



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

1st Session

10th Assembly

HANSARD
Official Report
DAY 10

TUESDAY, FEBRUARY 14, 1984

Pages 275 to 309

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

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

Speaker

The Hon. Donald M. Stewart, M.L.A.
P.O. Box 1877
Hay River, N.W.T., XOE ORO
Office (403) 874-2324
Home (403) 874-6560
Office (403) 873-7629 (Yellowknife)
(Hay River)

Angottitauruq, Mr. Michael, M.L.A.
Gjoa Haven, N.W.T.
XOE 1JO
Phone (403) 360-7141 (Hamlet Office)
(Kitikmeot East)

Appaqaq, Mr. Moses, M.L.A.
Sanikiluaq, N.W.T.
XOA OWO
Office (819) 266-8860
Home (819) 266-8931
(Hudson Bay)

Arlooktoo, Mr. Joe, M.L.A.
Lake Harbour, N.W.T.
XOA ONO
Phone (819) 939-2363
(Baffin South)

Ballantyne, Mr. Michael, M.L.A.
P.O. Box 1091
Yellowknife, N.W.T.
X1A 2N8
Office (403) 873-8093
Home (403) 873-5232
(Yellowknife North)

Butters, The Hon. Thomas H., M.L.A.
P.O. Box 908
Yellowknife, N.W.T.
X1A 2N7
Office (403) 873-7128
Home (403) 920-4411 (Yellowknife)
(403) 979-2373 (Inuvik)
(Inuvik)
Minister of Finance and Government
Services

Cournoyea, The Hon. Nellie J., M.L.A.
P.O. Box 1184
Inuvik, N.W.T.
XOE OTO
Office (403) 873-7959
Home (403) 979-2740
(Nunakput)
Minister of Renewable Resources and
Information

Curley, The Hon. Tagak E.C., M.L.A.
P.O. Box 36
Rankin Inlet, N.W.T.
XOC OGO
Office (403) 873-7139
Home (819) 645-2951
(Aivilik)
Minister of Economic Development and
Tourism

Erkloo, Mr. Elijah, M.L.A.
Pond Inlet, N.W.T.
XOA OSO
Phone (819) 899-8845
(Foxe Basin)

Gargan, Mr. Samuel, M.L.A.
P.O. Box 2131
Yellowknife, N.W.T.
X1A 2P6
Office (403) 873-7999
Home (403) 699-3171
(Deh Cho)

Lawrence, Mrs. Eliza, M.L.A.
P.O. Box 2053
Yellowknife, N.W.T.
X1A 1W9
Office (403) 920-8052
Home (403) 873-2457
(Tu Nedhe)

MacQuarrie, Mr. Robert, M.L.A.
P.O. Box 2895
Yellowknife, N.W.T.
X1A 2R2
Office (403) 873-7918
Home (403) 873-8857
(Yellowknife Centre)

McCallum, Mr. Arnold, M.L.A.
P.O. Box 685
Yellowknife, N.W.T.
X1A 2N5
Phone (403) 872-2246
(Slave River)

McLaughlin, The Hon. Bruce, M.L.A.
P.O. Box 555
Pine Point, N.W.T.
XOE OWO
Office (403) 873-7113
Home (403) 393-2226
(Pine Point)
Minister of Health and Social Services

Nerysoo, The Hon. Richard W., M.L.A.
P.O. Box 1320
Yellowknife, N.W.T.
X1A 2L9
Office (403) 873-7112
Home (403) 873-5310
(Mackenzie Delta)
Government Leader and Minister of Justice
and Public Services

Paniloo, Mr. Pauloosie, M.L.A.
Clyde River, N.W.T.
XOA OEO
Phone (819) 924-6220 (Hamlet Office)
(Baffin Central)

Patterson, The Hon. Dennis G., M.L.A.
P.O. Box 310
Frobisher Bay, N.W.T.
XOA OHO
Office (819) 979-5941
(403) 873-7123
Home (819) 979-6618
(Iqaluit)
Minister of Education

Pedersen, Mr. Red, M.L.A.
Coppermine, N.W.T.
XOE OEO
Phone (403) 982-5221
(Kitikmeot West)

Pudluk, Mr. Ludy, M.L.A.
P.O. Box 22
Resolute Bay, N.W.T.
XOA OVO
Phone (819) 252-3737
(High Arctic)

Sibbeston, The Hon. Nick G., M.L.A.
P.O. Box 560
Fort Simpson, N.W.T.
XOE ONO
Office (403) 873-7658
Home (403) 695-2565
(Deh Cho Gah)
Minister of Local Government

Sorensen, Mrs. Lynda, M.L.A.
P.O. Box 2348
Yellowknife, N.W.T.
X1A 2P7
Office (403) 873-7920
Home (403) 873-5086
(Yellowknife South)

T'Seleie, Mr. John, M.L.A.
Fort Good Hope, N.W.T.
XOE OHO
Phone (403) 598-2303
(Sahtu)

Wah-Shee, Mr. James, M.L.A.
P.O. Box 471
Yellowknife, N.W.T.
X1A 2N4
Office (403) 873-8099
Home (403) 873-8012
(Rae-Lac La Martre)
Deputy Speaker

Wray, The Hon. Gordon, M.L.A.
Baker Lake, N.W.T.
XOC OAO
Office (403) 873-7962
Home (819) 793-2700
(Kivallik)
Minister of Public Works

Officers

Clerk
Mr. David M. Hamilton
Yellowknife, N.W.T.

Law Clerk
Mr. Peter C. Fuglsang
Yellowknife, N.W.T.

Clerk Assistant (Procedural)
Mr. Albert J. Canadien
Yellowknife, N.W.T.

Editor of Hansard
Mrs. Marie J. Coe
Yellowknife, N.W.T.

Clerk Assistant (Administrative)
Mr. S. James Mikeli
Yellowknife, N.W.T.

Sergeant-at-Arms
S/Sgt. David Williamson
Yellowknife, N.W.T.

TABLE OF CONTENTS

TUESDAY, FEBRUARY 14, 1984

	<u>PAGE</u>
Prayer	275
Members' Replies	
- Mr. Pedersen's Reply	275
Ministers' Statements	
- On Government Position on NCPC	278
Written Questions	279
Returns	279
Tabling of Documents	280
Consideration in Committee of the Whole of:	
- Bill 1-84(1) Appropriation Ordinance, 1984-85	
- Department of Government Services	280
- Northwest Territories Housing Corporation	282
- Tabled Document 4-84(1) 1984-85 Main Estimates	280
Report of Committee of the Whole of:	
- Bill 1-84(1) Appropriation Ordinance, 1984-85	308
- Tabled Document 4-84(1) 1984-85 Main Estimates	308
Orders of the Day	309

YELLOWKNIFE, NORTHWEST TERRITORIES

TUESDAY, FEBRUARY 14, 1984

MEMBERS PRESENT

Mr. Angottitauruq, Mr. Appaqaq, Mr. Arlooktoo, Mr. Ballantyne, Hon. Tom Butters, Hon. Nellie Cournoyea, Hon. Tagak Curley, Mr. Erkloo, Mr. Gargan, Mrs. Lawrence, Mr. MacQuarrie, Mr. McCallum, Hon. Bruce McLaughlin, Mr. Paniloo, Mr. Pedersen, Mr. Pudluk, Hon. Nick Sibbeston, Mr. T'Seleie, Mr. Wah-Shee, Hon. Gordon Wray

ITEM 1: PRAYER

---Prayer

DEPUTY SPEAKER (Mr. Wah-Shee): Item 2, Members' replies. Mr. Pedersen.

ITEM 2: MEMBERS' REPLIES

Mr. Pedersen's Reply

MR. PEDERSEN: Thank you, Mr. Speaker. There comes a time for all new Members to jump in and I guess this is my day. Mr. Speaker, fellow Members, I have been told that when a new Member of the Legislative Assembly makes his first reply, it is supposed to be an event of some significance. I am afraid that I cannot promise you anything that great or memorable, but I will try to tell you something about what I believe in, also a bit about what I do not believe in and, as well, what I hope we can achieve together over the next four years.

Accountable Government

In my election campaign I stressed the need for job development as a high priority, also continued improvements in education and housing, but overriding these issues was always the need for responsive and accountable government. I promised to work toward a government which would be responsible to people, not for people. A government that would listen to people and not dictate to them. A government that would make laws that make sense to people in the communities, rather than just making laws as copies of provincial laws. I stressed the need for a politically controlled government rather than a bureaucratically controlled government, a government with a public service who clearly understand who the public is and practise the true meaning of the word "service". Government must realize that people in the settlements want to look after themselves, to solve their own problems and government must accept that people not only want this, but that they can do it.

I think I should maybe ask the Clerk after this if we can have a stand to put the microphone on for us taller people. Last week I attended a Kitikmeot regional social services workshop with the Minister responsible and my friend the honourable Member for Kitikmeot East. It was a most revealing and gratifying meeting which very clearly and strongly brought out the concerns and desires that I have just raised. In addition to these points, it was brought out that always having someone from another culture coming into your community to solve your problems is both demeaning and degrading and it certainly does not help the younger generation to gain pride in their heritage when they get the feeling that their own elders cannot solve the problems of their communities. There was a strong and from some delegates an almost desperate plea not for more social workers from the South, but, rather, for much more authority to local groups to deal with

their own problems. It was pointed out at that conference and I agree with it 100 per cent that problem solving starts not at the top, but at the very bottom, with yourself. Solve your own problems first and then you will be able to solve the problems of your family and families will then solve community problems. The world would be a much nicer place to live in if we all practised this philosophy. I know that it sounds idealistic, but so does the Prime Minister's peace initiative which we all supported and it might be useful for us all to remember that if we do not work toward ultimate ideals we are not heading in the right direction or aiming at the right target. So it is my hope that we can work toward a government which will listen more to people and then provide people with a means to look after themselves, a government that will listen and assist rather than dictate and control.

Relationship Between Departments

Administratively we must have a government which takes a total and overall view to development rather than the narrow, departmental approach that we have so often seen in the past. I welcome comments from the Executive Council that this is being worked on. It seems so very obvious that Economic Development, for instance, relates to Social Services, to Education, to Justice and Public Services, to Local Government and to many other departments. All of these program departments relate to each other and they must not be allowed to work separately from each other without knowing what the other one is doing. When they run off in different directions, as they all too often do, we end up with the intolerable situation that we are now in, where perhaps 80 per cent of every program dollar gets used up for the delivery cost of the program and only maybe 20 per cent actually reaches out to the public for whom the program was intended.

Program Of Economic Development

During the past election campaign the one issue brought up more often than anything else was the need for creation of jobs -- economic development. I was very pleased to note the importance given to this in the Commissioner's Address to us. Yet, only just over four per cent of our total budget is allocated for the Department of Economic Development and Tourism. This obviously does not reflect the wishes and priorities of the territorial electorate.

SOME HON. MEMBERS: Hear, hear!

MR. PEDERSEN: Political development is fine and desirable of course. So is better education, a good health program and better housing. And yet, all of these become almost meaningless if you have no job and if you are poor. A person who is not economically independent is not independent in any other respect either. Those of us from the settlements, probably from the larger places too, do not wish to remain dependent any longer. I do not ask for more government positions for my constituency. In fact, I would like to see fewer. Instead I want the program dollars increased and given in total to the communities to administer as they see fit. Of course, I know that there will be mistakes made. We all know that but we also all know that there have been monumental mistakes made in the past, both administrative and financial mistakes by public servants. So although we know that mistakes will continue in the future I submit to you that a mistake made by a publicly elected body is in no way worse than those made in the past by government employees.

Resident Percentage Hiring Policy

One immediate thing we could do to increase employment is to change the definition of northern contractor or northern company in the northern preference policy on government construction contracts. Surely the objective of a northern preference policy, or for that matter any other government economic program, is to create northern employment and not just potential wealth for individuals. I would suggest that we include something in our tender calls for contracts that would give preference to the bidder who guarantees a certain percentage of all labour costs, direct and subcontract, to local residents. I believe that resident percentage hiring policies are being used in other jurisdictions such as Newfoundland without infringing on human rights regulations.

During the Kitikmeot regional conference which I referred to before, delegates from every community where government construction projects are presently under way bitterly complained about the contractors working in their communities hiring hardly any local residents and importing the majority of workers from outside the NWT. In a couple of instances, the contractors referred to legitimately qualified for northern preference under the present policy. It therefore seems

obvious that we must write in a local resident hiring requirement by percentage into all contracts tendered and I would respectfully suggest that it is not too late to include such requirements in tenders being called as of today's date.

For a longer-term solution to job creation I would like to work toward increasing the budget for the Department of Economic Development and Tourism every year until it reaches a percentage of the total budget which reflects the importance that the electorate has placed on job development. I would suggest this percentage should be about equal to another very important department, Education. In other words, it should be 17 to 18 per cent of our budget.

I would therefore like to see the budget for Economic Development and Tourism increased next year from four per cent to eight per cent, the following year from eight to 12, and finally up to the 17 or 18 per cent of the total budget. If we do this and do it by letting locally elected economic development boards decide on projects and let them administer these projects, then the largest part, by far, of the increased budget would get out where it belongs, as an economic development program delivered to the public, largely by the public and with a minimum of delivery costs.

Programs With Up-Front Funding

I noted, with pleasure, comments made by senior officials to the standing committee on finance that we should avoid, in the future, federal programs based on reimbursement by them after our expenditure. This philosophy should be extended right down to the settlement. I know of many horror stories connected with government programs where the government contributions are paid as a percentage of incurred costs, often with holdbacks and usually with great delays that are sometimes crippling to the project. Unfortunately, our present economic development agreement with the federal government seems to be such a program. I think that we must strive for programs which make government funding up-front funding. Also I think that we must change the criteria by which we judge economic development programs away from looking solely on financial viability and toward looking primarily on the local employment capability of the project. As long as the public funding is substantially lower than the wages paid to those new jobs created by the project, then I think that we have a project which we should consider assisting.

Views On Budget

During this whole process of considering the budget I find myself confused by the sheer volume of figures and I find that I have a good deal of frustration over the fact that I am unable to draw out the figures that I want, such as, for instance, total costs of staffing. I can find the wage costs, but when I start to look for the other costs such as removal costs, holiday travel cost, medical, pension, housing, professional workshop costs, duty travel, office space and all the other things that you might want to look for, these costs appear to be hidden in so many different places and departments under various vague headings, the most notable of which would seem to be "other O and M". Confusion and frustration aside, and I suppose that is the prerogative of any new Member to have these two feelings, the overwhelming feeling I get from this budget is the size of it, over \$550 million. That is a very large budget and to be spent for the benefit of the population of the NWT, 50,000 people. In other words, \$11,000 per person. We have a budget here which spends almost close to \$50,000 per NWT family, supposedly and hopefully for the benefit of these families.

My frustration is over the fact that I do not feel in my daily life that this per capita money is being spent on my behalf and I doubt very much if many other residents of the NWT feel it is. Let us not forget that this is only territorial money I am talking about. On top of that there is all the federal money spent. I find it very difficult to support a viewpoint that we are short of money. It seems more likely that we are not spending our money wisely. For instance, more than 50 per cent of the budget is earmarked for headquarters which really is not where the population to be served lives. But it seems to be rather for the upkeep of the servers of the public. I think the priorities must change. I felt very uncomfortable and sort of helpless when we had to pass, almost automatically, these vast sums of money and then were left to debate whether we should provide additional help to our old or disabled people. The help we talk about here could easily be paid for with the money from just a few of the additional government positions which we approve almost as a matter of fact and without many questions. If we could somehow apply our per capita expenditure equally then our old and disabled would not need additional funding. I do hope that we can work together to change our spending priorities.

Constituency Concern

Now, like any other Member, I do have a wish list for my own constituency but I will mention only one of these wishes for now. I want to see a medical transient centre for Kitikmeot patients established in Yellowknife. This is not a new wish. It has been a continuous desire since 1970 and has been mentioned by all Kitikmeot MLAs since then, but I hope that this will be the term that we succeed. The rest of the wishes of my constituency I will bring up in the form of motions at other times. I think I have taken enough of your time for today. You have probably noted that up to now I had remained quite silent. Do not expect that from now on though. I will speak up whenever I feel I have something of value to contribute and I will ask questions when I feel I have a legitimate concern that needs to be answered. Thank you, Mr. Speaker.

---Applause

MR. DEPUTY SPEAKER: Thank you, Mr. Pedersen. Other Members' replies? There do not appear to be any further replies. Item 3, Ministers' statements. Mr. Curley.

ITEM 3: MINISTERS' STATEMENTS

Minister's Statement On Government Position On NCPC

HON. TAGAK CURLEY: Thank you, Mr. Speaker. I would like to make a statement with respect to NCPC. Honourable Members, on Friday, February 10th, this House unanimously passed a motion in support of this government's position taken before the National Energy Board in the matter of the Northern Canada Power Commission. In response to that support I dispatched a letter to the Hon. John Munro detailing the position of this House. I have also invited him to meet with me to discuss GNWT recommendations in further detail. Also in support of the motion, the Hon. Richard Nerysoo, Government Leader, and Mrs. Lynda Sorensen, MLA for Yellowknife South, are in Ottawa right now at this moment presenting a submission to the standing committee on Indian affairs and northern development. This submission is in defence of our position on NCPC and clearly states our disapproval of the National Energy Board recommendations. Knowing that the government's position has been endorsed by this House greatly assists us in pressing our demands. The confidence that comes from unanimity enables us to state our case clearly and bluntly. Namely, we find the National Energy Board recommendations to be simplistic, misleading and simply not acceptable.

SOME HON. MEMBERS: Hear, hear!

HON. TAGAK CURLEY: The GNWT provided substantial evidence in support of its recommendations to the National Energy Board. Our evidence was analytical and logical in nature and there can be no doubt that our recommendations, if accepted, will lead to a financially sound and businesslike utility operating in the North. It is difficult to be patient with a federal government that continues to study a problem when they already have the answers. The federal government has been studying NCPC problems for years. Despite the excellent suggestions made by this government and supported by the standing committee on Indian affairs and northern development, the Penner Inquiry, two years ago, Ottawa has still not resolved the commission's difficulties. The time for study is over. Ottawa should do the obvious -- move the commission north and make it financially accountable to northerners and this government.

---Applause

I can see no reason why the federal government will not react positively to the GNWT recommendations on NCPC. They are well thought out and represent the only reasonable long-term solution to the difficulties of NCPC. Sooner or later the federal government will have to recognize the wisdom of our recommendations. In the meantime I will continue to push for the fundamental changes seen as necessary for NCPC. I know I will have your support and ask for your support as we deal with this particular issue. Thank you.

SOME HON. MEMBERS: Hurrah! Hear, hear!

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

Item 4, oral questions. Item 5, written questions. Mr. Paniloo.

ITEM 5: WRITTEN QUESTIONS

Question 67-84(1): Street Lights In Pangnirtung

MR. PANILOO: (Translation) This is to the Energy, Mines and Resources Minister concerning the communities which become hamlets. Most of the hamlet communities have to pay extensively for the use of the street lights. Even though the street lights are damaged beyond use during the spring season, they are never turned off when we have broad daylight hours for three months. This year of 1984 it would be well to have them repaired properly and when we have broad daylight hours that they be turned off to conserve energy during that time of the season. I would like this matter to be looked into regarding the communities in the Baffin Region.

Question 68-84(1): Housing In Pangnirtung

The second question is to the Housing Corporation Minister. I realize that Pangnirtung residents are receiving 10 housing units but they still need to receive more units in order to accommodate 50 people on the waiting list at Pangnirtung. I would like to know if the residents of Pangnirtung could be allocated 20 units in 1984. This is my question. Thank you.

MR. DEPUTY SPEAKER: A point of clarification, Mr. Paniloo. Was that a written question?

MR. PANILOO: (Translation) This is a written question. I am just giving the main ideas. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Paniloo. Written questions. Item 6, returns. Mr. Wray.

ITEM 6: RETURNS

Return To Question 40-84(1): Supplies Purchasing From South

HON. GORDON WRAY: Thank you, Mr. Chairman. I have a return to written Question 40-84(1) asked by Mr. Ballantyne, with regard to purchasing from northern suppliers. The NWT Housing Corporation has not gone directly to any manufacturer to seek quotes for a tender over the past 14 months. Last year the corporation received unsolicited bids from six manufacturers for materials valued at nearly one million dollars. These bids were not accepted but instead contracts were awarded to the lowest northern bidder. The corporation has done its best to discourage manufacturers from bidding on our contracts. For example, tenders are advertised in northern newspapers only, but manufacturers hear about our requirements from northern businesses.

So far this year none of our tenders have been picked up by southern manufacturers. Under the present administration, northern business participation in Housing Corporation material contracts has increased from 19 per cent in 1980 to 100 per cent last year. No supplies have been purchased by the Housing Corporation from southern manufacturers in the last 14 months. Housing associations may make material purchases from southern businesses or manufacturers for their maintenance programs. Although the corporation encourages the housing associations to purchase from northern businesses, the management agreement between the corporation and the housing associations also allows associations to choose their own sources of supply. Thank you.

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

Return To Question 41-84(1): Clean-Up Of Markham Bay Soapstone Site

HON. TAGAK CURLEY: (Translation) Thank you, Mr. Speaker. I am going to give a return to Question 41-84(1) asked by Mr. Arlooktoo, on February 8, 1984. The Department of Economic Development and Tourism is very much aware of the need to clean up the Markham Bay quarry site, as well as to remove overburden from and quarry some additional deposit. The area economic development officer for this area has assisted the co-op with an application to Mr. Peter Ittinuar for special employment initiative funding from the federal government. An answer is expected shortly. Should this request be turned down, an application is being prepared for funding under the EDA. While I cannot approve this request until the specifics are known, I will point out that soapstone quarrying is specifically provided for in the EDA and the co-op is a qualified applicant. I can make the commitment that my department will assist in a speedy review and presentation to the EDA

management group. Markham Bay stone is well-known for its high quality and distinctive colour. Availability of stone to carvers is a personal priority as well as a departmental priority. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Are there any further returns? There do not appear to be any further returns.

Item 7, petitions.

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

ITEM 9: TABLING OF DOCUMENTS

HON. GORDON WRAY: Thank you, Mr. Speaker. I wish to table the following document, Tabled Document 15-84(1), Annual Report, 1982-83, Northwest Territories Housing Corporation.

MR. DEPUTY SPEAKER: Thank you, Mr. Wray. Tabling of documents. Ms Cournoyea.

HON. NELLIE COURNOYEA: Mr. Speaker, I have two documents to table. The first, Tabled Document 16-84(1), An Acid Deposition Perspective for the Northwest Territories, prepared for the Science Advisory Board of the Northwest Territories, September 1983. The second document, Tabled Document 17-84(1), An Investigation of Possible Small Hydro Generating Sites in Northwest Territories Communities, prepared for the Science Advisory Board of the Northwest Territories, August 1983, which takes in sites at Snowdrift, Rankin Inlet, Pelly Bay, Lake Harbour, Kakisa, Eskimo Point, Coral Harbour, Coppermine and Baker Lake.

MR. DEPUTY SPEAKER: Thank you, Madam Minister. Any further tabling of documents?

Item 10, notices of motion.

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

Item 12, motions. Motion 17-84(1), PWA Board of Directors. Mrs. Sorensen. I have to inform the House that according to Rule 47(1), a motion twice called from the Chair and not proceeded with, is dropped from the orders of the day. Inasmuch as Mrs. Sorensen is representing this Assembly on the matter of NCPC in Ottawa, may I have unanimous consent to allow Motion 17-84(1) to remain on the orders until the mover is in the House?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. DEPUTY SPEAKER: Thank you.

Item 13, first reading of bills.

Item 14, second reading of bills. Item 15, consideration in committee of the whole of bills and other matters. Bill 1-84(1), Appropriation Ordinance, 1984-85; Tabled Document 4-84(1); Bills 2-84(1), 3-84(1) and 4-84(1), with Mr. Gargan in the chair.

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

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-84(1), APPROPRIATION ORDINANCE, 1984-85; Tabled Document 4-84(1), 1984-85 MAIN ESTIMATES

Department Of Government Services

CHAIRMAN (Mr. Gargan): The committee will now come to order. Is it agreed that Mr. Butters bring in his witness?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. For the benefit of records being kept could the Minister introduce his witness again, please?

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

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Are there any more general comments on the Department of Government Services? Mr. Appaqaq.

Problems With Medical Evacuation From Sanikiluaq

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. I have a short comment to make while we are all here. I received a call from home this morning. I was called this morning from Sanikiluaq. I was wanting to talk to somebody else but the same person called me again concerning transportation. They are having all sorts of problems with Air Inuit, concerning med-evacuating some patients. During this morning the people who were supposed to go out to the hospital by plane to Moose Factory, Ontario, are not even being evacuated to Moose Factory but on the way down to Moose Factory they have to stop at Great Whale River. The people in Sanikiluaq are asking for assistance. They want you to help them in transportation, Mr. Minister. Their greatest concern is the patients who have to go out on medical evacuation and those people who have to go home from the hospital.

My one question is, Mr. Minister, as you said you will be having a meeting on March 26th in Yellowknife concerning transportation, I was wondering if you would be able to get a delegate from Sanikiluaq so that you would be able to hear more about their concerns. You should be helping the people of Sanikiluaq and if you get a delegate there, from Sanikiluaq, I would not be the only one to be telling you all the problems.

In the past it was really good. In the past, Austin Airways were running a very good service. They say that once they started over there they will be running everything smoothly but Air Inuit has taken over the Austin Airways and there tend to be more problems since they have taken over. If they are going to be operating like that more problems will be coming up concerning the patients. I heard about this concern this morning while I am here in Yellowknife. The problem is getting bigger and bigger every day. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. TOM BUTTERS: Mr. Chairman, there is only one individual in the department who has been applying himself to the particular concerns in air travel and relations with the scheduled and charter carriers. He has already been informed of the discussion that occurred yesterday and is investigating the concerns indicated to the committee by the Member at that time. We will speak with him again and attempt to develop an arrangement which will address the problems that the Member is describing to us. However, I believe in view of the fact that today would appear to see emergency requirements being ignored then we would probably ask that the regional office at Frobisher Bay be also advised of this concern and maybe they could have some administrative effect on the situation. Not only will we advise the individual responsible for this particular area but advise the Frobisher Bay regional office that they should look into it directly immediately.

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

MR. APPAQAQ: (Translation) I have a short comment here. The hospital board up in Frobisher Bay are not looking after Sanikiluaq and I will be commenting more on this when we come to that item on the agenda. I cannot push to Frobisher Bay more, I do not have the clout.

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Appaqaq. General comments? We were on page 9.03 in the Department of Government Services. Total O and M is \$11,365,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Capital, \$5,916,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Thank you. I would like to thank the Minister and the deputy minister.

HON. TOM BUTTERS: Thank you, Mr. Chairman.

Northwest Territories Housing Corporation

CHAIRMAN (Mr. Gargan): Next on our agenda is the Northwest Territories Housing Corporation. It is on page 3.01. Would the Minister like to make an opening statement? Mr. Wray.

HON. GORDON WRAY: Thank you, Mr. Chairman. My comments on the proposed budget of the Northwest Territories Housing Corporation centre around my reaction to the level of funding and my personal knowledge of housing needs and demands across the Northwest Territories. In my opinion the budget amounts in this document represent a compliance or adherence budget to the target levels provided by the Financial Management Board. Although I understand the requirements to adhere to government target levels, I feel the current state of housing in the communities and the demands for additional and habitable housing require more than a status quo or compliance funding. The most important issue facing the Housing Corporation in this Assembly is the provision of housing in light of current population statistics across the Territories and the capability to meet these requirements under the restrained funding that exists today and the criteria on allocation of that funding.

When I presented this budget to the standing committee on finance, I indicated that the short-fall in housing stock, based on last years needs study, was a range of 500 units. These figures do not consider how the corporation will cover the housing requirements of young families currently living in overcrowded conditions. The corporation was able to obtain funding for single persons in 19 communities across the Territories and although this is a contribution in alleviating the housing concerns of single persons and young families the total need is still very great.

Inadequate Maintenance And Administration Money

Another major issue this budget does not address is the funding provided to the housing associations to administer and maintain the housing stock in communities. There is a major requirement to develop and define a service level approach to this issue as the current situation is unacceptable to me. A comparison between government, hamlet council and housing association service levels clearly defines the problem. This situation of inadequate maintenance money and administration funding has the dual effect of one, poor employee relations and two, hindering the ability of the housing associations to collect rents on units in a state of disrepair. Employees of three housing associations have been ratified to negotiate under the Public Service Alliance of Canada for increased salaries and benefits. Negotiations are now under way and the basic position of the union is parity with Government of the Northwest Territories equivalent staff. The corporation raised the issue with the previous Executive and were directed to develop a fully substantiated paper on the options available in the corporation. I will be giving this matter a high priority.

The development of a committed four to five year capital plan within the Housing Corporation is a major concern of mine. The corporation has made substantial gains in the area of capital planning, but I intend to have a multiyear community capital plan available for the 1985-86 review by the standing committee on finance. This planning process will roll forward from the communities within a well-documented and sensible approach to both the preparation and feedback of community requirements.

In conclusion I suggest that the provision of housing should be considered an issue of the highest priority with this Legislative Assembly. With strong direction and the help of the Assembly working with the board of directors of the Housing Corporation and myself, I believe many of the housing concerns currently being expressed can be addressed and resolved over the next four years. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. I will ask the Minister to bring his witness.

HON. GORDON WRAY: Thank you, Mr. Chairman. With the indulgence of the committee I would like to bring in two witnesses, one the president of the Housing Corporation and the second the chairman of the board of directors of the Housing Corporation.

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

SOME HON. MEMBERS: Agreed.

---Agreed

Objectives

CHAIRMAN (Mr. Gargan): Thank you. Any general comments from the committee on the objectives? Mr. MacQuarrie.

MR. MacQUARRIE: Yes. Just a point of clarification. Did I understand the Minister to say there appears to be a need for 500 units across the Territories at the present time?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. No, I did not say there "appears" to be a need. I said there is a need based on our last years figures. We have identified at minimum a short-fall of 500 units.

CHAIRMAN (Mr. Gargan): Mr. MacQuarrie.

MR. MacQUARRIE: Could I ask then, Mr. Minister, what is the process for determining need? Are there certain criteria that are set down or are the words "want" and "need" used interchangeably? Do you consider there is a need if there is merely a request from someone for an additional house? I would like to know precisely what are the criteria that are used when you use the word "need".

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. I would like to have the president of the Housing Corporation, Mr. Irving, answer that question because there are fairly detailed criteria with regard to the needs study. Mr. Irving can answer that.

CHAIRMAN (Mr. Gargan): Mr. Irving.

MR. IRVING: Mr. Chairman, the process for determining the need is rather complex. Just to give an example of one community might be a way of identifying this process. Looking at Pangnirtung, we know how many families are on the waiting list. This information comes from the housing association. There is also input from the hamlet. This is co-ordinated by the district office in Frobisher Bay. Going back to the community again, we know that as of right now there are a minimum of 20 houses required. We have people living in tents in that community who do not have houses. We can anticipate over the next couple of years how many houses are needed; based on how many houses we put in last year, how many are being built this year, tells us how many houses are needed. We then multiply that by all the communities. We gather the same information and that gives us the total for the Northwest Territories that we believe is required. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Irving. General comments. Mr. MacQuarrie.

MR. MacQUARRIE: Well, if I understood the answer correctly, it appears that the corporation itself does not make an assessment of need, but, rather, accepts the figures or the input from housing associations and settlement councils. Is there not an assessment by the corporation itself as to the need from that point on?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Procedure For Assessing Need For Housing

HON. GORDON WRAY: Thank you, Mr. Chairman. There are eight steps. Step one is an identification by the local housing association that they feel a study has to be done because of inadequate housing. Through this process the corporation is in joint working relationship with the housing association. We are in the form of assistance. Step two, the housing association puts together applications for accommodation, fills out household income forms and assesses housing unit condition records. Step three, the community summarizes the community housing situation. Step four, the community develops a waiting list. Step five, the community determines what the housing needs are going to be. Step six, they have to justify their housing request. Step seven, they have to satisfy land requirements within the community, that is, if there is available land for the housing that they require. Step eight, the corporation district manager along with the housing association rechecks the completed package. I have with me a package on the needs study which details how in fact we arrive at an allocation for a community and if the committee wishes I can make it available to them. Thank you.

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

MR. MACQUARRIE: Just an additional question. Then where you said the communities in step five determine their needs and in six they are required to justify the housing request, to whom do they justify it and what is expected in the justification?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Criteria For Justifying Need

HON. GORDON WRAY: Mr. Chairman. First of all the housing association has to justify to the corporation and secondly, I believe on step six, justification of housing request is done using a form which takes into account the number of persons in the family, the number of bedrooms that are needed, the amount of income that they are making. Is other housing available? Are they territorial government civil servants? Are they federal government civil servants? There are several criteria for the justification. Thank you.

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

MR. BALLANTYNE: It is a supplementary, Mr. Chairman, to Mr. MacQuarrie's question. In our discussions in the finance committee it seems to me that although the corporation is able to evaluate needs in each community, there is no logical system to prioritize between different communities. There is no system to decide, for example, that Baker Lake needs housing more than Rankin Inlet needs housing. Perhaps the Minister could explain to this group if there is in fact a way to prioritize, and if there is not, is the corporation looking at a more efficient way to prioritize housing needs between communities?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: That is a fairly difficult question to answer because there is a certain element of truth in it inasmuch as when you need 500 houses and you only get funding for 78, how can you say a family in Arctic Bay is any less deserving of a house than in Tuktoyaktuk or Eskimo Point? Perhaps I can ask the chairman of the board of directors who are responsible for the final allocation of housing how they, as a board of directors, arrive at that allocation process.

CHAIRMAN (Mr. Gargan): Mr. Pilot.

MR. PILOT: Mr. Chairman, I think the difficulty in determining where the housing units are going to go has to be looked at in the financial cycle that takes place in the total process. Houses that we are examining today and the estimates, the 78 units, are the results of a needs survey that was taken from fall to spring, 1982-83. Now, the purpose in doing the survey at that time was that we must know approximately how many houses are needed so we can go to the government with a request for funding. We have to identify our funding needs early in the year preceding the actual construction years so that we can have a target figure assigned to us and then proceed from that point.

So the difficulty that most Members here have to grip with is the fact that we are trying to respond to a needs survey that was taken in 1982-83. That needs survey told the Housing Corporation administration that we needed approximately \$13 million. In fact I think it was in excess of \$13 million to meet the needs of that particular day. We translated that into our documentation that we put before the government to seek our funding and because of restraint and limitations on capital available, our target figure was established at \$11 million.

Allocation To Communities

Once the target figure is set then it is a matter of seeking out which community has the greatest need. From the administration we are given a list of communities that through the needs survey indicated that they have a high need. What we do is go down the list until the 78 are expended. It is as simple as that. When you get to community X, house number 79, we draw the line at that point and say that is the cut-off point. Because we have to, as a board of directors, rely on the information given to us by the administration. We have no way of examining the actual facts outside of asking individual members on the board of directors if they have any comment or any concern that they themselves would like to raise with regard to the priority listing that has been tabled. There are at times board members who will indicate that they feel a community in a district with which they are associated or represent, has perhaps a higher need than one that is on the priority listing. We will then ask the administration to do another check of the priorities of that community versus the community perhaps that is at the bottom of the particular list we are examining.

So the difficulties are, first the cycle we have to go through to identify the needs and then the target figures and fitting the needs with the target figure or the dollars we are given. The corporation administration has long told the board of directors that they need at least \$13 to \$15 million a year for the next five years to try to complete all the needs that the survey seemed to indicate to them. It is just budgetary restraint that keeps us from responding to that particular type of need.

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

MR. BALLANTYNE: I realize it is a difficult situation in which the corporation finds itself but I still feel that it has become a political exercise more than a logical exercise to decide which community gets housing. It would seem to me that a community that has a strong housing association, a vocal MLA, a strong member on the corporation has a better chance of getting their needs looked after than a community that has a weaker housing association and not quite as vocal a Member. I wonder if it is possible to set up some sort of criteria whereby, depending on the size of the community and the number of people in the community that need housing, you could work out some sort of logical way of allocating the housing.

CHAIRMAN (Mr. Gargan): Mr. Minister.

No Logical Approach

HON. GORDON WRAY: Mr. Chairman, there really is no logical way to approach a problem when we do not have the answers to that problem. How can you, on one hand, say we are 150 units short therefore Arctic Bay should not get housing or Baker Lake should or Eskimo Point should not get housing but Cambridge Bay should. When you have a need in every community, when you have families in every community there is no logical way to start saying that this community has a higher priority than that. That is where a political decision comes into being. For the time being, I guess, until such time as the corporation receives the funding whereby it can address needs in a satisfactory manner then there is going to be a certain element of politicking involved. Certainly a stronger housing association and a more efficiently run housing association has a better chance of getting housing than an association that does not do its job and does not fill out the study properly and does not push for housing. There have been examples of that in the last three or four years when my own home community of Baker Lake failed to produce the study. They failed to justify the need for housing even though we knew there was a need there and because of the breakdown in communication between the housing association and the district office, Baker Lake did not get any houses for five years. A similar situation occurred in Pond Inlet because of a breakdown in communication between the district office and the housing association and failures at both levels. Pond Inlet has been left out for four years and this is the fifth year. So, while I sympathize

with the Member who wants to have a logical way of doing things, I put it to him that when you get involved in a situation like this where every community, and not just some communities, every community has a need and we can only supply the needs of one fifth of those communities, some communities will get left out. So, politics will come into play.

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

MR. BALLANTYNE: I will try to give an example. For instance you have a community of 1000 people and the needs study has shown that you need 50 units, say, in that community. You have another community, community B of 2000 people and the needs study shows that there is a need for 35 houses in that community. It would seem to me, if you compare the two of them, that community A should get a priority because there are less people with a need for more houses. Community B, which needs less houses has a bigger population to absorb those people that need houses. Is that part of a prioritization process you would go through?

HON. GORDON WRAY: That does happen, Mr. Chairman. What the corporation tries to do when a situation like that occurs is, if they only have 15 houses to allocate to these communities then community A with a need for 50 units may get 10 houses and community B with a need for 30 units may get five houses as opposed to putting 15 into one community. We try to split them up so we at least address some of the problems. Also, you have to understand that when we are dealing with the NWT, we have to deal with different regions because in the West it is easier to put the Home-ownership Assistance Program and Rural and Remote Program into play than in the East where we are almost totally dependent on public housing. So what we try to do is gear most of the public housing toward the East and most of the home-ownership and rural remote programs toward the West so that we can address both sides of the argument at the same time. There is a type of prioritization that takes place, obviously, because we will give 15 houses to one community, five to another and two to another depending on the total need for that community.

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

Funding And Power At Regional Level

MR. ERKLOO: Thank you, Mr. Chairman. I think the Housing Corporation has all kinds of regional levels. I am thinking of Baffin Island where we have the Iqaluit corporation. I wonder if the Minister is going to give more power to the regional level or from my understanding, it would become like a rubber stamp. They say yes and no and that is all there is to it. They spend a lot of money within that regional meeting. From my understanding, because of all kinds of regulations and ordinances that they have to follow, they have no option; just say yes or no. It seems to me that it does not make sense to me. If you wanted to give more power to regional -- whoever looks after that housing. My question is to the Minister. Are you going to give more funding to the regional people and at the same time give them more say in what is going to happen in say Baffin Island? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. There are two questions to be addressed. First are we going to give more money to the regional bodies? The answer is, no, we do not have money to give to the regional bodies. We cannot give what we do not have and we do not have the money. Secondly, are we going to give them more power? I would put it to the Member that there is usually no point in us giving more power to a regional body if we cannot provide them with the funding to carry out their mandate. While the regional bodies are important in terms of letting us know what the housing needs in that district are, or letting us know what the priorities are, then for the time being, all they are are advisory bodies and I am not prepared to give the regional bodies any funds at this time until I can acquire more funds that would make it meaningful for them to have more funding and therefore have more control.

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

Categories Of Need

MR. MacQUARRIE: Thank you, Mr. Chairman. With the response earlier, that when justification is done with respect to the need for housing that a number of things were taken into account, the number in the family, number of bedrooms required, income, size of present dwelling, whatever, it

seems to me that if that information is available then the opportunity exists for categorizing need, not just using the word "need". Are there different categories of need or does it range all the way from "want" to "urgent need"? If there is not, I feel there should be. When you speak of the need for 500 units in the Territories I think that ought to be able to be broken down quickly so you can see there are 150 urgently needed, based on these kinds of statistics about numbers in the family and the present state of accommodation, whereas at the far end there might be 50 that are sort of requests where people are not too badly off but would like something different. So is there that kind of categorization and, if not, would the Minister look at attempting something like that?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Well, the requirement for 500 units is a requirement for public housing units, not all segments of society. We do not have a breakdown in terms of the spread from want to urgency. We are presently working on that and refining the whole needs system, because as I indicated in my opening statement, I am unhappy with the present level of information we have. Therefore we have to increase our information so that we can break down the categories, as the Member suggests, so that we can have different levels of need, from the highest priority which is obviously people who do not have any houses, down to people who have houses in pretty good shape but not quite big enough for their family. That is what we are presently working on but the information is not yet compiled or available. It will take, as the Member may appreciate, several months to put that information into something that we can look at.

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

MR. MacQUARRIE: I am pleased to hear the Minister say they are considering that because it seems to me that first of all in talking about total territorial needs it would be valuable for the public and Members of the Assembly to know precisely the nature of the need, but also it may be of some assistance when you are attempting to make decisions between communities. It may be evident that though a smaller number are required in a particular community and they have had other housing in more recent years, yet the need is, without question there, and that would assist. There is no doubt about it. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. MacQuarrie. General comments. Mrs. Lawrence.

Policy For Rental Arrears

MRS. LAWRENCE: Thank you, Mr. Chairman. I just want to ask a question of the Minister and the people involved in the Housing Corporation. I am speaking for my area. There are a lot of people who are in need of housing. At one time they had owned homes and then the Housing Corporation came into the picture and offered them these nice new homes for so little a month that they can pay. As it turned out, due to lack of employment and a poor trapping season, they were unable to pay for some of the rent when the rent went up. They got behind in the rent and they cannot go back to their original house they had built because for some reason they decided to destroy it. Therefore, they are really in a spot where they cannot go back to their home. They are in kind of a bind. Is there any compensation for people like this? They cannot apply for any funds to build their own home because they are behind in their rent. They owe some money. There are several families that are in a situation like this.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I am advised there is no compensation policy for those people. I suggest, however, that if families do find themselves in dire straits and have problems with their arrears in rent then they should sit down with the local housing association and the social service people who will attempt to help straighten the problem out. The Housing Corporation is not the evil landlord and we are more than willing to accommodate families who are in dire straits. Perhaps Mr. Pilot may want to add to this.

CHAIRMAN (Mr. Gargan): Mr. Pilot.

MR. PILOT: If I may, Mr. Chairman, it was not the intent of the Housing Corporation to impose rental scales on individuals that would create a hardship. There is enough flexibility within the rental program that if an individual who is a hunter and trapper finds that his income has dropped

because of hunting or trapping conditions, he should go immediately to the housing authority or housing association to have his rent reduced. If he is still finding it difficult to pay even the minimum rent, then there is a mechanism whereby that individual can apply to the Department of Social Services and there is an agreement, after a means test has been taken, that indeed they will be assisted in the payment of their rent.

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

MRS. LAWRENCE: You make it sound very easy to just come up to Social Services and say, "I am unable to pay for my rent." It does not always work that way and it is fine for you polished people to sit in the front and say this. You get a salary every two weeks. You come into the settlement, and I would suggest that more program heads, more program people should go into the settlements and see exactly what is going on at the community level. Maybe you will understand then what I am talking about. It is not always that easy to sit down with the Housing Corporation and have them say, "We will lower your rent." They are even imposing power bills now and everything else on them so they are really in a bind and I am serious about this problem. It is getting out of hand.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Well, I do not need to go into a community. I live in one. It is not the Housing Corporation that assesses rents at the local level, it is the housing association and if there is a breakdown in communication then I suggest it may begin right at the community level with the local housing association. Now, if the Member knows of situations where the local housing association is not willing to help an individual tenant or where the Department of Social Services are, in fact, unwilling to help a tenant then in her capacity as a Member of this Legislature she has every right to bring it to our attention so we can address the situation. The association is there to respond to local requests and the Department of Social Services is supposed to provide the same assistance and across the floor from her is the Minister of Social Services. If she feels individuals in that department are not assisting people then it is her right to bring that to his attention but I do not think you can blame the Housing Corporation for a breakdown at the community level.

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

HON. NICK SIBBESTON: Mr. Chairman, when I think of the Housing Corporation, to me the Housing Corporation is like a person's mistress. I would not quite say it is like one's wife. It is more like a person's mistress or girlfriend because the Housing Corporation can evoke such satisfaction and love it seems at times; whereas at other times they can evoke such dislike and frustration. So that is my feeling about the corporation. What I am saying is the Housing Corporation sometimes can do so well and other times can do so terribly. That has been my experience with the Housing Corporation.

Fall Deliveries Of Building Materials

Last summer, in my area, my part of the North, the Housing Corporation did a very bad thing in not delivering housing materials for the HAP program where people were building their own houses. It was a very frustrating situation because the Housing Corporation in some cases did not deliver housing materials until late into September when the snow began to fly. I know for the people that were trying to build their houses it was very frustrating because many of them were ready to build their houses in the spring, but they kept waiting and waiting and waited until it began getting cold.

As I understand it, once we pass the budget for 1984-85 on April 1st money for the corporation becomes available. The government and the Housing Corporation can go ahead and start using the money we authorize here so it is really from the first of April that money becomes available for the Housing Corporation. To give you some examples, I am aware that the Housing Corporation began working on ordering materials, or tendering for materials, through the summer. It got the materials to Fort Providence in the latter part of August and in Nahanni Butte they got the materials at the week of September 5th. At Fort Simpson they got housing material on September 13th. At Wrigley, which was supposed to get material for two houses, got the supplies only at the end of September. In our part of the North there is no excuse for such poor delivery because we have good roads and good river transportation. So it was very frustrating for the people who were

wanting materials to start working on their houses. As a result of this many of the houses did not get completed and in Wrigley, as an example, the housing materials arrived in the fall and are still sitting there. I am wondering if the Housing Corporation can provide a report to me and make it available to other MLAs, as to why it was that last summer they did so terribly in delivering material for the HAP houses, with a view to not making the same mistakes again this year.

I can say that I have had some talks with the Housing Corporation officials in Hay River about the possibility of providing for the delivery of housing material on the winter road this year to many of the communities in my area. For example, it is the first time in 15 or 20 years that we have had a winter road into Nahanni Butte. Logically, when you think of it, the corporation should try to get housing material into there, likewise into Wrigley which has a winter road and likewise into places like Trout Lake and Liard. The Housing Corporation officials in the area did say they would try. I would like to find out from the Housing Corporation whether they are going to transport materials to these communities sometime this winter in preparation for construction of houses this coming spring and summer.

CHAIRMAN (Mr. Gargan): Mr. Minister.

Problem Will Not Recur

HON. GORDON WRAY: Thank you, Mr. Chairman. I hope I get my same turn when Local Government comes up. Very simply, the problem that occurred last year with Simpson and then Nahanni Butte, the easy answer is that the Housing Corporation -- mistakes were made, mistakes were made by personnel of the corporation. Those mistakes are not going to be repeated and the programs that are going into Mr. Sibbeston's area this year will be delivered on time. There are materials presently going in over the winter roads to some of the communities he mentioned. The problems with Simpson and Wrigley last year were design problems where the corporation failed to come up with a proper design within the time limitations that it was supposed to. We were a month and a half behind schedule which resulted in the delay that we are talking about. However, I can guarantee the Minister that the same problem will not occur this year.

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

---SHORT RECESS

The committee will now come to order. General comments? I just wanted to remind the Minister not to use unparliamentary language. Would the Minister withdraw his remarks for the record?

HON. GORDON WRAY: I withdraw, Mr. Chairman, and I will replace the word "mistake" for the record.

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

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. I am not too clear on this whole issue. It does not exactly indicate where, which settlements are getting the Home-ownership Assistance Programs. I would like to know if there are any applications coming in from Kitikmeot East?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: There is one applicant from Kitikmeot East, and one unit in the community of Gjoa Haven.

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

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. On these home-ownerships, do they have assistance and if so is there any assistance being given after these people built their houses? Is there any kind of assistance that they are given?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. After the unit has been completed, no, there is no assistance given to the home-owners other than the corporation will assist them to get various subsidies for oil and electricity that exist right now within the Territories. The corporation will assist them to find these different programs for their benefit. But in terms of direct O and M costs, no, there is no assistance given.

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

MR. T'SELEIE: Thank you, Mr. Chairman. I have a lot of questions that I wanted to ask. Maybe I could just start by mentioning, repeating what Mrs. Lawrence had said earlier concerning the history of housing. At least in the Western Arctic the people at one time owned their houses. When the government was moved north, back in the 60s, one of the things they did was they moved into housing and they introduced rental housing. Some people thought that rental housing was a good thing. I was just a young man then so I am repeating mostly what people have told me about the introduction of rental housing in the Western Arctic. I have heard that people were promised that the rents would not go beyond two dollars. I have heard that many of the old houses, peoples' own houses were torn down, in most cases without the permission of the owners. People were encouraged to move into rental housing. So what, in effect, happened was that the government had an idea that they would rebuild the communities according to their own vision of the community, how the community should look. Part of the fault, I guess, was on the part of the communities for not raising a big fuss about it then.

I say that just as sort of the background to the way I look at housing. I think it is more important than a lot of other areas because people have to have proper housing in the first place, before they are able to deal with many other issues that face them. I do not know whether I want to hold this administration responsible for some of the things that have happened in the past. It probably would not do much good.

I know that in the community of Fort Good Hope the people there refused low rental housing about 12 years ago and there was no new housing built in Fort Good Hope for about nine years because of that. The people did not want any more of these houses because, basically, people did not want to be renters. So when the Housing Corporation introduced the Home-ownership Assistance Program just a couple of years ago, there was a lot of interest in it. I know there was a lot of interest through the whole Mackenzie in that program because people did not have to be renters. That program allowed a little bit more independence.

Reporting Relationship Between Corporation And GNWT

I want to ask a couple of questions about the objectives now of the Housing Corporation. I would like to know how the Housing Corporation relates to the Government of the Northwest Territories, because I see that one of their objectives here is to develop and implement acceptable reporting relationships with the Government of the Northwest Territories finance and planning organizations. After all these years, I would have thought that all of those sort of minor details should have been taken care of already.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Mr. Chairman, I would like to have Mr. Pilot answer the question in terms of what the relationship between the Housing Corporation and the government is, particularly as it pertains to money, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Pilot.

MR. PILOT: Thank you, Mr. Chairman. In response to the question concerning the acceptable reporting relationship with the Government of the Northwest Territories in our financial and administration areas, first of all, the Housing Corporation, if you read the ordinance, gives the Housing Corporation a very wide latitude to operate independently of the Government of the NWT. That ordinance was written and developed before the Financial Administration Ordinance of this government had been passed, so with the new Financial Administration Ordinance in place it was the instruction of the board of directors that the administration of the Housing Corporation come in line with the financial requirements of that new ordinance. As a result of that a study has been undertaken by the Financial Management Secretariat and recommendations have been made to the Financial Management Board and to the Housing Corporation, and these new financial directions are going to be administered or put into place within the Housing Corporation. It is a management tool. It is a method of measuring the way money is spent by the Housing Corporation making the corporation more accountable to the government in total and making it more accountable to this Legislature.

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

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I am wondering if you ever thought of the communities exchanging. For example, the co-operative in Pond Inlet constructs buildings and houses and in Hall Beach they get in contractors from the South. I do not know where from. When the contractors go into the communities everything is paid for them by the NWT Housing Corporation. I know there are a lot of people in Pond Inlet and Hall Beach and other communities and Resolute Bay who are capable of constructing houses, putting up houses. They are qualified carpenters. My question is, have you ever thought of hiring those carpenters from the smaller communities instead of hiring people from the South as contractors? I am going to be repeating this in English. (Translation ends)

What I have in my mind is we have all kinds of people in our communities, let us say in Pond Inlet, who are contracting out to the Housing Corporation and they build their own housing locally. Could the chairman of the housing association go to Igloolik and say "Guess what we did?" Perhaps they can show how they did because the Housing Corporation from Frobisher Bay can always go into a community and go back the next day and show them all there is to know. They will have the money, I hope. Can the communities take and exchange in the communities? My question is just that.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Mr. Chairman, what the Member suggests is entirely reasonable and I see no great difficulty in it. My understanding is the Pond Inlet co-op is the only one of its kind in the Eastern Arctic that is doing the work and actually doing a good job for us. I cannot see any reason why people from that organization could not be used to train people in other communities to perform the same functions.

New Clauses In Housing Contracts

I would also point out to the Member that since last year we have added two clauses to the contracts which we now give out for housing projects. I will read these clauses because I think they are fairly significant clauses. It says this: "The contractor shall in the performance of the work employ labour from the locality where the work is being performed to the extent that it is available and shall use the office of manpower of the GNWT or the Canada Employment Centre for the equipment of those people. It is also a requirement of the contract that the successful contractor will meet with the project manager and a representative of the employment agencies to determine the availability of capable local labour prior to the commencement of work." What that in effect says we are insisting now that any contractor who goes into those communities where there are people available locally who have the skills, shall hire them before he hires anybody from the South. The ideal situation is in fact where the contractor is from the community itself. Hopefully we can evolve that over the next few years, using the Pond Inlet co-op as a model because we in the past have had some bad experiences with contracts that have not worked let out to community groups and not always because of the fault of those community groups. There was fault on both sides I think, but certainly what the Member suggests appears reasonable to me. I do not see any reason why we cannot be doing those kinds of things and I think those are the kinds of suggestions the corporation needs to perhaps alleviate some of the problems that we have with local labour.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. I will now ask Mr. Erkloo to take over the chair for a while so I can ask a question myself.

CHAIRMAN (Mr. Erkloo): Mr. Ballantyne.

MR. BALLANTYNE: Thank you, Mr. Chairman. I have a request, a joint request from myself as MLA from Yellowknife North and from the honourable Member from Rae-Lac la Martre. At a recent Dogrib Tribal Council meeting in Detah a request was made that a housing needs study be done in the Dogrib areas which would include Rae, Rae Lakes, Lac la Martre, Snare Lake, Detah and Rainbow Valley. Would that be possible, Mr. Minister?

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

HON. GORDON WRAY: Thank you, Mr. Chairman. Yes, it is possible and the study will be undertaken this summer. Now that is action.

MR. BALLANTYNE: I am sorry. I did not hear that. Would you repeat that, please, Mr. Minister? I will pay more attention this time.

HON. GORDON WRAY: Yes, Mr. Chairman. It is possible and I am advised such a study is going to be undertaken this summer.

MR. BALLANTYNE: Thank you, sir.

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

MR. GARGAN: Thank you, Mr. Chairman. In your earlier remark you mentioned something about a study that was done and there was a need for about 500 new houses, but you could only accommodate 78 I believe. My question is, at the pace that you are now going, presumably within the next six or seven years will you be able to build the 500 houses? Within that six or seven years probably that need is still going to be the same and it is going to be the same on and on unless we could get a substantial increase in money for housing. Are you able to obtain additional money, say, either through CMHC or through federal money?

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

HON. GORDON WRAY: Mr. Chairman, the Member is correct in his assessment that at the present pace we will not be able to catch up. We will be falling behind every year. To his second question, money is available, but only if we can match it. Only if we can obtain money through the GNWT can we obtain money through CMHC. We have to match it at 25 per cent to 75 per cent.

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

MR. ARLOOKTOO: (Translation) Thank you, Mr. Chairman. My question is concerning the electricity agreement. Last year they started paying for some of the electricity bills in some communities. I was wondering when this will be implemented in my constituency. I want to find out when you will be implementing this paying of some of the bills. Thank you.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. Just give me one moment, please.

CHAIRMAN (Mr. Erkloo): I think Mr. Arlooktoo wants to ask a question, Mr. Minister.

HON. GORDON WRAY: To Mr. Arlooktoo's question, it is probably going to be implemented in 1984-85 in the smaller communities.

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

Request For Study Of Houses In Baffin South

MR. ARLOOKTOO: (Translation) Mr. Chairman, I would like to ask when they will be implementing this in my constituency, in Baffin South. Before they start paying the electricity bills for houses in Lake Harbour and Cape Dorset I think I would like to have a study done in my constituency communities. There are lots of different houses. Some of them are really in poor condition and the furnaces are constantly running. I want you to approve this and study the houses in Baffin South before you start implementing the payment of electricity.

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

HON. GORDON WRAY: Yes, Mr. Chairman. We will review the situation.

CHAIRMAN (Mr. Erkloo): Mr. McCallum.

MR. MCCALLUM: Mr. Chairman, I wonder if the committee could have a list of the present board of directors and an indication of their attendance at board meetings together with an idea of the number of appointments that are vacant and when the Minister would expect to make those appointments.

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

HON. GORDON WRAY: Yes, Mr. Chairman, we will provide the committee with a list. In terms of when I start to make appointments, that depends on when I find out who quit and when and who is resigning, because there are indications a couple of the present board will be resigning. I want to wait until we get all those facts before we make any decision.

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

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I have two questions. Maybe the Minister can reply to me and to this House. I know that recently there has been a very, very great interest in Keewatin in the home-ownership program. Maybe, can the Minister indicate here whether or not they will be able to increase home-ownership, in respect of their interest in the home-ownership program. I think this is really the first major year in which they will now be giving assistance to the people that have so far applied. I think there may have been some people that have actually been turned down because there were so many applicants at Rankin Inlet. Maybe he can help us get some data on this one.

Allocation Of Houses Within Communities

The other question is, I know there has been a continuing and, I think, a real conflict of interest when houses are assigned to tenants in the communities. I am wondering whether or not the government or the Housing Corporation is attempting to resolve that problem because so far the housing associations in the communities have got themselves into a real conflict but yet because of the lack of guidelines they have continued to assign and allocate housing for themselves. Not on the basis of the real need. I find that this is quite critical, that in many communities the people in need of housing have given up because of the present practice that only allows the housing association board members to serve themselves rather than those people who should be really on the priority list for the allocation of housing. Could you maybe help us with this as to whether or not that potential conflict, ongoing conflict will be resolved? Thank you.

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

HON. GORDON WRAY: In response to the Minister's first question, there will be a total of five Home-ownership Assistance Programs, three in the community of Rankin Inlet, one in Eskimo Point and one in Baker Lake. Because it is sort of the first year it has been implemented over in our area there are still a lot of people who do not have enough information and one of the instructions I have given to the corporation is to make sure that the district offices, through the housing associations and through their own office make people fully aware of what these programs are and to assist people wherever possible.

Secondly, in terms of the problem of allocation. That is a problem I am very familiar with, coming from the same region as the Member. What I have done is that I have issued instructions to the corporation who will issue instructions to the district offices that in future when the district office sees an abuse of the allocation criteria -- there are allocation criteria provided to every housing association on which they are supposed to base their decisions to award houses to people. These criteria have not been followed for the reasons that the Member stated. In the past I suspect that the district office was unwilling to step in and interfere because of, perhaps, the political ramifications within the communities. However, there are times when we have to bite the bullet and therefore I am biting the bullet and I am giving the Member my assurance that from my level I have given instructions that the district office is to step in in situations where these criteria are not being followed and, if necessary, reverse decisions of the local association. Thank you.

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

HON. TAGAK CURLEY: Mr. Chairman, just one more. I certainly think that that is probably a good initiative taken. I would think that without the expanded guidelines for the housing association, the administration guidelines, I think, presently, like you said, are left out. They are not being followed. In my view that will probably continue to create problems because district managers can only receive so many complaints. If he does not receive them then I know that many of the people in the community will not complain. They do not even know who the district officer is. Unless the guidelines are specifically geared to the community and maybe have a system for when members of the board are attempting to, for instance, relocate or put themselves on the new housing. I tell you there are people in the housing associations, board members, who relocate to new housing, who move

into new housing every year because it is a status thing. I do not think the district manager is normally aware that these practices are going on. I know there was some concern as to the fact that there should be a mechanism in the community when these people apply for housing. The community should have an automatic, alternative group in the community which would probably consist of either the hamlet or whoever the other independent representatives are so that they could be unbiased in attempting to allocate housing to those people. I wonder if the Minister would be prepared to maybe attempt to try to find a solution to that rather than just assuring the House that the district manager will handle all these 52 other communities in the Territories. Thank you.

CHAIRMAN (Mr. Erkloo): Thank you, Mr. Curley. Mr. Minister.'

HON. GORDON WRAY: Thank you, Mr. Chairman. I appreciate the Member's remarks because it is a problem. It has just been pointed out to me that the board of directors of the corporation is also very concerned and just as an indication of what they are thinking, which is in line with the Member's thoughts, one of the recommendations would be to have the housing management agencies, that is the housing associations, accountable to the whole community when they are allocating housing. Yes, we know that there is a problem and it is a problem that we will be addressing very shortly, given that within a very short period of time housing is going to be allocated. We will work on it and I will report back to the Member on what we have come up with.

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

User-Pay Policy And Incentive For Home-Ownership

MR. GARGAN: Thank you, Mr. Chairman. With regard to housing again, just a supplementary to what Mr. Arlooktoo was saying there about rents being paid and also, I guess, the power bills being paid right now. My question to the Minister is, I guess, that it is just a first step in giving the responsibility to tenants to start paying for their own utilities. I realize that electricity is just a beginning but I am assuming that one of the long-term plans of the Northwest Territories Housing Corporation is that eventually you are going to have to start paying for your fuel and maybe repairs to your house and things like that. I just want to get assurance from the Minister that this would not happen. Would it?

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. GORDON WRAY: In terms of the user-pay concept, I think I can tell the Member that there are no plans to immediately put something like that into effect. In terms of long-term plans, the corporation does not really have any with regard to user-pay, although I am advised that the user-pay system which we are still implementing was a result of a motion of this House. I can remember well last year when we debated the whole thing and there was some feeling that it was not a good system. The problem is however, that if at some point in time people do not pay for their house then there is really no incentive for them to own their own. Again, we find ourselves in a dichotomy because in certain parts of the NWT, as Mr. T'Seleie indicated, there is a great desire for people to own their own houses, whereas in the Eastern Arctic, because of the extremely high cost of fuel and electricity there really is no benefit for people to own their own houses because they could never afford it. I think somewhere a balance has to be achieved.

At the same time there has to be some onus or responsibility put on the tenants toward looking after that house and making sure that there are no abuses of fuel oil and power. Out of the \$31 million we get for maintenance of these units, \$20 million is absorbed by utilities alone. If we can cut back on utilities and the money we pay out on utilities, then we can provide more money for maintenance. You know, the corporation is sort of at the mercy of NCPG here, and the government, because of the fuel and electricity charges. We have to achieve some sort of balance but it is a very difficult question. As far as I am aware there is no long-term plan of the corporation to make people fully responsible for all of the utilities and all of the maintenance on their units. I do not think that is very feasible given the cost at this time.

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

MR. GARGAN: Thank you, Mr. Chairman. I guess my first question is, who made the motion last year or a few years ago? My other one is that as far as lack of incentive to own your own home goes, is that right now most of the native people anyway are on fixed income? A lot of it also has to do

with chance. If you are a trapper, your rent could vary from month to month depending on whether you are lucky or whether you are not lucky. I guess, as far as paying utilities and that goes, even for the people with fixed incomes there is no incentive there to ever own your own home because they are having problems right now to catch up with the rent and also trying to pay utilities such as the electricity. So I understand the situation in the Eastern Arctic and I also am aware of the situation in the Western Arctic and, as far as incentive goes, I really do not see it there.

CHAIRMAN (Mr. Erkloo): Thank you. Mr. Minister, do you want to respond to that?

HON. GORDON WRAY: I think it was more of a statement than it was a question. I did not detect any specific questions in there.

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

More Direction Needed At Local Level

MRS. LAWRENCE: Many times at the regional level or district level, whatever you call it, they are not always consistent, not really properly advised or given proper policy maybe, and they are not always going according to the needs. Is there any way that managers or presidents or whatever you are going to call them can make sure that these policies or programs are implemented properly? That means you have to come to a community to make sure. Is there any chance for the managers or anyone from headquarters to go into the regional level or the community level?

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

HON. GORDON WRAY: I gather that the Member is asking, how much monitoring of the district do we do from headquarters? I think it is minimal, but if the Member thinks there is a need for a much closer scrutiny of the district operations by headquarters, then I think I can say, yes, that is something that can be accomplished. Headquarters people should be out in the districts finding out what the real world is all about.

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

MRS. LAWRENCE: Thank you, Mr. Chairman. I would suggest then that there should be some changes made because housing at the community level is such a mess that I would suggest that something should be done to improve some of the situations that we are faced with at the community level.

CHAIRMAN (Mr. Erkloo): Mr. Minister. I think Mr. Gargan is the next one.

MR. GARGAN: Thank you, Mr. Chairman. Just a supplementary to Mr. Curley's comment and Mrs. Lawrence's comment. It is quite true that in the North the Housing Corporation committee or group tends to meet within their own group and decide for the rest of their community who is going to be getting the houses and the communities do not really have a say in who should be getting it and who should not be getting it. Did you mention something about looking into that?

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

HON. GORDON WRAY: Yes, Mr. Chairman, we are undertaking a review of the whole allocation process at the community level for housing units.

CHAIRMAN (Mr. Erkloo): Okay. Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. They will not be building any houses in Sanikiluaq at the moment and I was just concerned about whether there could be any renovations done in Sanikiluaq. We are aware that there are going to be 10 houses to be renovated for the past 10 years since they have been built. I have met with our local housing association, talking about the contractor who is going to be doing the renovations. I do not think they are doing a really good job doing the renovations. They just do them very hurriedly and they are just trying to earn money in order to get enough to go for their holidays. Those houses have been renovated but they are not really well built and there is a lot of draft coming in. Even if you put Kleenex between the cracks when it starts snowing, the snow starts coming in and there have been a lot of complaints about the fact that they have not been well built. For example, there is a lot of insulation left

out at the hamlet warehouse that was to be put in those houses that had been renovated. The full-time hunters usually build their own little shacks to carve and some of them were getting enough insulation to insulate their little shacks. That was the insulation that was to be put in those houses that had been renovated and even the pipes are freezing up because there is no insulation and they just ran out.

I would like to put out some information for those people who had a contract to renovate the houses, particularly one house that was done by local people and it was really well done. I am sure it is going to be used for a long time. If you do not believe me, you can go and see the house yourself and see the hamlet warehouse that is almost full of insulation. They were really happy about the fact that they were paid to do this renovation. The local housing association did not want to get outsiders doing renovations. They would rather like to see the local people do it themselves. I would like to get some inspector to do an inspection after they do the renovations in Sanikiluaq. I guess they were just wasting a lot of money doing the renovations in Sanikiluaq. They just went there for a short period of time, did the job there quickly and got out of the settlement. I have seen it with my own eyes and also I was told by the local housing association. I am not trying to say this just for your information. I do not know what you think as a Minister responsible for the Housing Corporation. The local housing association would like to look after this themselves. They would like to do the job and it is their own community. I would like to get some response on this.

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

HON. GORDON WRAY: Thank you, Mr. Chairman. What do I think? I think we have got problems in Sanikiluaq, that is what I think. Other than that I have no information right now. I will have to get my officials to look into it and I will get back to the Member with some kind of answer or whatever we can come up with. But I will need time to check into it. I do not have an answer right now.

CHAIRMAN (Mr. Erkloo): Thank you. Mr. Gargan will take the chair. Mr. Angottitauruq.

Proper Maintenance To Reduce Utility Costs

MR. ANGOTTITAUURUQ: (Translation) Thank you, Mr. Chairman. There are people talking about bad houses all over the Territories, in every corner of the Territories, I believe. I also have some concerns about houses in the North, especially the northern rental houses. Hearing how much they pay for utilities and fuel and sometimes seeing that little advertisement on TV that some communities in the North are paying more for fuel than in Yellowknife, yes, that could be true. Going from house to house and visiting some settlements, I have seen sometimes in a lot of houses you cannot even take your skidoo boots off. They are cold because there are leaks all over the place and the maintenance men do not really look after these houses to save energy I guess. If that were looked at very closely I am sure a lot of money could be saved. If that money were saved it could be put to something else to better the houses. Everything costs money to repair, but if these houses were looked after more closely by the housing association maintenance men, for instance some windows, it was mentioned there were some cracks and you put Kleenex or something in then the snow keeps coming in. Cold air can come in at a crack where you cannot even see it and I think saving energy, cutting down costs of utilities for fuel -- I think that has been abused a lot. I think I heard about \$20 million for fuel. I might be wrong on it, but I think it would be a good idea if these houses were insulated much better than the way they are. Some doors even when you close them still have a gap of at least half an inch and it takes years and years for somebody to really see that the door is having a problem and some windows are very cold. Those are a few things that I think could save money and that could improve our housing in the North. I am wondering if that has been in the minds of the housing board.

CHAIRMAN (Mr. Erkloo): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. That is very much in the minds of the board. In this years budget in fact we will be rehabbing and replacing roofs on 227 units. An extensive rehabilitation and roof replacement program has been underway now for about three or four years to try and correct some of those deficiencies, particularly in the northern rental houses which are the oldest houses in the communities. There are still many of those units to be done though, because there were many of them built and again, just because of funding restrictions, we are not able to do it all at once. Hopefully over the next few years we will be able to go back to fix up

those northern rental units with the hope that we can save some utility money. I have just been given the figure that, in fact, we have done close to 400 rehabs already and another 110 this year. Eventually, we hope we will catch up but, yes, I can assure the Member that that is something that is very much on the mind of the board of directors.

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

MR. PEDERSEN: Thank you, Mr. Chairman. I would like to refer to the organization chart. It lists 117 positions and 108 person years. Do any of these positions work at the settlement level?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: No, Mr. Chairman, there are, I believe, 40 positions which are in what we call the districts, Rankin Inlet, Inuvik, Frobisher Bay and Cambridge. The other 68 person years are in Yellowknife.

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

Motion That Any Surplus Funds Identified Be Provided For Housing

MR. ERKLOO: Thank you, Mr. Chairman. I think it does not matter how you look at it there, from Resolute, Baker Lake, Pond Inlet, wherever, we need housing in the Northwest Territories. Therefore, I think I will make a motion at this time. I move that this committee recommend to the Executive Council that it consider any surplus funds identified to be provided for housing to the residents of the Northwest Territories in the 1984-85 fiscal year.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Erkloo. Your motion is in order. We will deal with it after coffee break. Mr. MacQuarrie.

MR. MacQUARRIE: A point of order. Often in these cases, during a break the motion is copied out and sent around so we can all have a look at it. I am sure we would appreciate that.

CHAIRMAN (Mr. Gargan): Yes, there will be copies circulated around before we discuss the motion. Thank you.

---SHORT RECESS

The committee will now come to order. We do not have copies available of the motion that Mr. Erkloo presented. We will have it very shortly but in the meantime, I guess Mr. Erkloo could talk to the motion. Mr. Erkloo.

MR. ERKLOO: (Translation) I am very sorry, Mr. Chairman. The motion that I made concerned houses in the Northwest Territories, not just Keewatin or Baffin. I made it to the whole Northwest Territories. I am thinking about places, settlements that need more, need houses more. I wanted the Housing Corporation to have authority to allocate houses. When they send material from the South it is easier in the Western Arctic to bring them by the highways but in the Eastern Arctic we have to depend on the airplanes. This is why I had a motion. Thank you.

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

MR. McCALLUM: Mr. Chairman, I just have a couple of questions to the mover of the motion in terms of the intent of the motion when he indicates that surplus funds that are identified be provided for housing. I have some concern about what kind of housing is being talked about here. Are we talking about increasing, for example, the amount of money for private home-ownership? Are we talking about public housing? There is a difference in those two things and there are some kinds of concerns that would have to be addressed here. When it simply says that these funds be identified to provide for housing to residents of the Northwest Territories, are we talking about money that the corporation would use to enter into agreements with CMHC to provide housing under section 43, I think it is, section 40? And where you know you have an agreement where we would use the surplus funds would you then borrow more money for public housing? Or is it money that would be used, for example, to update or increase the amount for the Home-ownership Assistance Program, the HAP program? Is it for Rural and Remote Program units? I have that concern. But I do not think it is just good enough to say that it should go into housing. I think it should be earmarked specifically. I am not against the idea of the government using surplus funds from its capital

program, as it has in the past, to provide for single family units, to increase, as the corporation has done over the past two or three years, the home assistance grant. That is now up to a maximum of about \$30,000. I just have a concern as to what kind of housing we are talking about here. Are we talking about public housing, or are we talking about increasing the home assistance program, or are we talking about increasing the benefits to senior citizens housing? I would like that kind of clarification before we get into the discussion on the motion, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. McCallum. Mr. Erkloo, would you like to clarify your motion?

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I was mainly concerned about the people who need houses, for whom the houses are provided by the NWT Housing Corporation. I will use myself as an example. I have a house that was provided by the NWT Housing Corporation. There are 10 in our house. There is no bathtub in our house. There is no running water. One of the reasons why I brought this up was because we have to go to somebody else's house to take a bath or a shower. I do not think we should have to do that. This is not the situation in Pond Inlet only. It might also be like that in the other communities. I think the NWT Housing Corporation have to think about our situation a little bit more.

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

MR. MCCALLUM: Mr. Chairman, I again would indicate to you and to Members of this committee that I think the intent of the motion is one that I could support. That is to provide more funding to build houses. What I am concerned about is whether in fact this means that we want to get into providing more public housing. I would prefer to see specifically that there would be more funds spent for single parent families. I would like to see that there would be more money put into the Rural and Remote Program where people can get to purchase their own homes on a mortgage rate that would move back and forth dependent upon the amount of money they have coming in. I would like to see more money put in to the Home-ownership Assistance Program. I would like to see money put into increasing the Senior Citizen Home Repair Program in housing. If we pass this kind of motion without giving proper direction to the corporation as to how it should be done, I am afraid it will go into public housing. I would prefer, personally, to see the money go into housing whereby people would be able to own their own home or we could in fact help people such as senior citizens to upgrade their homes. So though I would support surplus funds going to the corporation, if we are going to do that, I would want to try to specifically earmark the money into specific programs along the lines that I have just indicated -- the home-ownership programs where people then own their own home, not the public housing.

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

Amendment To Motion That Any Surplus Funds Identified Be Provided For Housing

MR. PUDLUK: Thank you, Mr. Chairman. I would like to make an amendment to this motion. It reads: I move that this committee recommend to the Executive Council that it consider any surplus funds identified be provided for public housing and home-ownership to the residents of the Northwest Territories in the 1984-85 fiscal year.

CHAIRMAN (Mr. Gargan): Mr. Pudluk, can we have a copy of that motion? Thank you. The motion as amended reads: I move that this committee recommend to the Executive Council that it consider any surplus funds identified be provided for public housing and home-ownership to the residents of the NWT during the 1984-85 fiscal year. To the amendment. Mr. MacQuarrie.

MR. MACQUARRIE: I would like to just ask for some clarification, maybe from the Housing Corporation people. I am a little confused then if it is to be directed toward public housing. We are trying to identify a possible surplus in this fiscal year which presumably would lapse if it is not used in this fiscal year. Is that right? If that is the case, then when we consider all of the regulations of CMHC and making the arrangements ahead of time to get the matching money from them and this kind of thing, would it even be possible to do this, to identify certain funds as surplus this year and to take steps to get additional public housing?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. Yes, it would be possible to a limited degree. Any funds given to the corporation would not lapse. We would go into a two year construction cycle with the first year being land assembly, gravel pads and in the second year construction of the units. In certain situations it may be possible to move quicker for housing where land assembly and pad work had already been done but to a limited degree, yes, we could move on it. To a greater degree it would be a two year construction cycle.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. I would like Mr. Pudluk to talk to the motion as amended.

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I am going to have a short comment on this. We cannot tell how much the surplus money will be, the total. I think our problem in the NWT is not enough housing available for the NWT. We will try to use all the surplus funds to provide housing for the residents of the NWT. There might not be enough surplus to cover the houses that are needed. That is why I made an amendment to this motion. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Pudluk. Mr. Ballantyne, to the motion as amended.

MR. BALLANTYNE: Thank you, Mr. Chairman. I am not sure if I am in order or not but I would like a little bit more clarification also and perhaps we could ask the guidance of the Minister and the officials from the Housing Corporation. Now, as I understand the motion, we are talking about surplus funds throughout the whole government budget. Is that correct, or are we talking about the Housing Corporation to start off with?

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

HON. GORDON WRAY: For clarification to the Members, Mr. Chairman, in terms of public housing, as I say, there would be a limited response. In terms of the home-ownership program in the West we will be able to move a lot faster because we already have about the same amount again of outstanding applications which we have had to cut off because of funding requirements. So we have got, I think, 58 approved and we have at least another 60 which are outstanding right now where basically all the work has been done and we just could not proceed because of funding. So we could move faster on the home-ownership than we could on the other aspect. That is all I want to say.

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

MR. BALLANTYNE: Mr. Chairman, in the course of the year we are assuming we will have some surplus funds. I wonder, how does that plug into a building cycle? We will be probably in the last quarter before we identify that we do have surplus funds. What are the logistics of plugging those surplus funds into a three year building cycle or what?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I will have Mr. Irving answer that.

MR. IRVING: Mr. Chairman, the answer to that question is we do not see any problem. In regard to public housing that is a two year construction cycle whereby we do the land assembly, the pads, the first year and do the actual construction the second year. In regard to home-ownership that is just a matter of acquiring the material and as long as it is not too late in the summer, like some problems we experienced last year, we would not have any problem accommodating clients. But in any event the corporation does not lapse any funds and whenever any additional funds are available it would be of benefit to build additional units under whatever program. So I do not see even if there were a delay, as long as there were additional funds that were provided during the year, we could go on and build the number of houses that are required. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Irving. To the motion as amended. Mr. T'Seleie.

MR. T'SELEIE: Mr. Chairman, I would like to know if this motion is talking about surplus funds at the end of the next fiscal year. I would like to know if this motion passes when would it be effective? Would it begin next March? I am a little bit confused about that.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Mr. Chairman, I will look at the motion. Yes, it does say 1984-85 fiscal year which is next year. I think the intent was for this year for 1983-84. I am not too sure but that is what I understood from the Member when he was speaking. Perhaps the Member could provide clarification on that.

CHAIRMAN (Mr. Gargan): The motion is correct as it reads. The motion is for 1984-85. Mr. McCallum.

Costs Of CMHC Agreement For Public Housing

MR. MCCALLUM: Mr. Chairman, that means in effect that the government would have to identify the surplus funds at the end of this coming fiscal year and that means that the houses would not be built until the year 1985-86. That is what it means and speaking to the motion, Mr. Chairman, I had indicated in my previous remarks that I would not be in favour of public housing. That means that if there is a million dollars, for example, that would be identified by the government basically during the last quarter, the last fourth outlook or whatever it is of next year, that the government or the Housing Corporation then would be given the million dollars. In public housing they would have to enter into an agreement with CMHC, Canada Mortgage and Housing Corporation, under section 43 where they would put up that million dollars, that part of it would represent their share of 25 per cent. Then they would have to borrow the other three quarters and that means an increase in the amount of money that it will cost this government over a period of time because the money would have to be paid back as you borrow it from CMHC. So I am not in favour of the amendment as such. I am in favour of home-ownership, no question about it, wherever, but the mandate of the Housing Corporation is to provide public housing. If you are going to put more money into housing I personally would prefer to see it be done by giving the direction to the corporation to provide for home-ownership, not in public housing. By allocating or directing the government to put surplus funds to provide public housing it means that in point of fact we are then telling the government to go into borrowing more money which will be a cost. Granted the percentage of the interest rate is not too bad, but it will still require the government to spend additional money to cover the cost of the amortization and so I would not be in favour of the motion, although I want it to be perfectly plain to people so committee Members here understand I am not against increasing amounts of money for housing in the North, but I am against the idea of putting it into public housing. There are those units where I would prefer to see it go into other areas, specifically home-ownership, and if I had another option I would rather see it increase the amount of money that is given to Senior Citizen Home Repair Program which is now \$100,000 divided amongst six districts at \$5000 per application. That means there are 20 senior citizens going to get it in one year.

CHAIRMAN (Mr. Gargan): To the amendment to the motion. Mr. Minister.

HON. GORDON WRAY: Just to clarify what the Member said, under section 43 which is the program we used to use there were amortization costs. Under section 40 it is just a cost-shared program, 25 per cent and 75 per cent, and there are no amortization costs.

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

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I think I will defer this until tomorrow so that I could put appropriate wording to this. Thank you.

Amendment To Motion That Any Surplus Funds Identified Be Provided For Housing, Withdrawn

CHAIRMAN (Mr. Gargan): Mr. Pudluk, would you withdraw your amendment then?

MR. PUDLUK: Yes, Mr. Chairman, I will.

Motion That Any Surplus Funds Identified Be Provided For Housing, Withdrawn

CHAIRMAN (Mr. Gargan): The motion is now withdrawn. General comments on the Northwest Territories Housing Corporation, Mr. T'Seleie.

MR. T'SELEIE: I would like to know if the Housing Corporation has ever considered somehow dividing the corporation into an east and west branch. It seems to me that to divide the corporation would make a lot of sense because the Northwest Territories is a big country and housing is an issue that is very important for people all over. What I would like to know is whether or not the corporation has ever considered it and if they have not, then why has it not ever been considered?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I did not catch the last part of the question. Could the Member repeat it please?

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

MR. T'SELEIE: My question is, whether or not the Housing Corporation has ever considered dividing into two corporations, if you want to call them that, and if they have not considered it, then what reasons are there for not considering it?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: In answer to the first part, no it has not ever been considered. The second part, as to the reasons why it was not considered, I suppose one of the first reasons would be that no such direction had been given by this Legislature to do that. Secondly, I think, for the last two years the corporation has been trying to put its act together and I suppose there is a fear of duplication of services and lack of money. As the Member is aware, I have only been here for two weeks so I really do not know what went on in the past but I am told, no, it was never considered. Because it was never considered, the arguments for or against it were never considered.

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

MR. PANILOO: (Translation) My question was passed through by one of the communities in my constituency, Broughton Island. I have a concern about the electricity, the power bills that are to come up in the future. The houses that were built in 1983, have small windows and they will be implementing power bills in the near future as they are now. I was wondering if you are considering in northern Baffin they use their windows more than the southern part because of the daylight. They wanted to understand if you are considering this, perhaps putting in more windows due to the days that are long, or have you already considered that? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. Again, that is another item that we will have to take under consideration.

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

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I have been needing this Housing Corporation for eight years now and now the improvement is not really out in the open. The Housing Corporation never has the concerns or problems of these other settlements or the communities, as it is like that, the Housing Corporation does not believe us. I have a question later on as I go along. The question was, how long does a tenant have to live in the house in order to own the house? The tenants who make a lot of money are paying a large amount of their money for their houses. The people who are unemployed do pay less than the people who work. This is my question. And also, the rental payments for the houses in the communities seem to be different in other communities, the way I heard it. Also, I have known some people who are able to work and make some good money, who have quit their job because the rental payment for the house will get too high if they work. And I have been told by a person who was in this kind of situation, a person who worked in Little Cornwallis Island, the house he lives in has three bedrooms and the rent was up to \$700 per month. Because it turned out like this, that is the reason why he quit his job.

Also, in the past in the houses, there was a housing maintenance program up to today. The people who used to go out on their training session for maintenance, I do not think they ever go out for further training, I do not know the reason why. There are lots of problems in the Arctic. We all can tell that you will be trying to solve the bigger problems first but the smaller problems will be around us all the time. And also, I have another question. The people who work for the government and use government housing. The rent goes up also. Does the rent go up along with the housing costs that are going up? Does the government housing price go up with the Housing Corporation's prices?

HON. GORDON WRAY: I cannot think if I have forgotten any of the questions the Member asked. Perhaps the Member could remind me if I have forgotten any. I hope I have given him the information he wants. I hope this rental scale and package I have may provide him with more information.

CHAIRMAN (Mr. Gargan): Mr. Pudluk.

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I do not think he answered my question regarding how long the tenant had to live in the house in order to own the house. Speaking about those people who are making a lot of money and the rental is real high and the fact that he mentioned that they will be putting rent up to \$700 and over. Up to today I have seen a businessman, an Inuk businessman who is living in an older house. He was told that he will be paying a \$1000 a month. Because of the fact that we do not communicate well between the settlements and the Housing Corporation there are a lot of problems. How can we solve them? I do not know how we will be able to solve our problems. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. On a question of purchasing your house there is no policy whereby a tenant can purchase what is called a "public" house. That is a house built under section 40 of the housing ordinance. There is a program through which tenants can buy the northern rental houses, the first houses that were built and, depending on the condition of that house, depending upon its age, will determine upon the price which is assessed to that house and then so much of the rent that a tenant pays will go toward the purchase price of that house. Of course, it depends entirely upon how much rent the person is paying to work out how long it would take him to buy the house, but there is a program whereby you can buy the northern rentals. There is not one whereby you purchase a public house.

One other question the Member asked was in terms of maintenance. The training of housing association maintenance employees is now being provided by Thebacha College.

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

MRS. LAWRENCE: Thank you, Mr. Chairman. I am glad to hear the Minister mention purchasing some of the old northern housing. I think that would serve the purpose if the Housing Corporation would concentrate more on home-ownership rather than public housing. It is getting to the point where the Housing Corporation cannot keep up with the maintenance of the housing and every house almost in the community has something wrong with it and they are spending so much money on it. Therefore if it could be turned over to the people who are living in it now, they would have an incentive to work on their own house. Whereas the way it is now, it is not their house, so why should they spend money on it? I would suggest to the Housing Corporation priority should be given to the home-ownership rather than the public housing.

CHAIRMAN (Mr. Gargan): Thank you, Mrs. Lawrence. Mr. Minister, do you want to respond to that?

HON. GORDON WRAY: I agree with the Member. Yes, it is a priority area and perhaps what we have to do in the corporation is look at our policy with home-ownership and see if we can come up with additional programs to encourage more home-ownership. Basically I agree with her and will take her remarks as advice and work on it.

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

Maintenance Problems In Communities

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. I think I am going to comment here, directing this comment to the NWT Housing Corporation and the Minister himself. I agree with the Member's comment there, but mine is going to be a little different. There are a lot of houses that need work and the tenants could do something about them, but then again local housing directors have their own policies too in the area I know. It is very easy to nail some boards on the house to sort of fix it up, to sort of try to keep the cold out, but according to the board of directors in local communities in some areas if you drive one nail you are almost kicked out of that house. That does not give the tenant much choice to try and better his house. The Housing Corporation provides maintenance but I have seen a lot of maintenance men who work for the housing association.

Sometimes they work on one door, all three of the workers work on one single door. Sometimes when they are fixing cupboards just to put on one little hinge they use two men. I guess there are a lot of houses that are to be fixed up and if they are being educated to be maintenance men in some cases they should be able to work on one item all by themselves.

Getting back to the policy that housing directors have, I think sometimes they are a little too strict in what they try to tell the tenants to do. I think there should be a little bit of freedom as long as they do not vandalize the house. I hope you understand what I am saying on the policy there for local boards of directors for housing associations. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister, would you like to respond to that comment?

HON. GORDON WRAY: I think the comment speaks for itself. Obviously it is a problem at the local level. Perhaps the corporation may not be providing enough direction in terms of maintenance programs but I doubt it very much. I know that the policy of the board of directors of the corporation has always been to encourage tenants to do as much of their own maintenance as possible, particularly minor maintenance, so housing association maintenance men can be freed up to do major jobs as opposed to minor jobs. I would hope that that is our policy in all of the communities, but I really do not know. That is a very local problem as opposed to a corporation problem.

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

MR. BALLANTYNE: Thank you, Mr. Chairman. I have a question to put to the Minister. I wonder if we project over the next 10 years that the corporation builds 70 or 80 units of public housing and picks up the ongoing O and M cost, will there not be a time in the future when in fact this government will not be able to pay all these O and M costs, especially if formula financing is introduced? Is there a real danger that O and M costs will rise so dramatically over the next decade, that it will be very difficult for this government to cover them?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I would guess that possibility exists. However, trying to project into the future sometimes is not that easy. I cannot really give you an answer to what is going to happen 10 years from now but, yes, the possibility exists.

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

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. This is a question concerning housing. I was told by the local housing association in Sanikiluaq, it has been five years now since they have had a truck and they had to purchase their own skidoos. They had been trying to use a vehicle which is owned locally for transportation and for this reason we had been told by the housing authorities from Frobisher Bay that they will be fixing up this old vehicle, for the past two years now, and I have not heard anything about why in fact they have not fixed this vehicle or supplied any kind of parts. They have not been given any money to purchase their own parts for this vehicle. They should have their own vehicle and it could be fixed very easily. I just want to know if the Housing Corporation is aware of this concern that we have. I would like to know about this further.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: The corporation at the headquarters level is not aware of it. The corporation provides capital money for housing association equipment including vehicles and major repairs to the region and then the region is responsible for looking after the priorities. If the region has not done it then I can only assume the region has decided it is not a priority. However, we will check into it for the Member and provide him with an answer later.

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

MR. PANILOO: (Translation) Thank you, Mr. Chairman. I would like to ask two questions of the housing associations in the communities. The employees or secretaries have their own houses, but I have known one secretary who is moving into a new house and that house did not have any furniture. I was wondering if the employees, the secretaries or managers, could be provided furniture for

their houses? The next question is for two years now they have a real lack of funding and they have been requiring some, but they do not have enough funding for maintenance and I am not happy with this. The houses are so expensive I think they should be taken care of more properly and could we maybe put additional funding for the maintenance of the houses? These are the two questions I want to ask.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: On the first question, no furniture is provided for housing association employees and no budget exists for that item. In terms of more maintenance money, if the Member would refer to my opening remarks I said that I was also unhappy with the present level of funding that we are providing to the housing associations and that we were immediately undertaking to review the funding to see if these service levels could be brought up. I would remind the Member that the corporation, like most government departments, is also dependent on approval of the Financial Management Board of the Government of the Northwest Territories for its money. While the corporation can put in for the money and we can identify how much money we need there is no guarantee that we will get that money. Thank you.

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

MRS. LAWRENCE: Thank you, Mr. Chairman. Would the Minister consider redoing the organizational chart? I see you have a fancy organizational chart and it is not serving the purpose at the community level. Do away with some of these positions, bring the president to the community level and maybe he will do a better job then. You can save a lot of money but I cannot see how he can have this big, fancy, organizational chart when it is not serving the purpose at the community level.

CHAIRMAN (Mr. Gargan): Mr. Minister. No comment? Mr. MacQuarrie.

Feasibility Of Multipurpose Units

MR. MacQUARRIE: I presume that the placement of houses is done in co-operation with the Department of Local Government and community plans and that sort of thing. It seems that the Housing Corporation is stuck on putting up detached units. I mentioned this at the session a couple of years ago and I want to return to it because we are talking about O and M costs that are really very high. You are mentioning that \$20 million in your budget goes to paying utilities and I am aware, for example, that Northern Canada Power Commission spends a lot of money on fuel every year. I think it is in the neighbourhood of \$30 million. I am told that in a way two thirds of that heat is residual heat and could be used with some planning and organization in the community. I am aware that the Government of the Northwest Territories is given first right of usage of any residual heat that is produced by NCPC. I guess the question I am asking is, is there a necessity for building detached dwellings all the time? Can we not move to make the communities a little bit more compact in some way and attempt to use some of the residual heat that could amount to a very significant saving? It appears to me anyway, on the surface.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. While there is some movement toward detached or multipurpose units, row housing, it has only been in the area of single person accommodation, duplex, fourplex. There is still major resistance within a lot of communities to the row housing concept. It is a resistance that I personally agree with because of the social problems it entails in the community. We have Greenland as a model where row housing was a social disaster and where it contributed to some very major social problems. Most of the people that I know that live in communities do not want to live in row housing. They need houses where they can have space around their houses for their hunting equipment, for their meat, for their dog, etc. So, any attempt by us I think to push row housing into communities would be met with a great amount of resistance. As I say there has been some acceptance on duplexes and on row housing for single persons who are more willing to adapt or be accommodated in that type of unit but not in a general way.

In terms of residual heat we are now making some strides with NCPC, not yet in terms of heat to houses but in other areas. However NCPC does levy a charge against this so I think it is about 50 per cent or 60 per cent of the present cost plus the initial capital costs and installation, etc. In a lot of the communities the powerhouses were placed in areas away from the community where

housing development is not practical. The powerhouses were built away so that the noise would not disturb a lot of the community residents. In some of the communities it is not practical to build houses near the powerhouse. Thank you.

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

MR. PEDERSEN: Thank you, Mr. Chairman. Mrs. Lawrence just about took my comments away before. I too am starting to question if we even need a Housing Corporation today. I believe the corporation was initially set up in order to conform to our financing requirements as set down by CMHC. Prior to the set up of the corporation, houses throughout the North were provided as part of a government department, I forget which one now. It is obvious from the comments of the representatives of the main users of public housing, the community representatives here, that the program is far from satisfactory. I have not been able to detect a single compliment today. I think our costs have got out of line. I understand that new detached housing in the eastern part of the Territories is costing \$150,000 and up per unit. I see from, for instance, on page 3.11, if my division is right, that we are paying some \$74,000 per unit to rehabilitate the older houses. These older houses are quite small so the square foot cost is really almost up to what it would cost to build new houses. The maintenance is not to the level it should be. People complain about that. People complain about allocations. When we raise something to the housing association in the communities they blame the Housing Corporation and it seems often that when we raise something here from the community level they say, "Well, that is really the housing associations." I too cannot see that we need 200 people at the community level which I saw somewhere in here that we had, and 108 people at headquarters level. I really think that we should reassess the need for having a Housing Corporation in its present structure. Maybe a small funding agency to comply with the CMHC requirements at the headquarters level and move everything else to the user level, the communities. Thank you.

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

MR. BALLANTYNE: Thank you, Mr. Chairman. I am not sure if this is the right department to pose this question to but I remember four years ago there was some talk of establishing a condominium ordinance in the Northwest Territories. I know there are a number of developers in some of the larger communities who would be interested in developing condominium units but there was a problem with the enabling federal legislation. I wonder if the Minister is cognizant of that problem and if the Executive Council is going to attempt to rectify the situation so indeed private developers can build condominium units in the Northwest Territories?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: No, I am not aware of the problem and I am not aware of anything on the part of the Executive right now to rectify the problem. That is the first time I have ever heard of it.

CHAIRMAN (Mr. Gargan): Mr. Ballantyne.

MR. BALLANTYNE: I wonder if I could ask the Minister to look into it and perhaps get back to me as to what direction the Executive Council might be thinking of in this area.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Yes, we will look into it. However any legislation would have to be amended or any new legislation would have to be drafted by the Department of Justice and Public Services. It is not a corporation responsibility.

CHAIRMAN (Mr. Gargan): Mr. Curley.

Alternate Sources Of Energy

HON. TAGAK CURLEY: Thank you, Mr. Chairman. I just wanted to remark on the issue of alternate sources of energy. I think that is an ongoing concern of the government and certainly I think will be welcomed by the private home-owners in the Territories. I know that our Executive Council has recently approved energy policy, particularly as it relates to government buildings and so on. It recognizes a number of points, particularly the principles involved, number one, where residents will be helped to recognize and avoid waste. Then consumer financial responsibility for energy

purchases will be increased. Energy efficiency in buildings will be encouraged. Administrative practices within government related to energy use will be redesigned to promote conservation. NWT energy use will be monitored to provide the basis for energy planning and new sources of energy will be identified on a community-by-community basis. There are eight principles they have identified. I have just outlined very quickly some of them. As I reviewed these principles and the directive that has been given to the departmental agencies, our position at this time is that before such funding could be found to implement many of the government policies it is not practical at this moment, not possible to implement the ones that I raised, so I intend to review it with our people in the energy group as well as possibly to try to find ways and funds to improve this energy problem that we have within our own jurisdiction. So I would just like the Member to maybe keep track of this thing because I believe we are going to need some fair understanding from everyone to try and tackle all the kinds of energy we have been using in the North which is quite substantial. I believe as a result of that, in spite of the Housing Corporation's problems that are normally mentioned by Members at this time, it does not seem possible ordinary home-owners, particularly in the remote areas, can afford it without subsidy. So I think I would just like to indicate this. I hope to be able, before too long -- not at this session maybe -- to try to come out with a more comprehensive plan of action to try and resolve some of the problems that we face as to the consumption of energy in the Territories. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Curley. General comments. Mr. MacQuarrie.

MR. MacQUARRIE: I thank Mr. Curley for that information and I certainly approve of movements in that direction. Coming back to the Housing Corporation, I appreciate the Minister's statement that lifestyle preference seems to make it impossible to consider multiple unit dwellings that can make use of residual heat or even multiple unit dwellings that just would be heated in the normal way but which might be cheaper as a result of being structured in that way. So, apparently that idea is not particularly popular but I still think we are going to reach a point where all of us have to come to terms with reality and the reality of rising costs in the area of energy. So I would ask the Minister then, first of all, if he would just outline for the Assembly the present regime of user-pay. We have heard some comments about the difficulties that it is imposing in some places. Could you tell me what is the present structure and then whether there are plans to make that progressive? In other words, I recognize there is a need to get the idea established and accepted and working, but is there a plan to begin gradually to increase what is expected of users in the area of power and fuel?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: In terms of our user-pay system it is a very basic one and it is very simple. For any power consumed over 500 kilowatts, there is a charge of between one and four cents a kilowatt hour; over 500 kilowatts, no less than one and no more than four cents a kilowatt hour. That is all we have planned right now.

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

MR. MacQUARRIE: When you say all you have planned right now, in other words, what you are saying is, there is no progression planned. The decision was made. It is just being left at that. If that is the case, I certainly would urge that the corporation begin considering some target, some progression in that area because a great deal is not being expected at the moment and yet we do know that mechanisms are in place where people really cannot afford to pay whatever is asked and it is forgiven in that case. So I would like to see that kind of attention given to that problem.

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

Improved Co-ordination Between NWT Government And Housing Corporation

MR. BALLANTYNE: Thank you, Mr. Chairman. During our meetings with the finance committee there seemed to be a number of questions as to whether or not the Minister would be looking at mechanisms to make the co-operation and co-ordination between the territorial government, and the Housing Corporation, in the delivery of programs smoother than it is right now and perhaps to try to avoid some duplication. There were some questions about whether or not it is necessary to have a separate personnel department in the Housing Corporation, whether or not it is necessary to have a separate financial section within the corporation. I think that these are all meant by committee Members as forms of constructive criticism. I think the bottom line for at least the Members of

our finance committee is that we would essentially like to see more houses produced at a lower cost and in a more efficient way. I wonder, has the Minister thought of ways to better co-ordinate the territorial government and the Housing Corporation without jeopardizing the funding arrangement with CMHC?

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

HON. GORDON WRAY: Yes, I have thought about it, but I still think I will need more time to think about it before we reach any decisions. Any fundamental change obviously is going to have to be done with great care and I would rather take my time and do it right the first time than rush ahead and have to come back three or four months later and make changes and another year from now make more changes. I am leaving my options very wide open right now and everything is certainly under review.

MR. BALLANTYNE: Thank you, Mr. Minister.

CHAIRMAN (Mr. Gargan): General comments. Is it agreed we will go into the budget summary? Page 3.05, total O and M is \$31,237,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

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

Personnel Department, NWT Housing Corporation

MR. T'SELEIE: I have a question and I think it falls under this section, but we have this other book that was given to us as Members of the finance committee and there is a section in there that refers to personnel working in the Housing Corporation. This small department is made up of six people whose job it is to provide staff recruitment and personnel administration services and to maintain central records. For 1984-85 it is proposed that under this section the Housing Corporation has budgeted \$1,148,000 for what is listed as "other O and M costs". I would like a breakdown of those O and M costs. Where does that money go? It seems to me that it is a lot of money to spend for the amount of people that are working in that section of the Housing Corporation.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. The breakdown is as follows: salaries for the six people are \$202,000. Casual wages, \$118,000, for clerical support and short-term projects for the field and headquarters. Housing allowances, \$32,800. Benefits, \$19,200, that is, UIC, CPP, Workers' Compensation and holiday pay. There is \$117,900 for annual leave and medical travel for all the corporation employees; \$103,000 for the cost of telex, telephone, telecopier, postage, etc.; \$51,100 to cover the cost of staff training; \$210,000 for the cost of advertising positions, interview costs, removal in and removal out; \$70,100 which we pay annually to the Government of the Northwest Territories to cover the costs of a lawyer; \$25,000 for janitorial, for cleaning of Northern United Place; \$6000 for local cartage. There is \$115,000 for materials and supplies. That covers all the printing, stationery, office supplies and miscellaneous controllable expenditures for all field and headquarters offices, the same sort of supplies to them. There is \$391,000 in rental and leases to cover the rent on the office here in Yellowknife, vehicles, survey equipment, Xerox machines, word processors, typewriters, blueprint machine; \$8800 for office repairs and \$48,000 for the operation of our staff houses in Rankin Inlet and Frobisher Bay. I will provide the Member with this list I have here.

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

MRS. LAWRENCE: One last general comment before I agree on any of the budget. First, before I agree on it I would like the Housing Corporation to consider the reorganizing of the whole organizational chart. Number two, sell the old northern housing to the people who are occupying them, even for one dollar. In the long run they are going to spend thousands of dollars trying to keep up this old housing.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: No comment.

CHAIRMAN (Mr. Gargan): Mrs. Lawrence, is that a motion?

MRS. LAWRENCE: Mr. Chairman, it is more of a recommendation. I want the Housing Corporation to seriously consider this recommendation because I do not agree on this O and M cost at all.

CHAIRMAN (Mr. Gargan): Thank you, Mrs. Lawrence. Mr. Minister, would you consider that? Would you consider that request?

HON. GORDON WRAY: I am open to all requests, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Getting back to page 3.05, budget summary, the Northwest Territories Housing Corporation, \$31,237,000. Mr. Ballantyne.

MR. BALLANTYNE: I have one question. I noticed in our finance committee book that you have transferred, Mr. Minister, two person years from executive to construction division and eight person years from the district offices to the construction division. I notice that in the executive you are down two person years at a saving of \$113,000. In the district offices you are down eight person years with a saving of \$109,000. In construction you are up 10 person years, but it is going to cost you \$658,000. Why do the figures not all match? There should be a corresponding decrease to match the increase.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: I will have to take that under advisement and I will provide the Member with a reply.

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

MR. T'SELEIE: Mr. Chairman, back to my question about the personnel department of the Housing Corporation. I did a little bit of arithmetic here and what this small department breaks down to is that the Housing Corporation wants to spend \$250,000 for each person that is working in that small department. This is for one year. I suggest that that is a little bit unreal. So, I wonder if the Minister could tell us here if he would look into that and really tell us whether that cost is really justified.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. GORDON WRAY: Thank you, Mr. Chairman. Looking at it briefly, in terms of the six positions I can only identify about \$270,000 which is money spent directly on those six people. The rest of the money spent is for the whole corporation, the whole 100 positions plus office space etc. I certainly will look at it and see if there are areas that can be cut.

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

SOME HON. MEMBERS: Progress.

CHAIRMAN (Mr. Gargan): Mr. Pudluk, thank you for the motion for progress. All those in favour?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): The motion is carried. I will now report progress. Thank you. Thank you very much, Mr. Minister and Mr. Irving and Mr. Pilot.

ITEM 16: REPORT OF COMMITTEE OF THE WHOLE

MR. DEPUTY SPEAKER: Mr. Gargan.

REPORT OF COMMITTEE OF THE WHOLE OF BILL 1-84(1), APPROPRIATION ORDINANCE, 1984-85; TABLED DOCUMENT 4-84(1), 1984-85 MAIN ESTIMATES

MR. GARGAN: Thank you, Mr. Speaker, I wish to report that your committee has been considering Bill 1-84(1) and Tabled Document 4-84(1) and wish to report progress with the Northwest Territories Housing Corporation.

Motion To Accept Report Of Committee Of The Whole, Carried

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

MR. DEPUTY SPEAKER: The Members have the heard the report of the chairman of committee of the whole. Are you agreed?

SOME HON. MEMBERS: Agreed.

---Carried

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

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a meeting of the standing committee on finance tomorrow morning at 9:00 a.m. and a caucus meeting. There will also be a meeting of the caucus with the Science Advisory Board at 11:30 a.m. tomorrow morning.

ITEM 17: ORDERS OF THE DAY

Orders of the day, Wednesday, February 15, 1:00 p.m.

1. Prayer
2. Members' Replies
3. Ministers' Statements
4. Oral Questions
5. Written Questions
6. Returns
7. Petitions
8. Reports of Standing and Special Committees
9. Tabling of Documents
10. Notices of Motion
11. Notices of Motion for First Reading of Bills
12. Motions: Motion 17-84(1); Motion 18-84(1)
13. First Reading of Bills
14. Second Reading of Bills
15. Consideration in Committee of the Whole of Bills and Other Matters: Bill 1-84(1); Tabled Document 4-84(1); Bills 2-84(1), 3-84(1), 4-84(1)
16. Report of Committee of the Whole
17. Orders of the Day

MR. DEPUTY SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Wednesday, February 15 at 1:00 p.m.

---ADJOURNMENT

Available from the
Publications Clerk, Department of Information,
Government of the Northwest Territories, Yellowknife, N.W.T.
\$1.00 per day; \$30.00 for 1st session, \$20.00 for 2nd and 3rd session; or \$50.00 per year
Published under the Authority of the Speaker of the Legislative Assembly
of the Northwest Territories