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TABLE OF CONTENTS

WEDNESDAY, FEBRUARY 22, 1984

	<u>PAGE</u>
Prayer	489
Oral Questions	489
Written Questions	492
Returns	493
Ministers' Statements	
- On Changes to the Northern Canada Power Commission	494
Tabling of Documents	495
Notices of Motion	496
Second Reading of Bills	
- Bill 6-84(1) Territorial Parks Ordinance	496
Consideration in Committee of the Whole of:	
- Bill 1-84(1) Appropriation Ordinance, 1984-85	497
- Department of Education	498
- Department of Local Government	498
- Tabled Document 4-84(1) 1984-85 Main Estimates	497
Report of Committee of the Whole of:	
- Bill 1-84(1) Appropriation Ordinance, 1984-85	526
- Tabled Document 4-84(1) 1984-85 Main Estimates	526
Orders of the Day	527

YELLOWKNIFE, NORTHWEST TERRITORIES

WEDNESDAY, FEBRUARY 22, 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, Hon. Richard Nerysoo, Mr. Paniloo, Hon. Dennis Patterson, Mr. Pedersen, Mr. Pudluk, Hon. Nick Sibbeston, Mrs. Sorensen, Mr. T'Seleie, Mr. Wah-Shee

ITEM 1: PRAYER

---Prayer

DEPUTY SPEAKER (Mr. Wah-Shee): Before we proceed, I wish to recognize in the gallery today Mrs. Sheila Embury, Mr. Harry Alger and Mr. Ron Moore, who are Alberta MLAs on the select special committee on senate reform, of the Alberta legislature.

---Applause

Item 2, Members' replies. No Members' replies today.

Item 3, Ministers' statements. Item 4, oral questions. Mr. Ballantyne.

ITEM 4: ORAL QUESTIONS

Question 93-84(1): Presence Of Minister During Budget Discussion

MR. BALLANTYNE: Mr. Speaker, I would like to direct this question to the Minister of Local Government. We all received a letter today from Mr. Sibbeston saying he would be absent from the Assembly tomorrow. As it seems likely his department will be discussed tomorrow, what Minister has he delegated to answer questions from his department?

MR. DEPUTY SPEAKER: Honourable Mr. Sibbeston.

Return To Question 93-84(1): Presence Of Minister During Budget Discussion

HON. NICK SIBBESTON: Mr. Speaker, this letter was really one that was written yesterday. Since then things have changed and I have now taken the view that if we are not finished with Local Government tomorrow I will be here. I made the matter of Local Government the first priority and secondary, meetings such as the one held in Snowdrift. So if we still have to deal with Local Government here tomorrow, I will be here until it is concluded. Hopefully it will be concluded tomorrow so I could then go to Snowdrift to meet with the regional people there.

SOME HON. MEMBERS: Hear, hear!

---Applause

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. MacQuarrie.

Question 94-84(1): Replacement For CNIB Equipment In Rae

MR. MacQUARRIE: Thank you, Mr. Speaker. This question is for the Minister of Education. A short time ago the Minister received a request from the NWT Council for Disabled Persons. They pointed out that in the community of Rae where retinitis pigmentosa is such a serious problem a visual text machine to help people being stricken with blindness to read and write effectively was in place, put there by the Canadian National Institute for the Blind in Alberta. The CNIB has had to take their machine back again and a request was made for a machine to help students in Rae and I would ask the Minister whether he has made a decision about that yet.

MR. DEPUTY SPEAKER: Mr. Patterson.

Return To Question 94-84(1): Replacement For CNIB Equipment In Rae

HON. DENNIS PATTERSON: Yes, thank you, Mr. Speaker. The need for the visual text machine, referred to by the honourable Member, for partially sighted students was not identified in the capital plan by the Fort Smith Region, perhaps because up until now it had been provided by the Alberta CNIB. However, I have looked into the matter and am pleased to tell the Member that we have identified funds in minor capital to purchase one of these machines for Rae-Edzo and I can assure the Member it will be purchased. Thank you.

---Applause

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Oral questions. Mr. Erklou.

Question 95-84(1): Sale Of Igloodik Arctic Char Outside NWT

MR. ERKLOO: (Translation) Thank you, Mr. Speaker. I think this is directed to the Minister responsible for wildlife. The residents of Igloodik have a lot of char for sale in the co-op and they are overstocked, even though they are still sending some to Frobisher Bay, but they cannot send it outside of the Territories, for example, to Montreal. They were able to do that last year but now they cannot do it this year. They would like to know why. Is it legislation? They want to know why they cannot send it to Quebec now.

MR. DEPUTY SPEAKER: Ms Cournoyea.

Return To Question 95-84(1): Sale Of Igloodik Arctic Char Outside NWT

HON. NELLIE COURNOYEA: Mr. Speaker, in reply to the question, I do not know if the Member is aware that the Northwest Territories are members of the Freshwater Fish Marketing Corporation and fish such as arctic char have to be marketed through that board. If there is an oversupply needing to be sold, if the Member would give me some time perhaps we can talk to the members of the Freshwater Fish Marketing Corporation to get a special dispensation, as I believe has been done in the past, to allow you to sell that fish. However, the rules and regulations do tie us to that corporation and perhaps last year when you were able to sell the fish, the Freshwater Fish Marketing Corporation made a special order to allow you to do that. So if the Member does not mind, I will pursue that and get back to him tomorrow.

MR. DEPUTY SPEAKER: Thank you, Madam Minister. Oral questions. Mr. MacQuarrie.

Question 96-84(1): Appeal Of Sentence For Illegal Transportation Of Dangerous Goods

MR. MacQUARRIE: Thank you, Mr. Speaker. My question is for the Minister of Justice and Public Services. The Minister is aware that early in this session I expressed alarm over the fact that a \$100 fine had been levied against a firm that illegally transported dangerous goods into the Northwest Territories and I had asked the Minister in Question 55-84(1), if he would look further into the matter to see whether it was not possible to encourage an appeal and the Minister indicated that he would investigate the matter a little further. Can I ask the Minister whether he has done that and, if so, what are the results?

MR. DEPUTY SPEAKER: Mr. Nerysoo.

Return To Question 96-84(1): Appeal Of Sentence For Illegal Transportation Of Dangerous Goods

HON. RICHARD NERYSOO: Mr. Speaker, I would like to thank the honourable Member for giving me notice of this question. The charge against Reid, Crowther and Partners Ltd. was laid in Vancouver pursuant to regulations under the authority of the federal Aeronautics Act. This regulation makes it an offence to take upon an aircraft, dangerous articles or substances without distinctly marking their nature on the outside of the containers or otherwise giving notice to the person in charge of the aircraft. As the point of origin of the contaminant was Vancouver, the charge was laid and the trial was held in that city. Since the charge was laid pursuant to a federal statute it will be the responsibility of the federal crown prosecutor's office in British Columbia to determine whether an appeal will be launched. My officials have contacted the office of the crown prosecutor in Vancouver and we have been advised that a decision has not yet been made in this regard. The time limit for commencing an appeal is March 16, 1984. Although the decision to launch an appeal was with the crown prosecutor's office in British Columbia, my officials have made known to that office the very real concerns of this government as to the seriousness of the offence and the penalty imposed.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Oral questions. Mrs. Lawrence.

Question 97-84(1): Preferred Funding For On-The-Job Training Program

MRS. LAWRENCE: Thank you, Mr. Speaker. This is a question to the Minister of Education. Would it be possible for the Minister to allocate some funds for the on-the-job training program since it is more beneficial to our native people than spending a lot of money on grants and bursaries. I understand that the on-the-job training program is transferred to the Department of Education. It is one of the better programs and our native people have benefited from this on-the-job training.

MR. DEPUTY SPEAKER: Mr. Patterson.

Return To Question 97-84(1): Preferred Funding For On-The-Job Training Program

HON. DENNIS PATTERSON: Well, Mr. Speaker, I beg to differ with the honourable Member that the grants and bursaries fund is being wasted. I have a list of 464 students that are on the program, some from the Member's constituency, some from all Members' constituencies. I disagree that we are wasting money invested in improving the education of northern residents, wherever they may take that education. However, there is another program for training on the job which I think has adequate funds. At the moment it is within the responsibility of the Department of Personnel although, as I indicated in my introduction to the Education estimates, there are plans under way to transfer this function to the Department of Education so it can be better rationalized with Education department activities. So the program is not yet within my responsibility. However, I would say to the Member, if there are requests for on-the-job training positions for public service jobs in the Member's constituency then I am confident the government would be glad to look at the proposals. The positions are available to serve the needs of Members in the NWT who can identify good candidates. So, we would welcome proposals. There is no need to allocate funds. The funds are there, it is just a question of how they are going to be used. I think the program is adequately funded. The Member should forward her suggestions to the Department of Personnel and probably after April 1st it will be dealt with in my department. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Supplementary, Mrs. Lawrence.

Supplementary To Question 97-84(1): Preferred Funding For On-The-Job Training Program

MRS. LAWRENCE: Thank you, Mr. Speaker. For clarification, especially for the news media, they are not picking up the comments properly, I am not referring to students that are coming out of high school. I am referring to people that are coming into the Territories for about two years and get grants and bursaries and also people in high positions getting grants to go back south to college and university.

MR. DEPUTY SPEAKER: Mr. Patterson.

Further Return To Question 97-84(1): Preferred Funding For On-The-Job Training Program

HON. DENNIS PATTERSON: Mr. Speaker, people cannot just come into the Territories for a couple of years and gain entitlement to the program. No one can get grants and bursaries for assistance for post-secondary education unless they have gone to high school in the NWT. If you go to high school

in the NWT for one year you are entitled to one year of assistance. If you go to high school in the NWT for two years, you are entitled to two years of assistance. If you take your entire high school in the NWT you are entitled to three or more years of assistance. People cannot just get off the plane and have their children eligible to benefit from this system. Although we do provide a system of grants and loans for people who have been resident for at least one year, it is not as generous as the program offered to our high school students, but we do believe that people who have lived here for at least a year should be entitled to some assistance if they wish to continue their education. The same opportunity is available in other provinces and the other territory of Canada. So this is really a kind of universal program.

The other matter I would mention is that we have sent government employees, sometimes senior government employees, on educational leave, but last year because of restraint and because we felt there were other priorities there were few, if any, educational leaves for public servants at all, apart from teachers who contribute to educational leave through their plans. So there were no great numbers of public servants sent on educational leave last year as the Member has suggested. Thank you.

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

Question 98-84(1): Computerized Billing

MR. GARGAN: Thank you, Mr. Speaker. My question is to the Minister of Economic Development. It is with regard to computerized billing. I understand that a number of people were complaining of how they were being billed for telephones that were not in place yet. Yesterday I got a bill myself for a telephone I am supposed to get in Fort Providence, which I did not get yet and I was billed for it. The other problem I have too is that I have a statement of my bill since I moved out of an apartment here from ICG Utilities. Last month I got a bill for over \$340. I again got another bill but this time it is over \$10,000. I mean I would like to ask the Minister of Economic Development if maybe part of this money that is going to ICG Utilities is going to contributions for NCPC for moving up here.

MR. DEPUTY SPEAKER: Mr. Curley.

HON. TAGAK CURLEY: Mr. Speaker, I really believe the billing involves a computer of the government. I think the Minister of Social Services might be able to respond to that more carefully but I would like to advise the Member over there to try to economize more on his telephone calls and whatnot, but we will take the question as notice.

---Laughter

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. I understand you will take that as notice. Oral questions. Does that conclude oral questions for today? Item 5, written questions. Mr. MacQuarrie.

ITEM 5: WRITTEN QUESTIONS

Question 99-84(1): Bathurst Caribou Herd

MR. MacQUARRIE: Thank you, Mr. Speaker. I have a written question for the Minister of Renewable Resources. Would the Minister provide me with the numbers of caribou that have been taken from the Bathurst herd in the Gordon Lake corridor this hunting season, broken down as to general hunting licence holders and resident sport hunters, and further indicate what is the maximum acceptable kill that can be sustained by the Bathurst herd each year in the Gordon Lake and greater Yellowknife area, without numbers declining?

MR. DEPUTY SPEAKER: Thank you, Mr. MacQuarrie. Mr. Appaqaq, written questions.

Question 100-84(1): Transfer Of Medical Services To Baffin Region

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. My question is directed to the Minister of Health and Social Services. It is regarding health services being transferred to the Baffin area from the Keewatin area. The municipality of Sanikiluaq is under the jurisdiction of the Baffin Region and medical services are under the jurisdiction of the Keewatin district. This creates a problem when those two major bodies are divided and controlled by two different regions. When Sanikiluaq delegates attend the Baffin Regional Council meetings, they cannot deal with the issue

of medical services, nor can they go and attend meetings at the Keewatin level and voice their concerns on behalf of the medical staff. Would the Minister responsible for Health look into the possibility of transferring the medical services originally controlled under the Keewatin over to medical services at the Baffin Region at the earliest opportunity.

MR. DEPUTY SPEAKER: Thank you, Mr. Appaqaq. Any further written questions? Mr. Paniloo.

Question 101-84(1): Provision Of Country Food

MR. PANILOO: (Translation) This written question is directed to the Minister of Social Services. The possibility of diverting social assistance payments to the hunters in a community was discussed at a meeting of Social Services from across the Baffin Region held at Frobisher Bay. The purpose of this is to allow the hunters in a community to purchase gas and oil for hunting trips to acquire country foods for the recipients receiving social assistance, in particular for the elders. The social assistance received by the recipients is not sufficient to purchase the high-priced southern foods available in the communities. Would the Minister responsible for Social Services look into this proposal and report back to the House. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Paniloo. Any further written questions? Mr. T'Seleie.

Question 102-84(1): Commitment To Combat Anti-Trapping Groups

MR. T'SELEIE: Thank you, Mr. Chairman. My question is addressed to the Minister of Renewable Resources. Last Friday we had a commitment from the Hon. John Munro that he would do something about trying to find ways to combat the anti-trapping groups and my question to the Minister of Renewable Resources is whether or not she has been able to follow up on that commitment from the Minister.

MR. DEPUTY SPEAKER: Thank you, Mr. T'Seleie. Item 5, written questions. That appears to conclude Item 5. Item 6, returns. Mr. Curley.

HON. TAGAK CURLEY: Mr. Speaker, I was actually going to ask for permission to go back to Item 3 but I believe my colleague has a return. Right after that I will be asking for permission to make a statement.

MR. DEPUTY SPEAKER: We will complete Item 6, returns and then we could perhaps go back to Item 3. Mr. Patterson.

ITEM 6: RETURNS

Further Return To Question 71-84(1): List Of Names Re Grants And Bursaries

HON. DENNIS PATTERSON: Yes, thank you, Mr. Speaker. I have a return to oral Question 71-84(1), asked by Mrs. Lawrence on February 16th on student grants and bursaries. There are no bursaries given under the student financial assistance program. To date there are 464 students on the program; 65 students are basic and supplementary and 399 students are basic and/or loaned. I submit a list of names of students on the program and a list of members on review boards and regional boards. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Are there any further returns? Ms Cournoyea.

Return To Question 87-84(1): Quota System For Beluga Whales

HON. NELLIE COURNOYEA: Mr. Speaker, I have two returns. A return to oral Question 87-84(1), asked by Mr. Paniloo on February 20th regarding the Pangnirtung beluga quota. Mr. Paniloo's question was referred to the Department of Fisheries and Oceans. These are the people who have the mandate to manage beluga whales and other marine mammals. They have given us this reply. The request from Mr. Paniloo was to have the beluga annual quota of 40 animals for Pangnirtung removed and the reason was that Pangnirtung was a large community and 40 was not enough for everyone. The Department of Fisheries and Oceans response is that the quota cannot be changed at this time. The quota and the present status of the beluga population have been discussed with the Pangnirtung hunters for several years.

Evidence based on annual surveys indicates that the beluga population entering Cumberland Sound and Clearwater Fiord has been seriously depleted in past years. Large numbers were taken when there was a whaling station at Pangnirtung in the 1950s. Ground and aerial surveys show that the numbers are not increasing. Members of the hunters and trappers association assist Fisheries and Oceans in beluga surveys and monitoring the harvest each year. If the hunters of Pangnirtung want a good supply of whales in the future, it is the view of the Department of Fisheries and Oceans that not more than 40 should be taken at this time. Even then the recovery to larger numbers may be very slow. Assessment work in co-operation with the Pangnirtung Hunters and Trappers Association on this beluga population will continue and regular reports to the hunters and trappers association will be made.

Return To Question 92-84(1): Management Of Wood Bison At Fort Providence

I have a return to written Question 92-84(1), asked by Mr. Gargan on February 21st regarding the draft wood bison management plan. The Department of Renewable Resources recognizes the special interests of Fort Providence people in the management plan for the wood bison herd. This was demonstrated by beginning community consultations in Fort Providence last December. The department is also consulting with other interested groups that include the Rae band, Hay River band and the NWT Sportsmen's Association. After further consultations that will again include the Fort Providence band, a final draft of the management plan will be written that will reflect the community discussions. The Fort Providence band will be given the opportunity to play an important part in the management of the wood bison herd.

MR. DEPUTY SPEAKER: Thank you, Madam Minister. Any further returns? That appears to conclude the returns. Can we have unanimous consent to return to Item 3. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

ITEM 3: MINISTERS' STATEMENTS

MR. DEPUTY SPEAKER: Any nays? Proceed on Item 3, Mr. Curley.

Minister's Statement On Changes To The Northern Canada Power Commission

HON. TAGAK CURLEY: Thank you, Mr. Speaker. This is really a summary of a statement regarding the NCPC development that has happened during the last few years. Mr. Speaker, we have received a copy of the statement Mr. Munro made to the standing committee on Indian affairs and northern development on Tuesday, February 21, 1984. This, together with his press announcement in Whitehorse, has enabled us to piece together the federal decision on changes to NCPC. The federal decision is as follows:

- 1) NCPC will continue as a single federal crown corporation.
- 2) NCPC headquarters will be moved from Edmonton to Yellowknife over a three year period. Some senior managers will be located in Whitehorse.
- 3) The National Energy Board will regulate NCPC. Each territorial government will be invited to nominate one person from their public utility board to sit with the NEB making a five man panel. The Northern Canada Power Commission Act will be changed accordingly.
- 4) Two additional members will be appointed to the five man commission.
- 5) A new rate structure will be developed to be reflective of "the true cost of delivering power to all users" for implementation on a test basis by April, 1985. The principle of uniform maximum prices as proposed by Penner is rejected. The federal government will maintain its support of NCPC in order to keep within the federal administered prices policy. Prices in 1985-86 will not be allowed to increase more than four per cent.
- 6) Existing direct energy subsidies will continue at least until March 1985. During this period officials will begin an extensive study to review the form and size of northern energy subsidies in relation to the new utility rate structure. The objective is to develop a subsidy system that is

fair but encourages efficiency in energy use. It is hoped that the territorial governments, their agencies and native organizations will join the federal government in tackling these issues.

7) The restructuring of NCPC's debt will be studied to determine the capital structure most appropriate. Some debt write off and some debt-to-equity conversion will be considered.

8) The "rate base/rate of return" method of revenue requirement determination will be used.

The Minister's statements are policy decisions of the federal government and there are many details that still have to be decided. However, the decision is different from the motion passed in this House on February 10th in a number of important ways.

1) Split the commission. This was rejected on the basis that a fragmented NCPC would create further diseconomies of size, undermining its capacity for efficiency and reducing the depth of management expertise. We believe an NWT corporation would be large enough to be efficient and well-managed. It is the Yukon corporation that might be too small. Perhaps the federal government should have accepted the Yukon government's argument for a larger involvement by the private sector in their jurisdiction.

2) Transfer to territorial ownership. This was rejected on the basis of the limited GNWT financial capacity. We do not accept this argument. We have set out a financial restructuring plan that would enable the commission to build a cash surplus for the purposes of future investment. This, together with our borrowing capacity would allow us to provide for all capital needs except very large projects. For these, federal or private loans may be required, but these could be repaid in the normal way as is done now. We do not accept the principle that territorial ownership is impossible because the federal government may be asked to loan money sometime in the future.

3) Territorial regulation. The federal statements give no specific reasons for refusing to give regulatory control to the NWT Public Utilities Board. I feel that the federal government believes that our board would act unwisely and would perhaps bring the commission to financial ruin by forcing unreasonably low rates. This, of course, is out of the question. We have noted in our past statement how our private utility is regulated and have indicated that NCPC would be treated in the same proper way.

4) Debt write-off or conversion to equity. The federal government is not willing to make decisions on these matters yet but wants more investigation to take place.

In summary, Mr. Speaker, we can accept and be happy with the move to Yellowknife. This should increase the sensitivity of NCPC management to NWT issues. We can also be happy that the federal government recognizes that the capital structure requires changing and that power subsidies must continue to offset the unusually high rates we face. However, Mr. Speaker, we cannot accept that territorial regulation and ownership have been put off until some indefinite point in the future. These decisions are based on political views. There is no real economic reason for them. They show that the federal government is reluctant to give more responsibility to northerners at this time. This is a position that we cannot accept in a general sense, or in relation to this issue. Therefore, I can give you my assurances that I will continue to work, with your support, in whatever ways we can, for the full transfer of the commission to the hands of northerners. Thank you.

---Applause

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Item 3, are there any more Ministers' statements? That concludes Item 3.

We will now return to Item 7, petitions.

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

ITEM 9: TABLING OF DOCUMENTS

HON. RICHARD NERYSOO: Yes, Mr. Speaker. I wish to table the following document, Tabled Document 24-84(1), Sessional Paper, The 1984 First Ministers' Conference on Aboriginal Rights, dated February 22, 1984.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. Tabling of documents. Item 10, notices of motion. Mrs. Sorensen.

ITEM 10: NOTICES OF MOTION

Notice Of Motion 24-84(1): Youth Leadership Program

MRS. SORENSEN: I wish to serve notice of motion that on Friday, February 24, I will move the following, seconded by the honourable Member for Kitikmeot West, Red Pedersen. Now therefore, be it resolved that this House recommend to the Speaker that a program be designed for young people whereby each constituency over the next four years sends a student representative to spend one week with his or her MLA to observe and assist with the MLA duties and one week with the MLA to observe and help the MLA with a sitting of the Legislature. Further, that this House recommends that the expenses and an appropriate honorarium for each student be paid for by the Legislative Assembly and, further that at the end of the four year term that all 24 students be invited to meet together and attend the last session of the 10th Assembly.

MR. DEPUTY SPEAKER: Item 10, notices of motion. Mr. Erkloo.

Notice Of Motion 25-84(1): Panarctic Oils Ltd.

MR. ERKLOO: (Translation) Mr. Speaker, I give you notice that on Friday, February 24, I will move the following motion. Now therefore, I move, seconded by Mr. Pudluk, that the Government Leader communicate to the Minister of Indian Affairs and Northern Development this House's concern at the manner in which Panarctic Oils Ltd. has attempted to obtain support for its proposal to develop and transport oil from the High Arctic. Mr. Speaker, I will be seeking unanimous consent to proceed with this motion today.

MR. DEPUTY SPEAKER: Thank you. Item 10, notices of motion.

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

Item 12, motions. Unanimous consent is being requested to deal with Mr. Erkloo's motion. Does he have the unanimous consent to proceed?

AN HON. MEMBER: Nay.

MR. DEPUTY SPEAKER: Unanimous consent to proceed has been denied. Members please keep in mind this is a friendly House.

MR. MacQUARRIE: It was a friendly nay.

MR. DEPUTY SPEAKER: Item 13, first reading of bills. Item 14, second reading of bills. Second reading of bills, Mr. Curley.

ITEM 14: SECOND READING OF BILLS

Second Reading Of Bill 6-84(1): Territorial Parks Ordinance

HON. TAGAK CURLEY: Mr. Speaker, I move, seconded by the honourable Member for Pine Point, that Bill 6-84(1), An Ordinance to Amend the Territorial Parks Ordinance, be read for the second time. The purpose of this bill, Mr. Speaker, is to amend the Territorial Parks Ordinance in order to provide that the Executive Member may enter into agreements with, in addition to municipalities, individuals, sole proprietorships, companies, societies, co-operative associations, partnerships or other bodies to operate and maintain territorial parks. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Minister. To the principle of the bill. Do I hear question?

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Question has been called. All those in favour of second reading of Bill 6-84(1). All those in favour please indicate. Thank you. Opposed? Bill 6-84(1) has had second reading.

---Carried

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) and Bills 2-84(1), 3-84(1), 4-84(1) and 5-84(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

CHAIRMAN (Mr. Gargan): The committee will now come to order. We still have about three items on the Education budget that need to be dealt with. Does the committee want the Minister to bring in his witnesses on that?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Education

CHAIRMAN (Mr. Gargan): Mr. Minister, we are still on page 16.15. I would like to ask the Minister to reintroduce his witnesses. Thank you.

HON. DENNIS PATTERSON: Yes, thank you, Mr. Chairman. Today I have Mr. Brian Lewis, deputy minister and Mr. Jim Moffat, co-ordinator of capital planning.

Student Residences

CHAIRMAN (Mr. Gargan): Thank you. General comments. We are still dealing with student residences. Mr. T'Seleie.

MR. T'SELEIE: Thank you, Mr. Chairman. Yesterday we left off discussing the capital item in the budget on hostels and I would just like to say for the record that we have a hostel in Fort Good Hope. The reason that it is there is that there is a small community outside of Fort Good Hope, the community of Colville Lake which has about 80 people and there is not a school in Colville Lake. This is the reason that there is a hostel in Fort Good Hope -- for the elementary students to come to Fort Good Hope so they could attend school in Fort Good Hope. I just wanted to say that for the record.

Buildings And Works, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. T'Seleie. Page 16.15, total buildings and works is \$435,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Furniture And Equipment, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Total furniture and equipment, \$53,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Student Residences, Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total student residences, \$488,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Total education.

MRS. SORENSEN: Mr. Chairman, I would like to ask a question on page 16.16 regarding the student loan revolving fund.

CHAIRMAN (Mr. Gargan): Go ahead.

MRS. SORENSEN: As I understand it, we authorize a loan to students in the NWT on the basis that they can either pay it back, and I understand there is some interest associated with that and a delay in when they have to pay it back, or they can pay it back through working in the NWT. I am not clear whether they have to work for the territorial government or an agency or whether they can fulfil the obligation simply by coming back to the NWT and working somewhere in the private sector, even the service sector like a local hotel or restaurant. Can the Minister explain that portion of the pay back to me, please?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. DENNIS PATTERSON: Yes, Mr. Chairman. Students are not required to pay back or work off their loans until after the end of their program. If they do not return to the NWT, they are required to pay it back at a favourable interest rate, one per cent below prime. If they work anywhere in the NWT, whether for the private sector or government, they will be credited for a year of loan for a year of work. It does not matter where they work. I think the idea behind it is that they would return to the NWT to contribute their skills and knowledge acquired in the further education they have received and also I guess to contribute some tax revenues back to the NWT. So we do not really concern ourselves with where they work. Thank you.

Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. We will refer back to pages 16.16 to 16.19 which are information items the Members might want to question the Minister on. So it is there. We are back to 16.03, total O and M for the Department of Education is \$78,158,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total Capital, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Total capital is \$12,922,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

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

HON. DENNIS PATTERSON: Mr. Chairman, I just want to say in conclusion that we have received some good advice from MLAs during the last couple of days in discussing our estimates and I am grateful for those suggestions which we will try to follow up and implement where feasible. Thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister and deputy minister. I would like to remind the committee that the main estimates of the Executive have not been completed. We have the Energy, Mines and Resources Secretariat to come and that was deferred. Does the committee wish to deal with this matter and complete it at this time? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Department Of Local Government

CHAIRMAN (Mr. Gargan): This is only a short item so we probably could deal with it now and then go through Local Government. We will deal with Local Government, Mr. Sibbeston. Local Government is on page 12.01. Is it agreed that the Minister bring in his witnesses?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Would the Minister introduce his witnesses before he makes his opening statement?

HON. NICK SIBBESTON: Mr. Chairman, I would like to introduce my deputy minister, Mr. Mike Moore to my right and Mr. Joe Kronstal who is the department finance officer to my left.

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

HON. NICK SIBBESTON: Mr. Chairman, I have been waiting quite patiently to appear before the Assembly to deal with the Local Government budget and I had been wondering what I might say in a very general way that might make everybody understand. So I put a few notes together in the last few days and I will just read it out to you. The Department of Local Government is a good department. There are a few problems here and there, but we do our best to resolve them.

MRS. SORENSEN: You wrote that?

HON. NICK SIBBESTON: We have a fair amount of money, but not enough to satisfy everybody. We try to put a bit of money here and there and try to keep everybody happy. We do not always succeed in pleasing everybody, but there is always next year. I commend to you swift passage of this budget.

MRS. SORENSEN: Hear, hear!

CHAIRMAN (Mr. Gargan): Thank you very much, Mr. Minister. Is that it?

HON. NICK SIBBESTON: I have a lot to say, Mr. Chairman. The Local Government department is the fourth largest budget of this government. The budget is \$60 million, \$24 million for capital projects and \$36 million in the O and M. We have by far the largest capital budget of this government, nearly all of which is for projects in and for communities and municipalities. This is approximately 30 per cent of capital funding in the main estimates.

On the other hand, when it comes to person years, we have one of the smallest departments. We have 129 person years in the department for 1984-85 and we are one tenth the size of the Department of Education and one quarter the size of the Department of Public Works and about half the size of the Department of Economic Development and Tourism. Of the department's O and M budget of \$36 million, over \$30 million and 76 person years are used to provide services and assistance direct to community and municipal governments. As far as the organization is concerned, there has been considerable change over the last two years as regards the number of people working in headquarters as opposed to those working in the regions. There are now more people working for Local Government in the regions than in headquarters -- 69 person years in the regions compared to 60 person years in Yellowknife.

One of the most significant and important features of this department's budget is that of grants and contributions. This makes up 70 per cent of our estimated expenditures. Most of these are transfer payments to community or municipal governments, so the items listed in this budget under grants and contributions are quite important in terms of the benefits they provide to community residents.

In the short time that I have been Minister, I have been made aware of community concerns with some of our grants and contributions programs. One program which has been the subject of some controversy is our contribution funding to hamlets. After discussing this matter with department officials in headquarters and in the regions, I have decided to make some changes to alleviate the immediate problems. We will make reference to the changes in a general way here. I will provide more detail when we get to this topic in the Local Government budget. I have also decided to take regional tours soon after this session ends to become more familiar with community needs and problems. I have already arranged tours of the central and Delta areas during the last week of March and a tour of the High Arctic and Baffin Region during the week of April 9th. Also, immediately after this session is concluded I will try to meet with every large municipality in the West. So you can see I will be reasonably busy in the next few months.

On April 1st, 1984, three new hamlets will be created in the North. They are Holman Island, Cambridge Bay and Fort Norman. Another significant undertaking of the Local Government department is the development of new legislation for our communities in the North. A good deal of effort has gone into the development of a comprehensive local government ordinance which will replace the present, outdated Municipal Ordinance and Planning Ordinance. Consultation with community representatives has been going on for some time. With the support of the communities and my colleagues in the Executive Council, I am hoping to have this legislation ready for tabling in this House in the fall session. MLAs would then have a chance to take this tabled document home and review over the winter and perhaps maybe by next spring we could deal with it in the Assembly here.

Mr. Chairman, this concludes my introductory remarks on the proposed budget for Local Government. With your approval, my deputy minister and I, and my finance officer will try to answer any questions you have.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. General comments. We are on page 12.04. If there are no general comments we will proceed with the budget items. Page 12.04. Mr. Erkloo.

Honorariums For Mayors And Councillors

MR. ERKLOO: (Translation) I have a question in regard to the hamlet councils in the communities. They receive grants for honorariums. That is not very much even though they are the governing body of the community. For example, the education committee receives more money in honorariums for their meetings but the mayors in the hamlets have much more to do, they have to attend meetings and take time off work if they work for other than the hamlet. They do not get very big honorariums from the hamlet. Do you have any future plans to rectify that, so that the honorariums would be increased some time in the future? Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the matter of honorariums for hamlet mayors and councillors is a matter that is dealt with under the unconditional grants given to hamlets. If I may explain, the hamlet funding is provided in two parts. One is the conditional funding which is money given to hamlets for certain specific programs that the government wishes the hamlet to undertake. The other aspect of the funding is the unconditional funding which is for things that the community wants to deal with on behalf of the hamlet. The funding for honorariums is given as part of the unconditional funding. So, it is up to the hamlets to decide how much to pay their members and they can make by-laws dealing with it. I guess the answer is that the hamlets are presently free to give as much money to their councillors and mayors as they wish. It really is up to them and it is part of the unconditional funding. As to whether more moneys will be given to the hamlets specifically for this, I cannot say. There are not any plans at this moment to provide more funding specifically for paying the councillors and municipal politicians more.

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

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. I would just like to elaborate on this a little bit further. What the Minister is saying is true, that hamlets can make their own by-laws to increase their honorariums, right? But in the communities of Pond Inlet, Hall Beach and Igloolik, when they were short of money they had to cut down the work hours by half. If they tried to give themselves \$10,000, there is no money for that. There is no money left over for that because the money is tied down to the affairs of the municipality. I think the question that I put before should be reviewed even though it might not be done right away. So if you could give that a little bit more consideration I would appreciate it very much, thank you.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Erkloo. Could the Minister comment?

HON. NICK SIBBESTON: Mr. Erkloo, this is something I will consider when I go on my Arctic tour in March and April. I will be mindful of that and during that tour I will be wanting to meet, and I am sure I will be meeting with a lot of the hamlet councils. If it is a concern, as you say, I am sure it will be brought to my attention. It is a matter I will consider and we will see what we can do.

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

Expansion Of Yellowknife Airport Facility

MRS. SORENSEN: Mr. Minister, I realize that we do not have responsibility for the expansion and development of airport terminals. I believe that is a Ministry of Transport responsibility. However, I would like to bring to your attention a problem that we are experiencing in Yellowknife with our terminal. No doubt you have experienced it yourself. That is the fact that it is too small, particularly with respect to the luggage area. We often have two and three planes coming in and leaving all at one time. The problems that arise are obvious as a result of that. I am wondering if, within your department, there has been any lobby to the Ministry of Transport and any suggestion that you might be assisting Yellowknife or indeed travellers to Yellowknife and out of Yellowknife, with getting some expansion of that airport facility in the very near future.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I would like to ask Mr. Moore to answer that.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, in reply to that I can only say I believe the Ministry of Transport has published its plans for expanding the Yellowknife airport. We do have a member of our staff who is on the consultation group which the Minister of Transport set up in Yellowknife. The principal members of that group I think are from the community and from business interests in Yellowknife. The plans have been published. We have not as a department, though, made any lobby with the Ministry of Transport. I think we have deferred that to the city of Yellowknife.

CHAIRMAN (Mr. Gargan): General comments. Mrs. Sorensen.

MRS. SORENSEN: With respect again to airport terminals. There has been some suggestion that perhaps it is time that we look at the possibility of a security line or security mechanisms within our airport. With your expertise in airports, in a general way what is the feeling of the Department of Local Government? Do you think that it is a necessary thing in the Northwest Territories? Something we should be looking at, perhaps lobbying for?

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, I am really well outside my area of expertise here. But I think that security measures such as you find at all southern airports would be exceedingly unpopular in the North. I think that the Ministry of Transport has held off from establishing those routines at the Yellowknife airport because they suspect that it would not be greeted with a lot of enthusiasm by the users of that airport. That is, I am afraid, where my opinions end.

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

New Legislation For Local Government

MR. BALLANTYNE: Mr. Chairman, was there any reference made up to now about the local government ordinance? I wonder if the Minister could briefly give a description of exactly where this legislation is right now. I think most Members are aware that the major municipalities, at least, have been attempting to change the ordinance since about 1976. For any number of reasons it actually has not been changed. I know, as mayor, I worked four years on this and was disappointed we were not able to accomplish that end but perhaps the Minister can tell us right now what is the status of the local government ordinance.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the department has high hopes that we will be able to table new legislation on local government in the fall. Between now and then we will be working very hard to have the legislation in sufficiently good form, a form that is satisfactory to almost everybody for tabling in the fall. Where we are exactly is that the department is presently sponsoring working groups for the various categories of local government legislation. I personally was present for three quarters of an hour or so with the working group dealing with the hamlet part of the new legislation and likewise for three quarters of an hour or so with the group dealing with the settlements a couple of weeks ago. I have not had the opportunity to be at the working group

dealing with the legislation covering larger municipalities, cities, towns and villages in the North, but I am advised that they will be meeting soon and I will look forward to being present at their working group for a while at least. So my department is working very hard in preparing this legislation. As far as I know they have good people, people from the communities on the workshops. They have got some of the native organizations and I know in the West here we have even people from the WCF on these working groups, so I know that my department is working very hard and it is just a matter of time before it is in a form that will be available to this House. As I said, hopefully by this fall.

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

MR. BALLANTYNE: I understand the proposed legislation is being drafted right at this time and I wonder, when will a draft form be available? I am talking about the larger municipalities, but I am sure there are other interests in hamlets and other communities, but specifically when will the draft legislation be available for review by the larger municipalities?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I am advised by my deputy that the draft legislation will be going out later this month to all the large municipalities.

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

Taxation Of Exploration Mineral Leases

MR. BALLANTYNE: One area that has caused major concern to the mining industry is uncertainty about the government intention to assess and tax exploration mineral leases. I wonder if the Minister could explain if indeed mineral leases or improvements on mineral leases are being taxed at this present time, and what are the intentions of the department and the government in the future?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, approximately 10 days ago I was invited to attend a meeting of the NWT Chamber of Mines and at this meeting the matter of taxing of mineral leases was raised by the mining people. To that I simply said at the moment the department was not assessing and taxing mineral claims and the department does not have plans at the moment to tax them in the foreseeable future. It is a matter, a subject or a property that the territorial government could presently tax under its Taxation Ordinance, but it simply has not done so and with the economic situation the way it is there are no present plans to begin assessing and taxing the mineral claims.

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

MR. BALLANTYNE: I am pleased to hear that, Mr. Minister. I want to strongly state my own personal opinion. I think it would be extremely counterproductive to tax exploration mineral claims. Many of us have talked about the need for economic development and if we start taxing exploration mineral claims it will scare off a lot of mining companies who will not explore in the North. In the long term it means no new mines will be developed in the North and in fact I felt so strongly about it I was going to introduce a motion today. I will not now because I think all Members need some time to understand the significance of this possible action. I will be interested to hear from the Minister after he has reviewed this situation exactly what the intent of the government is, but I just wanted it on the record that I for one am very strongly opposed to any taxation of exploration mineral claims.

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

HON. NICK SIBBESTON: Mr. Chairman, the meeting we held with the NWT Chamber of Mines was very interesting and very worth while. There were a number of concerns that the mining industry had and I undertook to have some of my officials meet with the mining people and resolve some of them. One of the things we are presently looking at is, at the moment the territorial government has the ability to assess and tax land use permits and of course all leases that the federal government provides to the mining industry. We have been assessing and taxing all leases and land use permits. As a result of the mining industry's presentation we have decided to review our assessment and taxation of land use permits that deal with exploration activity. We have looked at

or we are presently looking at the amount of money or taxes that are derived from the taxation of land use permits that deal with exploration activity, as opposed to leases and land use permits for production activity of mining companies. The amount of tax that is derived from the exploration part of the mining industry is very limited and so we are considering not even taxing this. So I think we have gone fairly far in trying to accommodate and please the mining industry in the North.

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

---SHORT RECESS

We will now come to order. We are still on Local Government. General comments. Mr. Ballantyne.

Control Of Recreational Lands

MR. BALLANTYNE: Thank you, Mr. Chairman. I have another question under land and assessment. One of the objectives of the department is to assume the administration and control of recreational lands from the federal government. My question deals specifically with the area along the Ingraham Trail where many people from Yellowknife have cottages. The existing situation is such that some of them have cottages with federal leases and some have cottages with territorial government leases. I wonder is it the Minister's intention, the department's intention, on behalf of the territorial government to take over the federal leases? My second question is, is the Minister prepared to entertain the concept of those people who have territorial leases could get total fee-simple ownership of their cottage lots? The reason I ask, is that this area is an important recreational area for Yellowknife and many people from Yellowknife have spent a lot of money and have a very significant investment in their cottages. I think they would like to be assured of the protection of their investment. So I wonder if the Minister could answer first of all, is your department in the process of taking over from the federal government the remainder of their recreational leases and, secondly, would you entertain the concept of giving northern residents the option of complete ownership of their lots?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I am advised that the federal government has offered the lands to the territorial government to take over and so the answer is yes on the first part of the question. Now as to the second part, as to entertaining the idea that the present lessees get title to the lands, that is a matter that the department would have to consider once it has taken over the leases from the federal government. I am aware that generally all governments in the North, federal and territorial governments, have been loath or not very willing to give up any lands to private individuals outside of municipal areas pending land claims settlements. I guess everybody knows that we are getting closer and closer to having the matter of aboriginal rights of native peoples in the North dealt with and so at this stage I would just say that it is something the department will look at and would be prepared to maybe provide an answer to the Member in due course.

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

MR. T'SELEIE: Thank you, Mr. Chairman. I have a question also under land and assessment. One of the objectives there is to "assess recreation lands, oil leases and remaining communities not yet on the assessment program". I do not know all of the details under this and I wonder if the Minister could tell us what that objective is about.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the Department of Local Government has in the last few years undertaken a major program of assessing communities in the North. They have assessed most of the communities in the North, but there are some that have not yet been assessed and taxed. This general reference is to a continuation of the Local Government plan to assess all communities in the North in the next foreseeable few years and likewise to extend its assessment to all federal government grants and leases that occur in the North. It is just a general plan to have our department lease as much of the land in the North that is being used by municipalities and by industry as possible and where practicable to derive taxation moneys from these lands. Mr. Chairman, I have a list of communities that have not as yet been assessed. If the Member wants I could file or table this for his and other Members information.

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

MR. T'SELEIE: Yes, I would appreciate a list.

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

Funding For Hamlets And Municipalities

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. I know the Minister of Local Government is aware of this. He is aware of the concerns of hamlets and municipalities. One of the major concerns is the financial situation and the cost of living going up. I have tabled Document 9-84(1) on February 8th. This tabled document is about the concerns of the hamlets. They are mainly talking about the financial problems they have and about the increases they are getting which are not enough. Perhaps if the Minister of Local Government goes up to the Arctic they will probably be discussing this further.

I have another short statement to make regarding the airstrip in Arctic Bay. They used to have a small airstrip near Arctic Bay which is no longer in use. There is a bigger airstrip in Nanisivik and it is 17 miles from Arctic Bay. The people that work for Panarctic have no transportation. Those people that are going to Arctic Bay usually land in Nanisivik and because of lack of transportation they have to wait for a long time to get to Arctic Bay. In Arctic Bay there was a couple of taxis before but right now there are none. Because they are not making enough money they are not operating right now. The government does not provide a vehicle that would be able to look after their transportation. I think it would be better if they were to reopen the smaller airstrip I was talking about in Arctic Bay, so that the charters that are coming from the other communities are able to land at Arctic Bay. The people that are working in Nanisivik are provided transportation. They are looked after by the company from Nanisivik. For the future, I would like this to be looked into. Thank you.

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

HON. NICK SIBBESTON: Mr. Chairman, the Member has brought up the matter of the financial situation of hamlets in the Northwest Territories. I would like to deal with it in a general way. I have a fair amount of information for Members concerning the state of hamlets in the North and also the proposal that my department has to deal with some of the hamlets that have deficits.

Generally speaking, the financial picture for hamlets in the Northwest Territories became a lot better in the past year. Members know that there were quite a number of hamlets in the North that last year had large deficits. I am pleased to say that over the past year our department has been working with many of these hamlet councils and, with good management practices and help from our people and likewise conservation or just management measures by the hamlet councils themselves, many of the hamlet councils are getting out of debt. So the picture on that front is improving substantially. I will give as an example the hamlet of Rankin Inlet which last year had an accumulated deficit of nearly \$100,000. This year, at the end of March, it is forecasted that it will have a surplus of \$187,000. This is an example of a most remarkable recovery. There are many other ones that have had deficits and will do away with all their debts and go to a zero balance at the end of this year. Of course, there are some hamlets that have had surpluses last year and will again have a similar or a greater surplus than they had last year. Generally, I am pleased to say, that the hamlets are recovering from the deficit situation that they found themselves in one year ago.

Now, with respect to our department helping the hamlets that are still having trouble and, I suppose, generally helping hamlets with their funding, I have a statement to make regarding that. I will just read it out. It is a document that has been prepared by my department. It deals with the matter of funding, particularly in the area of energy. The funding formula for hamlets includes both conditional and unconditional funds. Conditional funding is money which must be spent in a particular way and unconditional funding is money which can be spent according to the wishes of the local council.

Incentive For Energy Conservation

Our funding formula provides conditional funds for energy. In the funding formula, these funds were intended to assist hamlets in meeting the cost of heating fuel and electricity for hamlet buildings. In May 1983, my predecessor, Mr. Wah-Shee, announced that he would alter the funding

restrictions on this conditional money to also permit hamlets to use this money to pay for electricity for street lights and fuel for vehicles and equipment. This arrangement did provide some incentive for conservation but in the opinion of many local councils has not gone far enough. Some hamlets are still ending up with surpluses in their energy funding, but many are facing deficits in most other municipal services. I feel that there are two parts to this issue that must be dealt with. The first is that our energy funding arrangement should provide an incentive or financial reward to those communities which make the effort to conserve energy. The second is that surplus funds should be made available to local councils to help them reduce or eliminate deficits in other programs.

In response to these issues, I will instruct municipal auditors to use any 1983-84 surplus energy money to reduce or eliminate deficits in other parts of a hamlet's budget. If, after the auditors have offset all deficits in a hamlet's account, there is still a surplus in the energy funding, I will instruct the auditors to place this into the council's unconditional fund, which can be used by the council for any legitimate community purpose. As well, I propose to make a further modification to the funding arrangement with hamlets so that beginning in 1984-85, energy funding will become unconditional. This will mean that any savings that communities make through their own conservation measures will stay with the hamlet, and will give that council more money for use in other areas.

I want to assure those Members of this House who have raised this matter with me that I am committed to adequate and progressive funding arrangements with local governments. I believe the measures that I have just announced will work toward this aim.

I will just briefly summarize, in my own words again, what I have said in a formal way. The money to hamlets for energy is presently given as part of a conditional grant. Many hamlets through very careful savings have surpluses in this area. What I am saying is that this amount can be transferred to other parts of the hamlet expenditure where there are deficits. If there are no deficits in 1983-84 this is carried over into the next year. Our money to them is reduced. Beginning this year in 1984-85 all moneys for energy will be placed in the unconditional part of the hamlet funding so that any surpluses in communities that are very conservative and save money, that extra money can go to other things the community wishes to spend the money on. This is the subject of my statement here. So I hope this satisfies Mr. Pudluk and other Members that have raised concerns about funding for hamlets. I hope this particular arrangement with respect to energy funding will help in any of the communities that are presently having deficits or problems, to get out of debt in future years.

Airstrip At Arctic Bay

Now, as to the matter of the airstrip at Arctic Bay, I have been advised by my officials that MOT will not license the Arctic Bay strip because of the dangerous location that the airport is in. It is situated very close to high mountains. I am aware that my department officials have raised the matter with MOT referring to use of the airstrip again at Arctic Bay instead of the one at Nanisivik mines. This far, MOT has not responded favourably and all I could do is to write a letter or to somehow pressure MOT to see what they could do to open up the Arctic Bay airstrip again. I would imagine it would take some money to put it back into shape particularly if it has not been used for a few years. I will certainly do what I can to pressure MOT into getting the Arctic Bay airstrip back into use.

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

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. This still concerns the airstrip. I am very thankful that the Minister is going to try to work on this. I know that the airstrip is dangerous. (Translation ends) I think the Arctic Bay hamlet has found another location which is nearby the settlement and I know that where the small airstrip is located is a very dangerous area. Arctic Bay is looking at another place now which could be a lot safer than what they have had previously. Thank you.

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

MR. MCCALLUM: Mr. Chairman, I wonder if the Minister could indicate if the tax-based municipalities are up to date in their assessments? When was the last general assessment?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will ask Mr. Moore to answer the question.

MR. MOORE: A general assessment in the city of Yellowknife was done this last year, in 1983, Mr. Chairman. To my knowledge, and I would like to confirm this and I will and come back to the committee, to my knowledge there is no tax-based municipality that is overdue, but that is what I would like to confirm and come back to this committee with.

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

Revised Policy Of Grants In Lieu Of Taxes

MR. BALLANTYNE: Thank you, Mr. Chairman. Under municipal affairs, one of the objectives is to implement the revised grant in lieu of taxes policy. I wonder if the Minister would care to explain the direction of the department in this area.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the revised grant in lieu of taxes policy proposes to discontinue payment of grants in lieu of taxes on vacant Commissioner's land and on other properties which essentially serve the community in which they are located.

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

MR. BALLANTYNE: Just so I get some clarification, the first part of the answer was dealing with vacant Commissioner's land. If it is the feeling of the department that should not be taxed, is the department prepared to turn over a goodly portion of Commissioner's land within the municipality to the municipality?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will ask Mr. Moore to answer that, please.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, I can answer it from the point of view of the new legislation and the consultations the department has had with representatives from hamlets and tax-based communities on this whole question of municipal land. The legislation is taking the position that Commissioner's land in a municipality which is not reserved for government use, that is not set aside for a future school or hospital or something of that sort, but is simply Commissioner's land available for any use in the community, will be made available to the municipalities and will be turned over to the municipalities as municipal land if they wish to take it up. That is a proposal in the new legislation and, of course, it would be subject to the legislation being passed by this House.

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

MR. BALLANTYNE: Thank you. I, for one, am supportive of the concept of the municipalities taking over the land within their boundaries, but the second part of the answer concerns me somewhat. I wonder if the Minister could explain specifically the type of buildings or land on which the government feels it might not have to actually pay taxes.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will ask Mr. Moore to answer that.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, again this is a proposal because the department has not had a policy on grant in lieu of taxes. We have been paying, as a government, without question and without a set policy for many years now, a grant in lieu of taxes to tax-based municipalities which is equivalent to the property tax which is levied by the municipality. That is, whatever we have been asked to pay as property owners we have paid the tax, although it has been called a grant in lieu of tax. In most jurisdictions in Canada the provincial governments reserve the right to not pay tax on buildings, usually institutions of one sort or another, which are built and owned by the provincial

or territorial government but are put there for the use of the community and examples that come to mind are schools and hospitals which serve that particular community only. I want to make it quite clear to the committee that this is only a proposed policy. The Executive Council has asked the department to propose a policy to govern the payment of grant in lieu of taxes and our proposal is based on the possibility that the government may not pay grants in lieu of taxes on certain buildings which are owned by the government but are in that community for the benefit entirely of that community.

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

MR. BALLANTYNE: Well, obviously I have a very serious concern because as the Minister is aware any revenue that used to come from such a property will then have to be paid by the taxpayers in general. I also want to emphasize that if the government decides to put a building or a structure in a community that that building taxes the infrastructure of that community. Taxes generally go to pay for the provision of fire service, of police service, of sewer and water, garbage pick-up and delivery to the dump. So there would be a concern that if you take away the source of revenue it would have to be made up because the total cost of delivering municipal services will not decrease because of this. I might add the taxpayers of Yellowknife pay very high taxes right now and it might put a very onerous burden on them if this source of revenue was taken away.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the matter of revised grant in lieu of taxes policy at this stage is not in effect and it is a matter that will be coming before the Executive Council so the Member's concerns will be considered.

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

Taxation Assessments

MR. PEDERSEN: Thank you, Mr. Chairman. Communities in my constituency were assessed for tax purposes last year and the people have just within the last month or so received their assessment notices. Could the Minister indicate when taxation will start and what the mill rate will be?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the people who have received assessment notices will be taxed in 1984, I am advised, sometime this summer. The mill rate is \$25 per \$1000 value of assessment.

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

MR. PEDERSEN: I do have a comment. I am not sure if the Minister is aware of it, but certainly in our part of the world this whole taxation program has been very much opposed and I understand in the East too. It has been pretty well rammed down people's throats. There is still a fair bit of anger about the whole program I think. The Arctic coast really does not have private ownership to the extent that you have in the southern part of the Territories or the Mackenzie Valley. Houses are more than 90 per cent provided by the government and private home-ownership and private businesses are a very, very, very small part of the community and yet this very small part of the community is the one that will be bearing the entire burden. I just wanted to alert the Minister to the fact that I had not until now been informed that the tax would start in 1984. I had not up until now been informed that the rate would be \$25 per \$1000 of assessed value and to my knowledge nobody else within our region had been informed of that either. I think it is a very, very poor start to a program which is unpopular to start with and is certainly not going to get any more popular by not informing people.

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

HON. NICK SIBBESTON: Well, just to say that the Member's statements are well taken. I appreciate the matter of assessment and taxes is new to a lot of people in the North and I appreciate there are not very many property owners, too, up along the coast, as he mentioned. I am advised that this initiative of assessing and taxing is one that arose as a result of the direction of this Assembly in the early 1980s and so I guess the department is simply trying to carry out its job. With respect to the way it is done, maybe these computer read-outs or assessment notices are given

without much explanation or notice. I appreciate what the reaction might be to that and maybe that is an area in which my department can do better in terms of explaining to people what is happening. So I will take his advice and his comments to heart and see what could be done to better explain the whole assessment and taxation process to people.

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

MR. PEDERSEN: Thank you, Mr. Chairman. I would like to know who has set the mill rate, that \$25 per \$1000. I think it is an exorbitant rate when you consider that the average cost per house for a three bedroom house for the Housing Corporation to build in a community like Coppermine is now exceeding \$150,000. That presumably means that the government is going to want \$3750 in tax on that one property per year. Am I interpreting this mill rate correctly?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I am just advised that the 25 mills figure was just arrived at as a rate that was thought equitable by government. I should advise the Member that while it might sound quite high it is not very high for the communities up along the coast because the assessment value of land is very low. To give you an idea, I believe in the city here, the mill rate is in the 50s. Of course, the assessed value of property is a lot higher. So whereas 25 mills might seem a bit high, the assessed value on property generally along the coast up in the Arctic is very low. So the tax does not amount to a great deal, I am advised. I do not know if this is any consolation to the Member.

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

MR. PEDERSEN: No, Mr. Minister, it is not at all and I would disagree with whoever is giving you the advice that the values are set very low. On behalf of other people, I was shown some of the assessment notices and I could mention a figure to you. For instance, there is a small hotel operation in Coppermine which is assessed, lands and buildings, at over \$400,000. I am sure that you would agree with me that \$10,000 per year taxes is not exactly a consolation to anybody.

CHAIRMAN (Mr. Gargan): Mr. Minister. Perhaps Mr. Minister, it would be a lot easier if you were to get another witness in to help you out.

HON. NICK SIBBESTON: Okay, Mr. Chairman, one correction I should make. When we talk about mills, 25 mills, it is 25 cents per \$1000 value of an assessed property. So it is not very much. As to the amount of the assessment on the property that Mr. Pedersen has indicated, my officials are a bit surprised at the fact that the buildings were assessed that high. We need to get more information and be in a better position to answer the questions in this area. So I propose to either deal with it, maybe at a later date, in my appearance here or else provide the Members with a written explanation of the issue. I am just simply not able to deal with it at this time.

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

MR. PEDERSEN: Thank you, Mr. Chairman. A written explanation would be very satisfactory to me as long as I have the Minister's assurance now that it is 25 cents per \$1000 and not \$25 that certainly makes the whole thing a hundred times better to digest for me. Thank you.

HON. NICK SIBBESTON: I give the Member that assurance that it is 25 cents per \$1000 of the assessed value.

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

Long-Term Organizational Strategy

MR. BALLANTYNE: Mr. Chairman, I have a comment and a question that is of a fairly philosophical nature. What I would like to ask the Minister is that, as the Government of the Northwest Territories evolves it is a stated policy of the government to aim toward devolution of powers, decentralization of powers. The land claims process is taking place as a parallel process and out of that process will come possibly certain powers to municipalities and perhaps to regions. The government has supported the concept of regions. I just had a little research done to look at the number of various organizations and groups that as a government we are dealing with. I would like just to go through it briefly before I get to my question. Presently in the NWT there are one

city, five towns, one village, 26 hamlets, 19 settlements and 11 other communities for a total of 63. There are two school boards, there are 59 local education authorities of which 13 are societies and 46 are community based. There is a proposal to create 10 new divisional boards. There are a large number of social committees in each community. There are four housing authorities, there are 37 housing associations and there is a board of directors for the Housing Corporation. There are 48 recreation committees plus seven major municipalities. There are 43 hunters and trappers associations and a territorial-wide association. There are six Indian band authorities which are in lieu of the hunters and trappers associations. There are 34 co-ops, there is one tribal council, 17 band councils, five regional councils, an association of municipalities, there is the south Mackenzie area council. There are 10 women's groups and there are 19 native groups and there are 13 community development corporations right now.

My question is, though as a government we deal with immediate needs and those needs are valid, does the department have a long-term strategy so that two or five or 10 years down the line all these different organizations are going to be able to work together in some sort of logical manner? Or if you look at the total that with only a population of 46,000 we have an amazing myriad of politicians and bureaucrats. I wonder, does the department have an overall strategy so that we can provide good government in the long term, and if they do, what is it? If they do not, are they working on it?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the department does not have an overall strategy as the Member asks. Let me just say that the North is a developing part of Canada and organization, as we know it in the South, is not known to the aboriginal people of the North. So during the past 15 or 20 years there has been a great deal of growth of organizations and organizations, particularly at the community level, are not bad because it is a process of getting people to know how to organize and how to deal with governments. So I am frankly not surprised at the numbers of organizations that exist in the North. I think it could be understood or justified on the basis that people are learning and that it is a developmental area. The government too is complicated and sophisticated at high levels, so you need to be organized in order to deal with government. So I would take the view that all these organizations are not necessarily a bad thing.

I agree that they ought to be co-ordinated and some of these organizations the Member referred to are organizations that co-ordinate other organizations. Just as an example the regional councils organize and deal with the number of communities in an area. I know that in the new local government legislation, one of the things that is being considered by Local Government is the organization and co-ordination to put many of the little organizations that exist in a community under the umbrella of the community government. An organization such as the association of municipalities is an umbrella organization that co-ordinates other organizations. So, off hand, there is not a strategy to do with this. I understand how all of these organizations exist in the North. Certainly they make it possible for many people in the North to become involved in the government process. If the Member feels that the way things are going, the number of organizations are a problem and can convince our department of it, we would begin to consider developing an overall strategy. So, I am open to further discussion on that.

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

Potential For Confusion After Land Claims Settled

MR. BALLANTYNE: Mr. Minister, if you look at each organization on its individual merits, I would agree that they all have merit and they all are performing a useful function. But I think as a government we have to start looking at ways that these organizations can be co-ordinated because what is going to happen, perhaps in some cases happens now, is there is some confusion in the communities as to who exactly does what. I am also concerned that this government has to start looking at the post land claims era, to be able to organize our structure so that we will be able to plug into whatever the results of the land claims are into our government. The potential for confusion in the future I think is great. I think that the government and your department has the responsibility to start looking at this so that three or four years from now after land claims are settled we do not find ourselves in the situation where there is such a dilution or confusion of powers that it becomes very, very difficult to deliver the programs that are so necessary in the North.

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

HON. NICK SIBBESTON: Mr. Chairman, I will take the Member's comments as advice. I will just add that it seems to be a natural phenomenon for people to organize any time there are issues or any time there are things to deal with. Many of these organizations do not directly deal with local government. Hunters and trappers deal with wildlife matters and education of course deals with those matters but I understand what the Member is saying, but I do appreciate it is kind of like almost a natural thing for a man to do, to not work independently or alone, but to work with other people, be it in the community or on a larger scale. I guess if one looks at the numbers of organizations and committees one can say it is maybe beneficial because these things are educational and we are dealing with people who have never organized up to now in their lives or history. So it is a developmental and educational process. In many of these activities it is almost necessary for the day for land claims to be in existence in the North because obviously there will be some money and lots of things for native people to do as a result of the land claims settlements. In a sense all of this organization is preparing people for the day when they will have to be more involved, but I will certainly take the Member's comments and keep them in mind.

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

MR. BALLANTYNE: Another question on this same area, but a little bit more specific. The devolution of regional and tribal governments would see the intention of your department or the government as far as devolving legislative authority to regional and tribal councils. Is it the feeling of the department that legislative authority should be devolved to regional and tribal councils? If so, what legislative authority is being considered?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, there are presently no plans in the department to devolve legislative authority to the regional councils. I am aware that there are provisions in the Regional and Tribal Councils Ordinance to establish management boards, but these deal with programs for the most part and there are no provisions in the ordinance to provide for them taking over responsibility or authority of legislation.

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

MR. PEDERSEN: Thank you, Mr. Chairman. The Kitikmeot Regional Council has fairly recently been officially established. It was originally proposed under the new ordinance, of course, and certainly has been supported by the Department of Local Government to be set up. The Minister, as I know, received and I received copies of a request made in a letter of February 13th, requesting funding for this new regional council for 1984-85. I wonder if the Minister could indicate to me if this funding will be forthcoming to the Kitikmeot Regional Council?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Funding For Kitikmeot Regional Council

HON. NICK SIBBESTON: Mr. Chairman, in the budget we have \$645,000 set aside for regional councils and for the Kitikmeot Region there is \$86,000 planned. The Kitikmeot Region is asking for \$191,000 plus an additional \$10,000 as a capital grant for furniture. I can advise the Member that we will be able to respond in part to the request for funds in addition to the \$86,000. I can say in a general way that the last Executive Council in June of 1983 had set aside \$500,000, in addition to the money that is presently proposed in the budget. I understand that this amount is available and can become available to the department when we prepare the proposal. If this occurs and it is approved it would eventually come back to this Assembly as a supplementary estimate request. So there is a possibility of more funds being made available for regional and tribal councils and if all of this happens then the Kitikmeot Regional Council's request for more funding will be met, probably not in full, but a substantial portion of their requested amount.

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

MR. PEDERSEN: Thank you, Mr. Chairman. I wonder if the Minister would be good enough to have myself and my colleague from Kitikmeot East put on the mailing list for any correspondence with the Kitikmeot Regional Council concerning their budget.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Of course our department would not think of not keeping the MLAs informed about an activity such as the regional council that occurs in their constituency or area, so we definitely will keep the MLAs informed.

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

MR. MacQUARRIE: Since the Regional and Tribal Councils Ordinance was passed last year, I would have expected that adequate funding for the activities of those councils would have been included in the budget and yet I think I understood the Minister to say that he would be coming back for supplementary funding. Could I ask why that is? Did not our government include this item in its submission to the federal government and, if so, were we not successful in acquiring the funding from the federal government for these regional and tribal councils?

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

HON. NICK SIBBESTON: I will ask Mr. Moore to answer.

CHAIRMAN (Mr. Gargan): Mr. Moore.

Moneys For Regional And Tribal Councils

MR. MOORE: Mr. Chairman, it is possible for me to answer perhaps because I was involved in the development of the budget, of course, before Mr. Sibbeston became the Minister. We were restrained by very hard and fast rules by the Financial Management Board in submitting our budget for 1984-85 and the figures which are in the budget for various regional and tribal councils for 1984-85 reflect a standard increase of about five per cent. As the Minister mentioned though, and quite separately, the last Executive Committee in considering its priorities for 1984-85 did set aside and hold back moneys for a number of possible requirements, one of which was the expansion of the number of regional and tribal councils. Having established the ordinance, the possibility was obvious that other regional and tribal councils would be formed. Already the Sahtu Regional Council is at a stage preparing to ask for this Assembly to include it in the Regional and Tribal Councils Ordinance and there are at least two other regional councils in the formation stages. The amount of money that is in the budget for this year for regional councils is simply a five per cent increase over the amounts that were approved last year for existing regional and tribal councils, so it was not possible for us, under the rules of this budget, the budget that is coming before you, to make allowance for councils which are still in the stages of formation and not yet approved by this Assembly. It was not possible for us either to make allowance for additional requests for funding such as Mr. Pedersen has just referred to for a council which is not satisfied, as it were, with a five per cent increase. I am not sure I satisfied the questioner.

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

MR. MacQUARRIE: Not quite, and I am not sure you would be in position to. What I am wondering specifically is, when we go to the federal government looking for funds for this item in our budget, regional and tribal councils, what is the federal government's position with respect to that? Are they funding a component of regional and tribal councils? The reason I ask this is I have a mind that when Minister Munro was here sometime last year, he said that one of their concerns with respect to the establishment of two territories and so on was the cost of government and that there must not be too much government -- I think that was the phrase that they used. I am just wondering if we are seeing that reflected in a federal reaction. Perhaps if the Minister of Local Government cannot answer it, maybe the Minister of Finance would perhaps comment on that.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Let me say a few words and then let Mr. Butters speak. On the matter of the regional councils, I guess I, as the Minister, would strongly support the establishment of those regional councils because I really do believe that they are very educational and very useful in dealing with government. It has been one of the most positive aspects of government in the North, certainly in the western part of the North, making it possible for communities to get together occasionally, talk with one another and deal with concerns on a regional basis. It is a very useful and effective method of dealing with concerns of the people in the North. So on that basis

the department and I would defend it and promote it. As to whether there is too much government, again it is an educational process. It is an evolutionary process, native people getting to know government and organizing themselves to be effective. It is not too much government I think, as far as the people in the communities and the regions are concerned. Maybe they appreciate that in the South there are no regional councils, but they have had a longer history of dealing with government. Government, to the North, is simply just new, so I think it can be justified even on a national basis because of that. Maybe Mr. Butters has something to add to that with respect to the federal government.

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

HON. TOM BUTTERS: Mr. Chairman, just speaking in support of what the Minister has said and to complement his response. Certainly, in my experience, the federal Minister has been supportive of regional concept. It is not a new concept. It has been funded by this government, I would say, for some eight or nine years. I just forget when the Baffin Regional Council became a reality but the concept has been funded for many, many years. Of late, as you probably are aware or Members are aware, this government has not been able to take new programs or enhancements, as it were, B-level programs, through our negotiating process. Although I have not appeared in any of these negotiating sessions between territorial and federal officials, it has been impossible to receive Treasury Board, Finance maybe even DIAND support to enhance the program presently in existence. Although I have not been present; as I say, there probably has been some suggestion as to whether or not we have the mandate to become involved in this area. We have maintained that mandate is ours because we have been doing it for some seven or eight years with our initial support of the Baffin Regional Council. So we would expect that the concept does have general political support.

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

---SHORT RECESS

The committee will now come to order. I believe it was Mr. MacQuarrie.

Base For Formula Financing Re Regional Government

MR. MacQUARRIE: Just one other point on the matter of acquiring funding for regional and tribal councils. I understand when the federal government said -- I guess that would be with respect to the budget that we see now -- that the climate was one of tighter money and there simply would not be money for the enhancement of programs, that is one thing. But essentially if that occurs, what it does mean is that if there is growth in this area and many, many people in the Territories and in this House seem to want there to be growth in this area, it would mean us taking the funding out of the existing budget at the expense of existing programs. So, I do not know what the federal government's attitude will be in the near future to this, but I would say it is very, very important, if we are moving to formula financing in the near future, that this matter must be addressed when we are talking about the base that we are going to start operating from, because it appears that we could have a full-blown regional government system then. That must be considered in trying to establish a base for formula funding. I would just say that it is essential that that matter be addressed. I notice that Minister Munro said the matter of formula funding could be addressed in the very near future, dealt with in the very near future. So I certainly hope that this matter will be taken account of in this process.

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

MR. BALLANTYNE: Thank you, Mr. Chairman. I wonder if the Minister could give us a brief explanation under the directorate if the department is going to complete revisions to comprehensive policies on departmental O and M and capital assistance to municipalities. I wonder if the Minister can explain what the policy is and what revisions are being considered.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will ask Mr. Moore to answer that.

CHAIRMAN (Mr. Gargan): Mr. Moore.

Review Of Policies On Assistance To Municipalities

MR. MOORE: Mr. Chairman, when the committee gets to the part of the budget which is grants and contributions you will see that the transfer payments that are made by this government through Local Government to municipalities and to other communities are spread over a number of programs. They are programs of assistance in capital and in operation and maintenance. They are programs which have grown up over a number of years. In connection with the new legislation, that is with the new local government ordinance, it seemed appropriate the last Executive Council gave us instructions to examine the policies of operation and maintenance assistance and capital assistance, to change them when necessary and to make them more rational and logical. I think Members will understand -- and particularly those who are in any way involved with municipal administration -- when I say that the levels of assistance in O and M and capital are not altogether equal at the moment and not altogether rational.

We have a different way of funding hamlets, quite different from the way we fund tax-based municipalities. Our approach to assistance in capital is quite different. It is those inequities and those differences which we are reviewing now so that we can present to the Executive Council basically two policies: policies under which we provide financial assistance to all communities for operation and maintenance assistance, and a policy which will cover the capital assistance which this government gives to both tax-based and non-tax-based communities. That is the rationalization that is referred to, Mr. Chairman, and I think it makes sense in the context of the very large number of programs we have now, which are shown in the pages marked grants and contributions.

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

MR. BALLANTYNE: Mr. Chairman, I wonder if I can ask the Minister, are consultations with the affected municipalities taking place?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will ask Mr. Moore again.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Yes, Mr. Chairman, in the sense that when we are discussing and consulting with the municipalities and the other community representatives about the new legislation we are talking to them about the part of the new legislation which will set out basic principles of financial assistance from this government. So the new legislation is intended to have a section which will provide the communities with this government's commitment on financial support. That is not in the present Municipal Ordinance.

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

MR. T'SELEIE: Thank you, Mr. Chairman. I would like to ask the Minister how much money there is for regional and tribal councils in the budget and how many regional and tribal councils there are in the Northwest Territories today?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: There is \$645,000 proposed in the budget and there are six existing regional and tribal councils. It looks like there are two or three more that could be organized in this coming fiscal year.

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

Problem With Sharing One Secretary-Manager In Resolute

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. We have a problem in Resolute Bay on the secretary-manager. The government is trying to provide a field service officer and secretary-manager, just one secretary-manager. The council of Resolute wants one secretary-manager for their own and have the government have another secretary. They are only going to have one secretary for the hamlet council and the government. They only had one secretary for both of them in the fall I think it was. There were problems arising for the council. The business of the council was just

left alone. I do not think this is right just having one secretary for the government and the council. The Resolute council would like to have a secretary of their own. Thank you.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I thank the Member for bringing the matter to my attention. I think it is a matter that I could deal with when I go visit Resolute in April. The Member can prepare for that and advise the council that I will be there. They can raise it with me and I will attempt to deal with the problem then.

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

MR. ERKLOO: (Translation) Thank you, Mr. Chairman. When the Baffin Regional Council met in Cape Dorset, they noticed that their by-laws were not written well and I think the Minister knows about this. So I want to find out when they are going to fix these by-laws for the Baffin Regional Council.

HON. NICK SIBBESTON: Mr. Chairman, I am aware of the problem that Mr. Erkloo is talking about. The Baffin Regional Council wants the Assembly to amend the Regional and Tribal Councils Ordinance, particularly a section of the ordinance dealing with the Baffin Regional Council. While I am very sympathetic and supportive of the changes that the Baffin Regional Council is suggesting, I do not think it is a good idea to change an ordinance every time a little problem is noted, otherwise there would be amendments made all the time. The better approach is to wait for a while and deal with all the amendments and all the changes that you want to make at one time. So, in this case, I am aware that there will be amendments to the Regional and Tribal Councils Ordinance sometime in 1984 probably, maybe this coming fall. There is a likelihood that the Sahtu Regional Council and perhaps South Slave Regional Council will be added to the ordinance. So maybe at that time it will be a good time to make the amendments that the Member is referring to.

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

Bulldozer In Sanikiluaq Overused

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. I think we are just talking about general comments. I just want to make one comment. We have a problem in Sanikiluaq concerning the vehicle D-6 bulldozer. Last year in the summertime -- and every summer -- there is only one bulldozer and it breaks down a lot. So we cannot do very much with this. It is used for 24 hours and maybe this is the cause of the vehicle breaking down. They were going to fix the road but they could not even fix the road because this bulldozer breaks down a lot. In the wintertime, they use the same bulldozer to clear the roads. Whenever one is used they must use the same bulldozer. We have been asking Local Government in Frobisher Bay for 1984-85 for another bulldozer. Maybe the Minister is not aware of this. So I was wondering if he is aware of Sanikiluaq requesting another one from Frobisher.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I thank the Member for bringing the matter to my attention. I can say that I was not aware and I am now cognizant of this problem, and I will see what is possible. I think Sanikiluaq is one of the communities that I hope to visit when I tour the Eastern Arctic in April. I will attempt to go to Sanikiluaq and see the problem for myself. We will look at the problem and see what can be done.

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

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. This is a very great concern. I would like to thank the Minister for giving us this information. There is a letter addressed to me, but I do not have it with me right now as I have not received this letter yet. A copy was sent to the Commissioner and other people, but it has not arrived yet. I would be very happy for the Minister to come to Sanikiluaq and he will see something very different. Thank you.

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

Taxation In Hamlets

MR. PEDERSEN: Thank you, Mr. Chairman. I have to get back to the taxes because they concern me, and I am ignorant on the subject. Tax-based communities, I understand their elected councils set

their own taxation rates. I recall a meeting of the hamlet council in Coppermine a year, year and a half ago and at that time we understood from one of the officials of the Department of Local Government that the hamlets themselves would decide if and when taxation would start. This is evidently not so. I would like to know who decides when the taxes will start in the hamlets, and also who sets the rates, the taxation rates?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I can tell Mr. Pedersen that the assessment has been going on by the department for the last couple of years. Just generally, the department has been trying to assess all communities in the North. This was an initiative that was started a number of years ago and is a continuing one. I have a list here of those communities that have not been done but which my department will be working on in the next few years. It includes mostly little communities that have not been done. So a community like Coppermine is sufficiently large that it would have been done in the last couple of years. As I said, this was a direct result of this Assembly requesting the department to do so in the early 1980s.

As to the rate of assessment, this rate is set by the department and which the Commissioner eventually confirms by way of a Commissioner's order. While we are on the subject of assessment and taxation again I would like to just go back to the general topic and make a correction to the information that I had given. Just so that everybody is clear, one mill is one tenth of one cent. So, to give you an idea, it is one dollar for every \$1000 of assessed value. In the matter of assessment and taxation, there are two items which are important when determining the amount of taxes which will be paid on a property. One is the mill rate and the second is assessment value. Assessment values vary according to when the assessments were undertaken. In order to make the tax burden fair to the taxpayer, the mill rates are adjusted.

On properties assessed in 1963, the rate is 25 mills based on the 1963 assessment. But, on properties assessed in 1983 -- and this includes Coppermine -- the mill rate has been adjusted to two mills. So this will mean that the tax burden placed on a person just now assessed will compare to that of a similar property using an earlier assessment and higher mill rate. In the example that the Member has given, the tax bill on a property with an assessed value of \$400,000, at a mill rate of two, is \$800. I hope that this corrects any misunderstanding or confusion, and I am sorry for causing a bit of confusion that existed when we were dealing with the subject.

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

MR. PEDERSEN: Thank you, Mr. Chairman and thank you, Mr. Minister, for correcting that. I think we now have it straight. Mr. Chairman, I am concerned that the taxes get applied equally. I do not like taxes, but if we are going to have them they should be equal. The Minister mentioned that he has a list of those communities not yet assessed. I wonder if I could have the list of the communities that have been assessed, with the date that taxation is to be implemented, and also to go with that, a list of those communities which have not yet been assessed and the date that the department expects to complete assessing them and start taxing them?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Yes, that will be provided tomorrow.

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

MR. MCCALLUM: Mr. Chairman, in the mill rate for those taxation areas is the two mills inclusive or extra to the education levy?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I am advised that this mill rate is inclusive. It includes a mill rate for the school, for education purposes.

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

MR. MCCALLUM: Mr. Chairman, I have a couple of questions dealing with the objectives of the department, if I may. The first concerns the municipal affairs. It concerns the objective of the department to "revise and implement new procedures for municipal debenture borrowing". Could the Minister or his deputy just briefly outline what new directions are being taken, or what the new procedures will be?

CHAIRMAN (Mr. Gargan): Mr. Minister.

Option Of Debenture Borrowing From Private Sources

HON. NICK SIBBESTON: Mr. Chairman, the territorial government is presently financing or providing the money to municipalities by way of debenture. What we are talking about here is the possibility of having municipalities go to private sources for their moneys. That is what this is referring to. The amount of debentures required and the amount of money borrowed from the territorial government has become fairly high in recent years. So it is thought that the municipalities maybe should go to private sources for funding. This is an aspect that will be included in the new legislation for municipal governments. They will have that option of going to private sources for debenture funding.

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

Sport And Recreation Policy Review

MR. McCALLUM: On another objective, I have some concern in the area of sport and recreation. I see one of the objectives in there is to initiate a policy review of the direction for sport and recreation in the NWT. I wonder if the Minister will indicate to us what kind of new direction the department sees itself embarking upon. Is it one that would recognize participation of a large number of people? Is it one that will possibly help those who excel in any one particular athletic endeavor, for example, in the area of sport. What new directions are being looked at in the area of recreation within a particular community?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, this is a very big topic. I can say that I have already, as Minister, met with the Sport North organization approximately a week ago and talked to them about some of the concerns that the department had. Let me just say that in October of 1983 the department funded a meeting of many delegates, about 50 from throughout the North to discuss problems and possible changes to sport and recreation in the North. As a result of this meeting, quite a number of recommendations were made for improvement in the area of sports and recreation in the North. What is going to happen here is that the sports and recreation division will be preparing a direction paper which will include a new and comprehensive approach to sports and recreation in the North. This will be taken to Executive Council and eventually, if there are to be major changes in policy, would be taken to this Assembly for approval. That is general information to the Member. I do not know whether he wants more specific information than this.

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

MR. McCALLUM: Mr. Chairman, I would be concerned about any new direction or initiatives that would be taken in the area of sport. I think that it would be great to be able to see something developed from that meeting of people who are concerned with it. I would like to be kept abreast of the kinds of changes that are contemplated. Representing an area that is involved with a great number of athletic events and participation, I would like to be made aware of new initiatives or any new direction that the department is contemplating taking in regard to this particular activity.

Movement To Indian Self-Government

I have one final question, I hope, Mr. Chairman. I hate to jump around with the Minister but talking in regard to the tribal and regional councils the Minister indicated that they were not at this time contemplating giving legislative authority or delegating that legislative authority. I would hope that there would be some concern about delegating regulatory authority as well, in terms of this. As a final question to the Minister, how will he reconcile the tribal and regional councils with the move of the federal government toward Indian self-government? Does he see a conflict, does he see admission together and would he comment on it?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I do not see any conflict at all with the matter of self-government for Indian people in the North here. Native people are very involved in government from the very lowest level of government to regional levels and of course, on the territorial level here, so the whole topic and issue of Indian self-government is not as relevant for the NWT. I think generally native people are happy with what is happening and are very much involved in all aspects of political life in the North. On the territorial level we have the alliance and WCF and these initiatives are toward the future establishment of government for the western part of the North -- and of course, for establishment of government in Nunavut. So in the North here, the matter of Indian self-government is not as relevant and the concerns that Indian people have in the South are different from that of the native people in the North. So what I see happening in the regional council level does not conflict at all with Indian self-government ideas and proposal.

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

MR. McCALLUM: Mr. Chairman, I would hope that the Minister is correct that there may not be, but I would suggest to him that under Indian self-government there might possibly be legislative authority given to certain groups under Indian self-government and the Minister has indicated that he has no plans now to devolve this legislative authority to the tribal or regional councils. So there may be a conflict there. If people in the North see what others on the outside are able to obtain there will be, I would expect, some pressure to acquire the same kinds of responsibilities.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Just to say that in the South the whole initiative of movement with respect to Indian self-government is the result of more or less being shut out, the Indian people in the South not being involved in the main stream political activity or government that exists in the provinces and on a federal level. Here in the North it is not the same situation. Many people are involved in all levels of government. The native people are working toward establishing a public government where they can be involved and their rights are guaranteed. So I do not see any movement or concern at all to establish Indian or native governments per se apart from the main stream system of government in the North. I appreciate the Member's concern. The movement for Indian self-government is essentially a southern Canada movement by native people who are not part of the ongoing government systems in place. As I said, again, that is not the case here, northern native people are very involved in all spheres of government in the North.

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

Recreation Facilities Assistance Policy

MRS. SORENSEN: I wonder if you could explain what you mean under sport and recreation, page 12.01, by the comment "fully implement programs of the recreation facilities assistance policy". Could you explain what the policy is and what you mean by fully implement?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will have Mr. Moore answer that.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, the experience we have had is that the program of assistance to communities, both in the building of facilities and in the operation and maintenance of those facilities, when it is understood and properly explained, can be put to very good use by the communities. I think you will see later on, Mr. Chairman, that it is reflected very much in the capital program of this department and also in our grants and contributions. Nevertheless, it is a fairly new program. The expanded or more generous programs of support in recreation, which are now in the second year of implementation, are still not fully being taken advantage of. This objective was to make absolutely sure that during this next year every community, which is eligible for the grants and the contributions to do with recreation, is getting those grants and contributions and that they all are understanding the capital assistance that the government will now provide to all levels of community for constructing and renovating recreation programs. It is a program that we think is now being very much appreciated in the communities. The only purpose of this objective was to make quite sure that it is fully understood and that everyone that can benefit, does benefit from it.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Moore. Mrs. Sorensen.

MRS. SORENSEN: And how are you getting the message out to them?

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, I think the simplest answer to that is, we are now finding it easier to do that because, as a result of last years budget we were able to put in place in every region a recreation and sport officer working for this department in the regional office of Local Government. I think that that has been our greatest assistance in bringing the benefits of these programs to communities.

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

MRS. LAWRENCE: Thank you, Mr. Chairman. I am not too clear on that land and assessment where it says, "assess recreation lands, oil leases and remaining communities not yet on the assessment program". Does that mean once the assessment is done in all the communities that you will be taxed in these communities and if so, are they notified?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the intention is to assess and eventually tax all of the communities in the North and the only ones remaining are the very small ones like Detah, Liard, Resolution, Hay River Indian Reserve, Jean Marie River, Kakisa Lake, Lac la Martre, Nahanni Butte, Rae Lakes, Reliance, Snare Lake, Rae-Edzo, Rocher River, Trout Lake, Willow Lake River and Snowdrift.

Directorate, Total O And M

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. General comments. I will go through the budget items then. Page 12.04, directorate, \$2,368,000. Mr. Ballantyne.

MR. BALLANTYNE: I have a couple of questions, Mr. Chairman. I notice that in the directorate a position of head of the land section, land and assessment, has been discontinued and that funding is going into the position of a secretary to the assistant deputy minister. I wonder if the Minister could please explain to me what the head of the land section did and is it going to make it more difficult for this division to carry on its responsibilities without that position?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will ask Mr. Moore to deal with it.

MR. MOORE: Mr. Chairman, that adjustment has more to do with the person years system than with the organization. We had a position which was vacated recently, last week in fact, called the chief of land and assessment and within the assessment and land division we had a number of officer positions which were funded under the person year system. The person year system requires us to carry a certain number of positions which are unfunded. It just so happened that when we were drawing up this budget we had a vacant position, as it describes here in the land section, and the next position to be funded when a position became available for funding just happened to be a secretarial position in the directorate. It does not mean we have done away with the position, it simply means for budgetary purposes the funding has switched from one position to another so it is not an organizational change. It is simply a financial arrangement to do with person years and the allocations of funded and unfunded positions.

Just to give you a broad-brush number, we have 152 positions in the department but we are only able at any one time to fund 129 positions. So we carry a number of unfunded positions. At the moment, for instance, it just happens today we have actually on our payroll in Local Government, 122 people. At the time this budget was struck we had just unfilled a position in the land division and we were, therefore, able to fund an unfunded position from the unfunded list and the next position on the list, purely by chance, was a secretary in the directorate who had previously been unfunded. It is a technical subject, Mr. Chairman, and I hate to raise it because I know it confuses Members and I am sorry if it does.

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

MR. BALLANTYNE: I agree the whole area is very interesting and I assure the department and all departments next year the finance committee will be taking a much closer look at the whole concept of person years, unfunded positions, underfunded positions. It is a very, very interesting thing.

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

MR. BALLANTYNE: Another area under the directorate, I see there is a contingency fund of \$75,000 being reserved pending further development of regional councils. I wonder if the Minister could explain what it is thought this reserve fund will be used for and, if it is not used, where will the money be reallocated?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I would like to ask Mr. Moore to answer that.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, it is \$75,000 as a round figure set aside against the very high likelihood of the Sahtu Regional Council, which has already struck a tentative constitution, coming in this fiscal year with a proposal which would allow the Minister to come to this House with an amendment to the Regional and Tribal Councils Ordinance to incorporate that regional council. That is what that money is earmarked for.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Moore. Mrs. Sorensen.

Special Funding For Impact Of Development

MRS. SORENSEN: Thank you, Mr. Chairman. During the time of the Ninth Assembly, there was a lot of talk about the need for community impact funds of a local government nature, particularly in areas where there were resource-based industry activities going on such as in the Western Arctic, Beaufort Sea region, Norman Wells, Fort Simpson region. I do not see much writing in this area of impact funds in this main estimate for Local Government. I am wondering whether that priority that had been identified by the Ninth Assembly for special funding going into these areas for road work, sewer and water if it was required, additional facilities of a local government nature, whether that priority has been lost or whether it is hidden somewhere in the budget.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I have some information on that. It is in written form. The previous Legislative Assembly did pass a motion requesting that Local Government, in co-operation with other departments, apply themselves to the task of seeking ways and means to resolve impact shortfalls that the community of Tuktoyaktuk is experiencing. In this regard the Inuvik Region has submitted a proposal listing 12 projects in Tuktoyaktuk totalling \$11.7 million and nine projects for Norman Wells totalling \$5.3 million over the next five years. These submissions will be sent to the Financial Management Board in the near future and, if approved, we will be going to Ottawa for a funding request. I am sure the Members appreciate that these kinds of moneys are just simply not available in the ordinary funding available to this government so extra special funding from the federal government must be requested. Tuktoyaktuk and Norman Wells are in that situation. Fort Simpson is, one can say, in the impact zone too, but certainly not as much as Norman Wells and Tuktoyaktuk. In Fort Simpson we consider one million dollars given for the arena last fall had something to do with the impact. So something is being done to deal with the impact. I should say that this is not all, there have been some moneys put into both Norman Wells and Tuktoyaktuk to date but more is needed.

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

MRS. SORENSEN: The Minister of Finance could correct me, but it is my impression that there is a window on getting additional funds such as this and it is coming up very shortly. I believe it is April or early May where the federal government looks at additional funding of a non-discretionary nature, much like our supplementary funding. I am wondering whether these project lists and requirements in terms of dollars are far enough along that we can get them to the Financial Management Board and then from there, if approved, to the federal government as soon as possible.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I am advised our submissions are incomplete but most of the details necessary are there and the submissions will be ready very soon.

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

Concept Of A Western Arctic Regional Municipality

MR. MacQUARRIE: Are we on the directorate now and is the directorate an appropriate place to deal with regional councils? Could I just ask then, I am aware that under the COPE agreement in principle, the federal government had agreed to at least discuss with COPE the concept of a Western Arctic regional municipality. We have not had access to the final initialled agreement so I am not aware of whether that was taken any further with the federal government or not, but I have not heard that it was, so I am assuming that nothing further was done with respect to that, in the final agreement. I am aware that at one point the Department of Local Government was doing some work in that area, in the Western Arctic region with respect to possibly establishing a regional council there. Can I ask whether there is any new initiative in that area or whether the work is ongoing or just what the status of it is at the present time?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, most of the activity that Mr. MacQuarrie is talking about will have happened during the past year and so I am not knowledgeable, in detail, about the answer to his question. I am aware generally that there has been a fair amount of activity in the Delta area. There is the Mackenzie Delta regional council, an attempt by some of the communities in the Delta area to organize as a regional council and I am aware that the Executive Council has provided \$13,000 from its Executive moneys last year. I am aware that there is a DIZ group going in before that. There was the Beaufort environmental group going on and there was some activity with respect to COPE. So I think the Delta has been experiencing a fair amount of activity but as for the most recent information on it, I am not able and maybe the deputy minister is able to provide further information.

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

MR. MOORE: Mr. Chairman, there was a considerable round of consultation jointly by this department and COPE with communities which might have been involved in the formation of a Western Arctic regional municipality. Following those consultations the last Executive Council sponsored a meeting last summer sometime -- I think it must have been June or July -- a regional meeting of people from communities and the organizations to discuss under Mr. Wah-Shee's chairmanship their ideas on the formation of some form of regional government. That is all over and done with but what was left was the suggestion by that group that they would hold early in this year, 1984, another regional meeting along the same lines. That, to my knowledge, Mr. Chairman, is the only activity which could be related back to the original round of consultations with communities on the formation of a Western Arctic regional municipality. I am sorry I have no knowledge of anything in the COPE agreement relating to a Western Arctic regional municipality.

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

MR. MacQUARRIE: Since I do not have that knowledge either that is why I was wondering whether anything had been done with respect to it by the federal government. Since there have not been rumors that that is the case, my direct question would be then, has this government been approached by COPE in very recent times, in order to attempt to initiate something akin to the Western Arctic regional municipality?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will let Mr. Moore answer, Mr. Chairman.

CHAIRMAN (Mr. Gargan): Mr. Moore.

MR. MOORE: Mr. Chairman, to the best of my knowledge, I think I am right in saying no, not recently.

Directorate, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Moore. Budget items. Page 12.04, directorate, \$2,368,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Planning And Development, Total O And M

CHAIRMAN (Mr. Gargan): Thank you. Community planning and development. Mr. T'Seleie.

MR. T'SELEIE: Thank you, Mr. Chairman. I wonder if the Minister is aware that not too long ago the NWT Water Board had issued a licence to the community of Norman Wells to use water and one of the conditions of the licence is that Norman Wells do something about the sewage that they put into the river. I wonder if the Minister is aware of that.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Yes, I am aware of it. Our government and our department are very conscious of it and do intend to deal with the problem of assisting Norman Wells in obtaining a proper system of sewage treatment to comply with the conditions of time that the Water Board has set on the community of Norman Wells. Apparently, Mr. Chairman, the Water Board has instructed or has recommended to Norman Wells that they provide a plan of action, as it were, for dealing with the sewage within two years. Our department will be helping Norman Wells to accomplish that.

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

Water Problems In Gjoa Haven

MR. ANGOTTITAUURUQ: Thank you, Mr. Chairman. We are talking about water here and I drink a lot of water. I am not too worried about the two other settlements I represent because they have fresh water but back home we have a little pond that is not much bigger than the Explorer Hotel with no river going anywhere. The local people complain about this water, this little pond and further back somebody made some complaints to the hamlet. The hamlet talked about it and there was no choice that there could be any better water that we could get a road to. We have a lake that is approximately about two and a half miles out of town and that is fresh water. The health department and nursing station test the water and they keep saying it is good water, but according to the local people they get stomach ache from this. We are serviced only by trucks, so once this water is in the tanks, it is always in the tanks and you cannot wash the tanks. That seems to cause some problem to the people, because that lake is not very fresh according to the local people. So I was wondering if there was ever any complaint from Gjoa Haven about that little lake there?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, I am just checking the capital budget to see if there is anything planned for this coming year for Gjoa Haven. And there is not. I would suggest to the Member that he become active in the capital planning process and bring it to the attention of government officials. We will certainly take what he says today as good advice and certainly he has made us aware of the problem. I will have my department officials look into the matter.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. We are on community planning and development. Mr. Ballantyne.

MR. BALLANTYNE: Thank you, Mr. Chairman. I have a question. It is activity task two, urban planning. In the explanation of that particular task it says that this section has undergone some reorganization over the past year. We have the application of salary guidelines which is something we will go into next year and the reassessment of classification levels which is something we will go into next year in detail. I think it is an interesting concept. Perhaps the Minister can explain exactly what reorganization has taken place in this particular task.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will have Mr. Moore answer that.

CHAIRMAN (Mr. Gargan): Mr. Moore.

Decentralization Of Community Planning

MR. MOORE: Mr. Chairman, the urban planning section, the community planning section over the last two years has been largely decentralized. If I could go back three years, most of the planning in communities was done by consultants, southern consultants for the most part, who were hired by this government to prepare community plans. About three years ago it dawned on us we could get better value for money and more consistency and provide better service to the communities if we had government planners who were available to stay and work on plans full time. Recently, in the last two years, we have made a considerable move toward giving each regional office the capability of preparing community plans for the communities in that region. Now, at this stage, the three largest regions, Fort Smith, Inuvik and Baffin, have the capability of providing community plans which have proper engineering technical input and which are developed directly with the communities themselves by government staff in that region. So the number of people in headquarters now directly involved in urban planning is quite small. When that move has been completed I would expect that we would only have one senior planner here in Yellowknife. It would be something of an advisor on planning to the Minister and so to the Executive Council and to me and to the regions. The regions would all be self-contained in their ability to provide a community planning service to the hamlets and the settlements in those regions.

If I could just say so, the senior tax-based municipalities, generally speaking, hire their own planning consultants, although they do have the benefit of advice from this government and from this section of urban planning on the regulatory aspects of planning, the development of by-laws and the implementation of plans. That service is being provided to all the tax-based municipalities. We also provide to the tax-based municipalities financial assistance; generally speaking, sharing 50/50 the cost of preparing plans for large municipalities.

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

Adequate Assistance For Planning For Tax-Based Municipalities

MR. BALLANTYNE: Further to that in task four and five under this activity, I see that transfer of one engineering position to the Baffin Region took place. I see there is funding in place for one senior planning engineer to assist the tax-based municipalities. There has been a concern expressed to me by some officials from tax-based municipalities that perhaps there is not presently an adequate number of people involved to assist tax-based municipalities in, for instance, the provision of sewer and water services. As the Minister knows, it is a very, very difficult and delicate area with tax-based municipalities. I think the Minister is aware of the problems they have had in Fort Simpson with water and Yellowknife is presently experiencing some very, very extreme difficulties with their sewer and water system. I wonder, is the Minister confident that there are enough resources allocated to the tax-based municipalities to deal with this very important and very expensive area?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, is the Member talking specifically about urban planning or just generally these people and services available to tax-based municipalities within the department here in Yellowknife?

MR. BALLANTYNE: I was specifically referring to task four and five which are technical advice and senior planning engineer. This is the area that helps tax-based municipalities in the provision of their public works. There seems to be an element of decentralization, which I am not at all opposed to, as long as there are enough resources still available to adequately assist the tax-based municipalities.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I will let Mr. Moore answer.

Assistance To Hamlets Sadly Lacking

MR. MOORE: Mr. Chairman, obviously I am going to say that I think there are enough resources. The thing to bear in mind is that whereas the city of Yellowknife and the towns and even the village of Fort Simpson, those communities have their own engineering consultants, the hamlets and settlements are totally dependent on this government for that sort of advice. My own view is, that sadly lacking, very seriously lacking in the regions was the capability of providing good engineering advice to the hamlet councils and to the settlements when they were trying to assess their needs in the way of water and sanitation systems. That was our main purpose in trying to get into each region a municipal engineer working for Local Government who could make himself available to assist the hamlets and to act in effect as their engineering consultant.

Now we have had to retain in Yellowknife and we will retain in Yellowknife engineering people who are capable of working with the tax-based municipalities, not to do their work for them, but to work with their consulting engineers to take advantage of our programs of assistance in capital works, for instance, in water and sewage. I think Mr. Ballantyne is absolutely right when he mentions the extent of this program. It is a very considerable program. The amount of money that has gone into the tax-based municipalities in the last year and is going into them in this next year in the way of capital assistance for water and sanitation is quite impressive. In this last year alone \$1,800,000 was allocated to Yellowknife and next year another \$1,400,000 to Yellowknife alone for water and sanitation. It certainly is our responsibility in the department to make sure that that money is properly spent and that the major municipalities get the benefit of our advice as to how that money should be spent and that we have engineers capable of doing that. I believe, Mr. Chairman, that we have that capability and that we do not intend to decentralize that capability at all. We have also provided what was lacking before, a service to the hamlets and the hamlet councils who previously were totally lacking in any sort of engineering advice which they could lean on for the benefit of the community, rather than for the benefit of the GNWT.

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

MR. BALLANTYNE: Thank you, Mr. Chairman. I am not arguing with the rationale that there is a tremendous need in the regions, but I just hope the Minister keeps in mind and constantly reviews the present situation to make sure that by this form of decentralization the needs of the tax-based municipalities are still being met. I would also like to emphasize that while it is true the territorial government this year and last year spent a considerable amount of money in Yellowknife that the taxpayers of Yellowknife have also contributed well over a million dollars straight out of their tax base toward these projects. It is a shared project.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, further to this I can advise Members that I met with Mr. Don Sian, who is the mayor of Yellowknife and also president of the NWT Association of Municipalities and he as well as his member communities have raised the concern that this government appeared to be reducing the number of people that are in the municipal affairs branch of Local Government. He expressed concern about this. I assured him that everything would be placed on hold pending further discussion with him and his association. I have instructed department officials to freeze any plans for movements until further notice. So I have just got on the job a number of weeks ago and I am attending to the concern that the Member is talking about.

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

MR. BALLANTYNE: I would like to thank the Minister for his concern and I am happy to hear he will be looking at the situation.

Community Planning And Development, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you, Mr. Ballantyne. Page 12.05, community planning and development, \$1,377,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Land And Assessment, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Land and assessment, \$1,382,000. Mr. McCallum.

MR. McCALLUM: Mr. Chairman, could I have the number of assessors who are in the department and how many trainees there are?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, there are six assessors in the department and three trainees.

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

MR. BALLANTYNE: A question of the Minister under this particular division. There seem to be two specific areas of assessment and collection of taxes. There is the area within the municipalities which probably quite rightfully belongs under the auspices of Local Government. The other area that I briefly touched on earlier, the area outside the municipalities where you are talking about mining operations outside municipalities, talking about the possibility of taxing tanker traffic, pipelines, I wonder would it make perhaps more sense because of the very important implications to the government, that that might be better served being put under the Department of Finance?

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: We actually have thought of that because it is true that our assessors do not only deal with municipalities and community governments. They also deal with assessing lands way out in the hinterlands, in the far reaches of the North. We are assessing artificial islands and places like that, so in the matter of sending out tax notices to these places it was thought that this might be better done by another department, Government Services perhaps, or Finance. But thus far it has not really been a problem to the department and I guess we will continue to do it until there are concerns expressed. Certainly I will take the Member's comments as advice indicating a possible concern in this area.

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

MR. BALLANTYNE: It has been my experience that some confusion arises from this area being in the Department of Local Government. I think the Department of Local Government should be perceived to be an advocate on behalf of municipalities and communities. It is the responsibility of the Department of Finance to raise revenue and sometimes those two roles get a little bit confused within the Department of Local Government.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: I cannot quarrel with the Member and his advice to everybody here on the Executive Council and the government generally. We will certainly take his comments as good advice.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Land and assessment, \$1,382,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Municipal Affairs, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Municipal affairs, Mr. Ballantyne.

MR. BALLANTYNE: Thank you, Mr. Chairman. I wonder if the Minister could give a brief explanation of what is happening with the trucked water delivery subsidy.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, it is not a subject I have at my fingertips. I will have to get it. If the Member is willing I perhaps can come back to him tomorrow. It looks like we are going to be dealing with Local Government again tomorrow and I will provide him with a response then.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Minister. Municipal affairs, \$26,896,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Community Airports, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Thank you. Community airports, \$647,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Sport And Recreation, Total O And M, Agreed

CHAIRMAN (Mr. Gargan): Sport and recreation, \$3,074,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Gargan): Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. I think we are talking about recreation. I would like to inform the Minister, last summer they made the hockey rink and we were told that it would be completed before Christmas, but the fence got covered by snow so we cannot use it for the whole year because of the blizzards. We do not have any snowblower. For this reason maybe the Minister could consider some other way for sport and recreation. I think there was one million dollars given to Fort Smith or Fort Simpson when there were other areas that needed recreation facilities.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: Mr. Chairman, the problem that the Member refers to is a difficult one. I guess the solution would be to build arenas or other recreational facilities in every little community in the North but, of course, that is not possible because of the shortage of money. The Member referred to Fort Simpson getting a million dollars. I think this is justified on the basis that Simpson is a large community of approximately 1000 people and whereas it had an arena in the past, it had become old and it was dangerous to go inside because the roof was subject to falling or caving in. Fort Simpson is in the impact zone. There is a pipeline being constructed right now in front of Fort Simpson and the government thought that it might help the community by giving it an arena so that the people could have some good sport facility and thus lessen the impact that occurs when a thing like a pipeline happens. So I guess I will take the Member's comments and note them, although I must say, in being truthful, I do not foresee the day when we can build an arena in Sanikiluaq. Perhaps the best that can be done is, in conjunction with the school, maybe in the future more and better facilities can be provided in the line of a community hall or a facility of that nature. As far as cleaning a rink off, I honestly do not know what the solution is. I suppose we can get into equipment to clean it off. I do not know whether it is practical to do that. So I honestly do not have an answer for the Member. I am sympathetic, but what can we do? I look for him to give me more advice or suggestions.

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

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. Yes, I understood exactly what he was saying, but in the wintertime we cannot use the outdoor skating rink because of the snow. There is no use of it since we do not have a snowblower. The hamlet has a snowblower but even though Sanikiluaq is a very small settlement, they cannot seem to finish off their other areas of work. In the summertime, in the Hudson Bay area, I guess we should have a happy rink since there is going to be oil exploration in the Hudson Bay area.

CHAIRMAN (Mr. Gargan): Thank you, Mr. Appaqaq. Any response, Mr. Minister? Mr. Curley.

HON. TAGAK CURLEY: (Translation) I would like to ask the Minister a question. Just by looking at these main estimates, there are some recreation buildings that have been built up in Keewatin Region. I just wanted to know if you have any ideas for the Keewatin Region. We could see what is being done in this area but I would like to know what is going to happen in the Keewatin Region about the recreation.

CHAIRMAN (Mr. Gargan): Mr. Minister.

HON. NICK SIBBESTON: With regard to the Keewatin, I am aware that in both Chesterfield Inlet and Repulse Bay large hamlet office/recreation facilities are being built, all amounting to the area of two million dollars. I guess those communities with these projects will have some recreational facilities. I think the policy of this government is to concentrate on building indoor recreational facilities, like community halls. Buildings like arenas and so forth, are further down the road. When we have built community halls and recreational centres in all of the communities of the North, I suppose then we can start building arenas and curling rinks and so forth. An arena is quite a luxury and I think only the large places in the North are able to have them and it is not a total government grant support situation. The community is expected to raise a lot of its own money, to pay toward the capital cost and also, in running it afterwards. So I am very sympathetic but I think the best we could do now is make sure that all the little communities have gyms and halls before we start thinking of other facilities.

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

MR. BALLANTYNE: Mr. Chairman, I would like to move progress.

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

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Gargan): All those in favour? Opposed? Motion is carried.

---Carried

I would like to thank the Minister of Local Government and his deputy minister.

MR. DEPUTY SPEAKER: Mr. Gargan.

ITEM 16: REPORT OF COMMITTEE OF THE WHOLE

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: Mr. Speaker, your committee has been considering the 1984-85 main estimates of the Department of Local Government and wish to report progress.

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

SOME HON. MEMBERS: Agreed.

---Carried

MR. DEPUTY SPEAKER: No nays. Thank you. Any announcements from the floor? Mr. Clerk, announcements and orders of the day, please.

CLERK OF THE HOUSE (Mr. Hamilton): There will be a meeting of the standing committee on public accounts tomorrow morning at 9:30 a.m. in the caucus room. There will be a meeting of the Management and Services Board tomorrow morning at 10:00 a.m. in room 211.

ITEM 17: ORDERS OF THE DAY

Orders of the day for Thursday, February 23rd at 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 22-84(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), 5-84(1), 6-84(1)
16. Report of Committee of the Whole
17. Third Reading of Bills
18. Orders of the Day

MR. DEPUTY SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until February 23rd, Thursday at 1:00 p.m.

---ADJOURNMENT

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