program? Thank you.

MR. SPEAKER: Mr. Ballantyne.

Return To Question 0215-87(1): Allocation Of Units To Inukshuk Housing Co-operative, Yellowknife

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I know the honourable Member is aware that prior to our intervention the federal government and Canada Mortgage and Housing Corporation had not made an allocation of co-op housing to the Northwest Territories. In fact the total co-op program is under review. I know a lot of people were concerned in the Northwest Territories and here in Yellowknife made their concerns known to CMHC. I directly intervened with the Minister, Mr. McInnes, and also with the chairman of the board of CMHC, Mr. Jarvis, and I received a written confirmation from the Minister that indeed the Northwest Territories will have a quota of 50 units of co-operative housing and that was verbally confirmed over the telephone by the chairman of the board of CMHC. So the Northwest Territories will be getting 50 units. Thank you.

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

Question 0216-87(1): Sale Of Aged Walrus Meat

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. My question is directed to the Minister of Renewable Resources. About a year or so ago when the person sitting to my right was a Minister, I used to ask her whether we could sell walrus meat when it has been aged, from Hall Beach and Igloolik. I know they were doing some work on that. We know that there is a problem with the health authorities if you are going to be selling aged walrus meat. We know that it is not going to be a health hazard. For example, you sell cheeses, which are aged and nobody dies from that. So I would like to ask what your department has done toward that to date. Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 0216-87(1): Sale Of Aged Walrus Meat

HON. RED PEDERSEN: Thank you, Mr. Speaker. The department responded to Mr. Erkloo's original question by asking the Department of Health for their opinion on it. Their request has gone to the federal Department of Health. There is still some testing going on. My department has not received a final answer to it yet, Mr. Speaker. As soon as we do I will communicate it directly to the Member outside the House. Thank you.

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

Question 0217-87(1): Diversion Of Federal Funding From NWT

MR. CURLEY: Thank you, Mr. Speaker. I have a question to the Minister of Economic Development with regard to the situation with various federal programs that has a tremendous impact on the Northwest Territories. There were a number of reports this weekend in the newspapers, particularly the Globe and Mail and Winnipeg Free Press, which indicate that the Prime Minister was about to make an announcement with respect to the Atlantic opportunities agency as well as the western



diversification strategy. There is some belief, Mr. Speaker, that the federal government is diverting funds which would have been allocated to the Northwest Territories. I wonder if the Minister could assure this House that he will do anything possible to try and prevent that, that allocations for NWT and Yukon are not diverted to Atlantic and western provinces, because there is some belief that we may be lumped in with the western diversification strategy policy of the federal government. Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 0217-87(1): Diversion Of Federal Funding From NWT

HON. NICK SIBBESTON: Mr. Speaker, I can assure the Member that we will try to prevent any allocation, as the Member suggests may occur, with respect to the Atlantic and western diversification programs. I can tell the Member that, as stated, we are seeking to have a meeting with the relevant Economic Development Ministers in Ottawa next week, and our officials are going down there today. As well I hope to be talking to Mr. Cote today. I attempted to reach him earlier today but was not successful and I believe that he will be calling me this afternoon. Also, likewise I attempted to speak to Mr. McKnight concerning the matter. Again, I am hoping that later this afternoon I will receive calls from him. In the presentations of the officials, and mine, we will be seeking mostly to have the programs that are presently in effect back on stream, as it were, and we will be very conscious of being sure that our future is also secure with respect to the moneys that we have been getting in the North and that we are not in any way adversely affected by the western diversification and the Atlantic provisions. Thank you.

MR. SPEAKER: Thank you, Mr. Sibbeston. Oral questions. A new question, Mr. Curley.

MR. CURLEY: Thank you, Mr. Speaker. I have a question to the Minister of Renewable Resources. I appreciate the Minister's response to the situation that happened in Coral Harbour, but, Mr. Speaker, I must say I think the Minister was misled by his renewable resources officer in Coral Harbour. I appreciate the fact that the wildlife officer is doing anything possible to ensure that there are enough gas supplies to continue a caribou survey. I must say that I was down at the floe edge during that weekend, specifically on May 18th, and I personally saw the individual on Monday, the Victoria Day holiday. He was not carrying any gas supplies but actually was having a holiday on the floe edge with some of his friends. Therefore, I think it is only appropriate that the Minister follows up because I do not think the Minister should in any way, shape or form, be misled by his officials. So I contend that the wildlife officer was actually doing something else when, in fact, he pretends to be doing something for the department. Thank you.

MR. SPEAKER: Mr. Curley, that is not a question. It is a statement and there should be other means of communicating such information to the Minister other than using the question period for that. Oral questions. Mr. McCallum.

Question 0218-87(1): Fort Smith A Possible Site For AWG Trials

MR. McCALLUM: Thank you, Mr. Speaker. I have a question of the Minister responsible for sports. Although I recognize that the selection of sites for the Arctic Winter Game trials are not part of his department's responsibility but in fact, I guess, of a group of people that does receive some funding from the government in some way or other, I wonder if the Minister could indicate to me just what the process is or if he knows what the process is of selecting sites and why the town of Fort Smith with the facilities that it has, has not been selected as a trial site. I recognize that my colleague to my left has indicated that Fort Smith has gone through a number of trials in the last while. But that is no reason to...

MR. MacQUARRIE: We do not want to give them any more, you see.

MR. McCALLUM: ...remove them as a possible site for Arctic Winter Games trials.

MR. SPEAKER: Mr. Minister.

Return To Question 0218-87(1): Fort Smith A Possible Site For AWG Trials

HON. GORDON WRAY: Thank you, Mr. Speaker. The Member is correct, inasmuch as I am not responsible for the site for trial selection. It is the responsibility of Sport North and they have under their umbrella a group called the Arctic Winter Games organizing committee. I am not familiar with

the criteria they use for the establishment of communities for the trials. I do know the criteria for the Arctic Winter Games itself. However, I believe they try and have trials in as many regions as possible and certainly in communities that can host them.

I can indicate to the Member that I have received a letter from the mayor of Fort Smith. I have forwarded that to the Sport North group with a letter from me, bringing Mr. Miltenberger's concerns to them and suggesting that they may wish to take a second look, or reconsider. I gave them the letter of concern from Fort Smith and perhaps the Member may wish to do that also. I will try and get for the Member, however, the criteria which they use to establish communities for the trial purposes. Thank you.

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

Question 0219-87(1): Funding For Organized Caribou Hunt, Baffin

MR. PANILOO: (Translation) Thank you, Mr. Speaker. I would like to ask a question of the Minister of Renewable Resources. I have sent a letter to him from the Baffin hunters association regarding the moneys that we wanted to get returned, regarding the organized caribou hunt and I wonder if he has any response for Steve Audlakiak's letter. Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 0219-87(1): Funding For Organized Caribou Hunt, Baffin

HON. RED PEDERSEN: Thank you, Mr. Speaker. I guess I do, Mr. Speaker, I indicated to the Member I would have a letter back for him. It has taken longer than I anticipated but I have the letter ready for him and I was going to hand deliver it this afternoon.

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

Question 0220-87(1): Funding For Tourism Committee, Pangnirtung

MR. PANILOO: (Translation) Thank you, Mr. Speaker. It is not a supplementary question. I have another question for another Minister, the Minister of Economic Development. In Pangnirtung the tourism committee has been working for long hours of the day. I would like to ask if they could get more funding for the committee to operate. The committee helps out the people that come to the community. The tourist people assist them when they are travelling and on where they should be going. They used to get funding before but now they are doing volunteer work. Now that the funding is being handled by the hamlet, it is not sufficient. So, we would like to find out if this committee would be able to get funding directly from the government. Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 0220-87(1): Funding For Tourism Committee, Pangnirtung

HON. NICK SIBBESTON: Mr. Speaker, with respect to funding of tourism. People are interested in establishing tourism facilities in the communities. Up to now our government has its own program to assist tourism and the funding that we have, solely as a government, is very limited. To date we have been getting funding from the federal government, the Department of Regional Industrial Expansion, DRIE. There are a number of programs that had been made available to the people of the North; one through the EDA, the special program for small businesses and tourism; likewise through the Special ARDA; and then also finally through the NEDP. So all of these programs have been available for people in the North and tourism facilities is one of the programs that we have.

The issue is that just last week the federal government has frozen all of the moneys that are normally available to fund these programs. So as it is, at this moment the funding for these programs is frozen. We are in the process of trying to unfreeze them and to have the federal government give special consideration to the North because of the unique situation here and the fact that we are faced with sealift and a very short summer season. So we are attempting, very hard, to get the federal government to make a special provision so that these funds are still available to the people of the North, but as of this date, at this time I am not able to say whether we will be successful. In the next few days, our officials will be in Ottawa and I will be

talking to the Ministers Cote and McKnight. So we will know, in the next few days, what will happen in this matter. I am not able to tell the Member precisely whether funds will be available to tourism facilities in the small community that he mentions.

MR. SPEAKER: Perhaps it would be possible to write the honourable Member and advise him. Oral questions. Mr. Wah-Shee.

Question 0221-87(1): Communication With Ottawa Liaison Office Regarding Freeze Of Funding

MR. WAH-SHEE: Thank you, Mr. Speaker. I have a question for the Minister of Economic Development. I understand that the federal government has placed a freeze on the various programs, NEDP, Special ARDA, EDA. Also, I understand the Minister indicated that he is going to be having his officials meet with the federal counterparts to restore these funds. However, my question basically is: Could the Government Leader indicate to this House how is it possible that the administration was caught off guard in having these vital funds for economic development frozen? What type of communication system do they have in place between the Yellowknife office and the various federal departments who are responsible for these funds? In other words, have the administration properly utilized the Ottawa office for this type of communication so that the administration should not have been caught off guard in the first place?

MR. SPEAKER: Mr. Minister.

Return To Question 0221-87(1): Communication With Ottawa Liaison Office Regarding Freeze Of Funding

HON. NICK SIBBESTON: Mr. Speaker, it is true that our officials were caught off guard. I was only apprized of the situation last Thursday and I must say that I think all of Canada, to a certain extent, has been caught off guard because the announcement affects all of Canada. I must say that in my meeting with Mr. McKnight on Wednesday, he certainly was not aware that the federal department, DRIE, would be making the announcement. In fact, it appears as if the Yukon government only received notice this morning that the freeze was to affect them also. So it is a situation where our officials were certainly not given any advance notice that this may be coming down. It just appears to be a decision made by department officials, more than the politicians, or even the Ministers that are in charge of this. We have information to the effect that on Thursday the Minister, Mr. Cote, himself, did not realize that his department had made this decision.

We were all caught off guard and are trying to deal with it as best we can. I guess if there is any light at the end of the tunnel it is the fact that the Minister, Mr. Cote, is being approached by all the provinces and the two territories. Last Thursday when I attempted to have a meeting with Mr. Cote there were something like 20 people ahead of me, who were attempting to get meetings with the Minister. The Ministers in Ottawa are certainly being inundated and overwhelmed with concerns from all across Canada. What is positive is the fact that there is a ministerial meeting tomorrow in Ottawa concerning this and I am advised by officials that the concern of the Northwest Territories is on the agenda, and the possibility of special exemption for the freeze that is being placed on the funds. So, I am optimistic.

MR. SPEAKER: Thank you, Government Leader. Supplementary, Mr. Wah-Shee, or a new question? Supplementary.

Supplementary To Question 0221-87(1): Communication With Ottawa Liaison Office Regarding Freeze Of Funding

MR. WAH-SHEE: Thank you, Mr. Speaker. What percentage of federal funding are we talking about that is usually available on an annual basis on these three particular programs, NEDP, Special ARDA, EDA specifically earmarked for the Northwest Territories? If these federal contributions are frozen, what programs and program funds will be left over to deal with economic development initiatives in the Northwest Territories? In other words, what is left if the federal contribution is not available? In turn what type of work will your economic development officers engage themselves in, with the cut-back in all of these federal funding?

MR. SPEAKER: Mr. Minister.



Further Return To Question 0221-87(1): Communication With Ottawa Liaison Office Regarding Freeze Of Funding

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HON. NICK SIBBESTON: Thank you, Mr. Speaker, for allowing me the pause. I am informed and my officials advise me that all the federal programs that are available under DRIE and money available from Indian Affairs amount to \$132 million available from the federal government, and eight million dollars is what our government contributes toward these economic initiatives. Apart from that, of our own funds in our Department of Economic Development, from our own resources we have approximately eight million dollars.

MR. SPEAKER: Supplementary. Mr. Wah-Shee.

Supplementary To Question 0221-87(1): Communication With Ottawa Liaison Office Regarding Freeze Of Funding

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MR. WAH-SHEE: Thank you, Mr. Speaker. Am I to assume then that the amount of money earmarked from the territorial government treasury for economic development purposes then is limited to eight million dollars for the whole Northwest Territories, if you do not enter into a joint agreement with the federal government on the funding for economic development programs?

MR. SPEAKER: Mr. Minister.

Further Return To Question 0221-87(1): Communication With Ottawa Liaison Office Regarding Freeze Of Funding

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HON. NICK SIBBESTON: Mr. Speaker, the Member is correct. That is the approximate amount that will be available in the event that all fails.

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

Question 0222-87(1): Contact With Mr. Broadbent Re Meech Lake Accord

MR. MCCALLUM: Thank you, Mr. Speaker. I have a question of the Government Leader and I apologize for not being able to get to him earlier. I read in either the Saturday or Sunday issue of the Globe and Mail that there is a discussion now being held in the House of Commons or was to be held today in the House of Commons on the Meech Lake accord or the Langevin agreement, whatever it is, that the NDP, Mr. Broadbent, was going to lead a discussion on it and bring forth concerns about the Northwest Territories participation or lack of participation in both of these historic get-togethers in Ottawa. Will the Government Leader confirm to the House that there has been some contact with Mr. Broadbent on this particular issue, especially in light of one of my colleague's suggestions the other day that we do not deal with the PC people or Members of Parliament? Mr. Appaqaq raised some concern about their participation in it. Will the Government Leader confirm to the House that there has been some contact with Mr. Broadbent on this issue of bringing forth territorial concerns during that debate?

MR. SPEAKER: Mr. Minister.

Return To Question 0222-87(1): Contact With Mr. Broadbent Re Meech Lake Accord

HON. NICK SIBBESTON: Yes, Mr. Speaker. I can confirm that we have been in touch with Mr. Broadbent and in a sense we have covered the whole spectrum, the whole field in trying to get support for our NWT position. We have contacted every person that we think could be of assistance to us and this means the Prime Minister, the premiers, the opposition party leaders and a number of MPs. While I was in Ottawa I had a chance to talk to Mr. Turner concerning the matter. I, myself, did not speak to Mr. Broadbent but I am aware that Mr. Penikett saw Mr. Broadbent. So, I do believe that we have done as much as we can in getting support of people like Mr. Broadbent, to be consciously in support of our position. I heard the news report today at lunchtime which had a recording of Mr. Broadbent's speech in the House of Commons, which was very supportive of our NWT position. So obviously he heard and knows about our concerns.

MR. SPEAKER: Thank you, Mr. Government Leader. Oral questions. Mr. Paniloo.

Question 0223-87(1): RCMP Warrants For Arrest, Baffin

MR. PANILOO: (Translation) Thank you, Mr. Speaker. I have a question for the Minister of Justice concerning the RCMP in the communities on Baffin Island. I know that they are working in the communities but I am representing three communities and I have received complaints from the three communities. I would like to find out about search warrants and other different warrants. In my community in May there was a guy that had a rifle when he was intoxicated. He went into a house and the RCMP was called about this but the RCMP did not come for half an hour. When he came he just took the rifle from the person and let that person go. I am wondering why he just let that person go. Why did he not have a warrant to arrest the person? They are supposed to be working in the communities to keep the communities safe. I would like to get a response for this. Thank you.

MR. SPEAKER: Mr. Minister.

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I do not know the details of the particular case. If I could get that from the honourable Member, I could get back with specifics on the questions that he was asking. So I will take that part of the question as notice.

On the broader question of warrants and JPs in communities, I had hoped, during this session, to be able to table the report of the task force of JPs. One of the very important issues that the task force was looking at was the issuing of warrants by JPs. But I will get back to the Member on his specific question. Thank you, Mr. Speaker.

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

Question 0224-87(1): Alternative To Small Government Office, Hall Beach

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. I have a question I think directed to the Government Leader. I know that the government offices are now to be built by private companies but in smaller communities some offices are very small. For instance, in Hall Beach, they have a very small office and I think you are aware of this. At the end of each month when widows and others who need assistance have to go to this particular office, because there is no space some of the people have to wait in the porch. My question is, who makes the decision that an office needs to expand and how is the private sector involved in building such buildings?

MR. SPEAKER: Mr. Minister.

Return To Question 0224-87(1): Alternative To Small Government Office, Hall Beach

HON. NICK SIBBESTON: Mr. Speaker, I am able to say that when I was in Hall Beach a month or so ago, to visit the community, and also meet Mr. Erkloo there, I did have a chance to see the small crowded government office there that was available and in use in Hall Beach. I must say that I was concerned about the smallness and crowdedness of the government office. I had a number of regional officials with me, the regional director of Economic Development was with me and I did instruct the officials to look for alternative larger offices if possible. I have not had a chance to hear from them about that and now that he has reminded me of it, I will get in touch with the regional director and see if he has been able to look further into the matter. If possible, I will advise the Member before the Assembly is finished as to what we have decided on that matter. Thank you.

MR. SPEAKER: Thank you, Mr. Government Leader. You will contact the Member with further information. Oral questions. Mr. T'Seleie.

Question 0225-87(1): Early Fall Election

MR. T'SELEIE: Thank you, Mr. Speaker. Mr. Speaker, I would like to ask the Government Leader and Minister of Economic Development, in dealing over the weekend with the actions of the federal government in freezing the funds for economic development in the North, whether or not, as a part of the strategy, the possibility was discussed of suggesting to the Assembly that there be an early fall election.

MR. SPEAKER: Mr. Minister.

Return To Question 0225-87(1): Early Fall Election

HON. NICK SIBBESTON: Mr. Speaker, I can tell the Assembly that we had an emergency Executive meeting yesterday concerning the situation, particularly the economic state of our territorial economy and the freezing of the federal funds. I can tell the Assembly that the Executive Council did discuss the possibility of an early election. But there was no consensus reached on the matter. We generally feel that it is a matter not solely for the government or the Executive Council but one for the whole Assembly as a whole.

MR. RICHARD: Agreed, agreed.

HON. NICK SIBBESTON: So, if there is to be an election, it is one that the Assembly will have to decide itself.

MR. SPEAKER: Thank you, Mr. Government Leader. Oral questions. Ms Cournoyea.

Question 0226-87(1): United Nations Conference On Environment

MS COURNOYEA: Mr. Speaker, the Department of Renewable Resources has expended a great deal of time and effort in attempting to develop the cause of the Northwest Territories in the renewable resource economy. A conference was held recently in New York City, which the Minister of Renewable Resources attended. The conference was the "Only One Earth" forum. I wonder if this House could get a brief report on what this Minister, by attending this meeting, accomplished for the Northwest Territories in the development of our cause. Thank you.

MR. SPEAKER: Mr. Minister.

Return To Question 0226-87(1): United Nations Conference On Environment

HON. RED PEDERSEN: Thank you, Mr. Speaker. I did attend the conference referred to. This was a United Nations conference, UNEP, sponsored through an organization known as the Rene Dubos Centre for Human Environment. The conference was very successful. Besides attending the conference, I met with Mr. Stephen Lewis, Canada's Ambassador to the United Nations, and made suggestions during that meeting about discussion items that Canada could bring forward at this fall's general assembly, where the topic will be the environment. Mr. Speaker, tomorrow I will have a statement on the conference. I had one today I was not quite satisfied with, so I will bring it tomorrow. I would like then to advise the House of some major statements that we did get included in the recommendations of the workshop of the conference, which if accepted, will be tabled in the United Nations this fall during debate. Thank you.

MR. SPEAKER: Thank you, Mr. Minister. Oral questions. A new question or a supplementary? A new question? Ms Cournoyea.

Question 0227-87(1): Activities Of Task Force On Northern Economy

MS COURNOYEA: Thank you, Mr. Speaker. I have a question of clarification and I believe it should go to the Government Leader. Within the last year an action force, consisting of Ministers Marcel Masse, McKnight and Epp, along with this government was set to determine and look into the downturn of the northern economy. As we all know, in addressing the first emphasis, which was the downturn on the oil and gas industry, this government decided to look at the economy in the whole Northwest Territories, which I fully support. However, the action force seems to be only an action force to doom and gloom. I would like to know and my constituents would like information, because they were fundamental in bringing forth the reasoning and desire of the northern people to look to a long-term initiative; to take in the economic problems in the long term, as well as look at the problems that we have in the short term because of the downturn in the oil and gas activity.

Mr. Speaker, since the time that this action force began, we have only had bad news. We have not had any good news yet. I do not know what the action force has been doing and I would like to have some kind of report on the activities of the action force other than the doom and gloom that we have been receiving. What has it done? Who has it met with? What relationship with the federal government has the action force had, with attempting to determine the problems that we are facing presently with the economic development agreements? Thank you.



MR. SPEAKER: Mr. Minister.

HON. NICK SIBBESTON: Mr. Speaker, I will take the question as notice and provide the Member with an answer tomorrow.

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

Item 6, written questions. Do we have any written questions for today? Item 7, returns to written questions. Mr. Clerk.

ITEM 7: RETURNS TO WRITTEN QUESTIONS

CLERK OF THE HOUSE (Mr. Hamilton): Return to written Question W44-87(1), asked by Mr. Arlooktoo of the Minister of Renewable Resources.

Return To Question W44-87(1): Testing Of Diseased Caribou Meat

Hon. Red Pedersen's return to Question W44-87(1), asked by Mr. Arlooktoo on June 3rd, 1987, regarding testing of diseased caribou:

Meat samples have been collected for brucellosis studies. Due to lack of staff the work has not been completed. The regional biologist has been directed to make this a priority item in his schedule. Priority will be given to any new specimens and timely turnaround of information will be assured. In addition, a wildlife technician has been hired and will be assigned to this project along with a summer student. My officials will be in contact with the local hunters to further describe the program.

MR. SPEAKER: Thank you, Mr. Clerk.

Item 8, replies to the Opening Address. If we do not start this section we are going to wind up with somebody possibly not having time to make their reply to the address, so I would advise the honourable Members that they should start as soon as they can. Everybody cannot be last. It is impossible.

Item 9, petitions.

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

ITEM 11: TABLING OF DOCUMENTS

MR. CURLEY: Thank you, Mr. Speaker. I would like to table Tabled Document 75-87(1). A letter written to Mr. Bruce McLaughlin, Minister of Health, Department of Health and Welfare, Yellowknife, regarding neonatal transport problems in Keewatin Region, written on February 20th, 1987, by Dr. C.J. Cameron from Churchill Health Centre; a copy of the letter to Dr. Cameron from the Minister of Health of Manitoba, Mr. L. L. Desjardins, written on March 17, 1987; a copy of a letter to Dr. Cameron on March 20th from the Minister of Health, NWT, Mr. Bruce McLaughlin; a copy of a letter to Dr. James Morison written on April 8th, 1987, by Mr. M.E.K. Moffat, associate director, medical division of community and northern medicine; as well as a copy of a letter to Mr. Maurice Aked from Mr. Bruce McLaughlin written on April 7th, 1987; and finally a letter to Dr. Cameron from Dr. James Morison, registrar of The College of Physicians and Surgeons of Manitoba. Thank you.

MR. SPEAKER: Thank you, Mr. Curley. Tabling of documents. That appears to conclude this item for today. Item 12, notices of motion. Mr. Appaqaq.

ITEM 12: NOTICES OF MOTION

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I am going to move on June 10th a motion in regard to Sanikiluaq, seconded by the honourable Member for Baffin Central. I will show you the motion in writing.

MR. SPEAKER: Could you just give us some information on what the motion is about, please, Mr. Appaqaq?

Notice Of Motion 28-87(1): Sanikiluaq Arena

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. Sanikiluaq community wants to get an arena. We have collected \$100,000 and this will be drawing interest in the bank. We have set the date to implement this in November of this fall. I would like to move, seconded by Pauloosie Paniloo, to be able to get the hockey arena in Sanikiluaq in 1988-89. Thank you.

MR. SPEAKER: Notices of motion. Mr. Richard.

Notice Of Motion 29-87(1): Tabled Document 72-87(1) To Committee Of The Whole

MR. RICHARD: Mr. Speaker, I give notice that on Wednesday, June 10th I will move that Tabled Document 72-87(1), entitled "A Model for the Delivery of Alcohol and Drug Services in the Northwest Territories" be moved into committee of the whole.

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

Notice Of Motion 30-87(1): Water Supply In Rankin Inlet

MR. CURLEY: Thank you, Mr. Speaker. I give notice that on Wednesday, June 10th, 1987, I shall move the following motion: Now therefore, I move, seconded by the honourable Member for Nunakput, that this Assembly recommend to the Minister of Municipal and Community Affairs that appropriate funding be incorporated into the department's budget to plan and design, in conjunction with the hamlet council, an alternate source of water supply for the community of Rankin Inlet.

MR. SPEAKER: Thank you, Mr. Curley. Notices of motion. That appears to conclude this matter for today. Item 13, notices of motion for first reading of bills. Mr. Ballantyne.

ITEM 13: NOTICES OF MOTION FOR FIRST READING OF BILLS

Notice Of Motion For First Reading Of Bill 19-87(1): Residential Tenancies Act

HON. MICHAEL BALLANTYNE: Thank you, Mr. Speaker. I give notice that on Wednesday, June 10, 1987, I shall move that Bill 19-87(1), An Act Respecting Residential Tenancies, be read for the first time.

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

Item 14, motions. Motion 27-87(1), Northern Economic Agencies. Mr. Curley.

MR. CURLEY: Mr. Speaker, I would like to defer the motion until tomorrow. Thank you.

MR. SPEAKER: To defer the motion until tomorrow. Item 14, motions. Item 15, first reading of bills. Bill 20-87(1), Mr. Butters.

ITEM 15: FIRST READING OF BILLS

First Reading Of Bill 20-87(1): Revolving Funds Act

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Nahendeh, that Bill 20-87(1), An Act to Amend the Revolving Funds Act, be read for the first time.

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

---Carried

Bill 20-87(1) has had first reading. First reading of bills. Bill 36-87(1), Mr. Butters.

First Reading Of Bill 36-87(1): Supplementary Appropriation Act, No. 5, 1986-87

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for Yellowknife North, that Bill 36-87(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.

MR. SPEAKER: I have a motion on the floor. Are you ready for the question? Question being called. All those in favour? Opposed, if any? A show of hands, please. All those in favour? Opposed, if any? The motion is carried.

---Carried

Bill 36-87(1) has had first reading. I have been advised by the Clerk that Bill 18-87(1) is not in your book. We had some printing problems. We would like unanimous consent to leave this bill on the order paper for tomorrow. Do I have any nays? Mr. Clerk, you will leave Bill 18-87(1) on the order paper for tomorrow. Bill 37-87(1), Supplementary Appropriations. Mr. Butters.

First Reading Of Bill 37-87(1): Supplementary Appropriation Act, No. 2, 1987-88

HON. TOM BUTTERS: Mr. Speaker, I move, seconded by the honourable Member for the High Arctic, that Bill 37-87(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.

MR. SPEAKER: Thank you, Mr. Minister. I have a motion on the floor. Question being called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Bill 37-87(1) has had first reading. First reading of bills. Item 16, second reading of bills. Bill 12-87(1), Mr. Ballantyne.

ITEM 16: SECOND READING OF BILLS

Second Reading Of Bill 12-87(1): Insurance Act

HON. MICHAEL BALLANTYNE: Mr. Speaker, I move, seconded by the honourable Member for Inuvik, that Bill 12-87(1), An Act to Amend the Insurance Act, be read for the second time. The purpose of this bill, Mr. Speaker, is to amend the Insurance Act to increase the minimum amount of compulsory third party motor vehicle liability insurance to \$200,000 for automobiles; to replace the Commissioner with the Minister of Justice in respect of certain powers and duties; to require insurance companies to be members of a compensation association that has the purpose of compensating policy holders and other claimants of an insurance company that becomes insolvent; to allow underwriting members of the Canadian insurance exchange to obtain a licence to undertake contracts of insurance; to modernize the provisions relating to variable insurance contracts and mandatory accident benefits; to provide for mandatory uninsured motorist coverage; to revise the provisions relating to insurance brokers; generally to amend the act to correct technical errors and to make it conform with similar legislation in other jurisdictions in Canada; and to make a consequential amendment to the Vehicles Act to raise the minimum insurance coverage to \$200,000 for motor vehicles and, with respect to buses, to \$25,000 per passenger seat or \$500,000, whichever is greater.

MR. SPEAKER: Thank you, Mr. Minister. Your seconder on that motion? I missed it. Mr. Butters, thank you. I have a motion on the floor. To the principle of the bill. Question has been called. All those in favour? Opposed, if any? The motion is carried.

---Carried

Bill 12-87(1) has had second reading. Second reading of bills. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, just on a point of order. Will that bill go into the House for study by committee of the whole, if we conclude the business that is on the agenda at the present time?

MR. SPEAKER: Yes. Before I close the section on second reading of bills -- I was still calling second reading -- I will put it in committee of the whole. I take it nobody is going to try for second reading on any other bills for today. So, Mr. Clerk, I will ask you to enter Bill 12-87(1) under the orders of the day. Item 17, consideration in committee of the whole of bills and other

matters: Bill 9-87(1), Bill 5-87(1), Fourth Report of the Standing Committee on Public Accounts, and Bill 12-87(1). It appears to be roundup time. We will recess for a few moments until we find a chairman.

---SHORT RECESS

It was pointed out to me that when I ordered the House into committee of the whole, Members were not sitting at their seats and there was no quorum in the House. So we will go through the procedures properly. I understand that Mr. Butters is asking for unanimous consent to go back to first reading of bills. Do I have unanimous consent?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Mr. Butters.

HON. TOM BUTTERS: Thank you very much, Mr. Speaker. I believe that it is second reading that we would require returning to. I believe first reading of the bill has been given.

MR. SPEAKER: We are dealing, as I understand, with first reading of Bill 18-87(1). It was not in the books and I set it aside. It is first reading of Bill 18-87(1) that we are dealing with. Mr. Wray.

REVERT TO ITEM 15: FIRST READING OF BILLS

First Reading Of Bill 18-87(1): Property Assessment And Taxation Act

HON. GORDON WRAY: Thank you, Mr. Speaker. Mr. Speaker, I move, seconded by the honourable Member for High Arctic, that Bill 18-87(1), An Act Respecting the Assessment of Property and the Levying and Collection of Property Tax in the Northwest Territories, be read for the first time.

MR. SPEAKER: Thank you, Mr. Minister. I have a motion on the floor. Are you ready for the question?

AN HON. MEMBER: Question.

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

---Carried

Bill 18-87(1) has had first reading.

Item 15, first reading of bills. Are there any other first reading of bills while we are here? There do not appear to be any. Then we will drop down to Item 17, consideration in committee of the whole of bills and other matters: Bill 9-87(1), Bill 5-87(1), Fourth Report of the Standing Committee on Public Accounts, and Bill 12-87(1), with Mr. Wah-Shee 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 9-87(1), FINANCIAL ADMINISTRATION ACT

CHAIRMAN (Mr. Wah-Shee): The committee will come to order. Mr. Butters what is your wish?

Bill 9-87(1), Financial Administration Act

HON. TOM BUTTERS: Mr. Chairman, some weeks ago we were considering Bill 9-87(1), Financial Administration Act. I wonder if we might return to consideration of that act and if that is agreeable then I would wish the committee to permit me to bring into the House the comptroller general, Mr. Jim Nelson and our chief legal counsel, Mr. Patrick Orr.



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

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Thank you. Mr. Butters, please proceed with your witnesses. Thank you. Mr. Butters, for the record would you identify your witnesses, please?

HON. TOM BUTTERS: Thank you, Mr. Chairman. To my right, the comptroller general, Jim Nelson; to my left, Patrick Orr, chief legal counsel, who has been very active in drafting the legislation before us.

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

HON. TOM BUTTERS: Thank you, Mr. Chairman. I did make an opening statement to the bill. At that time there were about three major areas where discussion will probably occur or could occur. One of those, as I mentioned, was the relation between the Office of the Speaker, the Legislative Assembly, and the government. I believe as a result of discussion that has occurred, we have a number of amendments to introduce as we proceed through a clause by clause study of the bill which will, I think, satisfy the concerns raised by the Hon. Don Stewart.

There were two other areas. One related to the sections 90 to 92 and specifically, I believe, the requirement in the legislation for the Minister to approve the plan and the budget of the board and I indicated that we could leave discussion on that item until we proceeded to that point. There is one other area of contention, I believe, and that relates to the various hospital boards and the manner in which the hospital boards have been included in Part IX of the bill. Possibly we could leave the discussion on that matter until we get to Part IX and the agencies of this government which are referred to and provided for in that particular section. If I remember, we had proceeded to clause by clause study but if there are any general questions. I could try to address them.

There was one question outstanding during discussion of the bill related to correspondence between this government and either hospital boards generally or specifically the Stanton hospital board. On the next day I returned to the House with a report on the letter that had been sent by this government and the response that had been received.

CHAIRMAN (Mr. Wah-Shee): Thank you. We are dealing with Bill 9-87(1). We are under general comments. Are there any general comments on Bill 9-87(1)? Mr. MacQuarrie.

MR. MACQUARRIE: General comments had been made earlier when the bill, I believe, was first introduced. So, it would just be if any Members had further comments, Mr. Chairman.

CHAIRMAN (Mr. Wah-Shee): Thank you. Any further comments? Mr. Richard.

MR. RICHARD: Mr. Chairman, I continue to have the same difficulty on the government's inclusion of hospital boards of management under Part IX. But perhaps, as Mr. Butters suggests, I can, unless you are going to rule me out of order later, leave that until Part IX, when we get to it in the clause by clause consideration. Thank you.

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

HON. TOM BUTTERS: If the Member would agree, we could have the discussion before we proceed into Part IX. I think that, as the Member points out, it is a debate which is very worth while and should occur before we look at the individual provisions of the act.

CHAIRMAN (Mr. Wah-Shee): Thank you. Are there any further comments?

AN HON. MEMBER: We should go clause by clause.

CHAIRMAN (Mr. Wah-Shee): Does the committee agree that we go clause by clause at this time? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Thank you. We are dealing with clause 2, definitions. Accountable advance; accounting officer; activity; appropriation; Auditor General; board; comptroller general; consolidated revenue fund; department; department head; directive; disbursement; estimates; expenditure; expenditure officer. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, as I mentioned I would have a number of motions to be made as we proceed through the bill relative to discussions that occurred between the government and the Speaker.

Motion To Amend Definition Of "Expenditure Officer", Subclause 2(1), Bill 9-87(1), Carried

I would like to move an amendment to this particular definition. I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by deleting the definition of "expenditure officer" from subsection 2(1) and substituting the following: "'Expenditure officer'. 'Expenditure officer' means (a) a Minister, or (b) a public officer or service contractor designated as an expenditure officer pursuant to section 40." Just by way of a footnote, Mr. Chairman, I believe copies of these amendments have been circulated to all the MLAs and have been translated.

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

---Carried

Continuing here with clause 2, fiscal year; government; guarantee; indemnity; item; liability; Minister. Mr. Butters.

Motion To Amend Definition Of "Minister", Subclause 2(1), Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Chairman, I have another motion of the nature that I had indicated before. I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by adding the following words at the end of the definition of "Minister" in subsection 2(1): "and includes the Speaker of the Legislative Assembly with respect to the Office of the Legislative Assembly".

CHAIRMAN (Mr. Wah-Shee): Thank you. Your motion is in order. To the motion. It has been brought to my attention that we lack a quorum, therefore I will ask the Sergeant-at-Arms to ring the bells. The Chair recognizes a quorum. The motion dealing with the marginal note under Minister is in order. To the motion.

AN HON. MEMBER: Question.

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

---Carried

Continuing with the marginal notes, Minister of Finance; money; negotiable instrument; prescribed; public accounts; public agency; public money; public officer. Mr. Butters.

Motion To Amend Definition Of "Public Officer", Subclause 2(1), Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by deleting the following from the definition of "public officer" in subsection 2(1): ", but does not include the Speaker of the Legislative Assembly".

CHAIRMAN (Mr. Wah-Shee): Thank you. Your motion is in order. To the motion.

AN HON. MEMBER: Question.

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

---Carried



CHAIRMAN (Mr. Wah-Shee): Public property; public revenue; record; revenue officer; revolving fund; service contractor; special purpose fund; territorial corporation; vote; binding effect; interpretation; paramountcy. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): That completes clause 2. Clause 3, Financial Management Board; Minister of Finance; composition of the board; secretary. Mr. Butters.

Motion To Add New Subclause 3(3) And Renumber Bill 9-87(1), Carried

HON. TOM BUTTERS: Thank you, Mr. Chairman. With regard to subsection 3(4), I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by renumbering subsections 3(4) and 3(5) as 3(5) and 3(6) respectively, and adding after subsection 3(3) the following subsection. "Membership of Speaker" as marginal note. "(4) The Speaker of the Legislative Assembly may sit as a Member of the board and participate in its decisions where the board acts on matters relating to the Office of the Legislative Assembly."

CHAIRMAN (Mr. Wah-Shee): The motion is in order.

AN HON. MEMBER: Question.

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

---Carried

Clause 3(6), duties of secretary. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): That completes clause 3. Clause 4, duties of the board; rules and procedures; direction of the Executive Council. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 5, directives of the board. Mr. Butters.

Motion To Amend Subclause 5(1), Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Speaker, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by adding after the word "officer" in subsection 5(1) the following words: ", other than the Speaker of the Legislative Assembly".

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

---Carried

Clause 5, implementation of directive. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 6, power to obtain information. Mr. Butters.

Motion To Amend Clause 6, Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by renumbering section 6 as subsection 6(1) and adding after the following subsection: "Exception. (2) This section does not apply to the Speaker of the Legislative Assembly."

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

---Carried

Clause 7, confidentiality of information. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 8, duties of Minister of Finance. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 9, powers of Minister of Finance. Mr. Butters.

Motion To Amend Clause 9, Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by renumbering section 9 as subsection 9(1) and adding after the following subsection: "Exception. (2) This section does not apply to the Speaker of the Legislative Assembly."

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

---Carried

Clause 10, appointment of department head; duties of department head. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 11, responsibility of Ministers; direction of the board; accountability of Ministers. Mr. Butters.

Motion To Amend Subclause 11(1), Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by adding after the words "Each Minister" in subsection 11(1) the following words, ", other than the Speaker of the Legislative Assembly".

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

---Carried

Clause 11, accountability of Ministers. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 12, comptroller general; duties of comptroller general. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 13, delegation by board; delegation by certain public officers; subdelegation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 14, deposit of public money; appropriate account. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 15, recording of public money. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 16, ownership of records; ownership of money and securities. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 17, interest on late payments; discount for early payments. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 18, fee for services rendered. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 19, repayment of money. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 20, special purpose funds; interest. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 21, interpretation; penalty; tax; remission of tax or penalty; form of remission; where tax or penalty already paid; breach of condition of remission. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 22, deduction or set-off; agreement to the contrary. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 23, payment of rebate or refund. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 24, prohibition on write-offs; write-off of assets, debts or obligations; limitation; effect of write-off. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 25, forgiveness of debts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 26, reporting remissions and write-offs; recording remissions and write-offs. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 27, authority for expenditure. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 28, estimates; votes; items and activities; expenditures; public revenues. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 29, appropriation bill. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 30, expenditure control; charging expenditures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 31, disbursements pursuant to appropriations; exceptions. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 32, limit on expenditure; transfer among activities; list of transfer for Legislative Assembly; summary of transfers in public accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 33, special warrants; when Legislative Assembly not in session; interim appropriation; financing the special warrant; submission of supplementary appropriation bill; statement of special warrants. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 34, lapse of appropriation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 35, record of liabilities and provisions for losses. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 36, accruing liabilities; where expenditure exceeds appropriation; financing the interim appropriation; submission of supplementary appropriation bill; disbursement pursuant to expenditure; identification of disbursement; where disbursement exceeds liability; where amount not material; where liability exceeds disbursement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 37, sufficiency of provisions for losses; accruing provisions for losses; where the amount charged exceeds the appropriation; submission of supplementary appropriation bill. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 38, prohibition. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 39, responsibilities of department head. Agreed?

SOME HON. MEMBERS: Agreed?

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 40, designation of accounting and expenditure officers. Mr. Butters.

Motion To Amend Subclauses 40(1) And 40(2), Bill 9-87(1), Carried

HON. TOM BUTTERS: Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended by deleting from subsections 40(1) and 40(2) the following words: "and the Speaker of the Legislative Assembly".

CHAIRMAN (Mr. Wah-Shee): Thank you. Your motion is in order. To the motion.

AN HON. MEMBER: Question.

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

---Carried

CHAIRMAN (Mr. Wah-Shee): Clause 40, suspension or revocation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 41, acting accounting officer; acting expenditure officer; dual capacity; prohibition. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 42, approval of comptroller general. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 43, limits on authority of expenditure and accounting officers. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 44, expenditure control. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 45, effect of violation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 46, condition in contracts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 47, delivery of copy of contract. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed



CHAIRMAN (Mr. Wah-Shee): Clause 48, requisition for disbursement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 49, application. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 50, prohibiting a disbursement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 51, statement of comptroller general. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 52, form of disbursement of public money. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 53, examination and reconciliation of cheques. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 54, accountable advances. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 55, interest on advances. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 56, receipt of refund or repayment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 57, investment of surplus money. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 58, loans. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 59, prohibition. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 60, duties regarding revolving fund. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 61, records of public property. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 62, boards of survey. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 63, duties of a board of survey. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 64, deletion of public property. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 65, disposal of public property. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 66, prohibition. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 67, guarantee or indemnity on behalf of. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 68, report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 69, interpretation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 70, charges for property or services. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 71, bonding. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Public accounts. Clause 72, preparation of public accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 73, content of public accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Clause 74, tabling of public accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Wah-Shee): Public agencies. Clause 75, interpretation, appropriate Minister. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, this is a part on which I believe there will be some extended discussion. Possibly we could stop before we proceed into individual provisions and have that discussion.

CHAIRMAN (Mr. Wah-Shee): Okay, the time has come for some serious discussion.

---Laughter

The floor is open. Mr. Richard.

MR. RICHARD: Thank you, Mr. Chairman. Mr. Chairman, for some months now I have been expressing some concern about two things. Firstly, the inclusion of the hospital boards of management in the public agencies to which Part IX of this bill applies. That is one matter that has concerned me. Secondly, and perhaps more importantly is the lack of consultation from the beginning by the government with these boards of management and, I believe sincerely, continuing to this day. I am disappointed, Mr. Chairman, that the Minister of Health is not here today, even though I promised not to ask him any question directly but through you, because I think the Minister of Health plays a role here in this consultation process.

#### Existing Agreements With Hospital Boards

Mr. Chairman, currently the government has under a different statute, the Territorial Hospital Insurance Services Act, signed agreements with hospital boards, certainly with the one in Yellowknife and I believe the one in Fort Smith and the Baffin Regional Hospital. Those are signed legal agreements between the government and the hospital boards of management, appointed by this government and by the Minister of Health and in the agreement it sets out the responsibilities of the government and of the hospital board and it does give the hospital board some leeway on financial management. In a nutshell, Mr. Chairman, the autonomy or independence that is given to the hospital board of management in those signed agreements is wider than would exist under the letter of these new provisions in Part IX.

Now, that is the current situation that has been in existence for some time -- these signed agreements. In January of this year when I, personally, was present in the standing committee on finance, this bill was presented by the government and I asked at that time what was the extent of the consultation process with the public agencies that are referred to in Part IX. I was initially assured that the consultation process had taken place but in fact we learned later that day that it had not in fact happened.

#### No Intention To Consult

I will concede that initially, certainly with the Minister of Finance, that was an oversight or an error, that it was not bad faith on anyone's part. I do not say this of the boards of education and the other agencies referred to in the schedule, but certainly with respect to the hospital boards it subsequently appeared in this Assembly, in February, that the Minister of Health in his own words stated that there had never been any intention to consult with the boards of management about what was being done to them. The Minister's words I believe were that he would be explaining later to the hospital boards of management how the new legislation was going to affect them. That was appalling in itself -- just that response from the Minister of Health who appointed those boards and presumably gave them the conduct or the operation of these government-funded hospital facilities.

In any event, the word did get out to the hospitals and some of them wrote letters. I know there is a long letter written by the Yellowknife hospital board chairman to Mr. McLaughlin, and a copy to the Minister of Finance, setting out their concerns with the proposed legislation. After this was raised in the Assembly in February, I understand a meeting did take place. The Minister of Health was present and representatives of these hospital boards. The Minister of Health was requested by the hospital boards to delay the implementation of this bill, or bringing it into law as it affected the boards, until they could present their case. I was not at the meeting but I understand they also asked the Minister or his officials to look at southern jurisdictions, southern examples, as to how hospital finances are handled in the South. Mr. Butters, the Minister of Finance, in the resumption of this session last month or early this month, read out a telex or a letter that the government official in the Department of Health had sent out to the hospital boards asking them if they had further expressions or comments on the bill. I believe Mr. Butters indicated that there was only one reply to that correspondence and that was from the Yellowknife board. In their response they confirmed that they continue to oppose the inclusion of hospital boards in the bill, they had expressed their concerns to the Minister of Health and to MLAs and their concerns remained the same.

Now, Mr. Chairman, that I think is essentially what has happened. I think the message that the hospital boards have given to the government through the Minister of Health is clear. They are opposed to these provisions being applied to them and the government, as I understand it, has not responded to that. Now that, Mr. Chairman, I do not think is consultation in the same fashion as one of the other Ministers said on another piece of legislation of the day. When I asked how the municipalities feel about this, he said, "Well, they do not like it but we are going to do it anyway."

#### No Attempt To Renegotiate Agreement

What I find most disconcerting is the fact that this government has signed agreements with these volunteer boards to run the hospitals. There has been no attempt to renegotiate those agreements. There has been a statement by the Minister of Health, and he has said it in this Assembly, that the alternative to passing this legislation is to continue with the current Financial Administration Act, but if it is enforced to the letter against these hospital boards, there will be much more stringent conditions put on the hospital boards than is the case now. And they quote from an observation of the Auditor General.

Mr. Chairman, that is acting in bad faith. There are unilateral decisions being made here about an agreement that the two parties have signed, yet this government is proceeding with this legislation in the face of the signed agreements and in the face of opposition from the hospital boards, without sitting down and trying to resolve how the issue of financial administration of hospitals might otherwise be handled by the government. As I say, Mr. Chairman, the Minister of Health is aware of this and I am disappointed to see that he is not here today. I know that we do not always know when bills are going to proceed but I did raise it in this Assembly about 10 days ago or two weeks ago, whenever we first came back to the Financial Administration Act and I would have thought that the Minister, with his responsibility for the hospitals, would have sought out the representatives of the hospital boards to see if their concerns could not be addressed.



So that is my position as just one MLA, Mr. Chairman, and I believe that the situation of the Yellowknife hospital board is also the situation with the Fort Smith board and the Baffin board and I cannot agree to proceeding to impose this new financial regime on these volunteer boards in the face of the lack of consultation or maybe co-operative discussions. These have just not taken place. Thank you.

CHAIRMAN (Mr. Wah-Shee): Any comments? Mr. Butters.

HON. TOM BUTTERS: Thank you, Mr. Chairman. I am quite sure that the honourable Minister responsible for Health would be here if he did not see the meeting with the Ministers of Social Services in the Maritimes as an opportunity to indicate to them our concerns with regard to the recent freeze of special moneys directed to the North and also our concerns with regard to the decision on the Meech Lake accord. So I believe that he is torn between two responsibilities and would have preferred to be here and answer some of these charges himself.

However, I would like to go back to the statement I made some three weeks ago and indicate that the lack of consultation cannot be laid at the door of the Minister of Health. I had assumed that the consultative process would go forward and was as surprised as anybody to find because I had not followed it up once I had seen it decentralized to the departments, that the departments had not discussed the act with those agencies that were directly responsible through them and to them. So, as I say, I have to accept responsibility for the consultative omission, because I did not pursue it myself through the process.

#### Examination Of Legislation With Boards

However, so saying, there has been quite a long period of time during which the various interested agencies could have examined the proposed legislation. The document was first put before this House, I believe, in February. I have not pushed the document. I have delayed it because I have known of the concerns of the various boards and have been expecting something more substantive from them relative to particular or specific provisions within this act that give them difficulty. The hospital boards received a copy of the act in January, I understand, and there were some very extensive letters which have gone back and forth, which I could provide to you but I do not wish to bore you, over the two months before March. In early March, I think the very important meeting occurred on March 3rd, in Yellowknife, with officials from Health, Finance, THIS, Justice and representatives from all hospital boards.

They used, in the study of the bill, the document that had been developed by the Department of Finance which identified the present provisions in the act under which we are currently operating, and the changes being suggested and projected and the reason for making such changes. I am informed that the entire act was comprehensively reviewed, line by line, especially all the sections applicable to the boards and agencies. Officials from the Department of Finance and the comptroller general were there, Mr. Orr was there, and the Department of Health responded in great detail to all the questions that were put to the concerns raised by board members in attendance. I understand, at that meeting, besides the Stanton group, in attendance were Fort Smith, Hay River, Baffin, the Inuvik Long Term Care Centre. That appeared to be it. Following that extensive discussion of this particular section the government people present believed that most of the questions had been satisfied. Now, a letter was promised at that time and was subsequently circulated from Mr. Pontus to all the board chairpersons and all the executive directors regarding this meeting. He included a four page document, comprehensively listing the operating influence of the current versus the proposed Financial Administration Act on the management boards of hospitals.

#### Major Concerns Believed To Be Addressed

Following that meeting, there was another meeting on March 19th, and at that meeting the Minister responsible for Health, the Hon. Bruce McLaughlin was in attendance. He met with the representatives of all the hospital boards in the Stanton hospital board room. Again Finance, Justice and Health officials were present. I am advised that no specific items were raised at this time and the Minister believed, as a result of that discussion and consultation, that the major concerns had been addressed. That was on March the 19th.

To date, although letters have been sent to the various board officials and executives requesting specific concerns, I do not believe that we have received one that substantively dealt with specifics of this particular section. The one that we received from the Stanton administrator

related to the fact I believe, that he wanted more time. I think some two and a half months have passed since that exchange of letters so that there has been an opportunity for concerns to be raised and examined. As Members recognize, we did have a concern with the relationship to the Speaker's Office. Those concerns were identified and were addressed. In this case there has not been any specific concern that we have not addressed.

I would like to just speak briefly, and then I might ask Mr. Orr to comment on the hospital agreement which was signed between the boards and the Commissioner in 1978. It might be worth while, Mr. Chairman, if you wish to pursue this matter at greater length, to have copies of the document circulated to Members so that they can see the substance of that particular agreement other than having to rely on the honourable Member for Yellowknife South's recollection or on mine.

I wish to point out that when we looked at a different way of providing for the financial requirements for our boards and agencies, we had really three choices and I want to speak generally with regard to Part IX and public agencies.

#### Options For Legislation For Public Agencies

We could have put legislation into each of the separate acts which this government has related to the operation of boards. I understand there are some 250 agencies of this government which would require some legislative amendment in specific legislation, maybe not in all cases, but we would have to put these provisions in the legislation dealing with each of the agencies and boards for which we have responsibility. That did not seem to be a very practical way to go about it and legislatively it seemed to create an awful lot of unnecessary work.

We did not pursue this question and problem blindly. We hired, as a consultant, the previous auditor to this government, Harold Hayes, who was very active in the development of our current legislation which we passed in Inuvik some five or six years ago. We felt that the best person we could get to assist us to develop responsible and practical legislation related to the responsibilities that have been devolved on this government, was to hire a man of Mr. Hayes' capabilities, performance, experience and knowledge of the North and of this government. We also knew that if we could convince Harold Hayes of a particular approach and process, that we could be fairly well assured that the Auditor General would similarly agree to the legislative package and proposal we are putting before you. As Members of the standing committee know, that expectation was realized and in fact we presented to the standing committee on finance, or the joint committee, a letter from the Auditor General of Canada signed by Mr. Dubois, indicating the satisfaction of the Office of the Auditor General with the bill. So with the advice of Mr. Hayes and the concurrence of the Auditor General we went for the consistent application as is contained in Part IX and as based on the federal model. So that was the second option. And as I say, we have accepted, by extension, the Auditor General's suggestion here or at least his approval.

The third one was to leave the current act alone. I think all Members are aware the current act, even though it is only five or six years old, belongs to the dark ages of the Government of the Northwest Territories. We have made a quantum leap from that day to ministerial responsibility and reduced and removed the accountability and responsibility of the senior financial officer and the Commissioner and put increased responsibility on the shoulders of the comptroller general.

#### Present Agreement Does Not Deal With Fiscal Management

Now, the honourable Member mentioned the hospital agreement, that currently exists with the Commissioner, circa 1978. If Members wish this agreement, I think we could provide copies. This document in the main, I think, and Mr. Orr could correct me later, is a delegation of personnel authority to the hospital boards. There are some references with regard to management but it certainly is not a document with regard to fiscal management. Now there may be a couple of clauses within that agreement which would give problems. One relates to the borrowing power but it was made quite clear to us that our borrowing power is limited currently by the Northwest Territories Act. That question was asked for us by the public accounts committee just recently and we confirmed that the limitation on our borrowing on the basis of government and our agencies is at the present time, some \$15 million. Although we are seeking to increase that limit, it has not been approved yet. There is something to do with the collection of moneys on behalf of the Commissioner. Possibly I could ask Mr. Orr to speak on the legal aspects of the agreement and to indicate to you that the agreement which is now nine years old, is redundant under the current practice.

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

MR. ORR: Thank you, Mr. Chairman. I have before me a copy of that agreement. I can read out provisions to the committee if it wishes. It is dated the 20th of December, 1979. It was entered into prior to the current Financial Administration Act, which was enacted in 1982, and also prior to certain amendments to the Territorial Hospital Insurance Services Act, under which this agreement was made.

The Minister is correct in stating that it deals mainly with personnel matters. Most of the provisions relate to the designation of the hospital board as a department for the purposes of the Public Service Act and the hospital administrator as equivalent to a department head, or a deputy minister, for the purposes of that act. It appears to have been made in order to allow the Commissioner, under the Public Service Act, at that time, to delegate some of his authority to the hospital administrator and to the hospital board.

#### No Explicit Conflict Between Agreement And Legislation

Now, if there was a conflict between the provisions of this agreement and legislation, it is my opinion, Mr. Chairman, that the conflict must be resolved in favour of the statutory law made by this Assembly. This is especially true in the case of subsequent legislation, which is the case for the current Financial Administration Act and would be the case with the bill before this committee. I believe, though, that there is nothing explicit in this agreement that is in conflict with the Financial Administration Act. There is one provision that is in conflict with the Territorial Hospital Insurance Services Act, which is a provision which allows the board to appoint its own auditors. That is in conflict with current subsection 11.6(1) of that act which says that the auditor is appointed by the Minister. But that was an amendment subsequent to the time that this agreement was made.

There is another provision that talks about the board being given exclusive management, control and operation of the health facility. I do not believe that is in conflict with what is in the Financial Administration Act because Part IX of the bill before this committee, unlike the current act, purports to give the hospital board of management autonomy over its own fiscal affairs, subject to following certain standards. That is unlike the current Financial Administration Act which allows the government some control over how expenditures are made.

There is one other provision dealing with fiscal matters. That is that the board, by resolution, may authorize the borrowing of money for operational and capital programs subject to approval of the Territorial Hospital Insurance Services Board. Now, that is a grant of authority from the Commissioner to the board to make those borrowings. The current Financial Administration Act has a provision that says that such a board as this may borrow money where it is approved by the FMB. It may be that the FMB has ratified this previous authority, but I do not see that it is in conflict. The government is saying that they will allow agencies to borrow, subject to their approval. And in this case, approval was given to this board.

Other than that, there is one other matter that talks about the board providing its annual report to the Territorial Hospital Insurance Services Board, but that is the one change perhaps that will be made in the bill before this committee: that the board would submit its report directly to the Minister. But, Mr. Chairman, other than those, I do not see that there is a problem with the current bill and the agreement that was signed in 1979. Thank you.

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

HON. TOM BUTTERS: Thank you, Mr. Chairman. Just one additional point that I have asked Mr. Nelson to speak briefly to with regard to the consolidation.

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

#### Accountability For Control Of Public Agencies' Finances

MR. NELSON: Thank you, Mr. Chairman. As pointed out earlier by Mr. Butters, we were quite surprised to find in getting a legal opinion on the current scope of the current Financial Administration Act, the extent to which it applied to virtually every board and agency created by



government. In reviewing the act and its application, the use of the Part IX significantly reduces the numbers of boards and agencies that would be affected by this act, to have just the numbers that are included in the schedule. These agencies were included simply because of the significant financial or program effect on the government. I think this is important to those Members who may be on the standing committee on finance or public accounts where the matter has been raised time and time again of the significant amount of dollars spent by these agencies and the concern over the control of that spending. This was a major issue that was looked at when the federal government reviewed its own Financial Administration Act and has been a continuing concern of the Auditor General of Canada and several of the provincial auditors general with respect to the control of public funds in the provinces. I think the point of accountability, that was discussed some three weeks ago when the act was introduced, is key to this section, in that it provides the general accountability for the control of the financial affairs of these public agencies.

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

MR. RICHARD: Mr. Chairman, I do not want to flog the matter much longer, but just I suppose, in concluding my comments on this issue, I have to disagree with Minister Butters when he says that there have been no specific concerns raised by the hospital boards. The Minister has a copy of a letter dated February 12th from Mr. Babiuk, the chairman of the Yellowknife board. It is a two and a half page letter setting out their difficulties with the bill and admittedly there was a meeting subsequent to that but it is not as if there have not been specific concerns raised. That is one matter I wanted to just clarify, Mr. Chairman.

Generally, with respect to Mr. Butters' and Mr. Orr's discussions of this 1979 signed agreement, with all respect, Mr. Chairman, these are red herrings. To sit down today and talk about the technical interpretation of a signed agreement in 1979, as it has been changed by law, by changing the Territorial Hospital Insurance Services Act and by changing the Financial Administration Act, is neither here nor there. The point is that there was an agreement entered into in good faith by some volunteers from a community to run a hospital for the government. The Minister may say, "It may refer to management." It is a management agreement. The people that signed the agreement trusted Commissioner Parker or Commissioner Hodgson, whoever it was, who turned over the general administration and management of the hospital to those volunteers from the community and surrounding area. It does not matter that in fact, as Mr. Orr says, this or that provision of the Financial Administration Act overrides the agreement. It does not matter that, as Mr. Nelson says, the current Financial Administration Act when applied to the board of management is more strict than the proposed Financial Administration Act.

#### Unilaterally Changing Agreement, Breach Of Faith

What matters, Mr. Chairman, is the good faith that existed in 1979 or whenever the agreement was signed and the bad faith that is existing in unilaterally changing that agreement without proper consultation. The bottom line for me, Mr. Chairman, is that the Minister of Health, and I really am reluctant to say this because he is absent, the Minister of Health quite frankly in my view has shirked his responsibilities. He is the go-between between these hospital boards and this government. The boards are being told that the Minister of Finance and the Financial Management Board are now the ones that the boards have to be responsible to. It may be that this act could never have been changed because of the words that have been spoken, by the direction that the Minister and officials have taken from the Auditor General. But clearly the Minister of Health did not take up the cause of the volunteer hospital boards, Mr. Chairman, and to me that is unfortunate that that Minister who is responsible for the hospital boards -- there are all kinds of accountability now through the THIS system, another board that should not even exist in my view. I do not know what they are going to do now to earn their keep, now that the financial accounting is through the Department of Finance. But in any event, Mr. Chairman, I do not want to flog the thing any longer. I am disappointed in the Minister of Health, that he is not taking up the cause of the hospital boards that he has appointed in their request to be dealt with in a hospitals act as opposed to a finance act. Thank you.

CHAIRMAN (Mr. Wah-Shee): Thank you. With that we will take a 15 minute coffee break.

---SHORT RECESS



CHAIRMAN (Mr. Erkloo): Apparently we are on Part IX. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, thank you. With the Member for Yellowknife South, I would not wish to prolong the debate, but I would like to make a couple of comments. The Member mentioned the letter of February 11th and the concerns contained in that letter. My expectation was, as a result of the meetings that were convened on March the 3rd and subsequently the 19th, that much of the fear or concern with regard to the provisions contained in the new act were either assuaged or diminished.

Looking at the letter in question, I guess there is only one area in which there has not been any movement and that is with regard to the statement in that letter written by Mr. Babiuk, that both the government and the hospital would be served by removing boards of management from Schedule A of the proposed Financial Administration Act, and proceeding immediately to draft, in close consultation, a new territorial hospital act. That act is in the process of being drafted. It is not necessarily in the schedule that has been provided to Mr. MacQuarrie, but the department is moving to bring that act up to date. However, I would point out that if the provisions contained in the Financial Administration Act with regard to the agency were to have been included in that act, there would be no change in the management responsibility and the accountability that this government would be expecting of the various boards.

On a couple of other brief matters, which I was able to check over the break. The current agreement, the agreement that was referred to at some length by Mr. Orr, will not be compromised by the new Financial Administration Act. In fact, the new act enshrines the status quo for hospitals. The agreement would only require minor modifications relative to the borrowing limit which, as we know, is set by the act and requires FMB examination for approval. Boards are not agents unless they undertake to collect revenues on behalf of the government.

Finally, that boards will not have to change their reporting through the Minister. I believe the honourable Member mentioned that with this act we see the Minister of Finance and the Financial Management Board getting into the process but I would draw the Member's attention and those of the committee to clause 77 which we have not yet approved. But clause 77 says, "A public agency is ultimately accountable, through the appropriate Minister to the Legislative Assembly for the conduct of its affairs." So we would not be intruding another layer of interference or bureaucracy between the boards and this House, Mr. Chairman.

CHAIRMAN (Mr. Erkloo): Thank you. Further general comments. Part IX, public agencies. Clause 75, interpretation; appropriate Minister; board; expenditure; financial year; item; member of the board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 76, prohibition on incorporation, acquisition, disposal, dissolution and amalgamation of government corporations; subsidiaries of corporations owned by the government. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 77, accountability. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 78, directives; consultation; implementation; limitation; additional limitation; additional authority; reporting of directives. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 79, financial information. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 80, prohibition on borrowing; limit on borrowing. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 81, investment of a public agency's money; investment in other securities; exception. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 82, write-off of assets; debts or obligations; limitation; effect of write-off. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 83, forgiveness of debts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 84, reporting write-offs. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 85, bank accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 86, prohibition on guarantees and indemnities; effect of violation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 87, making of guarantee or indemnity; signing of guarantees and indemnities. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 88, interpretation; application; assignment of salary, wages or debt; exemption. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 89, financial duties of every board. Agreed?

SOME HON. MEMBERS: Agreed.

--Agreed

CHAIRMAN (Mr. Erkloo): Clause 90, duty of care of members of the board and officers; duty to comply; reliance on statements. Agreed?

SOME HON. MEMBERS: Agreed.

--Agreed

#### Concern Of Workers' Compensation Board

CHAIRMAN (Mr. Erkloo): Clause 91, corporate plans. Agreed? Mr. MacQuarrie.

MR. MacQUARRIE: Thank you, Mr. Chairman. When the bill was first introduced, I pointed out to the committee that I, as the chairman of the standing committee on legislation, had received a letter from the chairman of the Workers' Compensation Board and had copies of the letter distributed to Members. I indicated that it was a letter that came after the time the committee had reviewed the particular bill.

The Workers' Compensation Board had, at a meeting on April 1st, considered the impact of the Financial Administration Act that is being proposed here and felt concerned. First of all, let me say that they appreciated and approved of changes that had been made earlier in the act that they felt safeguarded the integrity of the accident fund. That should be noted. They were very happy with those provisions.

But, with respect to the sections that we are just coming into, sections 91 to 93, they had some concern about what the implications were for their board in particular. They raised some questions that I would like to hear the Minister answer. These appear in the second paragraph of the letter. I quote, "The board wonders what is intended by the act in the event that the Minister does not approve the corporate plan", and that will apply to section 91, "or the budgets. Will the board then be expected to revamp its plans and budgets to suit the Minister? Or will the Minister be able to impose a corporate plan upon the board and set a different budget?" And the final question in that paragraph is, "Should not the act be clear about these questions?" So, I will put the question directly to the Minister of Finance. What should happen?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

#### WCB Must Revamp Plans And Budget To Suit Minister

HON. TOM BUTTERS: Mr. Chairman, with reference to Mr. Moore's letter, the chairman of the Workers' Compensation Board, of April 3rd to Mr. MacQuarrie and the question contained therein, and I quote, "The board wonders what is intended by the act in the event that the Minister does not approve the corporate plan or budgets. Will the board then be expected to revamp its plans and budgets to suit the Minister?"

The manner in which the legislation appears before you would indicate, yes, that that would be the expectation. However, I would just point out that following the practice of the past, and the board has been in place for some eight, nine or 10 years with a Minister responsible for that board, I do not think that there has been any occasion in which the consultation and the working arrangements existing between the Minister responsible and the board has resulted in any argument of this nature. I think that, where there may have been a problem or would have been a problem, discussion and a co-operative relationship would ensure that the eventual plan and budget of the Workers' Compensation Board would be acceptable.

On the question, will the Minister be able to impose a corporate plan upon the board and set a different budget? I think that is a question related to keeping cows and giving milk yourself. There is not much use establishing a board of responsible and effective people and then teaching them how to suck eggs. I think they know that themselves.

AN HON. MEMBER: (Inaudible comment)

HON. TOM BUTTERS: Well, I was in Hay River on the weekend.

---Laughter

The cows are here and the chickens are in Hay River.

MR. MacQUARRIE: The chickens have gone home to roost.

HON. TOM BUTTERS: But the answer to the question is simply, "Yes."

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

MR. MacQUARRIE: I take the yes to mean that if there was that disagreement then the board would be expected to revamp its plans and budgets to suit the Minister. That is what the yes means. Is that correct, Mr. Minister?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, I believe that is what the provision in the legislation says. If you apply that, I think that is what it says.

CHAIRMAN (Mr. Erkloo): Mr. MacQuarrie.

MR. MacQUARRIE: Yes, I think that is what it says, too, Mr. Chairman, and if that is the case, it does raise some concerns for the board.

#### Workers' Compensation Act Gives Broad Powers To Board Itself

First of all, in the Workers' Compensation Act itself, in section 81, it seems that there are very broad powers given to the board in order to handle its affairs in the most judicious and effective way possible. I think that when that act was passed, the Assembly in passing it would have recognized that it is this Assembly that appoints the members to the board so that there is that kind of control over the board if it should begin to act in a manner that disturbed the Assembly, and that provision remained in place. In other words, this Assembly would always have that right and that power.

Then I think the board would also point to section 77, which was noted earlier, in which it says that a public agency is ultimately accountable through the appropriate Minister to the Legislative Assembly for the conduct of its affairs. The board has no quibble with that at all. In other words, they agree that that is precisely the way it should be, that that board is accountable to the Assembly that established it through an appropriate Minister. I think the board is suggesting that the power of appointment and that kind of requirement, that it is accountable to the Assembly, ought to be adequate control over the board. And I think they are not here to make the point, but I think one other point they would make if they were here to do so is to note that there is something different about their board, significantly different, from the many other boards and agencies that are established in the Northwest Territories.

The comptroller noted earlier that one reason this section is here and the boards and agencies are being made subject to government financial controls is for the reason that very significant amounts of government money are received and disbursed by these boards and agencies. But I would ask the Minister whether the funds that are under the control of the Workers' Compensation Board are not of a different nature. I think the answer would have to be "Yes", because that has been recognized in an earlier amendment to this act. In fact, the funds that they are dealing with are not public government funds but rather funds in trust raised through the assessments of employers. If that is true, then is that not sufficient reason, perhaps, to make some distinction in the reporting and approval requirements of this board and the other boards and agencies that are established by this government?

CHAIRMAN (Mr. Erkloo): Mr. Minister.



HON. TOM BUTTERS: Mr. Chairman, as the Member alludes, his committee and the committee of his colleague, the honourable Member for Mackenzie Delta, did indicate in their review of the Financial Administration Act that the word "approved" should be included in certain subsections of 91. Possibly, as the Member indicates, they were considering other boards, other agencies, except and beyond that of the Workers' Compensation Board.

Government Does Not Provide Moneys To Workers' Compensation Board

The Member makes a very good point. Obviously the funds that are being managed and administered by the Workers' Compensation Board are not moneys provided to that board directly by this government. Obviously, as a major employer we make a contribution, but the funds are funds held in trust by the board chosen by Commissioner in Council.

In view of the fact that there is this trust arrangement for the people in the Northwest Territories, it might be very valuable to have, if not a check, at least a bit of an opportunity for government to be involved in the direction in which the corporate plans and the budgets are moving. I am not saying that that involvement is a managerial requirement for involvement. Government is being involved in the manner in which the board is operating at the present time through a Minister to this Assembly.

As I say, for the last eight or 10 years, I do not think there has been any problem in that particular process and arrangement. So I do not feel that the involvement of government is necessarily going to put the management of that body at risk or that they will run off with the moneys it holds in trust for the people of the Northwest Territories.

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

MR. MacQUARRIE: Yes, the Minister noted the government's role as an employer and noted that it is a substantial contributor on the basis of the assessments which it has as an employer, but noted that for that reason perhaps the government should have a voice. But there are other employers as well, who are making contributions, and do not have that kind of voice over the control of the board. And the real question, I think, is, if this Assembly ensures that competent people are appointed to the board, that in legislation there are clear parameters as to how they are to operate and there is a requirement that they report to the Assembly as a whole, it does seem to me that that is adequate governance over the operations of the Workers' Compensation Board and its fund. I have not really heard anything from the Minister that would persuade me otherwise.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: The Workers' Compensation Act, I believe, is very thin on details as regarding the financial management responsibility that is expected of the board. I would expect that if it removes itself from or if reduces its accountability in this act, then it could be that the act under which it functions may have to be amended or rewritten.

I would point out, too, that we have examined the Workers' Compensation Boards in the provinces and have found that there is no standard process. There is a variety of approaches and maybe I would ask Mr. Nelson to provide the committee with the result of that research. I would indicate to the committee, as well, that the government seeks direction of the committee. We believe that the operation we have put before you in this legislation is workable and will not restrict the Workers' Compensation Board in carrying out its responsibilities. We do not feel that any Minister would have the temerity to interfere with the current operation of the board. It is probably the most successful board in Canada, and who is going to quibble with success? I think we would expect, and the people we represent, in the sense of the people of the Northwest Territories, that they do provide good management, they do provide a corporate plan and they do provide a credible and acceptable budget. But possibly Mr. Nelson might comment on the results of some of our research.

CHAIRMAN (Mr. Erkloo): Mr. Nelson.

Involvement Of Provinces In Workers' Compensation Boards

MR. NELSON: Thank you, Mr. Chairman. In reviewing the various workers' compensation board acts across the provinces, we did find that there was very little consistency. In some of the provinces, like British Columbia, there is significant tie-in with the provincial Department of

Finance, for example with respect to the operation of their fund. In Alberta there is, again, the provincial treasurer, who is involved highly in the investment and management of their fund. In Manitoba there is significant interference in not only the operation of the fund but in operating the day to day budgetary management of the organization. So there is no basic consistency across the provinces.

The intent of sections 91 to 93 is not to interfere with the operation nor the control of the trust administration of the fund. They are simply to provide the Minister responsible with the authority to approve their operating plans and their budgets. This issue was raised at the standing committees, the joint committees on legislation and finance, and indeed they even recommended that we add the word "approved" in one of the sections to ensure that where changes were made they were made from an approved plan. In no way will this interfere in the administration of the trust nature of the fund. It simply gives the Minister responsible the authority to approve the corporate plan.

HON. TOM BUTTERS: Just before I shut the mike off, Mr. Chairman, I wish to indicate that the same argument that is being made by the honourable Member could be made for the provinces with regard to moneys in trust. But as Mr. Nelson has indicated, there is a much greater degree of involvement by government in BC, Alberta and Manitoba. What we are suggesting here is not an intrusion on the board's responsibility or its expectation to provide professional and adequate management of its funds.

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

MR. MacQUARRIE: Yes, I guess that is a matter of judgment as to whether it is or not and my judgment differs once again, as it seems to from time to time, with the honourable Minister. He says he thinks that no Minister would ever have the temerity to intrude on the operation. I am afraid I do not have the same confidence that he has.

I should note that other sections would still require financial management procedures be in place -- you know, the duties of every board: ensure the financial statements of the public agency are prepared, establish the form and content of financial records and accounting systems in accordance with accepted accounting principles, and so on. There still would be many financial management procedures that would apply, but the particular concern here is with a corporate plan and with the annual budget and so the serious question does arise: What happens if there is a difference between the Minister and the board?

It would appear if this legislation were passed that the Minister would compel the board to alter its budget or to change its corporate plan and yet under the legislation for the Workers' Compensation Act and an earlier section in this act, the board is accountable to the Legislative Assembly as a whole. It has no problem with the fact that it should be so. I do not know. I personally, having heard the arguments, am still sympathetic to the point of view of the Workers' Compensation Board. And so, Mr. Chairman, I would like to move an amendment to section 91.

Motion To Amend Clause 91, Bill 9-87(1)

Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended as follows: 1) by adding immediately after the word "corporation" in line 29 of subsection 91(1) the following: "other than a territorial corporation named in Schedule C"; and 2) by adding immediately after subsection 91(6) the following subsections: "(7) A territorial corporation named in Schedule C shall annually submit a copy of its corporate plan to the appropriate Minister. (8) The appropriate Minister shall lay a copy of the corporate plan named in subsection (7) before the Legislative Assembly at the first opportunity following the receipt of the corporate plan."

CHAIRMAN (Mr. Erkloo): Thank you. Can I have a copy of your motion, please? Could you read your motion again, please?

MR. MacQUARRIE: Mr. Chairman, I move that Bill 9-87(1), An Act Respecting the Financial Administration of the Government of the Northwest Territories and Public Agencies, be amended as follows: 1) by adding immediately after the word "corporation" in line 29 of subsection 91(1) the following: "other than a territorial corporation named in Schedule C"; and 2) by adding immediately after subsection 91(6), the following subsections: "(7) A territorial corporation

named in Schedule C shall annually submit a copy of its corporate plan to the appropriate Minister. (8) The appropriate Minister shall lay a copy of the corporate plan named in subsection (7) before the Legislative Assembly at the first opportunity following the receipt of the corporate plan."

CHAIRMAN (Mr. Erkloo): Thank you. To the motion. Mr. MacQuarrie.

MR. MacQUARRIE: Yes, I think in raising some of the questions that I did earlier, in a sense I was speaking to the motion. I was listening to the Minister's responses to the questions and I just felt that the request that the Workers' Compensation Board had made in this respect was a reasonable one. I feel that if this procedure were to be followed, in fact the Workers' Compensation Board is still answerable to the Legislative Assembly through a Minister and there would be adequate control over the board. The board would still obviously be subject to various financial management procedures and that would be acceptable to them. So, as I said, I said those things before putting the motion, so I will not speak further to it, Mr. Chairman.

CHAIRMAN (Mr. Erkloo): Thank you. To the motion. Mr. Butters.

HON. TOM BUTTERS: Thank you, Mr. Chairman. Our committee is fortunate in that it has, among its Members, an Executive Council Member who served for two years as the Minister responsible for the Workers' Compensation Board. I think it would probably be beneficial if we might give him an opportunity to speak with regard to the process and maybe even make some comments on the motion before us. Mr. Chairman, I think Mr. Wray would make a valuable contribution to this debate.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. I am not sure of the effects of this motion and I will require some clarification from legal counsel but I think the intended effect, at least from the Workers' Compensation Board side, is to remove as much Executive interference as possible and do an end run on the Government of the Northwest Territories and go direct to the Legislature, knowing that the Legislature sits very infrequently and that it would not be inclined to get involved in the management of the Workers' Compensation Board. Whereas a Minister, although by practice when he is in charge has not interfered, will subject to great scrutiny anything that the Workers' Compensation Board does follow through because of its management responsibilities.

#### Workers' Compensation Board Surplus Could Be Depleted

I think that the only thing that has given the Workers' Compensation Board the courage to even propose something like this, which is not done anywhere else, is the fact that they have, at the present time, a surplus of funds. In nearly every other jurisdiction -- I think Saskatchewan is the only other one in the lucky position like the NWT -- the Workers' Compensation Board lives and is operated on through government appropriations, simply because their money coming in is a lot less than their money going out. That situation will eventually occur in the Northwest Territories as the territorial population grows and, in fact, it would not take much to wipe out what some people regard as a giant surplus. One or two or three major accidents could very seriously deplete the Workers' Compensation Board to the point where, in fact, they would then require appropriations through the Legislature and through the budget process -- money to keep functioning.

However, I think we may be approaching a very dangerous precedent here and that is to get the Legislature involved in the management on a daily basis of a government crown corporation, which I do not think the Member intends, and I certainly do not think that this Legislature wants to get involved itself in the management of the various government crown corporations. This is the first one, but others may, if this goes through, be encouraged to try the same route. I think the Legislature is much happier to see a Minister in charge of something; then at least they can go after the Minister.

I would not know how this scheme would work because all this says is that the appropriate Minister shall lay a copy of the corporate plan named in subsection (7) before the Legislative Assembly. Does that mean that the Minister cannot tamper with it, that he cannot direct the Workers' Compensation Board, for example, to change its corporate plan? Does it mean that the Legislature could direct that the corporate plan be changed? Does it mean that the chairman of the Workers' Compensation Board will report directly to the Legislature and not to the Minister?



I will give you an example. When I was Minister, the Workers' Compensation Board came to me and wanted to build their own building here in Yellowknife. I turned down the request on the basis that until division was settled, why should money which essentially is a tax appropriated from employers be used to build a building in Yellowknife when we do not know if there are going to be two territories and two different Workers' Compensation Boards? If this goes through, I question whether or not I would have even had that right. The Workers' Compensation Board could have gone ahead and built their building without anybody saying anything.

WCB Funded By Tax On Employers

There has to be somebody. There has to be a check and a balance on the management of the Workers' Compensation Board, because what they are essentially doing is taxing employers to provide for a fund. I think the vast majority of people out there want the government to make sure that that trust is not abused. For example, if the Workers' Compensation Board makes a decision tomorrow that it is going to go out and acquire a million dollars worth of computers and a charge to the employers has to be increased to buy these computers, does this motion now mean that we have no longer any say in that? Does it mean that they are operating completely independently, without any direction from the government or from the Legislature?

So I have some really serious questions on this motion as to what the effect would be. I just wonder if Mr. Nelson or Mr. Orr could give me some clarification on what kind of scrutiny or what kind of authority this would give to the WCB. Would they in fact not have to get anybody's approval any more?

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

HON. TOM BUTTERS: Mr. Chairman, it is quite difficult for legal counsel to comment on an amendment he did not draft. I will ask Mr. Orr to make some response, but the committee will have to recognize that fact. He does not know the intent of the drafter. I guess he can give his best interpretation, but that is what it is, it is his interpretation.

CHAIRMAN (Mr. Erkloo): Mr. Orr.

MR. ORR: Mr. Chairman, with that disclaimer on the record, I see one problem. Well, it is actually two that are related. The first is that it is unclear whether the Workers' Compensation Board has to follow its own corporate plan. Yet, I think, the intention of the motion is to remove the need for approval of that corporate plan. But once it is prepared, it is unclear whether or not it has to be followed.

There is a provision in the section now, subsection (5), that says that no territorial corporation shall carry on any business in any period in a manner that is not consistent with the last approved corporate plan or an amendment to it, the intention there being that, once the plan is prepared and approved, it has to be followed. Since this plan does not have to be approved, it could perhaps be argued that subsection (5) does not apply, in which case there is no requirement to follow the plan and then it might be a useless exercise.

The other issue is subsection (6) that talks about where a corporation proposes to carry on business that is inconsistent with its plan, it has to submit an amendment to the appropriate Minister for approval. This motion does not affect that subsection, so it could be argued that the original plan does not need approval but any amendment to it does need approval.

Those are uncertainties that should perhaps be resolved if the motion passes. But, as to the question of whether the Assembly has any control over the corporate plan in this instance, I do not think that that was the intention of the motion. It does not say, "for approval of the Assembly". So that, if the Assembly disagreed with it, I imagine the most they could do is either make a motion recommending a change to it or revoke all the appointments to the board.

---Laughter

Thank you, Mr. Chairman.

CHAIRMAN (Mr. Erkloo): Thank you. To the motion. Mr. MacQuarrie.



Present Authority To Overrule WCB Decision

MR. MacQUARRIE: Yes, thank you. The Minister formerly responsible for Workers' Compensation Board indicated that at one point the board had intended a particular action -- namely, the building of a building -- and the Minister overruled that intention. Without getting into the merits of whether he ought to have or not, and that may be the very point in question, but without getting into that, could I ask under what authority the Minister overruled the decision? In other words, where is the legal authority presently that enables a Minister to make that kind of decision? That is not a trick question; I would just like to know where that is.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: Is the question directed at me, Mr. Chairman? I am not sure on what authority the decision was made. I could probably look around and dig up one for you, though.

---Laughter

MR. RICHARD: (Inaudible comment)

CHAIRMAN (Mr. Erkloo): Mr. MacQuarrie.

MR. MacQUARRIE: Yes, I would appreciate the Minister and his staff digging around and finding out. Because my point is that if there is some legal provision now that enables the Minister to do that, then I do not think my amendment necessarily takes that away or overturns it. So I would appreciate that being examined more closely.

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

HON. GORDON WRAY: Just for the committee's information, I really do not know under what authority I did it, I just did it.

---Laughter

Put it this way. I told them I would not support it and if they wanted to go ahead with it, they were going to have to fight me every step of way. So they made the decision that they were not going to proceed with it.

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

MR. MacQUARRIE: Yes, that is not legal authority. That is political authority. Political power. And that would still exist in this instance if these amendments went through, as far as I can see, that the board and its chairman are relating to the Assembly through a Minister and I am sure there will be all kinds of discussion and interplay before final decisions were made, Mr. Chairman.

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

HON. TOM BUTTERS: With respect, I think the Member is not correct in that interpretation of his amendment or to the act. I believe that it is quite clear that he has emasculated a Minister in this case and removed him from the process. It is interesting, too, that the person who has been removed from the process is an elected individual and we are giving to appointees the power, who have no responsibility to the electorate, a power we do not have ourselves.

CHAIRMAN (Mr. Erkloo): To the motion. Mr. MacQuarrie.

MR. MacQUARRIE: Well, I still would appreciate that the earlier question that I raised be answered, because it is a significant one. Given the present legislation, where is the legal authority for a Minister to make management determinations for boards? I am not saying it does not exist; as I said, it is no trick question. I am just asking somebody to enlighten me if there is that kind of authority.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, I have discussed with legal counsel the potential authority and he is not personally aware in our statutes regarding such authority so, rather than have him answer on the basis of something less than 100 per cent assuredness of his reply, would you give us a couple of minutes for a quick look for the pertinent section?

CHAIRMAN (Mr. Erkloo): Mr. Wray.

HON. GORDON WRAY: Thank you. Just for the information of the committee Members, I know that when I was a Minister, and I know under Mr. McLaughlin, and I am probably speaking for Mr. McCallum...

MR. McCALLUM: I never had that one.

HON. GORDON WRAY: I thought Mr. McCallum had the WCB but I know certainly under me and Mr. McLaughlin, our rule was that the Workers' Compensation Board is working so well, do not interfere with it. If it is not broken, do not fix it and that was the relationship that we had. We also had an extremely good relationship with the board and on the subject of the building, it was not an acrimonious debate whatsoever. We discussed it and I gave them my position and they accepted that; they understood the political reasoning behind that type of decision.

#### WCB Well Managed

It was very rare that I would even question the administrative practices of the board because they are so well managed. But it was still my prerogative to see their budget and their plan and to make comments on it and I cannot remember ever going out of my way to pinpoint something and say, "Well, you have to get rid of that." It was mostly in the form of recommendations to them. Maybe Mr. MacQuarrie does not have confidence in the Ministers that he elects, but I have to have confidence in the Ministers that come after me, that if the board is running properly and they can explain their actions and explain their decisions and explain their corporate plans and their budgeting, I cannot see any reason why somebody would want to interfere with something that may cause them political problems when, in fact, no problems exist.

The only thing I can think of, and what is driving this motion -- and it is coming out of the Workers' Compensation Board -- is that from time to time in this Legislature and in the news you will hear talk about politicians and people trying to get their hands on this large workers' compensation fund, and the Workers' Compensation Board probably figures that if they can do this end run on the government, then they are protecting their fund even more. I can only presume or assume that that is what they are thinking. I really do not understand that, because the money is appropriated in trust and I cannot see why any government would want to take that money and cause itself all kinds of problems without the appropriate checks and balances. I really do not know why this is coming up. For the very simple reason is that nothing has. Everything has worked fine up until now and, as I say, if it is not broken, why fix it?

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

#### Provision With Regard To Authorization

HON. TOM BUTTERS: Mr. Chairman, we have found a provision which currently applies with regard to authorization. Before I ask Mr. Orr to speak, I would point out that when you hear the phrase, you will realize that when we say that, we are giving the boards more fiscal responsibility than they had before, not only the boards but agencies as well in the management of the public affairs. But maybe Mr. Orr could read the particular provision.

CHAIRMAN (Mr. Erkloo): Mr. Orr.

MR. ORR: Thank you, Mr. Chairman. The provision is currently in the Financial Administration Act. It is subsection 28(1). I will read it out for the benefit of the committee. There is something similar to it in the bill before this committee but it is narrower in the current bill. The provision now reads, "The senior financial officer may prohibit the payment of any disbursement." Disbursement is defined in the interpretation section as including a payment made by a territorial agency. Territorial agency is defined in such a way as to include the Workers' Compensation Board. So the current provision allows the senior financial officer, a non-elected official, the power to prohibit any payment that the Workers' Compensation Board wishes to make.

Now, I should point out that there is an appeal but that appeal is to the Financial Management Board and the decision of the Financial Management Board is final. Now the difference with the bill before this committee is that this power applies only to government expenditures and that this power was narrowed so that it did not cover payments made by agencies like the Workers' Compensation Board, the control there being on budgets generally. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you. To the motion. Mr. MacQuarrie.

MR. MacQUARRIE: Is the board now required to submit a corporate plan and a budget to the Minister each year?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: At the present time, no. But I think I indicated earlier that we feel that the existing act is deficient in the accountability factor and that if there were to be a separate act for the Workers' Compensation Board alone, it would have to be beefed up in terms of accountability and fiscal responsibility. Maybe Mr. Nelson might add something that I have neglected to cover.

CHAIRMAN (Mr. Erkloo): Mr. Nelson.

MR. NELSON: Thank you, Mr. Chairman. As I understand, under the current act there are very narrow provisions with respect to financial accountability for the Workers' Compensation Board, and there is no specific reference or requirement for a corporate plan. There is a requirement for an audited annual report.

CHAIRMAN (Mr. Erkloo): Thank you. To the motion. Mr. MacQuarrie.

MR. MacQUARRIE: Could I ask whether the provision that was noted by Mr. Orr has been applied regularly to the functioning of the Workers' Compensation Board, or was that another provision that nobody knew about and has not really been applied even though technically it was there?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, it has never been used. It is like the situation with regard to the Minister reporting to the House for the board. The board's activities are not interfered with.

Motion To Amend Clause 91, Bill 9-87(1), Defeated

CHAIRMAN (Mr. Erkloo): Thank you. To the motion. Question has been called. All those in favour? Opposed, if any? The motion is defeated.

---Defeated

Clause 91, corporate plans; scope of corporate plan; contents of corporate plan; form of corporate plan; restriction on business or activity; amendment to corporate plan. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 92, operating budget; scope of operating budget; form of operating budget. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 93, capital budget; scope of capital budget; approval of multi-year items; form of capital budget; restriction on capital expenditures or commitments. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 94, amendment to budgets. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 95, effect of approval of corporate plan, operating budget and capital budget. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 96, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 97, financial statements; application. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 98, annual audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 99, auditor; report of auditor; powers of auditor. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 100, when annual report to be submitted; tabling of annual report of territorial corporations. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 101, public money not accounted for; service of notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 102, statement of account; evidence. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 103, liability for lost public money; recovery of lost public money. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed



CHAIRMAN (Mr. Erkloo): Clause 104, where public property lost or destroyed. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 105, offences. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 106, offence. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Part XI, miscellaneous. Clause 107, regulations. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 108, repeal. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 109, transitional. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 110, commencement. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Part XII, consequential amendments. Clause 111, reference to "senior financial officer". Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Arctic College Act. Clause 112. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 113. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 114, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 115, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Business Loans and Guarantees Act. Clause 116. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 117, authorization to pay out of consolidated revenue fund. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 118, funding. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Civil Emergency Measures Act. Clause 119, disaster expenditures. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed.

CHAIRMAN (Mr. Erkloo): Commissioner's Land Act. Clause 120, interest. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Education Act. Clause 121, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 122, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 123, limit on authority to borrow. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 124, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 125, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Income Tax Act. Clause 126. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 127, rights and duties of administration. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 128, prima facie validity of certain documents. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 129, issue or execution of documents where collection agreement exists. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 130, Minister's powers where agreement exists. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Interpretation Act. Clause 131, duties, fines, etc., to be paid to comptroller general. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Labour Standards Act. Clause 132, annual report; audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Legal Services Act. Clause 133, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 134, annual report of board. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Legislative Assembly and Executive Council Act. Clause 135, responsibility of Executive Council. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Liquor Act. Clause 136, liability of board members. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 137, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 138, annual report of commission. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 139. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Matrimonial Property Act. Clause 140, payment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Northwest Territories Energy Corporation Act. Clause 141. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 142, issuing of securities. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 143, bank accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 144, investments in energy utilities. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 145. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed



CHAIRMAN (Mr. Erkloo): Northwest Territories Housing Corporation Act. Clause 146, liability. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 147, limit on authority to borrow or guarantee. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 148, guarantee of the Government of the Northwest Territories. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 149. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 150. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 151, advances to corporation; grant in respect of the deficit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 152. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 153. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 154, bank accounts. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 155, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 156, annual report; tabling of annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Petroleum Products Tax Act. Clause 157, disposal of seized articles. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 158. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Public Service Act. Clause 159. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Public Service Garnishee Act. Clause 160, service of summons. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 161, limitation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 162, exemption from attachment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Public Trustee Act. Clause 163, investment in securities for distribution. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 164, how special reserve fund held. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 165, moneys in fund may be invested. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 166, guarantee. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 167, source of payments. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 168, idem. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 169, accountable advance. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Public Utilities Income Tax Rebate Act. Clause 170, tax rebates. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 171. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 172. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Science Institute of the Northwest Territories Act. Clause 173. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Student Financial Assistance Act. Clause 174. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 175. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 176. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 177, funding. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 178. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Taxation Act. Clause 179, interest. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Territorial Hospital Insurance Services Act. Clause 180, payments in respect of insured service. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 181, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 182. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 183, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 184, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 185, liability. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Tobacco Tax Act. Clause 186, registration of dealers. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed



CHAIRMAN (Mr. Erkloo): Clause 187, where permit to be kept. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed.

Motion To Extend Sitting Hours, Carried

MS COURNOYEA: Mr. Chairman, I move that we extend hours to conclude the matter of business that we are addressing at this time.

CHAIRMAN (Mr. Erkloo): There is a motion on the floor. All those in favour? Opposed, if any? The motion is carried.

---Carried

Clause 188, cancellation, suspension and refusal to issue permit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 189, investigation. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 190, assessment. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 191, notice. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 192, application. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 193, documents. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 194, collection of tax unaffected by pending appeal. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 195, consumer liable until tax paid. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 196, notice to taxpayer before proceedings taken. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 197, summary proceedings. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 198, demand on third party. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 199, discharge on liability. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 200, injunction. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 201, penalty and interest. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 202, security deposit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 203, failure to remit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 204, amount of tax. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 205, certificate. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 206. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Workers' Compensation Act. Clause 207, where fund depleted. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 208, board may borrow. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 209, audit. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 210, annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Clause 211, tabling of annual report. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Schedule A. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Schedule B. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Schedule C. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Mr. MacQuarrie.

Ministerial Involvement In Workers' Compensation Board's Corporate Plan And Budget

Mr. MacQUARRIE: Yes, thank you, Mr. Chairman. Just before we go to the bill as a whole, I would like to ask the Minister and perhaps through him, the legal counsel, to point out first of all, that when we are talking about the WCB corporate plan and budget, we are talking about such things as the assessments that they make, the rates of assessments; pension payments; their investments and that sort of thing, at least as I understand it. All of these are matters that they have to deal with and presently subsection 8(1) says that it is up to them to make determinations in respect of all these matters.

So, what I am asking the Minister is, does it appear, then, that if the board has made determinations in respect to these matters and includes them in their corporate plan in the budget, that the Minister may not approve them? The indications seemed to be earlier that the Minister

could compel the board to make changes in the corporate plan. It seems to me that at that point, the board might refuse to make any changes and I am not clear on where it would go from that point on. The board is not necessarily compelled to submit a revised corporate plan, I guess. They say we submitted a corporate plan in a budget.

I would just like that clarified and if that is the case, if the Minister has that kind of authority, there are other places in this act where, when it came to some rather important decisions, rather than leaving it with a single Minister, the Financial Management Board was brought into the picture. I am just wondering whether that could not or should not be the case with respect to these matters. First of all, am I wrong in assuming that those are matters which the Minister might have overruled?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, I will ask Mr. Orr to speak in a minute in response to the Member's question but, obviously, the level of detail that the Minister may or may not wish to examine now has increased over what occurred in the past. I would assume and we have heard the previous Minister responsible for the board indicate, that the process has been that the board proposes and ministerial involvement has been minimal and I do not think that that would change in the future because we have an excellent board. As the Minister indicated, the board has managed its investments and the money is held in trust in a very admirable and professional manner and I believe I heard Mr. Wray say, "If it is not broke, do not fix it." I think that this would be the attitude of any Minister in dealing with the board.

There was one other question with regard to the involvement of the Financial Management Board in this matter as it occurs in the case of some agencies, as I understand it, or recollect, the Workers' Compensation Board did not wish to see the Financial Management Board involved. It wishes the same process, I think, that its particular interests and requirements would be made through a Minister to this Assembly, but possibly Mr. Orr might address the question more specifically.

CHAIRMAN (Mr. Erkloo): Mr. Orr.

MR. ORR: Thank you, Mr. Chairman. I will just speak to the last point unless there is some other legal issue that the honourable Member wishes me to address. Previously there had been some discussion with the Workers' Compensation Board about the idea which had previously been considered and this was in line with the federal Financial Administration Act, that the Executive as a whole, in this case the Financial Management Board, be involved in approving corporate plans and budgets. The Workers' Compensation Board simply did not want that and at the time preferred to have only their own Minister approve it. The idea being that their own Minister might be persuaded of plans that they had, whereas there might be other Ministers who might not be supportive, that they would only need the one Minister's approval, rather than the majority of the FMB. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Erkloo): Mr. MacQuarrie.

#### Details Of Corporate Plan And Budget

MR. MACQUARRIE: There was one other part of the question that I think Mr. Orr could answer with the Minister's permission and that is; would it be Mr. Orr's opinion that investments, assessment rates and pension payments all would be part of a corporate plan and a budget and therefore subject to a Minister's override?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. TOM BUTTERS: Maybe, Mr. Chairman, we could have both our witnesses respond. It seems to be a legal/financial matter so maybe Mr. Nelson might respond to budgets or assessments or whatever was mentioned.

CHAIRMAN (Mr. Erkloo): Mr. Nelson.

MR. NELSON: Yes, Mr. Chairman. I guess a general description is, a corporate plan can be whatever the Minister wishes it to be as long as it fits a model that the auditors can use this act to evaluate. Generally, I would expect it to be a very high level plan that would set out things such



as what the corporation plans to accomplish in the year, which would sort of relate to some investment strategy in big dollars. It would have probably outlined the kinds of volumes of business that it expects to have before it, such as a number of workers that could be injured and so forth and, again, in large numbers.

The details of the budgeting process, I would expect to see the Workers' Compensation Board deal with its own administration. All these details then would wrap up into the corporate plan and the assessment rates would sort of fall out of this whole process. I think what the Minister will probably be looking at would be the rate of change of that rate as opposed to all the details of how that rate was developed and determine whether or not it would be, I suppose, politically and administratively feasible.

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

MR. ORR: Thank you, Mr. Chairman. I do not have much to add to what Mr. Nelson has informed the committee except to say that again it depends on the level of detail that goes into these things. The corporate plan is something that is meant to be very general: strategy as opposed to tactics, if I might use that analogy. What the act was drafted for, as far as the corporate plan was concerned, is to force these corporations to think in terms of the coming year and what it hopes to accomplish, generally speaking, not on a minute level but on a broad level.

The operating budget and capital budget is again meant to be something that is to be quite general as opposed to specific expenditures of the agency. But, of course, the Minister might wish the plan to be or the budgets to be much more detailed and then there would have to be some negotiation, I suppose, and then the question comes down, would the Minister approve a plan or budget that did not have a lot of detail? I think it is the intention of the government that these things be fairly general. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Erkloo): Thank you. Any more general comments? Short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): The bill as a whole, as amended. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Does the committee agree that Bill 9-87(1) is now concluded and ready for third reading? Agreed? Mr. Butters.

Financial Administration Act Result Of Four Years Work

HON. TOM BUTTERS: Mr. Chairman, this is a major accomplishment. It is the end result of some three or four years work and anyone reading the debate record this afternoon would assume that we just breezed through this document and that is entirely untrue. I would like to use the opportunity to thank the chairman of our standing committee on legislation, the chairman of the standing committee on finance, the chairman of public accounts and the many Members who sat in that joint session and went through this bill clause by clause for, I think, three interminable days. So it has had a great deal of examination before coming to this committee of the whole and I thank all the Members of the House who very patiently went through the bill with our government officials.

While I am speaking about officials, I would like to thank the comptroller general who has been working on this for some three and a half, four years; and legal counsel, Patrick Orr, who deserves a great deal of credit for his patience and good humour while he put this act together and amended it in accordance with the direction that he received from our various committees. I would also like to thank Jim Winsor and Fred Barrett from the Department of Finance, who also contributed to this process. I think we have done quite a fine job of work. So thanks everybody to you all.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Minister. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, I also would like to, as a part of the legislation committee, express my appreciation for the time and effort that the chairman of the legislation committee has put into this. I would like to remind everyone, as the Minister did, that we did not only go clause by clause but the chairman was very patient in reading every word of every clause, which was translated into the languages. Certainly this requires a great deal of patience and I would say that personally, I realize it is a long tedious task. But certainly, to the chairman of the legislation committee, I certainly appreciate his patience and the time put into going over this very important part of our legislation. Thank you, Mr. Chairman.

---Applause

CHAIRMAN (Mr. Erkloo): Thank you. Does the committee agree that Bill 9-87(1) is now ready for third reading as amended?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Erkloo): Thank you. I want to thank the Minister and his witnesses at this time. I will rise and report progress.

MR. SPEAKER: Order, please. Mr. Erkloo.

ITEM 18: REPORT OF COMMITTEE OF THE WHOLE

REPORT OF COMMITTEE OF THE WHOLE OF BILL 9-87(1), FINANCIAL ADMINISTRATION ACT

MR. ERKLOO: Mr. Speaker, your committee has been considering Bill 9-87(1), Financial Administration Act, and we wish to report that nine motions were adopted. Further, Mr. Speaker, I wish to report that Bill 9-87(1) is now ready for third reading as amended.

Motion To Accept Report Of Committee Of The Whole, Carried

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

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

SOME HON. MEMBERS: Agreed?

---Carried

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

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker, there will be a caucus meeting tomorrow morning at 9:30 a.m.

ITEM 20: ORDERS OF THE DAY

Orders of the day for Tuesday, June 9th, 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: Bill 5-87(1); Fourth Report of the Standing Committee on Public Accounts; Bill 12-87(1)
18. Report of Committee of the Whole
19. Third Reading of Bills
20. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Tuesday, June 9th at 1:00 p.m.

---ADJOURNMENT

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