



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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

# LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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TABLE OF CONTENTS

10 February 1982

	<u>PAGE</u>
Prayer	241
Tabling of Documents	241
Consideration in Committee of the Whole of:	
- Bill 1-82(1) Appropriation Ordinance, 1982-83	242
- Department of Economic Development and Tourism	242
- 13th Report of the Standing Committee on Finance	242
Report of the Committee of the Whole of:	
- Bill 1-82(1) Appropriation Ordinance, 1982-83	283
- 13th Report of the Standing Committee on Finance	283
Orders of the Day	284

YELLOWKNIFE, NORTHWEST TERRITORIES

WEDNESDAY, FEBRUARY 10, 1982

MEMBERS PRESENT

Mr. Appaqaq, Mr. Arlooktoo, Hon. George Braden, Hon. Tom Butters, Ms Cournoyea, Mr. Curley, Mr. Evaluarjuk, Mr. Fraser, Mr. Kilabuk, Mr. MacQuarrie, Hon. Arnold McCallum, Mr. McLaughlin, Hon. Richard Nerysoo, Mr. Noah, Mr. Pudluk, Mr. Sayine, Mr. Sibbeston, Mrs. Sorensen

ITEM NO. 1: PRAYER

---Prayer

DEPUTY SPEAKER (Mr. Fraser): Item 2, replies to Commissioner's Address. Are there any replies?

Item 3, oral questions.

Item 4, questions and returns.

Item 5, petitions.

Item 6, tabling of documents.

ITEM NO. 6: TABLING OF DOCUMENTS

Mr. MacQuarrie.

MR. MACQUARRIE: Mr. Speaker, I would like to table Tabled Document 7-82(1), Letter from Home Care Co-ordinator, in Yellowknife. It demonstrates a need for nursing care facilities in this area.

MR. DEPUTY SPEAKER: Thank you. Item 7, reports of standing and special committees. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, I had my hand up to table a document.

MR. DEPUTY SPEAKER: I am sorry. Item 6, tabling of documents. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, I wish to table the following document Tabled Document 8-82(1), Northwest Territories Small Business Loans and Guarantees Fund, Annual Report 1980-81. There is a summary of this document in Inuktitut, sir.

MR. DEPUTY SPEAKER: Thank you, Mr. Butters. Item 6, tabling of documents.

Item 7, reports of standing and special committees.

Item 8, notices of motion.

Item 9, notices of motion for first reading of bills.

Item 10, motions. Mr. Sibbeston.

MR. SIBBESTON: (Translation) Mr. Speaker, today I am supposed to be talking about Motion 7-82(1) but I am going to wait. Maybe next week I will be talking about it.

MR. DEPUTY SPEAKER: I understand you want to withdraw your motion at this time and bring it on next week. Thank you, Mr. Sibbeston.

Item 11, introduction of bills for first reading.

Item 12, second reading of bills.

Item 13, consideration in committee of the whole of bills, recommendations to the Legislature and other matters.

ITEM NO. 13: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS, RECOMMENDATIONS TO THE LEGISLATURE AND OTHER MATTERS

Bill 1-82(1), Appropriation Ordinance, 1982-83, and 13th Report of the Standing Committee on Finance, with Mr. Pudluk in the chair. Just for the record, I guess I misunderstood the Member when I said he had withdrawn his motion. He has not withdrawn his motion. He is standing it down until sometime next week.

AN HON. MEMBER: Agreed.

MR. DEPUTY SPEAKER: Thank you.

---Legislative Assembly resolved into committee of the whole for consideration of Bill 1-82(1), Appropriation Ordinance, 1982-83; 13th Report of the Standing Committee on Finance, with Mr. Pudluk in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-82(1), APPROPRIATION ORDINANCE, 1982-83; 13TH REPORT OF THE STANDING COMMITTEE ON FINANCE

Department Of Economic Development And Tourism

CHAIRMAN (Mr. Pudluk): Now this committee will come to order. Want to report progress?

---Laughter

Now we are going to deal with Economic Development and Tourism, page 16.01, and if Mr. Butters would like to make opening remarks, go ahead. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I would be grateful if you could recognize me in this seat. I believe that Members in examining their estimate books have noticed that there are no new initiatives reflected in the estimates of the Department of Economic Development. The budget before you is an operational budget with an increase of some 19 per cent and we believe that it maintains the level of service that is currently being provided and there may even be some improvements.

I would like to point out at the outset that some of the things the Members might expect to find in the budget to respond to or to reflect the impacts of large-scale development are not here, the reason being that the moneys required for those responses are to be developed through the B level process. The budget we have before you is an A level budget and reflects only the price and volume growth that we expect in the coming year. I think it is important to highlight the performance of the territorial economy relative to other provincial economies. It would appear in the main very healthy, especially in comparison with some of the positions and concerns that we heard expressed last week when the First Ministers met and discussed our economy generally.

Our strength obviously lies in the area of the mining and the oil and the gas sectors and it is my belief that we have been able to capitalize on resource development activities for the benefit of the whole territorial economy.

#### Changes In Directorate

I would like to mention some of the changes that one finds reflected in the estimates before you. In the directorate you will notice the deletion of man years and this is basically an administrative correction in that we have moved positions within the department that have been historically in the directorate across into the commerce division where they belong and where they function.

#### Moneys Allocated To General Development Agreement

In the planning and resource development division there is very little change except for the moneys allocated to the general development agreement wherein we have provided administrative moneys to allow for the agreements administration and we have also allowed for funding programs at 100 per cent, of which approximately 60 per cent will be recovered from the federal government. We have had signed over the past few months a number of socio-economic agreements with major development companies. We will have to ensure that there is complete and adequate monitoring of these agreements but our expectation is that these can be carried forward.

#### Economic Development Programs

Evaluations have been carried out on various economic development programs such as Special ARDA, and TERIS, territorial employment record information system, in the manpower development division, and also we have found that there has been an increase in costs experienced in the acquisition of space at Alberta educational institutions. This is a non-discretionary increase which the department has had to absorb. The employment situation remains quite good with ongoing activity in mining, oil and gas. The Eastern Arctic contractor training program has been very successful. It has left some \$600,000 in the Territories and provided employment for some 15 man years and every contractor that forms part of that training program, I believe, made a profit as a result of their endeavors.

#### Tourism And Parks

In tourism and parks there is an increase of one man year which goes to the Kitikmeot region and this is part of the overall formation of the regional office at Cambridge Bay. There is also more money allocated to park maintenance in both the Inuvik and Fort Smith regions and this is due mainly to two reasons. First, there is an obvious need to improve the condition of our park sites, and secondly, there has been a cutback by the Department of Public Works who have previously provided some of the service in this area.

We are experiencing in the Territories and across the Territories, I believe, an increase in visitors. While we cannot boast the same amount of influx as our sister territory, the Yukon, there is a very significant increase and especially in the western portions of the NWT. The zone associations developed over the past two years are active and are becoming very effective in serving this growing visitor industry.

The Pangnirtung pilot project which was developed to examine the feasibility of the community based tourism approach to the industry has been completed and a report is in the hands of the chief of the tourism section. The Clyde River hotel construction was a part of the overall school construction program and is a good example of innovative government planning in which this department shared.

### Commerce Division

The commerce division of the department is an ongoing budget and the growth is not as much as we may like, probably only about 10 per cent, but there has been a major significant development in one of the initiatives in this area that we are looking at and we will have before this House legislation to increase the Small Business Loans and Guarantees Fund from its current level to more than double what it is now. However, I guess I should wait until that item appears before you as a bill rather than speak to the detail now, but I think that Members will welcome the initiative and see in it a response to the requests for the department to make available to individual entrepreneurs more sources of funds and support.

We are continuing our support in the renewable resource sector in the fishing industry and timber. There has been an increase in loan applications in the past year. A business inventory profile has been developed. The thrust to privatization is moving; it is maybe not moving as quickly as some would like but it is still an ongoing initiative.

The department feels competent that it can execute those programs and services that have been budgeted for and any new initiatives that the department takes as a result of external pressure will have to be submitted with a supplementary requirement and reviewed by the financial management board. Speaking to that I think it is much more than just an approach to the financial management board for supplementary funding. Many of the programs that we will have to develop and introduce are new programs and, as such, will have to be funded from the federal government's financial resources. The amount of money we will get from the financial management board is minimal in terms of the need in some of the anticipated areas.

As I mentioned before, the non-renewable resource activity increased in the Territories with new mines being developed at Lupin, Cullaton Lake, Cadillac, Polaris and the ongoing macroprojects in petroleum, the Beaufort Sea, Norman Wells, the High Arctic, are proceeding apace.

I would just like to conclude by referring to a matter which was raised in the report of the standing committee on finance on the first or second day. The report of the committee reflected on B level requirements. The committee noted that they "...have great difficulty, however, hearing constantly that the priorities as set by this Legislature belong in B level submission. Perhaps it is because B level to us means program and service dollars this government would like but could live without."

### Definition Of B Level

I would like, in response to that statement, to provide the Treasury Board definition of B level. I do this because when we took our estimates before the standing committee on finance there was a great deal of concern that the department which had been designated a priority was not responding adequately to the demands of the development occurring in the Territories. Why I bring this definition forward now is to indicate that if a finger of criticism is to be pointed, I suggest it is not to me, as Minister for Economic Development and Tourism, -- and I pass the buck -- it is to the Minister of Finance, a responsibility which I also hold. The problem that we have with regard to the B level is that, according to the Treasury Board definition, a B level item is a new program or is the extension of the application of a current program or to improve the quality of service. Now when officials of the Department of Finance took our budget, our A level budget, to Ottawa in the fall, we had in it a number of items which either requested a new program, requested an extension of the

application of a current program, or requested improved quality of service. Those requests were identified at the intergovernmental committee as B level items and we were told that they were not acceptable. So the process through the IGC is not the way in which one must go to obtain funding for new programs.

We, this government, took a B level program of some five million dollars to the federal government a year and a half ago. The result of that was that no new moneys were approved and where a new program was introduced or an enhanced program was introduced, we had to do so with funds from our own cash reserve. During my term of responsibility, this government has not yet taken to the central government a request for a new program which would be funded out of the federal auction system. We are in the process of doing this.

#### Renegotiation Of General Development Agreement

There are two approaches. One in the area of the general development agreement, which will amount, if it is approved, to some \$21 million and the second one, I believe, is in the area of obtaining replacement money identified for the impact funding required for capital infrastructure in high resource development communities. When we go through the budget, you will see that on a number of occasions I will be mentioning and noting that the program would be picked up by our general development agreement. I regret that I cannot inform you more positively that I have a sure date when we will sign that agreement. My hope and expectation is that we can get it almost completed and in place by the end of this fiscal year so that many of the programs which are held in abeyance and held waiting for that money to come onstream can be implemented. The general development programs which you find within this current budget are programs which were approved prior to September 30th of last year. They are a continuation of programs that were put in place on a two year basis. So, I just wish to indicate that as far as making any major gains on renegotiating the general development agreement, I have been unsuccessful. I hope that the next two weeks can change that situation. Thank you.

By way of process, Mr. Chairman, I would like as we come to each section, to read a few words by way of introduction before the general questions start, if I may be permitted to do this. The overview I gave you now is very minimal on each of the program sections of the department.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Minister. I also would like to welcome Tagak Curley. He just came back from the hospital last night.

---Applause

Mrs. Sorensen, you had something to say from the finance committee. Go ahead.

#### Concerns Of Committee On Finance

MRS. SORENSEN: Thank you, Mr. Chairman. As the Minister of Economic Development and Tourism indicated, the standing committee was concerned that this committee's concerns and the Legislature's concerns about this government's ability to respond to non-renewable resource impact was not reflected within this budget to the degree that we have liked it to have been. Mr. Butters assured us that he did have that in hand through the B level and we certainly do look forward to a successful negotiation of the B level funding. However, we had a number of recommendations that we did want to bring forward, but we have decided that because of the review that the department will be going through over the next several months, the committee would rather speak with the person who will be doing the review and give some of its concerns and ideas to the consultant.



We are extremely supportive of the Minister's general development agreement and are concerned, of course, that the agreement itself perhaps is in jeopardy, the new agreement. We feel that should that money not come forward, that it will cause serious problems to the department and its operations, because that is the money that really goes out into the regions and assists the department with some of its accountabilities. It is money that the regional people and the community people use to work with and respond to development in the North.

We have several questions that I will be asking under the various divisions. One other comment, is, the degree to which northern contractors and northern suppliers are being used and the degree to which the socio-economic agreements are being monitored by the department. We will be sending a letter to the department officials to seek assistance in determining from the officials -- in determining information on actual dollars being spent for northern suppliers and contractors by both government and industry in the North and once we get that information, we will table it in this Legislature. That concludes my general remarks, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mrs. Sorensen. Mr. Butters.

#### Hesitancy In Negotiating Agreement At Federal Level

HON. TOM BUTTERS: Yes, Mr. Chairman, just to indicate that the matter of the general development agreement has been proceeding for many months now. I think part of the problem in delaying a resolution of these negotiations was the federal determination to restructure the economic development departments in the federal systems so for a period of some three months there has been a hesitancy on the part of DIAND and DREE to proceed too quickly -- I do not know -- but this was my perception, that there was some hesitancy. Now that the restructuring has occurred and the new ministers responsible have been named, it may be that we can proceed very quickly. I have been in contact with Senator Bud Olson and the Hon. Herb Gray, indicating our desire to complete, at the earliest possible opportunity, the general development agreement. I have been in contact with Mr. Munro over the last weeks on four or five occasions. In fact, were this department's estimates not up for review this week, Mr. Morrison and Mr. Weisbeck and myself would probably have been in Ottawa now attempting to move the general development agreement along.

I should just indicate that it is a much larger amount of money this time. It is some \$21 million, if it is approved in total, of which \$2.1 million would be the NWT share. In the previous agreement the share ratio was 40 per cent NWT, 60 per cent federal government. So not only do we have to negotiate a vastly increased amount of money, but a new cost sharing arrangement and the chairman's comments about the importance of these funds in the regions and in the communities and to the organizations who are supporting both non-renewable and renewable resource development in the Territories are very, very pertinent. I expect that I may have to absent myself once my estimates are considered, to attempt to move this matter along.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Minister. The Department of Economic Development and Tourism. General comments. Any questions? Mr. Noah.

MR. NOAH: (Translation) Thank you, Mr. Chairman. I have been a Member of the Legislative Assembly for a while. I know that the outpost camps receive assistance from Economic Development and the new outpost camps that have started are growing in number. When they are in the communities there is no employment and there is no means of making money. You feel it is kind of useless to stay in the community if there are no jobs or you cannot make money in the settlements. If I were not a Member of the Assembly, I would have no job if I had stayed back home. Some of the jobs in the communities are very helpful to the communities but the salaries are never enough. I have been asking for support and I will keep supporting the goals at the outpost camps.

### Outpost Camps For Fishing In Summer And Hunting In Winter

They are able to make money if there is a good planning system and if they operate properly. They can make money through fishing in the summer. In the Back River there are a lot of fish; there are Arctic char and whitefish and different types of fish up there. There is fishing in abundance up there. I think the outpost camps should be for the fishermen during the summer and sell the fish to the co-ops in the settlements. I think that it would be very helpful if the people went fishing in the summer so as to make money and in the wintertime the outpost camp people could trap fox. They would make money continuously through summer and winter with fishing and hunting.

The people who are not educated or who are educated very little have a hard time finding employment in the communities and the communities are really growing. Like in Baker Lake, it is not on the coast, it is on the mainland and there are no jobs. Once in a while there are seasonal jobs like in the summer. There are three companies, the co-op, the hamlet, and the sewing centre. These are the main employers of the people in Baker Lake. There are also people employed at the Iglu Hotel. There are a lot of unemployed people in Baker Lake.

I think we should have ideas on the unemployed people so they can make money. I think they should be supported by Renewable Resources or Economic Development to create jobs. For example, in Back River I think that it should not just be an outpost camp. It should become a place where they could fish in the summer for commercial sale and in the wintertime they could hunt foxes. If this kept on going and if they got enough employers, it would help the hunters a lot who have no jobs. The co-op could sell fish that was caught. They could sell a variety of fish and there would be more co-operation between the outpost camps and the settlements.

Food that is being sold today is very expensive and clothes are very expensive and the price of everything is going up. It is hard to keep up with inflation unless you have a very good job so that you can have decent clothes and food nowadays. People who are unemployed are having a very hard time trying to get food unless they are making money through carvings and other things. The people who have many relatives for instance, if they are unemployed persons, they would have a very hard time with day-to-day living with the cost of food and everything else.

I have been very concerned about the unemployment. The Inuit make their living off the land but the land has also been taken away by the Americans and the non-natives are taking away the fish as well. Very likely everything is going to be taken by the non-native people. I think that we shall have to try harder to find employment for the natives to have them make money. It is not really a question. It is just for information and for consideration. I think if somebody could give me an answer -- some of these settlements that are populated over 1000, there is a lot of unemployment in these communities. It is not hard to see why there are more outpost camps coming up near the settlements. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Noah. Mr. Butters.

HON. TOM BUTTERS: Thank you, Mr. Chairman. This government recognizes the situation that Mr. Noah has laid before the committee and is responding to reduce the problem of unemployment in the smaller communities. There is a joint co-operative relationship between the Departments of Renewable Resources and Economic Development in this area. It was Renewable Resources that first saw the need to establish and supply the outpost camps. I think a few days ago when we looked at the budget of that department, we saw that half a million dollars exists in that budget for supporting those outpost camps.

Funding For Inter-settlement Trade Identified In Agreement

Three years ago I remember when I held the economic development responsibility; I was in Frobisher Bay, and one of the major recommendations that came home to me at that economic development conference was the need for inter-settlement trade between communities and setting some way in which the land food that was being harvested in the outpost camps could be made available in the larger communities for revenue. We received that recommendation -- about the time we were putting together the five elements that made up the previous general development agreement. One of those five elements was inter-settlement trade. Over the period of time I think we have spent some \$200,000 in examining the economic feasibility of that trade and seeking to determine ways in which it would be economically viable. The general development agreement that is currently being advanced has identified one million dollars for use in the inter-settlement trade area and we are hopeful that that money will be devolved and made available at the community level. I cannot speak for the management committee but my own feeling would be that that money would be best used at the community level where the Member so rightly points out that the greatest degree of unemployment and personal difficulty is currently occurring.

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

MR. NOAH: (Translation) Thank you, Mr. Chairman. We have always talked about unemployment in the settlements and I think the reason for it is because we are not creating enough jobs. If there is unemployment in the communities, while we are talking about it we are not creating any jobs. I do not think it is too difficult for us to try to create jobs in the communities. The outpost camps live by hunting and trapping and if they are going to be using machines like skidoos, skidoo parts are very expensive. They depend on the machines to do their hunting. Dog teams are starting to be revived in the communities but they are slow. I could keep talking and talking about unemployment and trying to create jobs.

Creating Jobs By Use Of Natural Materials For Building

The things that are ordered from the South, they are expensive as you all know. Someone mentioned stones. If they are squashed up, we could use the crushed rocks to make buildings as long as there is a crusher. Somebody mentioned that in the past and they were talking about it. Ordering material from the South is very expensive and the prices are going higher and higher each year. Someone in the communities should come up with a suggestion or idea like using the natural environment for creating jobs. There is gravel and there is rock which could be used to build houses or any other thing. We should take into consideration about using these. Maybe they have not started it because of the expense it is going to incur. We have seen buildings that are made of rocks but this material is ordered from the South. There is in the settlements a lot of natural materials that can be used. Maybe they have not started because of the money or perhaps because of lack of equipment. Thank you, Mr. Chairman. That is all for now.

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

MR. CURLEY: (Translation) Thank you. I am sorry that I came late for the session but I was told to recuperate. I would like you to know that nobody has to have pity on me and if anybody wants to talk back, my old colleagues here, if they have anything to say, do not think of me as an invalid who has just got out of the hospital.

---Laughter

I would like the Members to understand also that whether you are weak or strong the House is going to keep going. Everybody should know that. (Translation ends) Yes, thank you, Mr. Chairman. I would just like to indicate to you that I am glad to be back here in the Assembly. I did miss you guys a lot...

---Laughter

...whether you believe me or not, that is up to you. I just want to say that no Member is indispensable. That goes for the Members from the West as well.

---Laughter

Mr. Chairman, I would like to make some general comments with respect to Economic Development mainly because it is one of the departments that I think will survive for a number of years and the people of the Northwest Territories will have to place their hopes in that particular department to succeed locally, regionally, and territorially, as far as the economic development opportunities are concerned.

#### Need For More Vigorous And Energetic Leadership

I realize the country is in quite a slump these days and I think it has a lot to do with leadership problems -- not so much the lack of imagination of the Canadian business community. I think some of the leaders of the country are tired and I think it is about time that we, as individuals in Canada, speak out and ask for a change of leadership of the country today. I am not talking about your changes in parties. I am talking about...

---Applause

---Laughter

...I am talking about it being time, I think, that some of the more vigorous and more energetic people of the country should start to run the country and therefore get the economy of the country moving again, as well as in the Northwest Territories. I do not know whether the Minister of Economic Development is just as tired as the national leaders are, but I say in the Northwest Territories I think we have to start addressing the kinds of opportunities that we have. So far, I think what we have been bogged down with is trying to patch up the problem areas. I think today we can realign some of the economic development programs in the Territories.

It is so much easier for me to jump on the bandwagon and join in support of the major resource activities in the Territories, because that is where the action is. But I must say that that is only one part of the economy of the Territories that we, as a Legislative Assembly or the government, surely should support and try to maximize the benefits for the people in the Territories. I want to address some of the other opportunities we, as a government, an Assembly, should promote, in order to try and bring opportunities for the small business operators to get ahead.

#### Opportunity For Development Of Fisheries

I particularly see the opportunity that lies within our regions to improve fisheries, for instance, in the Territories. I believe it is easy for me to say the cost is so expensive, transportation costs are so high, that I can see all the reasons why I could be discouraged from promoting fisheries development in the Territories. But I believe that if we are serious about improving the economy of the Territories, we should begin to set up a task force or whatnot to look into the fisheries possibilities in the Northwest Territories and compare it with the other Atlantic countries, such as Greenland and possibly other northern regions, because they have been able to make fisheries quite a successful operation in these other countries.

So, I would like to see as we debate the Economic Development budget that we not only just give token support to the meagre initiatives that the department has taken as far as fisheries are concerned but that we give them major encouragement and support in trying to establish a plan, a plan of action for future development of the fisheries in the Northwest Territories. That is one area that I think is within the grasp of this Assembly to promote.

I see the NWT is faced with a very serious unemployment situation. I am concerned about it, because in the Eastern Arctic it has become very difficult for me to encourage young people to get on the job or even to promote employment opportunities, because it is very difficult for them to find jobs. So, how can we address this problem area? The only way that I think that I can contribute to it is this. Why do we not, through Economic Development leadership, set up a major inquiry or review of the economic development opportunities that we have? I see, for instance, that the fur industry in the Territories could possibly be improved in such a way that it can assist those people involved in that part of the economy -- give them a better opportunity to sell their furs. Possibly Economic Development could even promote a fur marketing agency, whether it be private -- it can be established in the Territories rather than subsidizing those major fur auctioneers in southern Canada. That is a possibility.

#### Promotion Of Tourism

I think we also should not get our hands off the arts and crafts industry opportunity that we have in the Territories, because these days I think we have just let it go. Economic Development has got out of this business and, therefore, the arts and crafts opportunities in the North and the artists have become discouraged and therefore have not contributed to tourism industry, as such. I think Economic Development should very well be given compliments for supporting tourism in terms of establishing transportation, supporting transportation and hotels and accommodation for tourists, but what about the opportunity for community residents to promote that kind of tourism development? That part of the area, I think, needs to be looked at and supported, so that local artists can take part in contributing to the interests of the tourists when they do come in.

So, these are the kinds of things that I really feel we are going to have to try, to encourage the communities, through Economic Development, because I think it has a chance. That department is one of the most important departments in the territorial government.

In spite of all the difficulties that we have with respect to Indian Affairs and the federal government's lack of action in concluding the general development agreement, I am not convinced the Economic Development department and officials should be taking a slack position and lack of action in promoting ideas because the money is not coming in from the federal government. I think when you have a good program, a good idea, that money is always bound to come in and not only from the federal government, but private financial communities are normally interested in investing money into those projects.

#### Monopoly Of Services Should Be Taken From Crown Corporations

Also I think Economic Development should take over the management of the northern transportation and shipping in the Territories. I do not think it should be in the hands of Government Services only, because the transportation and shipping industry, I believe, has not come to the full extent possible as far as the development of shipping industry is concerned. I think we can improve it. I think we can realign some of the transportation, particularly where the sealift operation is concerned, and promote that part of the development to private operators in the Territories. I think the days of the federal government's

involvement in creating crown corporations to provide the service should be concluded. I believe that the private operators in many respects could improve the shipping, for instance, in the Territories -- sealift and that type of transportation. I believe that relaxing the regulations and monopolies by the crown corporations should be done away with today if we are to see independence of the Northwest Territories. We are at the mercy of the federal government, because we support NCPC, because we support NTCL, and we support the Freshwater Fish Marketing Corporation. What else do we support? You know, we traditionally have supported the Canadian Transport Commission's policies and southern type of air transportation policy in the Territories and, therefore, we see Calm Air bickering with the best possible service that we have these days, in improving transportation through NWT Air. So, I believe that Economic Development should, and the Minister should, attempt to grab more of these economic development type of ventures that are disbursed within the NWT and the Northwest Territories government departments and agencies. I would like to see it have a little more clout in dealing with major activities.

So, Mr. Chairman, these are just my introductory remarks. I would definitely like to see -- it might be the time for Economic Development to set up a task force to see what it can find out from the people, small business operators and local citizens throughout the Territories, to see what type of concerns they have. I believe the Minister is pretty well aware that he is in quite a demand these days to travel to communities and to meet with the small business operators who are facing very difficult times. I think we will hear more of them as we go on to dealing with the budget -- his departmental budget, item by item. So, Mr. Chairman, these are my introductory remarks and I will be glad to deal with them a little later. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Curley. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I welcome the remarks and the comments of the Member for Keewatin South and I assure him that both myself and members of my department always value his suggestions and recommendations. I have made a note of a number he has provided today. I would just like to comment very briefly on two or three.

#### Federal Government Not Renegotiating Agreements

On the general development agreement, I assure him and assure this House that it is not a matter of not having good ideas that there is a delay in renegotiating that agreement. It is the federal government which has just put the brakes on renegotiating any agreement. The provinces who, like ourselves, found their agreements expiring in March last are in exactly the same situation as we are, maybe worse. The federal government has just not been moving to complete the renegotiations of general development agreements. Similarly, we are facing in the very near future the same situation with the Special ARDA. That agreement expires as of March the 30th, and we are hopeful that we can renew that agreement at the same time.

The Member mentioned letting arts and crafts go. I think he is aware that there is an increasing and there have been increasing demands upon the government, by the primary producers in this area, the crafts people, to do just that -- to let it go and to turn it over more and more to the people that are making and marketing the crafts and so get rid of the government middleman. I think the government welcomes that initiative as long as such an arrangement ensures that the crafts people will continue to receive a reasonable and adequate return for their product, but we would be willing to assist and co-operate with the territorial crafts people -- men and women -- whenever possible.

On the matter of the shipping industry, the Member will be very pleased to know that the Department of Economic Development is working with Government Services to look at the possibility of privatizing the Eastern Arctic sealift. Now, that is not NTCL, but we are aware of those important initiatives.

### Fisheries Potential Not Fully Reached

I would like to conclude my response -- to examine the matter of fisheries in the Northwest Territories. I think the Member has put his finger on a very important renewable resource which, at the present time, for a number of reasons, is not harvested to the extent that it could be. So, I would just like to comment briefly and point out as Members realize that the commercial quotas of fish taken in the Northwest Territories are established by the Department of Fisheries and Oceans in Winnipeg. The quotas that have been established for 1980-81 totalled some six million pounds. Approximately 3.2 million pounds were exported for an estimated value of two million dollars. It is interesting to note that we are not taking 23 per cent of that six million pound quota.

There are a number of small fisheries. Members will know of the Cambridge Bay char fishery, which annually employs some 25 fishermen and operates for six weeks of the year. In 1981-82 it generated a dollar value amounting to some \$240,000. The Arctic coast fishery, further to the east in the Kitikmeot region includes the communities of Pelly Bay, Spence Bay and Gjoa Haven. This fishery was launched with an exploratory grant under the GDA and at the present time there are 20 fishermen employed and 10 plant workers. The dollars here are some 51,000, but at the present time the product is sold locally. In the Keewatin, Members will recall that the fish canning plant at Rankin Inlet was closed in 1977 and the surviving commercial fishery has been based on exporting whole, frozen Arctic char to southern Canada. There is a review of this fishery to determine how the fishermen of that area can be best served and how the fishery might be re-established as a viable and important economic activity in the region. The value of the fish developed by that project in the current fiscal year was \$119,000. It employed some 27 fishermen and 16 plant workers.

### Investigations Of Further Possible Fishery Projects

Members from the Eastern Arctic will recall that at the regional economic development conference in 1978, another initiative that was put to us at that time was a need to determine fish stocks and shrimp stocks that might be found offshore. I am happy to report that the federal service has examined the available data of the marine fishery resources of Davis and Hudson Straits and has concluded that the potential exists for offshore shrimp fishery development in the Davis Strait and for a small-scale inshore fishery in the Hudson Strait. The next phase of that development project is expected to be a feasibility study, to be established in the region.

In the Mackenzie Delta and the Beaufort Sea there are provisional quotas totalling some 1.3 million pounds, of which three quarters is the marine herring resource. There was some test fishing done in 1973 and 1975 with regard to a very distinct and unique type of whitefish found at Holmes Creek. However, that was discontinued when the marketing proved to be too difficult because of the cost of transportation, but we are pleased to note that the Inuvialuit Development Corporation has picked that up and has received assistance under the GDA to examine the feasibility of a pilot fishery project. There are also two fisheries in the Baffin area. The two large lakes there, Nettilling and Amadjuak, have a combined production capacity of one thousand pounds of char, but this fishing activity has not really been moved at a productive level as yet.

### Report On Freshwater Fish Marketing Board

The major fishery, of course, is the Great Slave fishery, and I am pleased to indicate to those Members who requested of me that we look at the relationship of the Great Slave Lake fishery with the Freshwater Fish Marketing Board, that process has gone on. I will be placing before Members the information that was requested by motion at the previous session regarding the service that the FFMC is providing to northern fishermen, and making suggestions for directions and

procedures by which the lot of the northern fishermen can be improved. As I say, we are marketing some three million pounds of fish annually out of that lake, with an estimated value of \$1.8 million to the economy. It is providing employment for 145 person years in fishing and in operating the processing plant, but, by way of warning, I must say the report I will bring back with regard to the attitudes of the Great Slave Lake fishermen and FFMC is not too positive. The department and this government will be expecting direction from this House.

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

MR. McLAUGHLIN: Thank you, Mr. Chairman. I just wanted to respond to Mr. Curley's opening remarks on behalf of other Members, especially Mr. Nick Sibbeston, that we are all pleased that he is back. Mr. Sibbeston has had to do double duty in order to keep the Legislative Assembly news in the headlines, by keeping the media awake while Mr. Curley has not been here.

CHAIRMAN (Mr. Pudluk): Are there any more general comments? Economic Development and Tourism. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, my remarks will probably take the full 10 minutes and I am wondering, since you are running to your coffee break, is there someone else who has less to say before that coffee break?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Mr. Kilabuk.

MR. KILABUK: (Translation) Thank you, Mr. Chairman. I am sorry I was late coming in. I was here for three weeks, for the financial committee, and I am sorry to say that I came in late. This is just a short comment that I would like to make, just for your information.

I agree with what Mr. Butters said, that the meetings that were held in the Baffin region about fisheries, they were talked about quite a lot, and you probably remember when we had our session in Hay River that he had the same comments. I have never heard if there were any studies being done on the fishing industry in Baffin. I know that fisheries are being run by the Canadian government. We, the people that live by the sea, I wonder if there could be some kind of industry going on in fishing or running a cannery of some kind. I have heard that there is some kind of cannery up in Pond Inlet. Maybe the Members of the Legislative Assembly should think of a way to make more money to help develop the North.

#### Fisheries Could Create Jobs For The Future

We watch a lot of people on TV catching fish in the ocean. There is probably a lot of fish in the Arctic seas. You probably have heard that the people of Quebec have been fishing in the Baffin area and up by Greenland. We, the people of the Baffin, are also wondering if there are any kinds of fish that could be harvested. We do not know what the future of our young people is going to be at the moment. Maybe we could start thinking of ways to start businesses and think of their future. I think we, as the leaders of the NWT, should think of some ways to create jobs for the younger people. There are a lot of people probably thinking that these people are just wasting money. I think that there is a possible way of creating new jobs. I think that you should think of new ways to create new jobs.

The non-native people are saying that they are not able to do anything. I think we should try something for the first time. I think that the ways of the Inuit and the others are different, but the Inuit people have also said that -- there was a person that wanted to get an airstrip for his town. This person was a white person. He did not give up. Maybe if we, the Inuit, did not give up, maybe we could start up new jobs.



These people that are in the Territories, it seems as though they like to be run by the government. The person in Pangnirtung that wanted the airstrip wanted to see if he could get an answer, a positive answer, and we are waiting for this answer. All I have said has to do with our future, for the generations to come. We have to think about these things now so that they can have jobs in the future, if we think positively. These are the things I wanted to say.

CHAIRMAN (Mr. Pudluk): (Translation) Thank you, Mr. Kilabuk. The airstrip that you were talking about was under Local Government. Let us take a break for 15 minutes.

---SHORT RECESS

CHAIRMAN (Mr. Pudluk): This committee will come to order. Economic Development.  
Mr. Noah.

MR. NOAH: (Translation) Mr. Chairman, this is a question to the Minister. I was not talking about fish marketing. The fish that are sold to the southern markets, I feel that southern people should not be buying too much fish from the Northwest Territories, because they have got a lot of food and fish nets and stuff like that. What I was trying to say was -- taking the community of Baker Lake as an example -- the Inuit people do not have any salt water game. I wonder if the residents of Baker Lake could be assisted if they could go to outpost camps. My question was whether the Baker Lake people could be assisted, because we know that we could sell fish to the co-op. There are different kinds of fish in Baker Lake. There is Arctic char and trout and whitefish. They are a little bit different. There is a variety of fish that are being fished. I wonder if there are any ways for helping or assisting us to have full-time fishermen who can fish in the summertime for our co-op. The fish that are being sent down to the southern cities for sale there, it seems as though the southern people do not like northern food. I do not see what the point is.

CHAIRMAN (Mr. Pudluk): Maybe Mr. Butters would like to respond to Mr. Noah.  
Mr. Butters.

HON. TOM BUTTERS: Yes, Mr. Chairman. I understood the point that the Member made with regard to inter-settlement trade, and I responded by saying that there was an element within the general development agreement in the amount of some million dollars which would be spread over the period of time of agreement to assist the types of fishermen that he has described to us. I think I can be positive and expect an early conclusion of the GDA and say yes, that the department or the management group which will manage the money of the GDA will probably respond positively to the situation he describes. Obviously, even though the money is developed for use in the Territories, the department does not have the say for the expenditure. All applications made for GDA moneys are approved by a board separate and apart from the Department of Economic Development officials, but I would expect that they would look favourably on the type of project that the Member has outlined.

CHAIRMAN (Mr. Pudluk): Thank you. General comments. Ms Cournoyea.

Need For Adequate Services Stated By Legislative Assembly

MS COURNOYEA: Thank you, Mr. Chairman. I would like to begin by saying that I do not believe it would be any surprise to the Minister of Economic Development or the Members of this Legislative Assembly to know how I feel about Economic Development operation, particularly in our region. Just to follow along with some of the remarks that Mr. Butters has given to this Legislative Assembly, in regard to no new initiatives in the budget and saying that there may be some improvements, I would not be able to understand that, as certainly we have, over the last number of years, prior to my time on this Legislative Assembly, stated the need for adequate services to be provided by Economic Development. I am wondering if perhaps people who are involved, not only Mr. Butters, but members of his department are tired. Perhaps they are not able to continually re-express the same concerns year after year to the federal government or wherever they go to try to receive the initiatives to build up the resources required in economic development to serve the people. I would like to talk about serving the people.

It appears to me from the kind of initiatives that have been taken by the general area -- and I will probably limit myself to the northwestern part of the Northwest Territories -- I suppose I could say that is the Inuvik area, and perhaps it is, because it seems like Inuvik is harboring all the fugitives of Economic Development in Inuvik.

AN. HON MEMBER: Shame, shame!

MS COURNOYEA: Now, large-scale development has been with us in our area for many, many years and I cannot understand why we are still at the B level process in trying to meet our commitments to the people who want to be involved in that large scale development. I believe it is fine to say year after year that we have this painful process with the federal government but it appears to me, as well, that this territorial government is set up to represent people who come from those regions and also to deal with the federal government and from the life of this Assembly, and particularly from Economic Development, it seems that there is more effort to try to wrest power away from the federal government and various funding programs to be funnelled through the territorial government before it gets to the community level. So therefore that initiative was taken by this territorial Assembly and if that initiative is taken, and if that kind of program is put forth and accepted by the federal government, then we have no excuse but to try to produce that program for the people who are involved with these economic benefits that are supposed to accrue to the northern resident.

#### Much Energy Consumed By Bureaucratic Procedures

He further stated that we capitalize on economic development and the benefits from it. Do we really do that or does it just look as though we are doing that? Sometimes we can be just tagging along because these things are happening anyway and every now and then you can jump on the bandwagon and say that Economic Development is taking part in this resource development and having people becoming involved with this resource development, but if you truly analyse the situation, where is the initiative coming from? How much energy is placed by the individuals themselves and from the communities themselves and how much effort and energy is swallowed up by trying to involve Economic Development personnel to help them? If we talk about energy consumption and tired people, then how difficult is it for an individual to go through all the processes that are laid down that he must go through, particularly if he does not have any assets himself?

So what happens when the federal government transfers the general development agreement and then the ARDA, is part of the whole process that the territorial government is involved with and the Eskimo Loan Fund comes to a territorial level? It appears then we try to be so great and so big and so encompassing that a smaller package that could be realized is put aside because it is not glamorous, it is not big enough. It does not give any great CBC announcement to the Economic Development department. But all these programs and these little people sitting in the communities very much want to tap into the promises of Economic Development and the territorial government's promises that these things are going to be of benefit to them. As well, they want to tap into the federal government promises but where do they go for that? Where do they go to do that? Myself personally, I have been involved with people who want to take advantage of these programs and these benefits but by the time you try to get through all the bureaucracy that is involved, trying to get the understanding from the people who are employed to help, you are so tired and so discouraged you wonder whether there is any possibility.

It further goes on to policy and resources where little is changed and expenses -- except for GDA, a federal funding program. I am not saying that the Minister of Economic Development probably did not do the best he can and perhaps that is good enough for some people who are living in areas where the push and the changes are not moving so quickly.

#### Educational Back-Up For Native Involvement

I would like to talk about native involvement and what I feel is a lack of confidence by the Economic Development agency in the ability of native people. There seems to be an unending courtship and partnership developing that sort of implies that it is not the best way to receive funding unless you have some non-native involved who may be more expert in business. Now, in some circumstances I could agree with that, but I wonder how much money these others are putting into that particular business enterprise, how much are they getting out of it because there is a native component that can apply to the various funding areas that are

provided by federal and territorial governments because you are native? I believe Economic Development has a real job to do in education and back-up. There is certainly a need for patience because sometimes people do not really understand all that is involved in the bookkeeping aspects of an enterprise that they want to get interested in. Certainly in terms of economic development and the desire in the past of this Legislative Assembly to promote industrial development, there was a promise and that promise was loud and clear that if people laid back a little while and let economic development take place in the oil and gas industry, there will be something for them. At this stage in the game, I do not think that we have shown that there was something for them. Certain people may be satisfied that the little bit that we have done is good enough and if the Minister feels that is good enough, he should say so and he should let everybody else know that is his position.

It is not good enough because the things that people are involved with are the small little things and I do not think they necessarily needed Economic Development to get involved with those small little things. I do not think it is a fantastic achievement and the kind of resources that is needed when you are going into the kind of development such as oil and gas, industrial development that moves quickly, is the calibre of people that know that industry, know how to respond and know how to help people become involved with it and give them the educational back-up that they require, and that is not there.

#### Tourist Agencies Criticized For Colonial Attitude

In regard to your tourism funding, I think we should support tourism the best we know how. However, I am very concerned about the colonial attitude that many of the tourist agencies have toward the native component of the Northwest Territories. It appears sometimes that we are little better than a bunch of puppy dogs running around. For example, it is not unusual to have people write about the tourist opportunities, inviting people to drop into people's camps and have a cup of tea. Well, that is fine, but maybe that person who has a camp and a cup of tea might be wanting to be involved actively and with proper payment for services if that is what the tourism wants, not be used. Another little quote, "Give them a picture and that will get you a walk with the Eskimos." I would like to talk about Northern Games, the kind of effort in the past that we have put to develop that cultural activity, to build up the profile of what could be culturally very romantic and impressive of what can be offered from Inuit society.

It continues to happen that tourist agencies continue to plunder into that effort, to use people, bring them up off the street, send them to different areas to promote the Northwest Territories tourism. I am not saying that they should not go. However, I think that before we start doing that, maybe the kind of funding for the development of programs and dance groups, if tourism feels that it is adequate and that is a good thing to have, then that should be developed, not used. If people feel camps are a good part of tourist enjoyment, then let us deal with those people in the camps.

Now, further I feel that we, as a group of people, as native people primarily, have a lot to offer, but all we seem to be doing is promoting others to use us and I wonder why that is. Is it because we are not able to take part or have the initiative? Is it because we are too slow? Is it because we do not talk enough? Is it because we do not promote ourselves enough or do you feel that we cannot do the job because we might be a little sloppy? What is it?

#### Inquiry Into Activities Of Department Of Economic Development

Now further to my concerns about Economic Development in the area which I come from, I have asked for an inquiry into Economic Development for many, many concerns and each time it comes up, everybody want to be specific, or the Minister of Economic Development want exact specifics. I believe I have been specific enough. But it seems after the process goes from this Legislative Assembly into the Executive Committee, we come out with something that is severely watered down. It does not really address the issues. We do not know what the terms of reference are

and already a person is hired. So I do not know where we should make representation. If you want something done in the area, where do you go? It appears here that the Minister of Economic Development has been actively involved in determining his own department's inquiry, which is a review, whatever that is. It appears to me, from my recollection, that he has already done a review some time ago and he said everybody is happy. If he is happy with his Economic Development, he should just come out and say that. Never mind spending money. Then we will try to do something another way -- and that was an initiative from our area and in the next few days I will be tabling letters and motions from each settlement council in that area to support that inquiry.

In matters of fish marketing, I would like to say that Mr. Butters, the Minister of Economic Development, recently has been very supportive in trying to get something done in that area, but let me say that I am rather disappointed that things only begin to happen sometimes right before the Legislative Assembly meets.

The matter of the lake fisheries -- if that has been a matter for so many years, why was something not done about it? I believe the initiative in this regard was to deal with the Delta region. The Beaufort Sea and Delta region has been in question, like Mr. Butters said, since 1973 and it is a known problem. Everybody knows about it. The reason that the initiative of 1973 did not survive is transportation and we have known that right from the beginning but nothing was done. We are trying to take that initiative and I certainly appreciate the support that we have received from Mr. Butters and I hope it comes to some fruition.

CHAIRMAN (Mr. Pudluk): Ms Cournoyea, your time is up. Is this House agreed that she can continue?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Okay, Ms Cournoyea, go ahead.

#### Economic Development Of Renewable Resources

MS COURNOYEA: Now, there was some other mention about the development of renewable resources in terms of economic development. I believe that we have tried in the past to take that into serious consideration, but Economic Development, if it can go into a romantic relationship with industry and oil, somehow seems to forget renewable resources because that is sort of tedious and it is monotonous sometimes to get it going and it is small. People are trying to get, maybe, the kind of people that would not be able to be employed with Economic Development with oil and gas, involved with this kind of field.

In terms of arts, crafts -- I do not think there is enough attention paid to that -- and I should not say I do not think. I know there is not enough attention paid to that. It is something that we can look for, in terms of economic development, way past oil and gas. If Dome goes bust, if we can develop that part of people's knowledge, then we will have something that will last a long time.

In terms of conflict of interest, I have asked for something to be done about that. I do not know if anything has been done. From the recent departure of our last economic development officer, it does not appear to have been done. So, perhaps this is an area whereby we can have people come into the area of economic development and work with the people, be involved with the people, build for the people, with the people, rather than for themselves. Some kind of formula must be put down to have a comfortable working relationship with Economic Development and the people whom they serve. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Ms Cournoyea. Mr. Butters.

HON. TOM BUTTERS: Thank you, Mr. Chairman. I would like to respond to a number of comments made by the honourable Member. I resent and I would wish to see her withdraw the comment about "harboring all the fugitives". I do not know how she expects servants of this government, how servants of the people, are going to work for her if she is going to kick them around all the time. I have not known, whether dogs or people, that you make any progress by kicking people around. I suggest that part of the problem in the Inuvik region was this unrelieved criticism from the honourable Member -- "harboring all the fugitives". I would like to say that I am extremely delighted with the new regional superintendent who has recently joined the regional organization in Inuvik. I think we are extremely fortunate to have someone who is knowledgeable about the region. He comes to Economic Development from Local Government. He knows the people. He knows the communities, and I am very optimistic about the future direction of the regional department under his management. He has spent nine years in the North and over five in Inuvik.

#### Specific Concerns Welcomed And Pursued

I remember, during the standing committee on finance meetings, asking the Member to be specific and she has raised this point and recognizes that I did so. The honourable Member is a constituent of mine. She lives in Inuvik and I do not recall one time when she has raised, on behalf of an individual, either in her own constituency or mine, an economic concern which she asked me to pursue. Now, she has raised -- she has drawn the cases of other individuals to my attention, there might be one -- but I would welcome and have welcomed and do welcome comments from any Member with regard to what they can see or are concerned about as a weakness in our departmental response. I ask Members who approach me -- sometimes I am successful and sometimes I am not -- but the honourable Member has not seen fit to approach me in these specific areas. So, I would be grateful if I could have such comments and indications. As I say, it does not mean I am going to be successful in pursuing the concerns, but I promise you and I promise her that I will follow them up and get a response.

She mentioned federal government transfers of the GDA. The general development agreement is not a federal government transfer. It is an agreement between two jurisdictions, in which a cost sharing arrangement of joint dollars is worked out. The federal government transfers us nothing. We, along with our sister territory and the other provinces, enter into an agreement with the federal government to assist and enhance the development of economic activity in the Territories.

The Member mentioned native involvement and saw an unending courtship and partnership developing between native and non-native groupings. She asks how much money are others putting in. I refer to her one of the major criteria of the Special ARDA program. Special ARDA, if I recollect, encouraged such co-operative and joint arrangements. I believe that Special ARDA does welcome such joint initiatives. If that is wrong, then I would expect that the architects of the Special ARDA program would re-examine that and make the necessary changes.

She mentions promoting industrial development, that there were promises loud and clear made by somebody. I think if one would check the record, we would find that those promises were not made by the Department of Economic Development. They may have been made by Dome/Canmar or some other developer, but I do not think that the department would be foolhardy enough to make promises with regard to development that may be just around the corner.

#### Qualifications For Regional Superintendent

The Member referred rather disparagingly to the previous regional superintendent of Economic Development, who served for a very brief term in the Inuvik region. I must admit that that arrangement did not work out too well, but it was my suggestion that we seek the calibre of individual that she defined. An individual, she said, who would know industry and know people. These types of individuals

are extremely rare to come by and unfortunately, while the past incumbent's employment summary would suggest that he met those criteria, it would appear that there was something lacking in his approach.

With regard to a conflict of interest, during the time when we sought a replacement regional superintendent of Economic Development, each applicant was advised of the caveat that they would not be able to enter into economic projects or activities in the Inuvik region within, I think it was two years following their departure and that caveat was put to each individual by the chairman of the hiring board. I do believe that the individual who just departed our employ did return briefly to Inuvik. This man apparently has a contracting arrangement and his residence is in Edmonton, so that I do not think that he has established a business operation in Inuvik. He may appear from time to time, but I doubt that we could prevent him from doing that.

I am shocked to hear the Member suggest that promotional words from my department have indicated that tourists should come up North, visit the camps and have a cup of tea with native people or give them a picture. I do not think -- I would challenge the Member to produce the copy. I do not believe the words were published by the Department of Economic Development and Tourism. They may have been, but I doubt it. If that is so, I would do everything I can to remove them, because I feel, with the Member, that they are repugnant and do not reflect the general direction that my tourism people are pursuing. We have not desired to encourage those people who do not want visitors. We have not sought out or entered into settlements where it has been made clear to us that the visitor industry is a very low priority to them. The department seeks only to work with those communities and those regions where the tourism dollar is an important dollar for them. It is for this purpose that we have decentralized the tourism approach to the various regions and we are attempting to work with the regions and be guided by them in the programs that we offer, for the simple reason that the grass-roots approach to development has got to be much more practical and have more opportunity -- more possibility of success than any program that we develop at Yellowknife.

#### Review To Be Carried Out By Dr. Mair

The honourable Member remarks that she is or would appear to be unhappy that no public inquiry was established with regard to the Inuvik region. That motion was directed to the Commissioner and as the Commissioner indicated in his opening Address, he responded to it in the way which he believed to be most positive and practical. He discussed the matter with me and I made him privy to my concerns. I will also make this committee privy to my concern and that is that to focus on a particular region, without any stated objective or stated concern or stated criticism, I think is wrong. I think that the study, the survey, that the Commissioner has put together -- and the Commissioner did put it together -- very well meets the request of the motion that the Member made a year ago. The only thing it does not meet is that it does not focus in on the Inuvik region alone, because what goes on in the Inuvik region is directly and indirectly related to the planning and service and support that it receives from headquarters. So, I think that the review and the survey that will be done by Dr. Mair will not only examine the real and particular needs of the Inuvik region, but it will also examine whether or not headquarters has the ability to respond, is responding, or whether or not we should change some of our organizational directions so that we can respond to this need.

#### Improvement Anticipated In Inuvik Region

She asks whether I am happy with regard to the Department of Economic Development as it stands today. Obviously, not. Obviously, not, but I do not think the mechanism of a public inquiry is going to make any great improvement in the current situation. I think improvement is going to come because of the dynamism and the initiative and the experience of the new regional superintendent of Economic Development in the Inuvik region, Dan O'Neil, and the support that he will get, not only from the five new people he has hired to fill positions in

the last few weeks, but from headquarters, as well. I think that we are very optimistic and we think there has been a major step ahead, to turn around what has been not too productive a situation in the Inuvik region.

I am very grateful to the Member for her compliments about movement on the Freshwater Fish Marketing Corporation, but even therein was a tinge of a criticism you know, why does it always happen that you only get action a few days before the Assembly meets? Her motion was put just some 60 days ago, if I remember correctly. It was put in the November or December of the fall session. I think, when you recollect that two weeks are gone out of the Christmas holiday season and that there was a bit of travelling to be done to ascertain the attitudes of various key players in the whole process -- I think we have moved along very quickly and I assure her, it was not just because the session was due to start on the 2nd. We have been moving on that one, because we recognize there is a major concern of all commercial fishermen in the Territories with regard to the service they are currently receiving from the Freshwater Fish Marketing Corporation. At this very moment, a representative from the Great Slave Lake Fishermen's association is an alternate member at the Freshwater Fish Marketing Corporation's board meeting in Winnipeg, to make these concerns and recommend suggestions and ways by which improvements can be achieved.

I do not know if I have addressed all the Member's concerns and criticisms. I am quite sure that I have not answered them, but as I indicated to her, I think on Wednesday, December 2nd -- I am only too pleased to work in a co-operative and positive way with her because I recognize that there are many opportunities in the Inuvik region, many opportunities for her constituents, many opportunities for my constituents, both native and white alike, and with her I wish to see them having the first and best opportunity to realize a profitable return from those opportunities. One of the difficulties with much of the assistance that is provided to people who seek loans and put applications before the boards is that we have a confidentiality factor and while we can make announcements on Special ARDA grants and GDA grants, we cannot make any announcements on loans that have been made to people under the aegis of the small business loans and guarantees fund. So some of our accomplishments, of necessity, must remain unheralded. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Minister. General comments. Mr. Arlooktoo.  
Support For Markham Bay Outpost Camp

MR. ARLOOKTOO: (Translation) Thank you, Mr. Chairman. I have got a question coming from my constituents. Last fall, in September, they started an outpost camp between Lake Harbour and Cape Dorset and these people are from Frobisher Bay. There are three families and relatives who are living there and they have been asked by a non-native -- I heard that in the summer they are going to be getting a ship to go to the outpost camp. If it is going to be like that, my constituency would like to have a voice in this situation before it really gets started. We also know that the flights coming from Frobisher Bay -- there are three or four families involved in this outpost camp. I was asked by my people to find out whether the Members support these outpost camps. My constituency would like to have a voice in this situation if the people at the outpost camp are going to get what they want. We are also concerned about the outpost camp because they said they were going to be getting a bar where they serve liquor. My people really did not like this idea and they felt that they would like to know if Economic Development is supporting this or involved in it. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I will have to plead ignorance to this situation. I would like to investigate the concern raised by the Member and attempt to have a response back to him by this evening if at all possible. Before we recess this evening, I would like to try and respond to that question.



CHAIRMAN (Mr. Pudluk): (Translation) Well, Mr. Arlooktoo?

MR. ARLOOKTOO: (Translation) Mr. Chairman, I would like to get a reply on this. I wanted to investigate the situation but they did not want to talk to me about it. I would like Economic Development to investigate this matter and if there is going to be an outpost camp there, in Frobisher Bay and Markham Bay or somewhere in there. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Arlooktoo. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, do I understand that the concern of the honourable Member is the same as that of the Member from Sanikiluaq? Is it the same outpost camp or another one?

CHAIRMAN (Mr. Pudluk): Mr. Arlooktoo.

MR. ARLOOKTOO: (Translation) Mr. Chairman, this is completely different from the Member from Sanikiluaq's concern. It is in my constituency and is between Cape Dorset and Lake Harbour. Thank you. It has nothing to do with Sanikiluaq.

CHAIRMAN (Mr. Pudluk): Thank you. General comments on Economic Development and Tourism. Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Chairman. In August last summer, the Minister donned his old World War II leather flak jacket, which he took out of moth balls, and set out on a three-wheeler accompanied by Mr. Pruden from tourism and set off along the Canol Road from Norman Wells toward Whitehorse. I was wondering if the Minister could advise us what the purpose was of this ill-fated expedition and if he could also advise us if it has anything to do with today's article in the Yellowknifer which indicates that DIAND has funds available for a road part way along the west end of the old Canol Road now on the planning boards.

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Butters.

HON. TOM BUTTERS: Thank you very much, Mr. Chairman. I am just looking for the notes that I had ready for the oral question I was told I was going to get last December 2nd and did not receive. Yes, I would like to speak to that.

#### Four Reasons For Trip On Canol Road

There were four reasons why Mr. Pruden and I made that trip. One of them was that three years ago when Claire Barnabe was working at the Norman Wells area as administrator, I remember travelling with her from Norman Wells to Yellowknife and she said, "You are responsible for parks. Have you looked at Dodo Canyon?" I said, "No, but is it an interesting place?" And she indicated it was and was located some 26 to 36 miles from Norman Wells. I indicated to Mr. Pruden that I would like to take a trip into that area because we have a responsibility to identify potential park sites and determine whether or not they could become part of our schedule.

The other thing that occurred, too, was that when we were over in the Yukon last year we heard that the Yukon government was looking -- they have already opened their old Canol Road to the border -- was looking at the possibilities of opening a road on our side so there would be a road across the mountains between Johnsons Crossing and Norman Wells. When I was in Whitehorse with the Executive Committee, I accepted the responsibility to work with them on that. They made a quick trip by airplane, which I could not make, but I indicated that I would try and look at the road on the ground if at all possible.

Another thing that motivated me was the announcement of the Minister that the pipeline had been approved and I wondered whether or not there was any possibility of the Canol Road being reopened as a four-wheel drive road to resupply that pipeline project.

The fourth reason was that some years ago, I believe it was Joe Mercredi made an application and a suggestion that there should be a clean-up carried out along the Canol, the NWT side of the Canol Road. So there were four reasons to take a look at it.

The road itself is about 212 miles on our side of the border. We travelled from the west bank of the Mackenzie to the Twitya River which is about 135 miles. We found that in many places it was as though the war was just over and not concluded some 40 years ago. We found camps still in place; we found equipment on deadlines; we found animal remains twisted in wire that has not been removed; we found drums of fuel which are standing there and which should be burned up or destroyed; we found old debris being washed into rivers; and we found a fantastically scenic route. I have never seen countryside as beautiful as those 130 miles between the Canol and the Twitya. The Dempster is a beautiful road but it has nothing on the Canol.

#### Potential Park Area

Mr. Pruden looked at the possibility of Heritage Trail because people are using that trail now and we find they are burning the buildings that are left there -- burning the buildings that were left from the last war, part of a military heritage that does not exist anywhere else. The Yukon has covered their military heritage entirely. They bulldozed over the old sites, but in the Northwest Territories, as I say, there exist rusting relics -- and some not so rusty relics -- of that great fear that swept through North America when the Japanese landed at Attu and Kiska and I, for one, feel we should move to protect that trail; we should move to protect the artifacts on that trail. We should move to set up stopping places for people who walk in. We should look at the possibility of a park and we have been approached by people at the Wells to set up a naturalist camp at Dodo Canyon. Dodo Canyon is everything that Claire Barnabe said it was. It is spectacular. I have instructed Mr. Pruden to move toward putting that area on our park schedule as a possible park. I have approached the military -- because I do not see in our budget the funds required to carry out a clean-up -- for assistance in maybe reawakening and rekindling an interest in the American government because the project in 1942 was an American government project. As I say, there is history and heritage there that we should protect and we should protect it very soon. We spent about \$6000 on that trip and I would say it is probably the best \$6000 in travel money ever expended, although I must admit it was a little rougher than flying in a PWA jet.

CHAIRMAN (Mr. Pudluk): Thank you. Mr. McLaughlin. General comments.

MR. McLAUGHLIN: One cannot help but wonder that the trip might have been a little less ill-fated if the honourable Member, Mr. Fraser, from the riding of Detcho Sahtu had accompanied you on that trip as a guide.

HON. TOM BUTTERS: No, no.

MR. McLAUGHLIN: But you did not answer my question about if there is any relationship to the push by DIAND to have this road extended from the Yukon into the Northwest Territories. Is that on the initiative of our Executive or the Yukon? What kind of implications are there for our resources becoming attached to the Yukon base out of Whitehorse rather than out of the Mackenzie Valley road system which one would obviously think should be extended from Fort Simpson to Norman Wells?

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, yes, the Member is correct. I responded to the question of the honourable Member for Mackenzie Great Bear that was put on the last day of the previous session. With regard to this new initiative, I am not aware of anything going on in that area. I have not been approached by DIAND, by the Minister, and none of my department officials have. I think it is

totally a nonsensical approach. All you have to do is drive that road to see what the hell has got to be done to put it back into shape and the federal government does not have that kind of money.

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I wish the honourable Member for Mackenzie Great Bear had been along on that trip. I am very, very sorry I neglected to invite him.

MR. FRASER: You think he is crazy!

---Laughter

CHAIRMAN (Mr. Pudluk): Thank you. General comments. Mr. Appaqaq.

Housing In Outpost Camps

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. My first question is that I do not see in this budget anything to do with outpost camp buildings. I do not know who assists in building housing for them in the outpost camps. Is it Economic Development or wildlife or the Housing Corporation? I do not see anything in the budget to do with outpost camps being provided with housing. Who deals with that?

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, my information is that the resources are provided by the Department of Renewable Resources, but I will take this question as notice and attempt to find out just if there is capital money in the Renewable Resources budget for outpost camp structures.

CHAIRMAN (Mr. Pudluk): Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. When I first came in, I guess I was confused and I am sorry. I had some things to say concerning the housing of some of the outpost camp people in the outpost camps. The housing which was provided was too small for them. You know that there are no outpost camps in Sanikiluaq, but they had understood that those new houses that are being provided in outpost camps -- when you are a large family, they are too small and they wanted them to be provided with bigger houses. So, if you could give me that kind of information -- I will not be able to provide you with any more details, but could you provide me with some information on that?

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: Yes, Mr. Chairman, and it would assist my staff if the honourable Member might discuss with them his particular concern about the outpost camp which he raised a few moments ago. We will have to phone the regional office in Frobisher Bay to obtain the information that was requested by both Mr. Appaqaq and Mr. Arlooktoo.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. We heard in October, when BRC met in Pangnirtung, BRC was approached by us concerning the outpost camp buildings, requesting bigger housing. The government said that this could only be done through Yellowknife headquarters. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Appaqaq. General comments, Economic Development and Tourism. Mr. Fraser.

#### Member's Views On Minister's Trip

MR. FRASER: Thank you, Mr. Chairman. While we have the honourable Member from Inuvik on the hotline here, we might as well add a little more. I was quite disturbed. I did not want to go on the trip. I had more sense than going on that trip with motorcycles, but I have driven over that road when it was serviceable and I flew over it several times, talked and checked on the same things as he was checking when I was with the federal government, so I know exactly what was there. He was talking about a trail for walking. The last two guys that walked that trail never came back. The polar bears or grizzlies got them, but I just wondered if the opening of that trail had something to do with -- in conjunction with this Sam Miller, who has four naturalist camps in that area, that were set up when he was a government employee. They are in the immediate area of the Canol Road.

I was quite disturbed that I was not informed about it. When you see one of the Ministers responsible for Economic Development touring my constituency and somebody asked me what he was doing, I could not answer him. At least I could have been told what he was doing and I could have given them an answer, but it seems kind of odd that they would come down there with PWA and motorcycles were flown across and then they were gone. I think the Member is aware. He has since apologized that he never informed me, but now I understand that there may be some more work going in there, which he is not aware of either, so somebody is not telling him, I guess, what is going on either. It is in the papers, anyway. Somebody must have that information.

I would just like to mention a few things on economic development. In the Inuvik region, which covers my constituency, we have not had too much success with Economic Development in the past few years. I do not imagine it could be all blamed on the honourable Member who is now responsible for that portfolio. Some of it was probably done before he was there, but I think a simple request was asked by one of the Members, to do a study and see what actually has been done or what is going to be done and I guess that was denied, unfortunately. I do not know why. I wonder if the Member could give me reasons why it was denied? There might be a lot of things that would be helpful to him to find out why, if some kind of study was done and talking to different people who were involved with Economic Development at that time and probably some of them that are still involved, but I would think that the Minister would reconsider if it would be of benefit to the Minister or economic development as a whole, as far as tourism is concerned.

#### Tourist Attractions Along Mackenzie Valley

What Economic Development should be looking at right now is the Mackenzie highway and I do not know if they have taken that into consideration. There are a lot of good potential tourist attractions along the Mackenzie Valley and I am sure that if he talked to the right people he could get this information. There is a lot of good scenery up there along the Canol Road, but it is a long way from nowhere, once you get out into the canyons and mountains. I think Macmillan Pass is 9500 feet -- 9000 feet you are going over that mountain -- that mountain pass. It might be something in the summertime, if you can control the grizzlies. There is a lot of game around that Canol Road. There is a lot of game around Norman Wells, and that game comes from that area. What you would have to do is set up some kind of a resource management officer in that area to control it.

My question to the Minister in the last session was what he was doing up there, how far did they get and what did they accomplish? I do not think I have that answer yet. Was anything accomplished? You say that \$6000 was well spent. I did not see a report or anything on it. I would like to get that information, so I could maybe tell somebody else when they ask me what you were doing out there. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Fraser. Mr. Butters.

HON. TOM BUTTERS: Yes, Mr. Chairman. The reason that the Member was not informed was that the trip was set up and carried out at the very last moment. It almost did not take place, because of conflicting commitments. The Member is correct. I did not inform him that I was making the trip and he is also correct that I apologized to him for going into his constituency without so informing him. I did this at a past caucus session Members will recall. He was not in his constituency at the time or I would have sought him out and found him and indicated to him what I was planning to do.

He mentioned that nobody seems to know about this proposal which appears in the daily paper. My understanding is -- and it is not very clear -- from the news story which was carried therein, and I quote this part of the story which refers: "A road part way along the west end of the old Canol Road is on the planning boards." My information is that this is a proposal to upgrade a small stretch on the Yukon side for mining development. It has nothing to do with the Northwest Territories. I do know that the Yukon is keenly interested in doing that and seeking money to do that, so I would suggest that that is the probable explanation.

#### A Study Is Going To Be Carried Out

The Member indicates that a study has been denied. I do not know whether he was here on the first day of the session, but at that time -- and I was just looking through the Commissioner's Address -- if he has it on his desk and he should reread that Address, for the Commissioner therein indicated that a study is going to be carried out.

With regard to the Mackenzie highway, Saturday last I spent in Hay River talking to those whom he describes to be the right people. I and Mr. McCallum and Mr. McLaughlin and Mr. Stewart attended the first annual general meeting of the Big River Tourist Association and they are going to do a lot more for tourism than this government ever will. I think those are the right people to talk with and that is where I was, talking with them. So, I look forward too for the similar kind of response and direction from the other regional tourist associations. There is one in Yellowknife, which is growing. There is one in Inuvik and there is one in Keewatin and I believe that these associations are going to do a lot for the tourism industry in the Northwest Territories.

On the question of what was accomplished with regard to the Canol trip, I cannot at the present time give you accomplishments per se, but I believe that Mr. Pruden has placed Dodo Canyon on our proposed schedule of parks. As you well know, it is just a fascinating area.

#### Clean-Up Of Wartime Project Needed

I recognize that there is a need to clean up certain of the remains of that wartime project that still lie along the old Canol Road. I think it is a danger to animals and I think that they are a fire hazard in the summer, but I also feel that there should be some move made to preserve what is there. We have had communications and correspondence from people who are very interested in obtaining a piece of equipment that is 40 some-odd years old. As the Member well knows, Mr. Chairman, there are right-hand drive vehicles sitting up on blocks on that road, right-hand drive vehicles which were made for the European theatre in the last war and with very little mileage. I think that those vehicles should remain there and they should be protected. So, that is what we are trying to move toward; cleaning up, protecting the possible development of a park and a heritage trail in the near future. And obviously, anybody who runs into a bear on that trail is in trouble.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. The Chair would like to recognize in the chamber John Amagoalik from ITC and James Arvaluk from ICNI, Inuit Committee on National Issues.

---Applause

Before I go back to you, Mr. Fraser, let us take a 15 minute coffee break.

---SHORT RECESS

CHAIRMAN (Mr. Pudluk): The Chair recognizes a quorum. Mr. Fraser.

MR. FRASER: Thank you, Mr. Chairman. I asked a question of the Minister. I did not get an answer. I was wondering if this big trip on the Canol Road had something to do with Sam Miller's four naturalist camps that he has up there?

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, it was our intention to visit the naturalist camp operated by Sam Miller on the Canol, had we got that far. As the Member well knows, it is about 30 miles beyond where we stopped. However, that was not a major reason for our trip, it was a very minor one. Mr. Pruden wanted to make a personal inspection of the camp, and there is another outfitter's camp along that road which we had intended to look at, but we got to neither one.

CHAIRMAN (Mr. Pudluk): Thank you. General comments. Mr. Curley.

#### Private Operators Involvement

MR. CURLEY: Yes. Mr. Chairman, I have a question for the Minister. Recently, the chamber of commerce for Keewatin were concerned that the planning for regional economic development is so centralized with the government that normally the small business operators and private entrepreneurs felt that they were not actually involved with planning of long-term economic strategy. I wonder if the Minister shares their concern. These particular people -- chamber representatives -- feel there is quite a lot of consultation with the government officials in the region, but they do not feel that the -- private operators are not being fully consulted as far as regional economic planning is concerned. I would like to ask the Minister whether he shares that view and, if he does, what type of steps he is prepared to take to ensure that they are involved with the regional economic planning, and whether he feels that involving them would benefit the Minister's policy with respect to regional contribution. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I do not remember that the concern was related directly to regional economic planning. The executive of the chamber did approach me prior to Christmas and indicate that they were displeased, that it would appear we had developed a socio-economic agreement without consulting with them at the regional level, and also carrying out a discussion with the regional director in the same regard. We agreed that we had probably moved without making the necessary consultation in both areas, and we did refer the document to not only Mr. Stilwell's office, but we went over it with the chamber of commerce executives, and just recently completed a visit to Rankin of senior officials of the Cullaton mine.

The Member will recall, when he and I visited the mine site, midsummer, that we were both concerned that the officials of the mine were not aware of the existence of Rankin Inlet, the existence of the government support services for economic development that were in place there, nor the breadth and depth of the business community which served the Keewatin. So, to change that situation, we have moved to involve the regional people more in the planning area.

On the general area of planning, I do believe that Mike Stilwell, the regional director for the Keewatin, does and is in agreement with the chamber officials that people involved in economic projects and development in the Keewatin should play a much bigger role in the planning of such developments, and, as the Member knows, the Department of Economic Development, through the GDA, has assisted the chamber to continue their very fine work. So we would agree with the general position.

CHAIRMAN (Mr. Pudluk): Thank you. Any more general comments. Mrs. Sorensen.

Need For Balanced Economic Development

MRS. SORENSEN: Mr. Chairman, I have some comments that I would like to make as well. Mr. Butters, I see that your department -- and indeed most of the departments of this government, but in particular Economic Development -- is faced with a most difficult role, when we call for your department to provide for balanced economic development in the Northwest Territories. I think that everyone can say, we know what the development of our non-renewable resources industry means, and there is, to most of us, a fairly clear definition of what our government's role is in that development. However, something that Ms Cournoyea said to the Legislature a few minutes ago, really hit home. I think she made a good point when she said, "What happens when Dome goes bust?" So, because Dome may go bust, and the people who have built up within that region, for instance, a dependence on Dome, obviously go bust too, or, because the Norman Wells pipeline will only take a few short months, perhaps a couple of years, to be built, and then, what happens to those people who built up a dependence on that development? Because of those elements, we say that we want balanced economic development, and the government then provides for a second accountability, which is the development of long-term strategies designed to promote balanced growth in the traditional sectors, meaning hunting, fishing and trapping -- those areas that we know as the renewable resource segment. We say, as a Legislature -- and, I know, as the Department of Economic Development-- that we want the industry of hunting and trapping and fishing and forestry supported and assisted in every way. But then there are those -- and I have heard them quite often -- comments said by those that truly believe that those industries, those renewable industries in the North, are not viable, they are not realistic industries for government to be involved in, that they need too much subsidy.

Renewable Resources Must Be Developed

Personally, I do not buy that argument. I have not bought that argument from day one, because I really believe that if northern politicians want something bad enough, and are willing to work hard enough for it, that they can find a way to do it. So I believe that if we work hard enough on attempting to develop the renewable sector of the industry in the North, that we can do it, and that is where commitment comes in, a commitment by the politicians and by the officials within the various departments that are involved in this undertaking, to see that it gets done.

I saw that commitment in Mr. Peckford the other night. The premier of Newfoundland, in an interview on The Journal, said we support the development of our non-renewable sector, because we want to take those royalties and those taxes and we want to assist, with portions of those dollars, the traditional ways of life, the ways of life that Newfoundlanders have known for centuries and will always know. Critics on that same program as Mr. Peckford said he is being unrealistic. He is living in the 10th century and that is not where it is at, and Newfoundlanders have to move into the 21st century. Mr. Peckford, however, did not buy that. He did not buy that at all, because he had a vision -- maybe the wrong one, but he had a vision. I think many of our Members here today have expressed Mr. Peckford's point of view, in that the traditional industries in the North of hunting and trapping and fishing and forestry, are what they want to see an emphasis put on.

So, Mr. Butters, I want to see that same kind of passion from you as the Minister of Economic Development -- and I believe you have it in you -- and I want that same kind of understanding and passion coming from the department officials. I want them to understand why it is important for this Legislature and the people of the North to develop a healthy renewable resource industry base. Maybe it would have to mean that when our officials and yourself negotiate those socio-economic agreements, that we actually make deals with industry and the federal government which will assist us to develop our renewable resources and the industries that go with them.

Maybe we have to say we will support the Norman Wells pipeline, but the sixth point of our points for negotiation is an acknowledgement by the federal government and by industry that the renewable industry in that area is key and is important. While it is fine to train people who can weld pipelines together, we also want to make sure that those same people have a job that they can go to when that pipeline has been welded together, because those trained people are not going to follow a pipeline when it gets built somewhere else in the South.

#### Survival For People Of The North

Now, I read a book recently written by Helmut Schmidt, who is the Chancellor of West Germany, on the relationship between the northern hemisphere and the southern hemisphere and the world situation. He described very well why the people of the southern hemisphere of our world and their problems had to be addressed. In that book he describes the phenomenon where the southern countries have been the producers of the raw materials for many, many years, the raw materials that have fed the northern hemisphere, the industrial nations. Yet, as the producers of those raw materials, the southern countries have not had a 50-50 partnership. Rather, it has been, you give us your raw materials and we will give you a little bit of money for that, maybe not, depending on what kinds of tax breaks the multinationals can get, but even though you are the producer of the raw materials, you are really not as important as we in the northern hemisphere -- who take that raw material and make it into something. What Mr. Schmidt was saying in his book was that that has got to stop, that the producer is as important as the manufacturer.

I cannot help but say that same thing applies to us up here, that really what we are is a storehouse of raw materials. All I can see for our future is that raw material being exploited and taken south. Since I do not see much hope for factories and smelters on a large scale, once that material has been extracted it is gone forever, and once the people that have been used to extract that material -- once the material is gone -- they are out of jobs. That is why we have to put our emphasis, we have no choice but to put our emphasis on something else, and that is the renewable resource industry, because that will, in the final analysis, provide for the survival of the people of the North.

CHAIRMAN (Mr. Pudluk): Mrs. Sorensen, your time is up. Does this House agree that she continue?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Mrs. Sorensen.

MRS. SORENSEN: Now, there are two things -- this has all led up into a question and it deals with page 16.01 where you in fact say that during 1982-83 the department will concentrate its efforts on developing long-term economic development strategies and plans designed to promote balanced growth of the industrial and traditional sectors. Mr. Minister, I would like to know how you are going to, in 1982-83, provide for the balanced part of the industrial sectors, the renewable resource industry. What plans has your department come up with, what strategies, so that those things that the Members of this Legislature have been talking about for the last two years can actually come about? Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mrs. Sorensen. Mr. Butters.

#### Government Programs For Promoting Renewable Resources Industry

HON. TOM BUTTERS: I would like to comment on some of the Member's remarks. I think that the programs of this government that are developed through both Renewable Resources and co-operatively through Economic Development do recognize



the importance of the renewable resources that are all around us. I think that when you examined the estimates of the Department of Renewable Resources, you saw programs therein which assisted the individuals, depending on the land and the resources of the land. As I mentioned before, we are working in the areas of fisheries, in both a subsistence usage dimension and a commercial dimension. I admitted that we probably are not doing as much as we could be in that area and that is one of the matters which we will have to be addressing more fully in the months ahead. There is also the matter of getting our best utilization out of our local forestry industry. We have some...

CHAIRMAN (Mr. Pudluk): I am sorry, Mr. Butters. I have lost a quorum. Please proceed, Mr. Butters.

HON. TOM BUTTERS: I think that in the area of forestry we are close to being able to present a proposal which will, to a much greater extent than in the past, see utilized, the forest products of the Northwest Territories. There will be an opportunity to discuss that matter later on under commerce. The Member mentioned a provision in the socio-economic agreements which she feels she would like to see included. I would welcome, as would I am sure members of the department, to put these agreements together, any suggestions she may have for fulfilling that objective. At the present time the recognition of the value of harvesting the resources of the land is minimal, I admit. However we do know that the major exploration petroleum companies have recognized the importance of their employees, northern native employees, getting away and taking advantage of the harvests available to them.

With regard to the plans that would be developed for promoting the renewable areas, a bulk of the money again that comes in under the general development agreement is used for that purpose. We obviously are the management group and obviously it does not work to the plan but it assesses the applications that are made from the interested individuals and groups so proposing and has approved a significant amount of funds in this area of promoting the renewable resource industries. I will obtain some figures to support that statement before too long. A more specific reply to the question, I think I could make when we come up to the planning and resource development secretariat, and I could give you some indication of the studies that are going on and the direction and some of these suggestions that are being made as worth-while approaches toward balanced development.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. Mrs. Sorensen.

#### Rising Cost Of Power And Fuel

MRS. SORENSEN: Thank you for those remarks concerning suggestions with respect to socio-economic agreements. I have been doing an awful lot of thinking about that and I will be happy to pass those ideas on to you, Mr. Butters. I know that within your department you have a responsibility or an accountability for assisting small businesses to operate. I am also aware that our government has for businesses outside Yellowknife a utilities support program. However I have just read a recent study that has been released by the Yukon government and NCPC on their consumption predictions for power and fuel in the Yukon. That report predicts a collapse of the Yukon economy if the whole area of cost and supply of power and fuel is not addressed immediately. I suspect that there is going to be a similar study done in the Northwest Territories as well, but I found the report absolutely shocking because it is something that I think many people have been saying for some time about the rising cost of power and fuel in the North. With respect to our ability to even have small industry or small business enterprises survive.

Now, we know that a lot of northerners will face and are facing severe difficulties now with respect to the amount they pay for their power and fuel to operate their businesses and even though there are subsidies to the Yellowknife rate, the Yellowknife rate is fast becoming beyond the means of Yellowknife

businesses. Normal business dictates that the cost is passed along to the consumer so that those who purchase the supplies and the materials cover the cost. What we are also finding, and I believe there is a good editorial in today's Yellowknifer that says it very well, is that the northern consumer is not going to buy from the northern businessman because the consumer simply cannot afford to carry not only his own utility costs but those of the businessman.

#### Utility Subsidization For Small Businesses

So because you have an accountability for helping small business to get under way, what can we look for from your department to address this issue? Certainly it is an issue that Government Services will be involved in and certainly Justice and Public Services because they have the accountability for the public utilities board, and NCPC is related to the public utilities board. Unless we address this issue of outstanding and runaway utility costs, we are not only going to not have any small business, we are not going to have any consumers up here and I am talking about those who are not subsidized. We are not even going to have a government because we are not going to be able to afford them either. Just directly relating to the small business then, how deeply involved do you get when you assist a small business in the whole area of utilities? Does that become a major discussion point now? Are you aware of this report that has come out of the Yukon, and are we doing a similar report in the Northwest Territories?

CHAIRMAN (Mr. Pudluk): Thank you, Mrs. Sorensen. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I think that the concerns expressed by the Member are very real and unless corrective action is taken in the reasonably near future to remove that heavy energy load, debt load, which is coming down on not only small businessmen but governments and the home-owner, it will be almost impossible to operate either a business or a government or a home in the North. The Member knows as well as I that we are trapped into and by the NCPC Act. In fact, I am aware that the Member has made this point and expressed this concern to Keith Penner's committee some nine months ago in a well thought-out brief. Were I not here before you at this very moment, I would be up in room 218 meeting with Glenn Ross who has been named by Mr. Penner to come into the Territories -- and I assume both Territories -- and discuss this very important and immediate problem. I believe that the concerns that we have just heard raised here are being spoken of in room 218, attended by Mr. Braden and other Members of the Executive Committee and senior government officials. My expectation, my hope, is that -- and I could be naive -- is that Mr. Penner's committee will soon rule, and Mr. Munro recognizing the impossible situation under which northerners purchase power will take quick steps to act in accordance with the recommendations of the Penner committee. If not, I do not know where I would find solace.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. General comments. Economic Development and Tourism. Mr. Curley.

#### Minister Non-Supportive Of Native Land Claims

MR. CURLEY: Yes, Mr. Chairman, I certainly welcome the Minister's presentation and his clarification on Economic Development's role with respect to resource development in the region and his views on the renewable resources aspect. I would like to ask the Minister whether or not the contributions that native organizations have proposed to the Government of Canada and to the Government of the Northwest Territories could play maybe a significant role in planning major economic development in the Territories. They do have a strong and important role to play. We are going to continue to see disarray in the regional economic development because I must say that the Department of Economic Development have not been receptive and supportive of native land claims settlements in the region which could stimulate quite an investment and job opportunities, and pave the way for orderly development, if we can only get Economic Development behind that part of the contribution that native groups could make in Canada.

I believe the Minister, as an individual, has certainly not been supportive of those very important possible agreements that could be reached between the Canadian government and the native organizations. I must warn him that if he continues to be an obstructive Executive Member in that area, he will not at all ever pave the way for an orderly type of development and the stable development that we want to see in the Northwest Territories. I think in order to clear the air, he has to give his support to the native land claims. After all they are not going to give the financial resources to the multinational corporations and expand their assets somewhere else outside of Canada.

I would like him to assure this House if he is prepared to give his support to this because Economic Development, after all, is not really a leader in renewable resource harvesting, but the native organizations are. They have come up with a management scheme for the harvesting of renewable resources and therefore, if he were only able to give his support to it -- and other Members -- we are going to be able to pave the way and continue to plan for northern development in future years. I think that message should also go to the senior bureaucrats in his department and they should not at all be threatened that their role will be minimized in planning a strategy for northern development because I do not want their jobs and I do not think many of the native people want their jobs. They should be there to advise the Minister and the Executive Committee and not at all ever be threatened or seem to be competing against the advisers of the native groups and so on because these organizations, these native groups, are, first of all, first Canadians, first citizens. They are going to be here for quite a while even after you leave this part of the North. I certainly am not encouraging these senior bureaucrats to leave but the reality is that they will leave after they have possibly accrued enough savings, you know, it will be time to retire to some warmer and not as hostile a region as we have in the Territories.

So I would like to ask the Minister, will you give your support and not be an Executive Member who continues to obstruct the process of settling land claims and therefore get on with the job of economically stimulating the North which is so badly needed to create jobs and stability in economic development? Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Curley. Mr. Butters.

Department In Co-operation With Native Land Claims Process

HON. TOM BUTTERS: Mr. Chairman, I reject the Member's contention that I continue to obstruct the process of settling land claims. I do not know what the Member is referring to, but over the last eight months my department has been involved in the negotiations of the ITC agreement in principle on wildlife and I felt that the positions that we put forward were most reasonable and were accepted by the ITC negotiators.

MR. CURLEY: What about COPE?

HON. TOM BUTTERS: COPE has not been carrying out any negotiations for two years or since a year and a half ago. But there has been an increasing and growing communication and co-operation between, I would say, this government and this department and the Dene Nation. One of the major initiatives that has occurred in the last year is a burgeoning interest in many Dene communities in economic development activities. I think that the department record of expenditures will show that we have attempted to respond to these. Now, the Dene communities have not moved as fast as maybe some of the communities in the Keewatin or the Baffin where they have been directed and guided by the Inuit Development Corporation. The honourable Member knows that when the organization that he headed up some months ago approached me I thought that I was being co-operative. I met with him and met with members of his board to attempt to work out problems and develop initiatives. I do not feel I was being obstructive.

There is a lot more than can be done but I think there are some positive things occurring now and I agree with the Member that to ignore the native organizations in the economic development future of this territory is nonsense. If the honourable Member will take time and address his colleague to his right, the Member for the Western Arctic, he will learn that I have approached her and suggested that we should be in frequent consultation on programs and initiatives which will assist the Inuvialuit Development Corporation and I so advised her on December the 2nd last. So if the Member can show me ways that I have been obstructive or am obstructive, I would welcome it and attempt to be more positive in my approach.

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

Native Organizations And Government Should Work Together

MR. CURLEY: I would like to clarify -- I was probably a bit harsh in using the word "obstructive" but I think putting in strong support for the COPE proposal probably would go a long way in resolving the misunderstanding, giving support in principle of that agreement in principle. I also would refer to the recent agreements with respect to socio-economic agreements with Polaris, for instance. Not once did I see a word in there where native organizations, such as the organization that I head, the Inuit Development Corporation, have any role to play in contributing to that development. I was a bit shocked that not one reference was made to it where a corporation like the one that I am heading, is trying to protect the interests of the positions and the jobs for the northerners. I am not trying to say that the Minister should now give that support but I think the only way that we can work together is by recognizing the support of each other.

I certainly will never hesitate to the Minister to give him my support and I have given him my support when I feel he needs that encouragement and support. I was given quite a response from his deputy minister that there were rumours that there were a lot of people in the High Arctic that were dissatisfied with the Inuit Development Corporation. Well, sure we get the flak and we will continue to get the flak because we are operating on the principles of profit making, a free enterprise concept. You know, we are competing in northern development, but a little support to the native organizations will not hurt either and that message should be understood because if that is not going, then it is going to continue to be a really risky and touchy issue in the Territories. So I hope, you know, these points clarify what I have been trying to say. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Curley. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I cannot speak for officials on my staff but the Member will recollect what I said to the board of directors of the Inuit Development Corporation some four months ago. I think I was very warm in my praise for the organization and its leadership and the initiatives that it was embarking on. I think the honourable Member will agree and remember what I said at that time. As far as I am concerned, that is the attitude of this department, not only to the Inuit Development Corporation but to the Inuvialuit Development Corporation. There have been many good initiatives coming from that organization, both under the present general manager and the previous one, and I am delighted to say that there is a strong co-operative relationship which the honourable Member for the Western Arctic alluded to in approaching the Freshwater Fish Marketing Corporation to achieve a mutual objective. I believe the Member is correct that the work and the programs and the role of the Inuit Development Corporation is not included in the Polaris agreement and for that I apologize. I have called for a copy of that agreement but I understand that the Member is absolutely correct, the reference to the work done by IDC was omitted.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. General comments. The honourable Member for Mackenzie Liard.

Social And Political Climates Of Economic Projects

MR. SIBBESTON: I cannot help but smile because Mr. Curley has the ability to get you thinking or to get you aroused or whatever, but I could not help -- now I also want to say something to Mr. Butters just of a general nature. I think, Mr. Butters, that it can be said that as far as economic development in the North, economic projects by themselves, I do not think there are any problems with your views on them, with your willingness to help people, whoever they are, but oftentimes large economic projects just do not happen in isolation. They happen in a certain political climate and in a certain social climate. So oftentimes it is not the question solely of an economic development project, let us say the Norman Wells. It is not a question of whether the economic project in itself should go. There are other issues; there are political questions; there are aboriginal rights matters and so put in that context it becomes a much more complex matter.

I think Mr. Butters, as far as economic development matters in itself, is very good but, as they say, man does not live by bread alone. You have heard of that and I think it is true because oftentimes with an economic project there is a social and political or perhaps even moral issue that is involved. I guess it is on that point maybe that Mr. Tagak Curley is raising a point and I feel that Mr. Butters, you ought to be more conscious of what native people in the North are trying to do, what they are trying to say in respect of aboriginal rights settlements and in respect of political changes. I have the impression that you are against any changes, that you are against any changing of a political status quo as it were, and I believe you think that the system is working very, very, well and perhaps I have got the wrong impression. Mr. Braden seems to know you and he shakes his head.

HON. GEORGE BRADEN: The system is not working well.

MR. SIBBESTON: I do not know. Maybe we are trying to change your political views, Mr. Butters, and it is not fair or it is not right of us to try to change your political views. I suppose you are entitled to your own views, but I guess what we are saying or what I am saying anyway is you are fine as the Economic Development person for projects but then you have to recognize that projects do not happen in isolation. Native people are often concerned about aboriginal rights matters, moral, social issues, and if you would be a little bit more sympathetic, supportive, it would go a long way in allaying any terrible suspiciousness that I or maybe a few other people do have about you in respect of your involvement in government. I would like to hear your general comments on that.

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Butters.

HON. TOM BUTTERS: I agree that there are other issues and I think that the major issue with regard to the Member's own constituency has been the communication and understanding -- the approaches that I have received from him. I feel that there are very interesting initiatives occurring in the Mackenzie Liard area and I cannot take credit for these. I must admit that it has been a result of approaches he has made to me and my department, requests he has made to me and my department, to visit and address certain matters and opportunities, and I think we have tried to do that. I think we have tried to do that in the Hire North area in which he expressed concern and indicated to me his concerns. I think that while we did not initiate the program, we were supportive of his determination to have part of that highway taken over by a native corporation and we were helpful in stimulating and supporting Nogha Enterprises. I do not think that that program would be as successful as it is

if it had not come out of the grass roots and was put together by the people who now manage it and direct it. I am not taking any great credit for much work in that area, but we did play a small role and it took a number of people: the Member, the department, myself and other Members of the Executive Committee.

#### Changes In Government Have Been Rapid

The other matter which was raised was something with regard to my political attitude and approach to this government and the statement the Member made was that I am against any changes. I do not think that is what I said. What I pointed out was that changes are occurring with very great rapidity and I made this comment at the constitutional conference in mid-January and think changes are necessary. I think we are not satisfied and pleased with this government. I can recall when I sat as a Member with my colleague from Mackenzie Liard in the seventh House and we did not get a look in as to how the government ran. We were just one of the elected Members. It was, and I think the Member will agree, the appointed Members who ran the government and ran the House and just some six years later we turn around and there are no appointed Members in this House. Where is the Deputy Commissioner? Where is the Commissioner? They are not here. This government is being carried on by elected people. That has been a major change.

I have always supported and will continue to support the responsibility and the right of elected people to run their own affairs and that is where it is at and it is moving very, very, very quickly. Ask your colleague to your right, the honourable Member for Keewatin North. I knew the honourable Member 20 some-odd years ago and I recollect seeing, growing in that community, the first germ of local government, local government which the honourable Member now heads as mayor of that community. So I welcome change, but I am just trying to say to those that are impatient, let us make change slowly; let us make change with good reason and not regret having made it six months or six years down the road.

So I do not think that the honourable Member and I are so far away in our thinking with regard to changes that should occur and are occurring. As I say, I welcome his positive and frequent approaches to me as Minister of Economic Development to attempt to effect the changes which he sees as desirable for his constituents.

CHAIRMAN (Mr. Pudluk): Thank you. The honourable Member for Mackenzie Liard.

MR. SIBBESTON: Well, I am really glad that Mr. Butters thinks that we are not too far apart. When the time comes and when a vote is taken or when a time of reckoning comes, then I will look forward to his support for the types of things that I think the majority of people in the North are seeking. Mahsi cho.

CHAIRMAN (Mr. Pudluk): Thank you. Any more general comments? Mr. Butters.

HON. TOM BUTTERS: I look forward to the honourable Member's support on my initiatives as well.

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

#### Exclusive Hunting And Trapping Rights

MS COURNOYEA: Thank you. I was going to wait until we got to the individual departments to reply to some of the return remarks that the Minister of Economic Development placed. It is just the few later ones that I feel concerned about. I think Mr. Curley asked if you did, indeed, support claims. Now, I guess I will just refer to one thing that is rather important and in terms of negotiations. One of the first things that often does come up is the exclusive hunting and trapping rights for aboriginal people and this has been the most

important item and the first item normally discussed in land claims negotiations. I guess the reason for that is people have relied on that for many, many years. They know it is a bank. They know how to do it. They know how to be involved with that kind of economy, whether it is just subsistence or using it as a commercial enterprise. Generally, these negotiations for rights to hunt and trap forever in the future for the aboriginal people are always prefaced with the statement saying that the conservation of these animals is of prime interest and they are all subject to conservation.

In the Western Arctic, the Inuvialuit land rights settlement, we did have an exclusive right to the hunting and trapping, which I believe we negotiated at that time because at the time we were able to do it. Now, politically we all know that as time goes by and we do not take upon us and seize upon us the opportunity to do something when the climate is right, oftentimes things do not happen. Certainly, in those negotiations the Minister and the Executive Committee of the Northwest Territories gave us a very difficult time and suggested that there should be preferential rights and this was a long, tedious, hard fight. As a result, we were able to negotiate, but it certainly was not with the support of the territorial government, because they felt they were the best to handle the whole issue.

Now, from my understanding, the later negotiations on the claims is that there is a preferential right that was negotiated and that is subject to some territorial laws. Now, that is only one element that people feel is very important to continue to hold on to. You can take everything else, and we have taken everything else, but that is important, but that leads to economy too. We had a difficult time, as well, with some of Mr. Butters' constituents, because they wanted to make sure that the tourists' availability was there, even though these people were, perhaps, only seven or eight years in the area. They wanted to have a preferential right to what went on or the take before subsistence.

So, those kinds of things sort of indicate what kind of support the claims process has. Now, most recently when we talk about what Mr. Curley was talking about, if Economic Development and the Minister effectively promoted the settlement of claims for the economic stimulation in that region, it certainly would help, but let us take the part of the Arctic and the Inuvialuit claim right now. People who are in this department are now within that economic business enterprise or business community. They wield a big stick. These are all his ex-employees. We have worked with them in the past and gave them our ideas, our concerns, but right now they feel that the claims, the economics that will accrue to the Inuvialuit, are a threat and a competition to the businesses that they are involved with. If you say you are not knowledgeable about that, I would be very surprised.

#### Government Support Has Been Hesitant

Now, these are the kinds of problems I see existing, in terms of Mr. Fraser's concern about an ex-Renewable Resources officer. You see, we put our heart and our soul trying to do something in our area, we feed this information to these people, and now they are out in the field and the same people are the ones who are buffering the due settlement of claims, because they want every little detail -- they want every little political problem resolved. They want the national interest, the Canadian interest, their mother's interest, their grandmother's interest -- everybody has to be looked after -- but if you cut that right down, no claim is going to answer everybody's concern.

So, all we are dealing with in the final analysis is the aboriginal people who are involved and there will always be problems, but I do not believe the Economic Development has actively supported claims for their economic benefits and said, "Go ahead. Yes, we support that. That economic stimulus is going to be good for the region." They have done it in a sort of hesitant way, in case

you are going to support something that will work against people who are "others".

I guess I cannot blame you, Mr. Minister, for your concern, because they are mainly your constituents. You asked me about my being your constituent -- well, I did not vote for you, so I never, ever asked you to do anything in particular, but I do deal with your working people there and I know you have a lot of work to do, but I try on a broader sense to bring it to the table here for debate. It may sometimes appear to you that I am being a little rough, a little vehement, but those are the things that are bothering me, as a leader. Those are the things that are bothering my people.

#### Changes In Native Government And Lifestyle

Now you look back and say we have come a long way. Well, a change came, before the government started, we were a long way too. We were taking care of ourselves. So, we sort of went back and then we came back, but people did run their own affairs. People died and lived, survived, fought the elements. We were there. We had our boundary disputes. We fought. We killed each other. We had a great old time. The thing is that it always seems when we want to place something that is an aboriginal entitlement that would benefit, there is a reluctance to really go into that 100 per cent, because we are all Canadians and we have to look after everybody and make sure that we do not run over all these new people. I do not know who comes first. What do you support first? What is the most important?

I see a lot of people employed in Economic Development who are supposed to help people, but really in a lot of ways I do not see that help in a real, significant way. I do not want to be negative, but that is the way I see it. I grew up there. I knew what we did. We were better. We took more from the land. We were more competitive. The Delta economy was a fantastic economy. What is it now? We are not utilizing the economy, because people have had a problem, now they have to start back, but the support -- where is it? Then, when we try to get something, we have to battle all these odds and that is what is frustrating.

In terms of the claims, they can be a positive thing and if anybody who sits in this House thinks that every little detail is going to be agreed to by everybody before you can support something, then in the end all you are saying is that you do not support it, because it never will be like that. You can try your best and I suppose I will always complain a bit, but I will complain less if I can see something significant happen. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Ms Cournoyea. General comments. Mr. Butters, do you want to defend that?

HON. TOM BUTTERS: No, thanks. I think that was a statement the Member made.

CHAIRMAN (Mr. Pudluk): Does this committee wish to go to the details?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Agreed.

---Agreed



Total O And M, Directorate And Administration

Page 16.02, directorate and administration, total O and M, \$1,681,000. Mr. Noah. Report progress?

MR. NOAH: No. No, I do not want to report progress yet. (Translation) Thank you, Mr. Chairman. We are on page 16.02. There are regional offices where Economic Development is situated. The people are always asking what they are doing here in our communities. They have been there for a while now and it seems as though jobs are not being created. There are just offices and they do not seem to be creating any jobs. That is the way it is in our communities. Maybe they have the title, job creation or job creators on the outside of the building -- that is what it really means in Inuktitut. I do not know when the offices of the Economic Development were established in the communities. People used to go to the offices very often, but not lately. They seem to be only known as tourist information offices now. The Minister himself told me that he has known this for at least 20 years, but I know that better than he does. The Minister of Economic Development can really get going when he wants to. It would not matter. That is the job everybody has, no matter what race they are. Maybe a lot of the white people are proud of him. He knows where to find all the funds, because people are proud of him, but I know that when he was the Minister of Economic Development -- I may be right or wrong -- I see him as -- I would be happy, anyway, if he does not get greedy, because he knows his way around.

As we were talking before, in the beginning I said that the hunters and trappers are just waiting to find ways of making their money. They do not have to be taught, because it is their way of life, trapping and fishing. I think that now, especially now, they have to be assisted in some way. They do not have scheduled hours, but if the person has to go to work, they know that they would have to wake up early, in order to go to work at 6:00 or 7:00 and come home during the evenings. Then they would go trapping and fishing if they wanted to. I wanted to talk about this more clearly, Mr. Chairman. Thank you. I am wondering if these offices are being of use, because people are asking in my community. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Noah. Mr. Butters.

Department's Man Years

HON. TOM BUTTERS: Mr. Chairman, I cannot answer the question directly. I will get information for tomorrow and determine who is being referred to, what the job is and what they are supposed to be doing. If that is satisfactory, I just have one brief comment before we turn from that first page, and that is related to the man years of the department. Of the 207 man years which are shown attached to the department, 79 of those are apprenticeship positions with this government, and a goodly portion of our budget goes toward providing a training experience for those 79 apprentices.

On the next page, directorate and administration, I would just point out that, again in the area of man years, you will notice at the bottom it shows 32 man years. All but 11 of those 32 positions are allocated in the regions. The headquarters staff that is operating out of the Yellowknife office, under this page and this section, would be the deputy minister, Mr. Morrison, his secretary, an executive assistant to his office, and our financial officer, Lee Horn, and his staff.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. On page 16.02, directorate and administration, \$1,681,000. Would Mrs. Sorensen like to speak on that particular page?

MRS. SORENSEN: Yes, yes. Thank you, Mr. Chairman. This is where the regional superintendents of Economic Development are located. Am I right?

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: Yes, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you.

Reporting Relationships Of Regional Directors

MRS. SORENSEN: I wonder, Mr. Butters, if you could explain to me how the reporting relationships are and who gives the regional superintendents the direction with respect to the philosophy and priorities of the department, and then how they are to carry out the objectives of the department.

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: The reporting relationships in practice currently see direction coming down in a line from the Executive -- and I believe it is through the regional operations -- to the regional director. The regional director of each of the five regions is a senior official who is equivalent to a deputy minister of a department. He has a major responsibility in co-ordination, regional management and planning, and ensuring that the programs that this government is required to deliver in that region are delivered. That is the line management connection. Under him are the various program department heads and the service department heads including the regional superintendent of Economic Development. So therefore, in a communications sense, going back, he would go back through his regional director to the regional operations.

However, there is another channel, and I do not know what other Executive Committee Members have done, but I have approached all the regional directors and advised them that I would be grateful if there could be a line communication between individuals having the same responsibilities. For example, take for instance commerce, I would expect that the regional director would not be put out if Mr. Bennett, who is responsible for the headquarters commercial section, made a phone call directly to the individual in the field, in the region, in that particular discipline or responsibility. However, the regional director should be kept informed of the call and the message that was communicated. I have found none of the regional directors have felt that this was an imposition on their management, or a diminishment of their authority and responsibility.

The other thing I have done, too, to ensure that -- and I have checked this out with Mr. Pilot, who is responsible for regional operations -- I have asked that, if the regional directors have a particular concern in my area of responsibility, I would expect an early and direct phone call to myself to apprise me of that situation, and that does occur. So there are probably three channels, and I do not find that there has been a conflict as a result of using those three channels. I think they complement each other, but the major management line is regional operations to the regional director.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. Mrs. Sorensen.

Regional Directors Accountability Role Must Be Defined

MRS. SORENSEN: I guess if I were a regional superintendent of Economic Development, I would be a bit schizophrenic, because I would not really know who my boss was. Is my boss the regional director or is he the deputy minister of Economic Development? It seems to me that that kind of thing does not make it easy to make sure that the objectives of the department are really carried through in the regions. It seems to me, if I were a regional superintendent out in the region, and my accountability or my role was defined by the deputy minister at headquarters, and it was not what the regional director was telling

me was important, then I would have a real problem. I would wonder whether that, in fact, is happening, and whether that is the reason why we have problems in some of our regional areas, particularly in the Inuvik region, that no one is really sure who is the ultimate boss, other than, of course, the Executive Committee. Who really does call the shots? Is it headquarters, because there they are on page 16.02, under the directorate and administration, with the definition on the previous page of what the objectives are for the government in this area, and yet you are telling me that the regional superintendents take direction in the region and report through the regional director up through regional operations, which is in the Executive and the Commissioner. How do they ever get together with the deputy minister, or do they only do that when they come around to talking budget, and for the purposes of the budget they talk to the deputy minister and then that is it?

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Butters.

HON. TOM BUTTERS: Well, no. The Member has quite correctly identified an omission on my part. There is a strong line of communication between the deputy minister of the department and the regional director, so that that link does exist, and that communication does take place. I would add, too, that while the communication linkages may be not the most direct, they do work, and recently, in my experience over the past year, have worked exceedingly well. Just last week, at a meeting of senior regional Economic Development people in Yellowknife, the five regional directors were present at one evening, and we recognized how important the working relationship and a co-operative relationship between regional Economic Development superintendent and his regional director must be. I feel that we do have a good communication linkage now with the regions, and that while the problem which the Member indicates could occur -- and may have occurred in the past -- is much diminished over what it has been. I would say that it is working very well at the present time.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. Mrs. Sorensen.

#### Relationship Between Deputy Minister And Regional Director

MRS. SORENSEN: Can I ask, maybe, then, a little bit about the process, and I will use the Inuvik region again as the example? I see in the detail that we received in the finance committee that there are a total of 14 Economic Development people assigned to the Inuvik region for 1982-83. Some of those people are economic development officers, some are involved in the commerce part, some are involved in tourism. Now who makes the decision as to what numbers are what? Does the regional director then say you are going to give me 14 man years for the purposes of fulfilling the objectives of the Department of Economic Development. I see a great need for economic development officers and very little for commerce people, but I want to put, for the purposes of 1982-83, a great emphasis on economic development officers. Is that regional director given that kind of leeway, and is that being done now?

CHAIRMAN (Mr. Pudluk): Thank you, Mrs. Sorensen. Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I have never personally witnessed the management relationship which she describes between the regional director and regional superintendent, but I am advised that it is very much a co-operative arrangement and a consultative arrangement. The regional director does not intrude himself into the regional superintendent's responsibility and say, "This is what should be done", nor does the regional superintendent proceed arbitrarily and unilaterally without working in consultation and co-operation with not only the regional director, but also his colleagues in other program departments. That is my understanding of how the process works.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. Mrs. Sorensen.

MRS. SORENSEN: No, I am sorry. I think you misunderstood. I am talking about the relationship between the Deputy Minister of Economic Development and the regional director. Now, who decides; who has ultimate control out of how many commerce people will be in Inuvik, how many economic development officers? Who decides that; is it the deputy minister, because that is what it shows that the deputy minister and headquarters makes that decision -- or is it the regional director who says "All right, Economic Development is going to give me 14 man years and I am going to decide -- as long as I make sure that the mandate of the department is fulfilled -- I am going to be able to work with those 14 people and put them where they are most needed within the Economic Development mandate"?

CHAIRMAN (Mr. Pudluk): Thank you, Mrs. Sorensen. Mr. Butters.

Ultimate Responsibility For Decision

HON. TOM BUTTERS: The ultimate responsibility for decision rests with the deputy minister. However, the situation whereby a unilateral decision would be made would be very rare. Any changes or any allocations would occur as an after-result of consultation with the regional staff, both the regional director and the particular superintendent concerned. There is one other element though that comes into it and that is what the financial management board may say with regard to transfers or allocations of staff because such changes must be placed before the financial management board for approval and whatever is proposed would have to be of such a nature that the deputy minister would be sure he could sell it to the financial management board secretariat and latterly to the board members themselves.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman...

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: I forgot probably what is the most important responsibility and that is the Minister's. It is the Minister of the department's responsibility to approve the changes and allocations and recommendations because all of these proposals, personnel and fiscal, pass over the Minister's desk on the way to the financial management board.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. On directorate, Mrs. Sorensen.

MRS. SORENSEN: So if I am hearing you right then, what you are saying is that there is a very close relationship between the deputy minister of your department and, I would say, that that would then apply to all the other departments, and the regional director, and of course yourself. I understand that the Minister is always involved. So there is a great deal of consultation that goes on with respect to staffing in the regions and that certainly if a region had a particular problem with respect to -- a particular priority, I guess -- that in consultation with the deputy minister, that regional director would be listened to and would have the right to come to headquarters and be heard by yourself and by your deputy minister, if he wanted to switch things around, reorganize things a bit to make sure that the region was responding to the needs within the region as opposed to responding to what headquarters said had to be done.

CHAIRMAN (Mr. Pudluk): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, as I mentioned I have not been part of such communications but I believe this to be the case. I was in one sense part of the communication to the extent that when the new regional superintendent of Economic Development of the Inuvik region, Dan O'Neil came to Yellowknife last week, I did meet with him and Mr. Morrison and we did discuss support which we could give to him to respond to the initiatives that he found in the region. So in that particular case I saw that occurring, yes.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Butters. Directorate. The honourable Member for Mackenzie Liard. You have exactly seven minutes.

#### Involvement Of Native People

MR. SIBBESTON: Since we are on the topic of direction and administration, I would just like to deal briefly with the direction that Mr. Butters could give to his officials, particularly those that are working at very low levels of government, his economic development officers. A number of weeks ago I received a letter from a person that lives in the Hay River-Fort Simpson area and basically what this person said -- he was a businessman of long standing in the North -- he says "Recently I have had a chance to read the paper that you had given at the economic development conference in Hay River." This is way back in about 1977 or 1978, -- and he says "After reading it and reflecting on it, I have come to the conclusion that you are much like the prophet Isaiah." I was a little bit surprised that he said that but I thought maybe it might be of some value to state just basically what I had said at that economic conference. At that time I was working for the Metis Association and they were asked to present a paper on how to get native people involved in business, because you will recall this conference was held after Berger had decided that the pipeline should not go through, that there ought to be a 10 year moratorium and there was doom and gloom and so the government tried to get a bit of a conference together to inspire people or get some ideas as to what people could do to get economic development going.

#### Three Steps To Ensure Native Involvement

Basically what I had said then, something that I have said a number of times before, is that if the government is seriously interested in getting native people involved in this business, they must do three things; only three things and you will succeed. First is that the government must make a clear commitment, a very clear commitment to specifically help native people in the North, and it is because native people are not in that business area. It is mostly white people that have experience, knowledge and so forth and money to get into business. So there are very few native people. Only in the last couple of years I guess you have seen a few more. So there needs to be that very clear commitment; not a commitment to help everybody that comes along, but a very clear commitment to help native people.

Now, secondly, the government must take a very active community development type of approach. You cannot just have civil servants who are hired as economic development officers sitting on their asses in their office and waiting for people to come in. If an economic development officer is hired it should be with a view that he must be actively seeking ways that he can help native people get into business. None of this attitude that "I am doing my job; I simply am filling the office; nobody came to see me for a month or two months, but I am still doing a fantastically good job; I am writing nice reports to the government; I am there every day from 8:00 until 5:00; nobody sees me but you know, I am doing my job." So they have to clearly take a community development approach.

Thirdly, the government must be prepared to negotiate contracts with native people directly. The government must be committed to give native people a chance to make contractual arrangements so that native people do not have to go through the usual process of bidding on contracts against more experienced people. Believe it or not there have been a couple of instances that government has done this and it has worked. In Simpson, through Hire North -- this is one of the things we said years ago. Hire North was not just to hire native people. Hire North was also to give a chance to native people interested in business -- to get into business, and they negotiated a contract with a couple of people and lo and behold, these people are in business today doing well in bidding on contracts; they are being successful. There is Rod's Contracting Ltd., there is Beaver Enterprises and more recently Nogha Enterprises Ltd. is a good example, you know. So it just seems to me that if we are serious about this government really helping native people, we must make this commitment and do these three things and success is assured.

Economic Development Officer In Fort Simpson

At the moment in Simpson there is no economic development officer. There has not been one there for really quite a few months and I think it is important for the government to get the right type of person. I would really encourage the government to try to get the band council in Simpson involved in choosing a person to their liking, who they think has the right approach, the right experience, the right amount of ambition, and if this co-operative method is used, you could very well get a good person. So I see this as an opportunity for the government to be very innovative and adopt a very exciting approach. I think if you do, in a few years there will be lots more native people involved in business. You might get a bit of flak. Some people might say you cannot just hire somebody just for native people. There will be a few people who criticize but for the most part you are a government for native people in a sense and native people are in the majority, and if you are really interested in native people getting into business, they do need this extra help with the idea of eventually getting everybody equal in society. So it makes a lot of sense to me. I am not used to being likened to a prophet but, you know, just listen and you will succeed. It is free advice.

CHAIRMAN (Mr. Pudluk): Thank you, honourable Member for Mackenzie Liard. The hour is now 6:00 o'clock. We will rise and report progress and you will get your answer tomorrow. We will go back to that. Thank you.

MR. DEPUTY SPEAKER: Mr. Pudluk.

REPORT OF THE COMMITTEE OF THE WHOLE OF BILL 1-82(1), APPROPRIATION ORDINANCE, 1982-83; 13TH REPORT OF THE STANDING COMMITTEE ON FINANCE

MR. PUDLUK: Mr. Speaker, your committee has been considering Bill 1-82(1) and wishes to report progress.

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

CLERK OF THE HOUSE (Mr. Remnant): Announcements. There will be a meeting of the standing committee on finance at 9:30 a.m. tomorrow in Katimavik A, and again on Friday at the same time, in the same place.

ITEM NO. 14: ORDERS OF THE DAY

Orders of the day, 1:00 p.m., Thursday, February 11, 1982.

1. Prayer
2. Replies to Commissioner's Address
3. Oral Questions
4. Questions and Returns
5. Petitions
6. Tabling of Documents
7. Reports of Standing and Special Committees
8. Notices of Motion
9. Notices of Motion for First Reading of Bills
10. Motions
11. Introduction of Bills for First Reading
12. Second Reading of Bills
13. Consideration in Committee of the Whole of Bills, Recommendations to the Legislature and Other Matters: Bill 1-82(1); 13th Report of the Standing Committee on Finance
14. Orders of the Day

MR. DEPUTY SPEAKER: Thank you. This House stands adjourned until Thursday, February 11, 1982, at 1:00 p.m.

---ADJOURNMENT

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