



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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**Pages 571 to 605**

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

# LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, FEBRUARY 19, 1982

MEMBERS PRESENT

Mr. Appaqaq, Mr. Arlooktoo, Hon. George Braden, Hon. Tom Butters, Ms Cournoyea, Mr. Evaluarjuk, Mr. Fraser, Mr. Kilabuk, Mr. MacQuarrie, Hon. Arnold McCallum, Mr. McLaughlin, Hon. Richard Nerysoo, Mr. Noah, Hon. Dennis Patterson, Mr. Pudluk, Mr. Sibbeston, Mrs. Sorensen, Hon. Don Stewart, Hon. Kane Tologanak, Hon. James Wah-Shee

ITEM NO. 1: PRAYER

---Prayer

SPEAKER (Hon. Don Stewart): Orders of the day for Friday, February 19th.

Item 2, replies to Commissioner's Address. There appear to be no replies today.

Item 3, oral questions.

ITEM NO. 3: ORAL QUESTIONS

Are there any oral questions? Mrs. Sorensen.

Question 39-82(1): Lack Of Meetings Of Federal Subcommittee Re NCPC

MRS. SORENSEN: Thank you, Mr. Speaker. My question is for the Hon. George Braden, the Leader of the Elected Executive Committee. Mr. Braden, I have just been informed that the special subcommittee to the standing committee of Indian Affairs and Northern Development, which inquired into matters concerning NCPC last summer, had not met -- with one exception -- since last October. I believe the exception was a quick meeting in December for technical reasons. Mr. Minister, I know you agree with me when I say that this House is looking forward to the recommendations arising out of the public hearings held by this subcommittee. However, Mr. Minister, I am sure you will also agree that the committee cannot formulate these recommendations unless they meet to do so, and my question is, in view of the fact that by May it will have been one year since the hearings were held in Yellowknife, would the Minister be prepared to light a fire under the subcommittee by sending a telex immediately requesting information on when we can expect the subcommittee to meet and, further, asking when can we expect its report to be completed and released? Thank you, Mr. Speaker.

MR. SPEAKER: Mr. Minister.

Return To Question 39-82(1): Lack Of Meetings Of Federal Subcommittee Re NCPC

HON. GEORGE BRADEN: Well, Mr. Speaker, I recognize that it is important for politicians in Ottawa to meet and to deliberate on the subject of the Northern Canada Power Commission. However, I did have a discussion last week with a consultant to the special subcommittee of the standing committee of Indian Affairs and Northern Development, and he indicated to me that there were certain additional items that had to be considered and that the subcommittee needed further information.

You know, of course, I am prepared to follow up with Mr. Penner and indicate to him that there is a great interest in his report and a great urgency in coming to terms with the Northern Canada Power Commission and its operation in the Northwest Territories, so I will give the Member my assurance that I will do that. However, as I said I think the other day, we expect something out of the committee in March. I will press that the subcommittee meet that date and that it give the government and interested Members of this House information first hand, as is required. Thank you.

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

Question 40-82(1): Teachers' Problem With Staff Housing Policy

MR. McLAUGHLIN: Thank you, Mr. Speaker. I have a question for the Minister of Education, the Hon. Mr. Patterson. I realize that the staff housing implementation policy has been discussed by the Executive in the last couple of days. I have pressed upon the Minister the concerns of my constituents that the housing policy is causing great concern among the teachers in Pine Point and I am sure other communities as well. The big problem people are having is what is the price going to be, what is the rent going to be for the houses that they are presently living in? Teachers have to know this as soon as possible because many of them want to know whether they are going to stay in the Northwest Territories or not, and they have a deadline in their contract they have to meet. So I would like to ask the Minister, has he discussed this problem -- the special problem teachers have -- with the rest of the Executive, and does he have any response to that?

MR. SPEAKER: Mr. Minister, Mr. Patterson.

Return To Question 40-82(1): Teachers' Problem With Staff Housing Policy

HON. DENNIS PATTERSON: Yes. Thank you, Mr. Speaker. I have indeed been made aware of concerns among teachers about needing information prior to the deadline for notifying the department of their intentions as of next year. I can assure the honourable Member that teachers who might be affected in the coming year with market rents will be notified well before this deadline. In fact, although more information will be tabled before this House very shortly, I can assure the Member that, as far as assessing rents are concerned, teachers' accommodation is being given first priority in this regard in light of the need to give them information early. Thank you.

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

Item 4, written questions. Are there any returns for today?

Item 5, petitions. Are there any petitions for today?

Item 6, tabling of documents.

ITEM NO. 6: TABLING OF DOCUMENTS

Mr. Butters.

HON TOM BUTTERS: Mr. Speaker, I wish to table the following document Tabled Document 20-82(1), Report to the Council of the Northwest Territories on the Examination of the Accounts and Financial Statements of the Government of the Northwest Territories for the Year Ended March 31, 1981, a document from the Auditor General of Canada. I also wish to table the following document Tabled Document 21-82(1), Report to the Council of the Northwest Territories on "Any Other Matter" Arising from the Examination of the Accounts and Financial Statements of the Government of the Northwest Territories for the Year Ended March 31, 1981. This document is also from the Auditor General's office, and it has been translated into Inuktitut.

MR. SPEAKER: Thank you, Mr. Minister. Tabling of documents. Mr. McCallum.

HON. ARNOLD McCALLUM: Mr. Speaker, may I ask the indulgence of the House to go back to returns?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Are there any nays? Item 4, questions and returns.

---Agreed

ITEM NO. 4: QUESTIONS AND RETURNS

Proceed, Mr. McCallum.

Return To Question 20-82(1): Rental Scales Of Public Low Cost Housing

HON. ARNOLD McCALLUM: Mr. Speaker, I had a written question from the Member for Keewatin South regarding the rental scales of public housing, and I would like to read my reply to that, notwithstanding that the Member is not in the House.

Mr. Speaker, the formula that is used to determine the maximum rent in public housing is that maximum rent in all public housing programs is equal to the economic rent or the market rent, whichever is higher. The economic rent is determined by dividing the total operating cost of all public housing projects in a community by the total public housing units in that community, taking into consideration the number of bedrooms in each particular unit. Market rent is determined by averaging current rental rates for similar non-subsidized units in that community. There is no formula to determine the maximum rent in low cost or northern rental projects. The maximum rent in the program is set, as I will indicate in a moment. The maximum rents for different public housing units in one community are based on the economic or market rent in that community. The maximum rents for different units in low cost northern rental projects are as follows: One room unit, \$75; one bedroom unit, \$100; plan 512 unit, \$100; two bedroom unit, \$120; three bedroom pre 1966, \$125; three bedroom post 1966, \$150; and four bedroom unit, \$175. The minimum rent for any type of unit in public housing or northern rental projects is \$45.

MR. SPEAKER: Thank you, Mr. Minister. Are there any further returns? Tabling of documents.

Item 7, reports of standing and special committees.

Item 8, notices of motion.

ITEM NO. 8: NOTICES OF MOTION

Mrs. Sorensen.

Notice Of Motion 28-82(1): Motion Of Appreciation To Gordon R. Carter

MRS. SORENSEN: Thank you, Mr. Chairman. I wish to serve notice of motion that on Monday, February 22nd, I will move the following: Now therefore, I move that this Legislative Assembly request the Speaker to convey to Gordon R. Carter its most sincere appreciation for the outstanding and most effective manner in which he carried out his responsibilities for many years as chairman of the Highway Transport Board and as chairman of the Public Utilities Board.

MR. SPEAKER: Notices of motion.

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

Item 10, motions.

ITEM NO. 10: MOTIONS

Motion 25-82(1). Mr. McLaughlin.

Motion 25-82(1): Amendment To The Public Utilities Ordinance

MR. McLAUGHLIN: Thank you, Mr. Speaker.

WHEREAS the membership on the Public Utilities Board of the Northwest Territories is limited by ordinance to three board members, and in the past has largely been ignored by NCPC;

AND WHEREAS the high power rates presently charged by NCPC are a hardship on all of the residents of the Northwest Territories, and the present membership cannot possibly give comprehensive representation at future board meetings;

NOW THEREFORE, I move, seconded by the honourable Member for Slave River, that this Legislative Assembly recommend to the Executive Committee that it introduce amendments to the Public Utilities Ordinance at the next session to increase the size of the Public Utilities Board.

My motion is seconded by the honourable Member for Slave River, Mr. McCallum.

MR. SPEAKER: Thank you, Mr. McLaughlin. Your motion is in order, although your first "whereas" has largely been ignored by NCPC. Unless you think that enlarging the board is going to give them strength by numbers, I am not sure why that is there, but...

MRS. SORENSEN: Speech, speech, speech.

MR. McLAUGHLIN: Conflict of interest, Mr. Speaker?

---Laughter

MR. SPEAKER: You may proceed, Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Speaker. To explain the first "whereas", the reason I want to expand the board is that recently NCPC has, in fact, been brought partially to task by the Public Utilities Board, and maybe that augurs well for the future, so I would like to see the board increased in membership, primarily to make sure that there is representation from the smaller communities in the remote areas of the Northwest Territories who are so badly served by this crown corporation. I would also like to be sure that membership of this board includes somebody from the south side of the lake, where we have hydro power and which is one of the largest consuming areas in the Northwest Territories of hydro power. There are people in that area, in my constituency, who have expertise in the operation of hydro dams and I am sure their advice would greatly benefit the PUB. Thank you very much, Mr. Speaker.

MR. SPEAKER: Thank you. The seconder of the motion, Mr. McCallum.

HON. ARNOLD McCALLUM: Mr. Speaker, I would very strongly support this particular motion to increase the size of the Public Utilities Board. I would hope that we would be able, as an Assembly, as a government, to increase the responsibility of this board as well. Notwithstanding, Mr. Speaker, that we have a representative of the Legislative Assembly on that board, the MLA for Hay River, I would still indicate to you, Mr. Speaker, that south of the lake represents approximately 9000 to 11,000 people and though we have been hit with a number of instances of increases from NCPC -- I have to beg an apology. I indicated that the Member of the Legislature for Hay River was a member of the Public Utilities Board. I should not have said that, Mr. Speaker. I have to apologize for that. I have confused the Public Utilities Board with another particular group who keep making representations for increases in rates.

More Responsibility For Public Utilities Board

Nevertheless, I know that, Mr. Speaker, even though the MLA for Hay River looks after and is concerned with what is transpiring with the crown corporation, NCPC, as it relates to all of the Northwest Territories, I believe that the Public Utilities Board should have, as I had indicated, not only an increase in size to better represent the concerns of people in the Northwest Territories. I believe that there should be some kind of a move to try to increase the responsibility of this particular board.

MRS. SORENSEN: Hear, hear!

HON. ARNOLD McCALLUM: It is not good enough, Mr. Speaker, that we have a Public Utilities Board. I think that we have to give this board some authority, more responsibility in determining what is and what is not a fair shake for other people and that is not just within the south of the Great Slave Lake area, but it concerns everybody across the Northwest Territories. I have had a great deal of respect for the past chairman of this board, as well as for the members. I have a great deal of respect for Mr. Jack Heath from Inuvik, whom I know has been involved with territorial matters, not just in Inuvik, but in territorial matters for a number of years. But, Mr. Speaker, I think that the time has come when this board should be able to demand the respect it should have; to demand that NCPC, as well as distributors, should be able to come in and put forth a case that is of a concern of all people in the Territories. We have to improve that kind of responsibility and I believe, Mr. Speaker, that if we increase the representation of that board so that it more appropriately represents the Territories, the board will be able to take on greater responsibility and hence a greater amount of authority.

So, Mr. Speaker, I have a great deal of pleasure in seconding this particular motion, because of the kinds of increases that are being put forward by distributors and by the federal crown corporation; to increase rates across the Territories by approximately 20 per cent. But south of the lake and in my constituency we are talking about 30 to 35 per cent increases in rates and though my constituency may very well have been having certain particular goodies for a little while, nevertheless, I believe a 30 to 35 per cent increase in those rates is just atrocious and people are having a very difficult time in meeting those kinds of demands. So, Mr. Speaker, I would hope that the Assembly would support this motion to increase the representation of people across the Territories on the board and would ideally hope that that particular board would be able to acquire greater responsibility, greater authority.

MR. SPEAKER: Thank you, the honourable Member for Slave River. To the motion.

SOME HON. MEMBERS: Question.



Motion 25-82(1), Carried

MR. SPEAKER: Question being called. Do you wish to close the debate, Mr. McLaughlin? Question. All those in favour? Opposed? The motion is carried.

---Carried

MRS. SORENSEN: Unanimously.

MR. SPEAKER: Motion 26-82(1). Mr. Curley. Mr. Curley is not in the House. We will set that aside. Mr. Wah-Shee.

HON. JAMES WAH-SHEE: Mr. Speaker, I request that we go back to the orders of the day, Item 8, to allow me to give notice of motion, please.

MR. SPEAKER: Unanimous consent is being requested. Do I have unanimous consent? Are there any nays?

SOME HON. MEMBERS: Agreed.

---Agreed

REVERT TO ITEM NO. 8: NOTICES OF MOTION

MR. SPEAKER: Proceed, Mr. Wah-Shee.

Notice Of Motion 29-82(1): Political And Constitutional Development Subject To Committee Of The Whole

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HON. JAMES WAH-SHEE: thank you, Mr. Speaker. I give notice that on Monday, February 22nd, I will move that the subject of political and constitutional development be considered in the committee of the whole as the first item of business on Thursday, February 25th; and further, that representatives of major aboriginal and other organizations be invited to appear as witnesses during that discussion.

MR. SPEAKER: Thank you. Item 9, motions. We have no further motions then for today.

Item 11, introduction of bills for first reading.

Item 12, second reading of bills.

MRS. SORENSEN: Mr. Chairman.

MR. SPEAKER: Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, I wonder if I might request that we immediately discuss Mr. Wah-Shee's motion, basically because I feel that if the motion is agreed to, which I have no doubt that it will be, that we will have given members of the organizations and others time to become prepared for the presentations. I wonder if Mr. Wah-Shee would agree to go ahead with his motion now.

MR. SPEAKER: It is an unusual request, Mrs. Sorensen. I dealt with motions again and came back and looked toward the honourable Member in case he was seeking unanimous consent, but he did not indicate that he was. I will call motions once more and then I am going on with the orders of the day.

Item 9, motions.

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

MR. SPEAKER: Bill 1-82(1), Appropriation Ordinance, 1982-83, and the 13th Report of the Standing Committee on Finance, with Mr. Fraser in the chair.

---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. Fraser 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 Government Services

CHAIRMAN (Mr. Fraser): Government Services on page 10.01. Mr. Minister, Mr. Tologanak.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. I seek the consent of this committee to appear at the witness table with my deputy minister, Mr. John Quirke.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Fraser): Is it agreed that the Minister bring his deputy into the witness table? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): Thank you. Mr. Tologanak. We have at the witness table Mr. Quirke, Mr. Tologanak's deputy. Have you any opening remarks, Mr. Tologanak?

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. Yes, I do. I am pleased to present to the Legislative Assembly the 1982-83 estimates for the Department of Government Services. The department's operations and maintenance budget of \$10,359,000 is comprised of both discretionary and non-discretionary moneys. The non-discretionary portion, which represents freight and telecommunications, make up 47 per cent of our department's budget. The department plans to spend \$8,960,000 in capital.

One of our major capital expenditures for 1982-83 will be in our systems and computer services division. In recent years the growth of the financial and information systems of all government departments had a tremendous impact on the computer hardware and its environment. To overcome problems it became necessary to do major equipment upgrading and to construct a building to house this equipment and the supporting staff.

Northern Purchasing Policy

Earlier this fiscal year the department introduced a northern purchasing policy. While the policy is not a year old yet, I am pleased to tell you that during the four month period, between September and December, 1981, the department purchased eight million dollars worth of goods. Of this amount, \$2,600,000 or 33 per cent was spent in the North. Our records indicate that in the past only 10 to 15 per cent of goods were bought in the North.

---Applause

MRS. SORENSEN: Hear, hear!

The significant increase in northern spending is attributed to many factors, including 1) direct impact of the northern purchasing policy; 2) more awareness of our own buyers to northern sources of supply; 3) increased limit of local purchasing authority; 4) vendor development on the part of Government Services personnel.

The department is presently re-examining the purchasing policy, so that any changes to be made would be to the benefit of northerners. The department wants to ensure that all northern suppliers are aware of what the needs of the government are. In order to do this, Mr. Chairman, the department will be placing tender call summaries in northern newspapers. Basically, this advertisement will list what tenders are open and what kind of goods we are looking for. This will enable any northern supplier to contact the department to find out more about a particular tender and, if interested, to obtain a copy of the tender. It is expected that the first advertisement will appear in early March.

The department also plans to issue a booklet called "Selling to the Government of the Northwest Territories". The booklet will explain the procurement policies and procedures of the government. Suppliers will be interested especially in those sections which describe how to get on our source lists, how tenders are handled, and how to prepare a bid.

#### Petroleum Products Pricing Formula

The department is also responsible for supply and retailing of petroleum products to some 40 communities not served by the private sector. While higher fuel costs are a fact of life across Canada, nowhere is it more evident than in the Northwest Territories, particularly in areas served by this government. The department is examining the present pricing formula that has been in effect since 1978. We are getting back to basics and examining all elements that are part of the formula. We are examining several pricing options that would result in prices being more regionalized and more in tune with the private sector within a particular region. I am available for questions and any comments, and I made my brief short. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Minister. We are open for general comments. Mr. Stewart.

HON. DON STEWART: I would like the records to show that I do not take any part in this debate, nor will I vote in this section of the estimates, and that I may be in conflict of interest with my association with Igloo Building Supplies.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Stewart. General comments on the complete budget. Mr. Arlooktoo.

MR. ARLOOKTOO: (Translation) Thank you, Mr. Chairman. I have to ask this question about the barrels that are going to be thrown away in Lake Harbour. I wonder if the barrels could be taken away before the springtime comes, or before the summer comes. I had to find out about this matter, about the empty barrels that they are going to be throwing away. I was wondering whether they could be worked on during the wintertime. Thank you.

HON. KANE TOLOGANAK: I have some problem with the sound system, but I understand he is talking about the old tank farm in Lake Harbour.

MR. ARLOOKTOO: Yes.

HON. KANE TOLOGANAK: Okay. In capital, on page 10.13, we allocated \$26,000 for the disposal of the old tankage there.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Minister. Mr. Arlooktoo?

MR. ARLOOKTOO: (Translation) Mr. Chairman, I want to be understood clearly, because this is an urgent matter. During the wintertime, before the springtime comes -- we want them to be removed before the summertime comes, if they could be looked after right away.

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. The regional office is handling the situation in the disposal of the tanks, and I will make sure that they are aware of the concern that is shown by the Member to have the tanks moved before the summer.

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

MRS. SORENSEN: Thank you, Mr. Chairman. I noted in your opening remarks, Mr. Minister, that you made reference to the fact that tenders which are open would be placed in northern newspapers, and that you would also provide lists of goods and supplies that the government was looking for, and I am particularly pleased to see that you have decided to go that route. I wonder, Mr. Minister, is what you are saying also the fact that tenders will only be placed in the North, or do you in fact also intend to tender in the South for goods and services?

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: Mr. Chairman, I will have my deputy reply to this.

CHAIRMAN (Mr. Fraser): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The advertisements that will appear in the northern newspapers will follow the basic purchasing policy as it now stands. If goods are available in the North, to the value of \$5000, that takes preference first. If the goods are in excess of \$5000, we will still go to the southern route and invitation to tender. That is as the present policy stands right now. Thank you.

CHAIRMAN (Mr. Fraser): Mrs. Sorensen.

#### Review Of Northern Purchasing Policy

MRS. SORENSEN: Mr. Minister, there obviously is a changing attitude toward northern suppliers and northern businessmen -- particularly within the Housing Corporation, where Minister McCallum, in an announcement to the House on Wednesday, stated that the Housing Corporation will not be advertising for tenders outside the Territories. They will only be advertising for tenders within the Northwest Territories, to develop the contracting business and the building supply business. He was referring to all the money that will be spent in the next fiscal year for retrofit. Now, I realize that you have a policy that states that you will tender in the South for supplies and services over \$5000. I wonder if, in light of the fact that at least one of our crown corporations is changing that policy, whether the Department of Government Services might be prepared to re-evaluate and reconsider its policy and perhaps take the same attitude toward its supplies and services, and look first to the North and then to the South if northerners cannot supply, and that includes any item over \$5000.

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. We have discussed this -- in the Executive as well as in my department, concerning northern purchasing, and as I mentioned, the policy itself is not quite a year old. We are looking at some changes we could make in that situation as we see it, and my department is presently preparing some changes to the policy, and this new direction would be ready for the Executive Committee to review by the end of this month.

CHAIRMAN (Mr. Fraser): Thank you. Mrs. Sorensen.

MRS. SORENSEN: I am heartened by your words, Mr. Minister. I know that you will carry out that review cognizant of the need to support and encourage our northern business and certainly government has to be a leader in giving northern preference, and that is not even necessarily through percentages. Northern preference can be done by simply tendering in the North, and I think that our businesses would respond to that and would expand their business to be able to service the government.

Mr. Minister, I think you have referred to the policy with respect to definition as well, in the past, and I am wondering if you are also looking at the definition of what constitutes a northern business. Are you aware that there is a task force report that was completed in 1975 and to my knowledge many of the recommendations of that task force on northern business still apply? I am wondering if you and your officials are reviewing those recommendations, as you are reviewing the definition of what is a northern business.

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. I will have the deputy minister respond to that.

CHAIRMAN (Mr. Fraser): Thank you. Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. You just jolted my memory. I do recall now, back in 1975 when I worked in Finance, that particular report. I had completely forgotten about it, but thank you for reminding me. We will look at it and consider it, for sure. Thank you.

CHAIRMAN (Mr. Fraser): Thank you. Any further comments? Does the committee wish to go to details?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Directorate, Agreed

CHAIRMAN (Mr. Fraser): Page 10.02, total O and M, in the amount of \$394,000, directorate. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Office Services, Agreed

CHAIRMAN (Mr. Fraser): Page 10.03, office services, total O and M, \$549,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Systems And Computer Services, Agreed

CHAIRMAN (Mr. Fraser): Page 10.04, systems and computer services, total O and M, in the amount of \$1,694,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): Systems development on page 10.05 is just an information item, I am told. Ms Cornoysa.

MS COURNOYEA: I am sorry. On page 10.04 I had a question. In light of the latest expenditures on the FIS system, have you got any indication of when that is going to be totally in operation? There was a question that was brought forward that some of the regional offices have been told that they should stop using the manual way of keeping their own records, to work into your system. Has that problem been resolved, and maybe you can give me the status of where you are in the computer services?

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: As the question is of a technical nature, I will have the deputy minister respond to that. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Minister. Mr. Quirke.

MR. QUIRKE: Thank you. First of all, the FIS system or the financial information system is a system that is the responsibility of the Department of Finance. As far as Government Services is concerned, it is our mandate to make sure that we have the hardware available to run this system. If I can be permitted to speak on behalf of FIS, most of it is up-to-date or current and running. As to the regional centres, they have a carbon copy of the system on their machines and basically everything is looking good right now, but just to reiterate, that for Government Services, just make sure that the computer has the horsepower to run that system. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Deputy Minister. Systems development. Are there any questions on the information item on page 10.05? Turn to page 10.06, petroleum products. There is only capital on that. There is no O and M.

#### Petroleum Products, Information Item

Petroleum products information item on page 10.07. Ms Cornoysa.

MS COURNOYEA: Mr. Chairman, is it possible to have a breakdown on how far you have gone in providing tank farms to communities? How many communities are still left to go on to the large containers? You were moving in the direction of providing POL tanks to some of the more remote communities for storage and I wonder just where you are with that.

CHAIRMAN (Mr. Fraser): Mr. Minister. Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The basic program is finished. We do still have some major project work to do over the next three, four years and I would be pleased to pass to you, through the Minister, where we see the tank farm program going over the next four or five years. I should mention that our present inventory of tanks for the communities is in excess of 350. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Quirke. Mrs. Sorensen.

#### Auditor General's Report On POL System

MRS. SORENSEN: Mr. Minister, in the Auditor General's report to Council, which was tabled today by the Minister of Finance, the Auditor General reports that the POL system still does not provide adequate controls on the POL operations.

The report goes on to point out several deficiencies, among them, inadequate transfer of accounting information from the fund to the central accounting system and lack of general ledger control over POL operations; no systematic and proper collection process was in effect during the year, with the result that collection activity on accounts receivable was inadequate; lack of reconciliation of contractors' advances to contractors' statements; inaccuracies in inventory costing, quantities and fuel sales cutoff information for year-end reporting purposes; and finally, independent government observers not being present at many tank farms to verify tank measurements by applicable contractors.

I realize that this report is reflective of the year ending March 31st, 1981. Obviously, you were aware, Mr. Minister, of those deficiencies. I wonder if you could tell this House what measures you have undertaken in the past year to rectify some of these problems?

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. We are dealing with these concerns that were raised by the Auditor General's report. Some corrective measures have been taken and some of them are already in practice. We are making every effort, especially in the area of collections and inventory taking as well. Inventory taking was a problem, but this year it is well planned out and represents the most extensive year end inventory taking ever done. The revenue collections are a priority of the government and I guess you will not really see the results and how the Auditor General sees them until his next report, next year, but corrective actions have been taken. The deputy minister wishes to comment on that further.

CHAIRMAN (Mr. Fraser): Thank you. Mr. Quirke.

MR. QUIRKE: Thank you. The first observation of the Auditor General about a lack of controls was well recognized during last years year-end reconciliation. It actually became quite a nightmare to reconcile the manual ledgers into the Polaris system, to FIS contingency. From my point of view, I called on our own internal auditors to do a complete comprehensive audit of what was going on in the POL operation and this, as I say, was extensive. In fact, they have just finished our offices last week. I think they spent over seven weeks just in that one area. The corrective action that we feel is necessary will take place during all of this new fiscal year coming in. It is going to be a long process. Unfortunately, it will not happen in the twinkle of an eye.

On the other areas the Minister is absolutely correct. The inventory taking this year is probably the most extensive ever taken in the Territories. It is complete with independent observers. The revenue collection is given a priority and the reconciliation of those prepayment accounts which were for Shell Canada and Fred H. Ross and Associates Ltd. of Cambridge Bay are well under way now. Thank you.

CHAIRMAN (Mr. Fraser): Mrs. Sorensen.

Pricing Policy For Petroleum Products

MRS. SORENSEN: Thank you, Mr. Chairman. Mr. Minister, with respect to the amount charged in the communities to the consumer, whether it be government or business, can you tell me how you arrive at what you will charge and whether the system pays for itself? Is the government actually subsidizing the cost of fuel or is it equalized over the system so that some consumers are paying more so that others can pay less, but in effect the consumers are paying the total cost?

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. KANE TOLOGANAK: Mr. Chairman, we charge total recovery program for the POL pricing and I might add that the present pricing formula was approved in 1978. I have said in the past and said last year, this pricing formula requires a ledger examination, which we are doing at the present time and we are looking at some options which we would be bringing before the Executive to consider at some point, probably in the next three months. Perhaps Mr. Quirke would wish to comment further on that.

CHAIRMAN (Mr. Fraser): Thank you. Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. As the Minister said, the revolving fund of petroleum products, on the authority given to it by the Legislative Assembly, is required to recover all its costs. The pricing formula definitely is out-of-date. The options that we are presenting to the Minister or to the Executive Committee are just about completed and I feel that the pricing structure we supply next year will be more relative to the concerns of the region and to the people in particular communities and regions. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Quirke. Mrs. Sorensen.

MRS. SORENSEN: Well, I notice that you are forecasting a \$500,000 profit for 1982-83 and in reading the Auditor General's report for the year ending 1981, he states that you have made a profit during that year of \$513,000, a half a million dollar profit. What happens to that profit? Is it plowed back into the system or do you look at perhaps giving rebates to the consumers?

CHAIRMAN (Mr. Fraser): Mr. Minister. Mr. Quirke.

HON. KANE TOLOGANAK: Mr. Quirke will answer that.

#### Rebates Not Considered

MR. QUIRKE: Thank you, Mr. Chairman. Right now, the revolving fund is governed by the authority of the Financial Administration Ordinance, which means that any profits made or realized -- it is probably the better term -- would go into consolidated revenue, any losses would go to appropriations, and it is because of the present ordinance that this is the way that it does happen. We have never considered rebates at any time, right now. Thank you.

CHAIRMAN (Mr. Fraser): Thank you. Mrs. Sorensen.

MRS. SORENSEN: Well, Mr. Minister, has your department then made any recommendations concerning what should happen with the so-called profits? It seems that if the revolving fund is in fact a revolving fund and is supposed to pay for itself, then we really should not be making a profit on selling fuel to northern people. We should, in fact, be attempting to break even and that is how our pricing policy should be set up and I certainly am in agreement with that, but I think that half a million dollars is an awful lot of profit. Obviously I would hope that you have been discussing this and perhaps that is part of the reason for the review of the pricing formula that is taking place, but has there been discussion of what to do with this profit? Also, because you are anticipating a higher profit, it seems, than you forecast for last year, it shows that obviously there is some need to review your pricing policy.

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

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. I think "profit" would be the wrong word to use in this case. We certainly are looking at the kind of money we turn back into the revenue sources as being one of the options. As for the pricing formula, I mentioned earlier we are reviewing that and we will be providing some options, which the Executive will be considering. Thank you.



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

MS COURNOYEA: Mr. Chairman, a particular settlement problem. Would the Minister state if he plans to do anything about the potential problem that is in Sachs Harbour in having the aviation fuel a long way from the airport and the desire of that community to have a pipe put in there so that it would be safer to fuel planes and safer for the whole operation of the POL products that are handled from that community? The community did put that within their planning projections two years ago and it was discussed last year. It does not appear that within the budget allocations or planning, particularly in the safety of POL, that it is indicated that their desires or the community's concerns have been met. I am wondering if you were going to do that next year or has it just been set aside or has it been redirected to another department?

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

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. In regard to Sachs Harbour, we recognize the concern and because of the lack of capital funds we were unable to go ahead with the project. We were unable to get any more capital funds, but I believe we have it in our forecasts. We just cannot remember exactly where we placed it, but for our department, we have no major projects or tanks or capital projects this year at all.

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

#### Funding For New Computer Building

MS COURNOYEA: Yes, Mr. Chairman. There appears to be an explanation that because we were spending \$3,049,000 on the computer building that the plans or the planning for that particular problem was put aside and it was indicated in a small memo that came around. Is that in fact true?

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

HON. KANE TOLOGANAK: Well, Mr. Chairman, the money for the computer building was put before the financial management board and it eventually got to the Executive for approval. The computer building -- I might explain why it is required. The present facilities that we have are totally inadequate. We have had in the past years to do repairs, never ending repairs at the present location, which is too small to accommodate our technological needs and we just find that we are unable to carry on in the present facilities. During the warm weather especially, we have had to shut down completely because of the air conditioning problems. We seem to be having problems there all the time and Mr. Quirke should elaborate on that as well.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you. The money for the computer building I think basically was considered a separate project for the department when its spending targets were given to it, so it was a special case. The money for POL was such that the only work that we could do in 1982-83 is really second year projects and even those projects we have had to spread over three years, and in three or four of them the painting of the tanks had to be deferred to 1983-84. All new vehicles scheduled for next year were deferred. It was just a matter of the POL operations spending targets being reduced, as most departments were, but the computer building money was something added on to our spending targets and has gone through Treasury Board submission in Ottawa. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you. Does anybody have any more questions on the information item on page 10.07? Mr. Parker. Commissioner.

COMMISSIONER PARKER: Mr. Chairman, if I may, there was a point raised earlier and I am not just sure that it was totally understood. When we declare under the revolving fund a projected profit of \$500,000, I think Members have to understand that that represents less than one tenth of one per cent of the total transactions in that fund and it is simply impossible for us to predict the use of that fund any more closely than that. In fact, experience has shown us that we may well be even closer to the line than that, but that is the best that we could project at this time and if, indeed, we can realize that kind of a profit in the revolving fund operations, then we would be perfectly prepared to reflect that in price adjustments in subsequent years. I do want you to understand, though, that it represents less than one tenth of one per cent of the transactions.

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

POL Program In Jean Marie River

MR. SIBBESTON: I just want to ask if it is possible to get some petroleum products in Jean Marie River? I was recently asked by the community to raise the matter. Apparently, there is a big tank in the community for diesel fuel, but this is only for the school. There is a need to have some petroleum products like gas that can be used in vehicles and in skidoos and kickers.

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

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. I understand there was recently an agreement made, so I will have Mr. Quirke reply to that.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you. The situation in Jean Marie River is such that, first of all, the only POL program that we run is for the benefit, basically, of the school program. In previous years the community itself operated its own gasoline storage facilities of I think about 3000 gallons. What has happened now and it is very indicative of what is going on in the nation, is that in order for a community of that size to stockpile that amount of gasoline, a major outflow of cash is required and they do not have the resources to handle that type of inventory now.

What we have agreed to is that we will supply the community with their fuel requirements on the basis that they will pay us one third of the cost and the following two thirds over the next few months. More importantly, in the new pricing policy proposals we are going to consider Jean Marie River as part of the POL program and any benefits that other communities are enjoying, they should get the same. Thank you.

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

MR. SIBBESTON: Is the answer that, yes, the government will be of assistance?

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: The answer is that the present situation has been taken care of between us and the community where we are supplying the fuel, but unfortunately, it is at a full recovery basis. The proposed new pricing formula options that we are looking at, which will come into effect some time in the new fiscal year before resupply -- we are considering Jean Marie River as part of the POL program, so they can get benefits that other communities get right now.

CHAIRMAN (Mr. Pudluk): Thank you. Are there any more questions on page 10.07, petroleum products information item? Mr. McLaughlin.

Systems And Computer Services

MR. McLAUGHLIN: Mr. Chairman, could I get agreement to go back to page 10.04, on systems and computer services? The information that I wanted to ask a question on was not available to me until a few minutes ago.

CHAIRMAN (Mr. Pudluk): Is this House agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): Proceed, Mr. McLaughlin.

Computer Print-Out Of Operating Costs

MR. McLAUGHLIN: Thank you, Mr. Chairman. I have got a computer print-out here, done for the northern school division in Manitoba. As you can see, it is about the size of an Edmonton telephone book. It looks like it has a couple of hundred pages. It deals with a budget of \$35 million annually. It takes the total operating costs of that department -- this is a monthly report on that school division -- it has a summary of the total costs of operating what is virtually the equivalent of our Department of Education, though only about a \$35 million budget instead of a \$60 million budget. It breaks down expenses -- the expenses of every single school -- broken down to little prices like \$60.37 on this page, \$29.61, all expenditure items. It gives here a year-to-date figure, how much money you have spent out of your budget so you know exactly where you are. The person in charge of that school division received this about five or six days after the November 31st date; this is his report for the month of November. There are about 20 or 30 schools here, all with individual breakdowns. There are departments in here -- he has separate departments which serve all the schools -- there is a detailed breakdown of their budget -- health and nutrition department. There are committees which help operate this school division and meet annually to develop curriculum, and each of them has their own budget and their year-to-date expenditures are here. There is a head office, which would be like our headquarters; its expenditures are all broken down into great detail and they are all here. There is a summary, as I said before, of the total department. There is also each area office, which would be like our regional offices, which serve several school boards each. Those are all in here, broken down. That is the equivalent of our regions. The amount of money is not the same, but it is all here. It does not make any difference if you have an individual item of \$20,000 or \$3000, it still costs about the same amount to get that item through a system and charged out.

The total cost for this to be produced for these people over a year -- it is done by a private company in Manitoba -- that particular item is here in their budget and \$22,000 is their annual budget to have this produced for them. If we could spend \$20,000, or even \$40,000, for the Department of Education and know where we were at the end of every month, and not have money lapse -- that is where we have money lapse, because people are afraid to spend because they do not know how much money they have left. It is a shame to see this government lapsing money because they will not spend \$40,000. I cannot believe that this government is going to spend \$3,887,000 to ruin a good parking lot and put a building up, and put a bunch of hardware in there, when they can get all the information they need for \$20,000 or \$30,000.

HON. ARNOLD McCALLUM: Ridiculous.

MR. McLAUGHLIN: What do you mean, ridiculous? Here is a department, half the size of the Department of Education, broken into regions, broken into departments, even how much chalk was bought by one school is in here, and it is impossible for me to believe that this government cannot get this information like this

department does in Manitoba. It is amazing to me that you cannot get a print-out with a report like this, and I want to know why this government cannot contract people to get information like this.

There just does not seem to me to be any excuse -- I know, it is not funny, because look at the money we are spending, and we do not know where we are in November yet -- or maybe we do. You do not have your reports. The March 31st report, which we saw in September or something, had just come out and it still was not accurate. They still do not know what it was for last year yet. So, you know, I will never believe that we have to spend this money we are spending to find out information.

HON. ARNOLD McCALLUM: We are going to show you the cuts on our hands. We are going to show you.

MR. McLAUGHLIN: Well, you must have a lot of paper cuts. The hallways in the Cunningham Building are just filled up with monthly reports. You can hardly get from the Cunningham Building to the YK Centre there, because of all these boxes full of computer print-outs, when this is all you need for each department.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. McLaughlin. It looks like Mr. McCallum has an answer for you. Mr. Commissioner.

COMMISSIONER PARKER: Well, I will resist the temptation to attack the Member...

AN HON. MEMBER: No, no, do not. Give it to him!

---Laughter

MRS. SORENSEN: Shame, shame! Careful, I am sitting close to him.

MR. McLAUGHLIN: He meant verbal violence.

---Laughter

#### New Computer Facility Essential

COMMISSIONER PARKER: I referred only to verbal attack, I must assure you, Mr. Chairman. I am afraid that the Member is really comparing apples and oranges in the statements that he has made. Indeed, the school district that he talks about has fairly broad operations, but they are only a fraction of the size of operations of the Government of the Northwest Territories. When one considers the scope of our total operations and the breadth of our total operations, and the fact that we must operate through regions and so forth, whatever figure he has quoted, Mr. Chairman, for the production of that report cannot possibly reflect the initial cost of writing the program and the initial cost of gathering the information to get onto that system. I compliment the school district in Manitoba for having gone so far ahead in the computer game, but I have to assure him that it is nowhere nearly as simple as that.

Now, he is saying, "Why do we need a building?" But at the same time he is saying, "Why do we not have nice neat and clean and simple and low-cost computer reports?" Well, that is one of the reasons why we have to have a building. I think there are many organizations, including this one, that have grown into the computer business, and we make no apologies for that. The state of the art has been changing so rapidly, the amount of information that can now be handled through a computer system has grown in such an amazing fashion, that it was not possible for us a few years ago to predict the kind of equipment that we would be needing in 1982, or the space that it would take up, or the information demands that would be placed upon us. We have our computers sitting on the first floor of a wood frame building, next to a dance hall. I am not running down the premises, but they are not the right kind of premises for security of valuable equipment and valuable records, and I have to carry the can for insisting on the separate, secure and fireproof building in which to house our very vital records.

The Member has outlined very well the importance of having good computer reports, and the world has come around to operating on these reports, and it is for that very reason that we must provide ourselves with the right kind of facility. We looked to the possibilities of rental and they were not attractive to us, not at today's interest rates -- and we looked very seriously at them.

So we are simply proposing to provide a facility that is absolutely essential to the operation of our whole financial system, and I do not know what to say beyond that, because the Member obviously needs to be taken through the stages of writing computer programs and operating them, and we would be glad to do that, but I do not think that we should take up the time of the committee to do that at this stage. The FIS report for the end of December is now out, and we will have the report for the end of January out very shortly, so we are pretty well up-to-date in our computer reports. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Commissioner. Mr. McLaughlin.

Contract For Computer Services

MR. McLAUGHLIN: Thank you, Mr. Chairman. The point I am trying to make is that these people do not have a computer building, and these people do not have a whole bunch of computers. They are just paying somebody else for the service, and they are getting it. I do not understand why we could not have gone to private enterprise to get this work done for us, why we have to invest money in hardware that could become outdated in a short time, and why we need a building. I do understand the basis of computer programming and stuff because when I was with the town council in Pine Point we put our system on a computer -- small though it is -- and we in Pine Point get reports like this the week after the month end. This FIS is beginning to make the Fort Resolution sawmill look like an efficient, lucrative operation.

---Laughter

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

COMMISSIONER PARKER: Mr. Chairman, in fact, we do -- where it lends efficiency and cost savings -- utilize contract services. We utilize one contract service in our personnel information system, because the software -- that is, the design of the program -- has been done very well by another company. We do not have to pay for that design, beyond a minimal amount that is added to our operating amount, and we have a contract with this organization to give us our personnel reports on a regular basis. So we do this, but if we were to follow the same system as the school district, we would have umpteen different contracts, and, unfortunately, in many instances, several of them would not provide the information that we require. In other words the software package, the program, in many instances has not been developed.

In fact, our government is a bit different in many ways. We have had to develop many of our own packages. These software packages for school districts are highly developed and very straightforward, but this does not exist throughout the government, and we would have many, many contracts were we to go to the private sector. In addition to that, we would be relying, then, on telephone line communications to somewhere in southern Canada, and the cash flow for operations would simply be outside the Territories. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Commissioner. Mr. McLaughlin.

Contract For Pay Roll Package

MR. McLAUGHLIN: If this system is so good, why do we have to use -- I mean everybody likes to have their pay cheque on time and if this system is so good, why are we still using an operation down south to produce the pay cheques for the employees? I mean, that is something that has to be done on time and that is done on time by somebody down south.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you. The hardware that we have is Hewlett-Packard. All the programs that we run are based on Hewlett-Packard language. The pay roll is the only system that used to run on the IBM computer and since the government had made a commitment about four or five years ago to take financial management to the regions, it required many computers. A search of the market revealed that only Hewlett-Packard had this microcomputer that could bring financial management, financial accountability, to the regional centres so the direction was given that we would follow into the microcomputer field and buy Hewlett-Packard. Now, this was okay for a couple of years because we could run two systems. We could run a Hewlett-Packard and we could run an IBM machine, but it is no use trying to staff your resources with one having a bank of knowledge on Hewlett-Packard and one having a bank of knowledge on IBM. It was decided that given we were dealing with Hewlett-Packard, we would get rid of the IBM computer, which has now officially moved out of the government, and we decided to go to Calgary to do our pay roll because we could not find on the market a pay roll package that could run on the microcomputer. Regarding the pay roll and justifying the building, I do not mind saying this. If we had not moved the pay roll down to Calgary, the government would have missed its pay roll for the entire months of May and June, and that is one of the reasons that we had to get a new building. Thank you.

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

MR. McLAUGHLIN: Well, I can only hope that when you put this building up, the bottom two floors should be reserved for underground parking so that there is some constructive...

MRS. SORENSEN: Hear, hear!

MR. McLAUGHLIN: ...advantage to having the building. At least the heat from the computers could be used...

MRS. SORENSEN: Hear, hear!

MR. McLAUGHLIN: ...to heat the cars instead of plug-ins...

MRS. SORENSEN: That is looking after my constituents.

HON. DENNIS PATTERSON: Tell them to walk.

MRS. SORENSEN: From the airport?

CHAIRMAN (Mr. Pudluk): Thank you, Mr. McLaughlin. Let us take 15 minutes for coffee.

---SHORT RECESS

Petroleum Products

CHAIRMAN (Mr. Pudluk): The Chair recognizes a quorum now. Do you want to go back to page 10.06, petroleum products? Mr. Fraser.

MR. FRASER: Yes, Mr. Chairman. I would like to ask the Minister about a tank farm built in Fort Franklin; the contract was given to an outside firm. I wonder if there was anybody in the Northwest Territories that bid on that tank farm in Fort Franklin.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. The tendering of that particular contract is done by DPW. I would have to get the necessary information from Public Works.

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

MS COURNOYEA: Yes, Mr. Chairman. It appears that we are asking questions from this department that probably would be more suitable for the decision making departments when they come up. There is one thing that I would like to ask, in terms of the potential hazard at Sachs Harbour, would the Minister be willing to maybe readjust the allocation from office furniture to try to take care of the very serious, potentially serious problem of the fuel in Sachs Harbour?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. KANE TOLOGANAK: Yes, we even allocated to share from the office furniture and equipment and we do not know exactly how much we are going to spend of that but I would be willing to put forth a submission to the Executive to do just that.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Minister. Any more questions on petroleum products, page 10.06? There is no O and M in there, just capital.

Total O And M, Supply Services, Agreed

Okay, now we will go on to supply services, \$2,708,000. Mr. Fraser.

MR. FRASER: Thank you. Am I right in saying that supply services is responsible for winter road contracts?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. KANE TOLOGANAK: Mr. Quirke will answer that.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The supply services division is not involved with contracts re highways. The only thing we have in our budget this year to do with anything called a highway is the winter road around Great Bear Lake and that money has been transferred to the Department of Public Works as of the next fiscal year. So supply services is just for the contracting of goods purchased through the purchase order system.

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

MR. FRASER: I understand they are responsible? Is that the answer I got?

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: No, we are not.

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

MR. FRASER: Mr. Chairman, could the Minister tell me if they have anything to do with that road? Is the road completed? Nobody seems to know. I wonder if they know. I understood that supply services were the ones looking after that road.

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

HON. KANE TOLOGANAK: Mr. Quirke will answer that. I think we are responsible this year but the next fiscal year we are not.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Yes, thank you. The Department of Government Services for the balance of this fiscal year as in the previous year, is responsible to ensure that that winter road was built that was open for the supply of petroleum products, etc. As of the fiscal year, 1982-83, we transferred that money to the Department of Public Works, to its highways division, so for next year they are responsible but for this year we are still managing that function. To the best of my knowledge, the road is open, but I would be prepared to get an update and present it to the Member by Monday. Thank you.

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

MR. FRASER: I am not concerned about next year. What I am concerned about is this year and I understood that the contract for hauling petroleum products from Fort Norman into Fort Franklin was tendered and the contract was given to a local contractor but the road was under separate contract and the person that had the oil contract could not haul oil because the road was not completed. I guess I will have to talk to DPW if they are responsible next year. When the tender came out it was so complicated that the contractor would not bid on it and he is sitting in Fort Norman waiting a month for the road to get through when he should have had the oil all completed. So I think maybe I will have to go into the departments further and maybe get together with DPW and find out if this could be changed for next year if supply services are turning it all over to DPW. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you. Supply services, \$2,708,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Telecommunications, Agreed

CHAIRMAN (Mr. Pudluk): Then page 10.09, telecommunications, \$1,672,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Transportation, Agreed

CHAIRMAN (Mr. Pudluk): Page 10.10, transportation, \$3,182,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed



Total O And M, Energy Conservation

CHAIRMAN (Mr. Pudluk): Thank you. Page 10.11, energy conservation, \$160,000. Mr. Noah.

MR. NOAH: (Translation) Thank you, Mr. Chairman. I am going to ask a brief question concerning energy. I was wondering if it was only toward the NWT government and the NWT government staff houses. I am wondering if it is only toward the energy conservation management committee. That is all I wanted to know. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you. Mr. Minister, I wonder if you got the question.

HON. KANE TOLOGANAK: Well, I did not get the question all too clearly but I think the question basically was. is the energy conservation division -- are the projects only restricted to the government? Was that the question?

CHAIRMAN (Mr. Pudluk): (Translation) Mr. Noah, can you ask the same question?

MR. NOAH: (Translation) Okay. I was asking if the energy conservation management committee -- I wonder if the committee -- it is only toward the NWT government? Also are they working toward the NWT government staff houses and if they are only committed toward the territorial staff houses or the government?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. In respect of that question, the energy conservation division that is under my department is not restricted just to the government buildings and to the government staff but I will let Mr. Quirke just elaborate a little bit more on what this division is all about.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The answer to the first part of the question; the energy conservation management committee is just a board of two members of the territorial government and two members of the federal government who decide what energy conservation projects will go ahead. The federal partners in this committee are not funded or paid by the territorial government. They are paid by the federal government themselves. The program is available to all sectors in the Northwest Territories, whether they be private or government. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you. Energy conservation, \$160,000. Mr. MacQuarrie.

In-House Conservation Program

MR. MACQUARRIE: The energy strategy paper which was presented to us by the Minister responsible for Energy -- one version of it was tabled a year ago and one section in that says that conservation of considerable proportion is possible. While the private sectors have both an incentive to conserve and remedies that can be applied, there is too little in the way of incentive or remedy for the public sector, public housing, and institutional government. The immediate focus of the renewed drive to conserve should be the public sector and while we have never debated this paper or made specific recommendations, that statement certainly seems to be quite evident anyway. A number of times I have heard about the importance of conservation and saving significant amounts of money. We have had a bit of an in-house conservation program. Can you tell me the extent of it, first of all, and then, secondly, whether there is an assessment of it that indicates whether we are realizing savings and if so, how significant are they?

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

HON. KANE TOLOGANAK: I will have my deputy reply to that.

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. The in-house program the honourable Member refers to unfortunately seems to have gone by the wayside, but with the transfer of this division into Government Services, one of the mandates of the new chief of energy conservation is to get that committee reactivated again.

In terms of selling the demonstration agreement or program to other parts of the public sector, although I cannot reveal details of some of the proposals being put forward right now, there is a major thrust in getting the Northwest Territories Housing Corporation to join us on the upgrading of some of their public units -- retrofit is the word I was looking for -- and those discussions are taking place right now. If I recall rightly, the amount of money involved could be in excess of one million dollars and although I cannot indicate to what extent progress is being made, they are meeting and hopefully something can be decided so that we can take advantage of the program and get the materials in those communities before sealift is over.

In terms of assessing the entire program, that will have to be done because this is a federal-territorial shared agreement and this division or agreement ends March 21st, 1984. Long before that date arrives there will be a major assessment of the program per se. I hope that answers at least part of the questions. Thank you.

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

#### Government Targets For Conservation Of Energy

MR. MACQUARRIE: Well, I gathered from the response that there has not been a very large scale initiative or a great deal of success in that area. Is the department gearing up for a major initiative? For instance, with respect to each of our government departments, is there an attempt to ensure that departments have targets in the area of conservation of energy? Are there co-ordinators for each department with respect to this particular concern? Are there targets for regions with respect to energy conservation? If there are not at this time, what is your department doing to ensure that the years do not slip by without that kind of thing taking place?

CHAIRMAN (Mr. Pudluk): Mr. Quirke.

MR. QUIRKE: Thank you, Mr. Chairman. First of all, from the Yellowknife headquarters point of view, it is our goal to reactivate the in-house type committee, which kind of sets those targets for departments to conserve energy. Secondly, I will have before me for presentation to the Minister next week the public awareness program, which, if you recall, last year was "Turn on with off." That public awareness program, of course, affects the public sector too and that will be continuing.

As to the regions, we do have a rather unique situation in one region, in the Baffin, where in this program we have funded a person devoted to energy conservation in that entire region. You will probably recall that they even had a contest between their counterpart in Greenland, as to which community could save the most through energy conservation. This is the type of awareness in the regions -- particularly in the Baffin. We are carrying that message to the other regions and my chief of energy conservation will be going to Inuvik in the next week or two and into Rankin Inlet to promote it by saying, "Look what the Baffin region can do in terms of energy conservation", and being aware of

the program. We are pretty positive that this program will sell in the regions and that everybody, whether they be private or public, will become more aware of energy conservation. Even if the project runs out in 1984 as it now stands, I would like to assure you that energy conservation is a high priority in our department and I say so because after living in the regions, I see there is great scope in improving energy conservation methods and if we can sell what we did in Baffin to new regions we would be many steps ahead in the game. Thank you.

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

MR. MacQUARRIE: Yes. I just feel that if there is not a tight organization and a comprehensive program that the whole thing does not really get anywhere. That is, that you can have a public awareness program, but if specific steps are not taken to ensure that there are real savings in a sense you could wind up spending more money than you are saving and that may very well be what is happening in respect of that. The other area that the energy paper does talk about is conversion to other forms of energy in areas where that is possible and I know that there have been some initiatives in this area, but it seems to me that it is the government responding to projects that are suggested by either individuals or groups rather than, again, a comprehensive government program. Can you tell us where you are in that respect? Can we expect that there will be a comprehensive program of conversion to alternative sources of energy?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. KANE TOLOGANAK: Well, I think this question should be better directed to the energy secretariat, which is Mr. Nerysoo's responsibility.

Total O And M, Energy Conservation, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Energy conservation, page 10.11, \$160,000. Come on! Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Detail Of Capital, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Capital, pages 10.12, 10.13 and 10.14 in the amount of \$8,960,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Page 10.01, \$10,359,000, O and M. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): I would like to thank Mr. Quirke and Mr. Tologanak, the witnesses. Thank you.

---Applause

Mr. Nerysoo.

HON. RICHARD NERYSOO: Yes, Mr. Chairman. Due to Mr. Pilot's unavailability at this time, I would rather go to the Department of Personnel. We have the people here at the moment to make their presentation.

CHAIRMAN (Mr. Pudluk): Is this committee agreed to go to Personnel?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): I also have a little announcement to make. On February 17th, which was a couple of days ago, it was Mark Evaluarjuk's birthday and he took it privately. He is 18 years old.

---Laughter

---Applause

Now, the Department of Personnel. Mr. Parker.

#### Department Of Personnel

COMMISSIONER PARKER: Thank you, Mr. Chairman. I have only a few very brief remarks to make on this service department. One of the principal thrusts of the Department of Personnel, as per the advice of the House and in a direction with which we agreed, is that we will continue to concentrate on making the public service of the Northwest Territories as representative as we possibly can of the makeup of the people of the Territories and that means, specifically, that we hope to continue to increase the number of native persons who are working for the government. We have had some considerable success in the past few years and I think particularly in the past year. In the last three or four years we have increased the total number of native northerners working for the government at the rate of about two per cent per year, so that at the present time 34 per cent of the total number of employees of the government are native northerners. I think you will appreciate that there is a good deal of competition for trained native northerners. Various organizations seek to hire them in the same fashion that the government does. We have stepped up our training programs and continued with our apprentice programs in an effort to train our own people.

The Executive Committee has given initial consideration to our proposal to create a public service commission and I believe that we will have that discussion concluded and be prepared during the coming fiscal year to institute a public service commission approach, with a view to having it fully operational by the 1st of April, 1983. You may be well aware that the arbitrator's ruling has been received, and so we will finally be in a position to give the pay roll increases that our employees have earned to the employees under the Public Service Association agreement, those payments which cover the period commencing April the 1st, 1981, will be made with the first pay cheques in March. We believe that the arbitrator's ruling indicates that the work that our Personnel people have done was vindicated and justified; in other words, he agreed very closely with what had been negotiated the first time around.

#### High Staff Turnover

The bulk of the increases in the budget for the Department of Personnel are caused by inflation, particularly inflated salary costs, air fare costs and costs of removal. We have suffered a high turnover in this current year. We believe that it will end up at a turnover of approximately 32 per cent. We are very

unhappy about this. It seems to be cyclical, to some extent; in other words, we go through two to three and sometimes four years of very considerable stability, and then quite a number of people in our employ decide to move, and this current year is one of those situations. There are a number of factors that cause this. I have already mentioned the fact that it seems to happen every few years, whether we like it or not, and the other factors are, I suppose, some concern over the direction, what may happen within the Territories, the problems of high interest rates and -- if it is not true, at least stories of -- a depressed economy, and people tend then to very often seek lower-cost areas for employment. But we do not think this trend will continue at the same rate, and we think it will return to a turnover in the mid-20s or so which we have ordinarily experienced.

The Department of Personnel is divided into three main service divisions: personnel services, classification and compensation, and staff development and training, and in addition, of course, it has an administrative unit attached to it.

I believe that those are the only remarks that I would wish to make at this time, but I would hope to answer questions that Members may raise. Oh, pardon me. There is one further thing. We have had Jim Blewett as the director of this service for the last couple of years, and Mr. Blewett, in my estimation, was an excellent director of Personnel and we regretted his move out of the Territories, but he took that move as a career move, as something that would enhance his career in personnel, and that is the sort of thing that has to be understood. I am pleased to welcome Ted Bowyer as the director of the department. Mr. Bowyer has had a great deal of experience in the Northwest Territories in two regions and headquarters; that is to say, he has lived in two different regions and worked at various positions in headquarters, and I think he brings a great deal of experience to the job. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Commissioner. Personnel. General comments or any questions. The honourable Member for Mackenzie Liard.

#### Government Personnel In Fort Simpson

MR. SIBBESTON: I was going to say, "Me, too". Like Mr. Commissioner, I do have a few remarks. Firstly, on a positive note. I think in the Simpson area that the territorial government has done reasonably well in trying to hire native people to work for the government. I know that most of the apprentices are native people, and I know the government has been trying to hire a local government officer for the past few months and has not been able to do so, but I believe in the last few days there has been some interviewing going on, and I think that a local Dene person will be hired, and I am quite encouraged by that. Also the top territorial government position in the Simpson area is held by a native person from Simpson, and I believe that person may be leaving, and I think there is general agreement that we ought to try to refill that position with a native person.

In terms of other work that is being done on behalf of the territorial government, I know that Mrs. Ethel Lamothe, who is here in the audience has been doing work for Local Government on a contract basis, working with Nahanni Butte, and has been doing good work, so I feel quite good about what the territorial government has done and is trying to do in my area.

I know that in a matter that was being dealt with in my constituency, in trying to hire a government person, we came across this idea of whether we should look throughout all of Canada and get the best person in terms of formal qualifications and so forth, and it was decided that that was not a good idea, particularly when you are dealing with a job that entails working with people, with the band councils, with the community leaders, more or less with the people in the area,

usually in small communities. It was decided that the best approach was to go with the best that you have; even if the people in the Simpson area, perhaps, did not have as much formal education as maybe somebody from the South, it was decided to fill the government position with the best person in the area, and I thought that was quite a landmark or significant decision to make.

Office Of Native Employment Should Be A Secretariat

The other general comment is to do with the native employment division. I am aware of the person that is in that position now, and this is something that I have raised with the government last year when we were here. I had suggested that perhaps the office of native employment should be directly under the Executive Committee, that the matter of native employment was so very important that it should not just be hidden and kind of lost somewhere in the Department of Personnel, that it should be a secretariat by itself that reports directly to the Executive Committee. My feelings are still that that would be the best way of ensuring that a person or a group of people were really working hard and in earnest to get more native people working for the government, particularly in Yellowknife. My feeling is that in the remoter areas of the North, where government is closer to the people, that government is making serious attempts and doing reasonably well in hiring native people, but where we still do not have a proportionate number of native people is in the headquarters and in the regions. Of course it is not all the government's fault, because a lot of the native people do not want to move from the small settlements, and there are only some that want to move to the bigger places, but I still feel that the office of native employment should be a secretariat, they should have more staff than they have now, and given higher status than now, and I would like to see if that is possible or what Mr. Commissioner has to say about that.

The reason, of course, why this is so important is that, being concerned with native employment, sometimes one has to confront maybe certain departments or certain officials that are not too enthusiastic or supportive of native people being employed for the government so, unless you have a person with significant status, then you can be told to go to hell or just turned aside or not listened to. So it is important to have in that position someone of high enough status and authority that he or she can be effective in the work.

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

COMMISSIONER PARKER: Mr. Chairman, I am delighted to hear that the honourable Member sees some daylight on the horizon in the Mackenzie Liard area with regard to employment of local people.

With regard to the location of the office of native employment, we have considered his recommendation carefully, and, for the very reasons that he has given us, we have decided at this stage that it should remain in Personnel. The real functions of staffing are carried out there, and we are terribly afraid that if we separate those functions from the department that has the day to day responsibilities and that is engaged in staffing, recruitment, training and all of the other aspects -- if we separate them, we are afraid that they may not, in fact, receive the emphasis that they deserve.

Now, the recruitment and employment of native people within the government is one of the thrusts of this Legislature, and it is most assuredly a thrust of the Executive Committee. The Executive Committee is in a strong position to ensure that this happens, because in recruitment for positions in each department, each Minister is pretty well aware of what is going on, and he can ensure that the recruitment of people within the North and, more particularly, the native people, is always kept in mind. It certainly could be done either way. I would not argue that, but we feel that it, in fact, can be given more attention if it is part of Personnel.

CHAIRMAN (Mr. Pudluk): Thank you. Personnel. General comments. Any questions? Would this committee like to go on to the pages?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Agreed.

---Agreed

Total O And M, Directorate, Agreed

Okay, page 8.02, directorate, \$1,825,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Systems And Administration, Agreed

CHAIRMAN (Mr. Pudluk): Page 8.03, systems and administration, \$259,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Classification And Compensation

CHAIRMAN (Mr. Pudluk): Page 8.04, classification and compensation, \$468,000. Mr. MacQuarrie.

MR. MacQUARRIE: Certainly the matter of increasing the amount of native employment in the government is an important thing and it should continue to be a priority and probably be speeded up if that is at all possible, but at the same time there is a need for jobs to be filled and they have been filled by people from other parts of Canada, and that is just a fact of life. It is also a fact, you said, that this particular year there has been quite a large turnover, and that is a concern to me. Just first of all, I know last year we were given some statistics on the previous years turnover. I would ask the Commissioner if we could have access to that specific kind of information again this year? Is that available?

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

COMMISSIONER PARKER: Mr. Chairman, is Mr. MacQuarrie seeking it on a department by department basis?

CHAIRMAN (Mr. Pudluk): Mr. MacQuarrie?

MR. MacQUARRIE: Yes, not right at this moment, but I would just appreciate having that kind of information. The Commissioner said that he "feels" the turnover is part of a trend, and "hopes" that it will be reduced in the future, but in a sense I feel that what is happening is a signal that there are some kinds of problems, and I would ask the Commissioner whether something specific is being done to analyse the problem and then to address it. For instance, is there somebody who attempts to determine why people are leaving and whether, if there is a pattern in it, something can be done to address that specific problem?

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

COMMISSIONER PARKER: Mr. Chairman, if I could just go back and assure the Member that we will provide the information that he had requested on turnover by department. Further, with regard to the whole question of turnover and reasons

for same, the Executive Committee, in fact, has pressed me for answers in this area, and we have, over the years, had various means of separation interviews, collecting questionnaires from people who leave, various other things, and we are about set to commence a new series of efforts in order to learn first-hand from our employees -- the ones that are leaving -- what their reasons for leaving are.

The director of Personnel is charged with the responsibility of advising the Executive Committee as to trends and reasons for trends, and I think that even without actual surveys we are able to develop a pretty good feeling why these things are taking place. I think I have outlined some of them. I do not know, probably the Member himself knows other reasons why people move, but at the end of this fiscal year we will be making a further examination and trying to be a little more precise in why the changes have taken place.

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

Government Action Re Economic Problems

MR. MacQUARRIE: Yes. When you have that information, again, I would appreciate access to it. Possibly one of the reasons is an erosion of financial benefits or something like that, so what I am going to say next may seem to be incongruous, but at any rate I know, at a recent conference that involved the Prime Minister and the premiers and so on, the Prime Minister insisted that part of the economic problem in the country was public sector wage agreements and this sort of thing, and insisted that it was necessary for provinces to take responsibility in trying to hold them back to a reasonable level. Then just on the news -- I cannot remember whether it was last night or this morning -- I hear that the premier of British Columbia has made a statement in that regard. My question, Mr. Commissioner, is: Has this government yet addressed itself to that particular problem, to determine whether in fact that is a legitimate kind of assessment as to what is causing economic problems, and to determine whether this government in the future -- I know that we have just concluded one wage agreement, but it is about a year behind schedule, so within another year or slightly more we will be looking at another settlement -- so whether this government is addressing that particular concern and not going to just let events take their course, but rather actually look at it and determine what a policy should be?

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

COMMISSIONER PARKER: Mr. Chairman, we are such a small jurisdiction, from the standpoint of numbers of employees, compared with other governments, that it is very difficult for us to react separately; that is to say that what other governments do in the way of personnel policies and what they offer in the way of pay packages has a great bearing on us, and we cannot really take very independent action. I think a review of our wage settlements over the past several years will indicate that we have been, as managers, very responsible, we have tried to meet the legitimate needs of our employees, but we have not ever been overly generous.

As for looking to the future, I guess I can say we are not looking at wage and price controls at this time, and, since we have now a two year agreement with our major employee association, we have some time in which to observe what happens throughout the rest of the country before we ourselves do anything of a different nature. I think, in a general sense, the Members of the Executive Committee would agree that spending in the public sector tends to be an indicator of spending throughout the rest of the country, and therefore, if the public sector spending can be done with great care, it should reduce the rate of inflation throughout the country, but I underline the fact that we are a very, very small cog in the large wheel.



Total O And M, Classification And Compensation, Agreed

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Commissioner. Page 8.04, classification and compensation, \$468,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Personnel Services

CHAIRMAN (Mr. Pudluk): Page 8.05, personnel services, \$8,145,000. Honourable Member for Mackenzie Liard.

MR. SIBBESTON: Mr. Chairman, I do not know precisely where the territorial government is with respect to its housing, but I just want to state my position on housing. I take the view that the territorial government should get out of housing, and this is a view that is supported by the mayor of Fort Simpson and also the chief of Fort Simpson. I have had discussions with some of the territorial government employees, particularly the teachers, in Simpson, who do not like the territorial government's plan of eventually getting out of housing. In fact, just today I received a letter from the president of the local NWTTA in Simpson, suggesting that, among other things, the government continue with its present housing program as long as possible, but my position, and that of other people in my constituency that have had a chance to really think about it, is that the territorial government should get out of government housing as soon as possible. It just seems for too long we had the situation of government providing staff housing in communities -- fast and high turnover where you have white people coming in from the South, taking these jobs and housing, and seeming to be getting all of the benefits from the government.

As I said, the mayor and the chief of Fort Simpson take the view that it is about time that the government quit this business of providing staff housing to its employees, that people should all be the same, they should fend for themselves, they should provide their own housing, of course, with the idea that only those persons who are really interested in the North should come north. People should not come north just because of the high pay and all these benefits that they get. White people from the South are welcome, and should come up, only because they are interested in living in the North, interested in working with the people here, and staying for a long period of time, and it is thought by getting rid of government housing, that you will only attract these persons.

In the past, there have been white people who have come to the North, who have come to the small places like Simpson, who have become very involved in the community, married local people, they have their own housing, and they fit very well into the community, and these are the people that we would like to see more of. I think, if we just made it so that they all had to provide their own housing, that it will make for such people -- only those that are interested -- and also it will do away with the bad feeling, because oftentimes we see people coming in from the South, coming to the little communities, and just staying a little while and then going, and there is ill feeling because people say, "Well, white people get everything, native people nothing." So it will do away with a lot of the bad feeling that is there with the present government policy, so I really encourage the government to get out of housing as quickly as possible, so everybody can be on a more equal basis. As it is, I think, the government giving \$300 for every civil servant is very generous, and that in itself is quite an incentive, really, and it should not be more than that. I would like to hear what Mr. Parker has to say.

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

Government Encouragement Of Home-Ownership

COMMISSIONER PARKER: Mr. Chairman, I am grateful to the Member for his support of our program to get the government out of staff housing. Certainly, that is a program that the Executive Committee has both developed and endorsed and are proceeding with. We are attempting to not proceed with it in such a fashion that we cause grave concern to our employees or that they are treated improperly in any way and that is why from time to time we have been amending the program, because we do not claim that the first design of it was perfect, but that is our plan, that is our desire. Everyone in this House, I think, has agreed on the reasons for us making this change. I must say that we are making changes that other governments have not made and we are proud of the fact that we are breaking new ground in this area. I can simply reassure the Member that we are proceeding with the policy and that thus far it appears to be working very well. There is no doubt that it was a difficult time for us to start introducing a policy of home-ownership, in a time of very, very high interest rates. We also recognize that in many of the communities home-ownership is simply not a viable possibility at this stage, but that does not mean that we are going to not try and develop programs that will make home-ownership a reality, and I speak particularly of the Eastern Arctic regions. I would simply confirm that we are proceeding with our policy and I am very pleased to say that we are doing so with a high degree of success.

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

MS COURNOYEA: Mr. Chairman, I would like to ask the Commissioner if he is dealing presently with the concern that has been brought to the attention of this Legislature on a number of occasions and that is political rights for civil servants. I have a concern that certainly in the higher government positions or more senior government positions, that they should be limited in terms of being involved with community politics, for various reasons I have already stated, and I am wondering if your department is dealing with that at this time?

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

COMMISSIONER PARKER: Mr. Chairman, we are not dealing with that problem through the Department of Personnel, although we will take some assistance and advice from the Department of Personnel, but it is the Executive Committee itself that is following up on that subject. I must say that we had a flurry of activity in it several months ago and I guess we have to get active in that area again. I am afraid that I have nothing new to report at this time. We have not lost sight of the question. We are very much aware that several Members are anxious to see some changes made in the appropriate ordinances before the next territorial election.

Total O And M, Personnel Services, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Ms Cournoyea. No more? Personnel services, \$8,145,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Staff Training And Development

CHAIRMAN (Mr. Pudluk): Page 8.06, staff training and development, \$2,562,000. The honourable Member for Mackenzie Liard.

Motion That Staff Of Office Of Native Employment Be Increased And Report To Executive Committee

MR. SIBBESTON: I just have a little motion here, that I move that the Executive Committee or the Commissioner seriously examine the desirability of increasing the status and staff of the office of native employment and to make the office report and be directly responsible to the Executive Committee.

CHAIRMAN (Mr. Pudluk): Thank you. Your motion is in order. To the motion.

MR. SIBBESTON: Yes, Mr. Chairman. I know that the Commissioner just said a while ago that he thinks it is difficult to do, but I would like the Executive Committee and the Commissioner to take another good look at it and seriously consider if it would be a good thing to move the office of native employment up, give the people who work there some status and a little more staff and also have them report directly to the Executive Committee.

I say this because it is an important part of government. If you want it to be effective, then you do not leave it somewhere away down the ladder, somewhere in the Department of Personnel, because it either gets lost or it is so insignificant that nothing much happens -- inasmuch as it looks nice that the government has one or two persons who spend their time directly on increasing native employment. I am aware that the office of native employment has had difficulty over the course of the years since it started a number of years ago. I know that there has been quite a high turnover. I remember when Jake Heron was hired for that position and he left after a while. I noticed that there was a Mr. Whitford that also worked there for a while and he went on. There was Mr. Look that was there for a while and now I know that Ms Casaway is in that position and who knows, she may move on. So, I think we need to do something to make sure that once someone is in there, that the person feels that there is meaning and there is some purpose in having a job, rather than just simply moving on after a while.

I am aware that the office is just a small little office. It essentially is, I think, Ms Casaway and one secretary and one or two other persons to help and it is primarily involved in this part of the North. I think that there should be more persons involved so that -- maybe there is no problem in the Eastern Arctic, I do not know, but it seems to me if you are going to do a good job you have to have more staff than simply yourself and one person.

So this, again, is a matter that was discussed at our regional meeting in our part of the North and at a Dene Nation meeting in Hay River shortly after the New Year, where all the chiefs and leaders of the community met. This was discussed and a motion was passed similar to this, that the office of native employment be given much more status and much more authority so that it can do a really effective job in getting more native people to work for this office. So, it is just really with the idea of having the office do a more efficient job that I am saying this.

CHAIRMAN (Mr. Pudluk): Thank you. To the motion. Mr. Commissioner.

#### Native Counsellors And Trainees In Regions

COMMISSIONER PARKER: Mr. Chairman, certainly I would be more than pleased to review this situation again and with an open mind too, I would commit myself to the Member. But I would like to supply just a little bit more information, if I may. We have, indeed, a co-ordinator and a counsellor in the office in Yellowknife and they have whatever is necessary in the way of clerical support, but we also have established in four of the regions the position of native counsellor and all four of them are staffed and we will be establishing a native counsellor position in the future in the Kitikmeot region. In addition, in three of the regions we have a trainee, that is as if that person were an apprentice in that job. So, we have seven people in the field working directly in this area.

The only other thing that I would like to say is that we take as a very major thrust in the Department of Personnel the employment of native northerners and, therefore, it is the responsibility of everyone, from the director down, to give emphasis to this. However, I certainly remain open to further review in this area and open also to an enhancement of the function.

CHAIRMAN (Mr. Pudluk): To the motion. Are you ready for the question?

AN HON. MEMBER: Question.

Motion That Staff Of Office Of Native Employment Be Increased And Report To Executive Committee, Carried

CHAIRMAN (Mr. Pudluk): Question has been called. All in favour, please raise your hands. Down. Opposed? The motion is carried.

---Carried

Staff training and development, total O and M, \$2,562,000. Mrs. Sorensen.

Query From Standing Committee On Finance

MRS. SORENSEN: Mr. Chairman, when the departmental officials came before the standing committee on finance one of the questions we asked Mr. Blewett was if he had additional money for new programs what are some of the things he would like to do. One of the things he pointed out was he felt that this government could handle more in-service training positions and that if it had more money that he would like to go ahead with establishing more of these programs. I wonder, Mr. Commissioner, whether consideration is being given to adding a few more in-service training programs to the existing program now.

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

COMMISSIONER PARKER: Thank you, Mr. Chairman. In fact, even with our best efforts, we are just this year coming up to fully utilizing the money that we have put in the budget for this function. So, we will be all right. We will be able to fully utilize the funds in the forthcoming fiscal year and in the year after than, then we will most certainly be seeking an increase.

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

MRS. SORENSEN: Mr. Commissioner, I wonder for the House if you could maybe explain the in-service training program, how you recruit trainees to the program and what kind of co-ordination and control do you have over the program within this department to make sure these people do not remain trainees for the rest of their careers?

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

COMMISSIONER PARKER: Thank you, Mr. Chairman. When we recruit people to be trainees they are recruited for specific positions which are identified by departments. The departments have specific work loads for these people to do or they have identified courses that will...

CHAIRMAN (Mr. Pudluk): I have to make an interruption there. I have lost my quorum. Let us take 15 minutes for coffee break.

---SHORT RECESS

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

Recruiting For In-Service Training Program

COMMISSIONER PARKER: Mr. Chairman, the question that had been put to me concerned the matter of in-service training and I had given part of the answer. Perhaps another few items that I should mention in this regard are these. We recruit for the in-service training positions through the normal competition process and as

I mentioned earlier, the positions are identified by departments who have a clear training need and in establishing that position, then they guarantee the employment of the individual once the training is completed. We have a very satisfactory or better than satisfactory record with our trainees. We are basically training in the professional and technical areas. One further piece of information, I am pleased to submit, is that 84 per cent of the active trainees are native persons. I may not have covered the question adequately but if there are more questions, I will try to answer them.

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

MRS. SORENSEN: I wonder, Mr. Commissioner, if you could table the objectives of the in-service training program, unless you have them there. If you have them there, I would be prepared to just have you read them off, but I think the objectives are very important in terms of whether they are or are not being fulfilled. Thank you, Mr. Chairman.

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

COMMISSIONER PARKER: Mr. Chairman, I would be pleased to make the objectives available. I do not have them in front of me this afternoon.

Total O And M, Staff Training And Development, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Staff training and development, total O and M \$2,562,000. Is it agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Pudluk): There is no capital on this department. We will go back to page 8.01, O and M \$13,259,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): I would like to thank the Commissioner. Where does this committee wish to go now?

SOME HON. MEMBERS: Progress.

CHAIRMAN (Mr. Pudluk): Progress. Agreed?

---Agreed

Thank you.

MR. 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. SPEAKER: Thank you very much. Mr. Clerk, announcements and orders of the day, please.

CLERK OF THE HOUSE (Mr. Remnant): Announcements, February 22nd, a meeting of the Members' Services Board at 10:00 a.m. in room 301.

ITEM NO. 14: ORDERS OF THE DAY

Orders of the day, 1:00 p.m., Monday, February 22, 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. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until Monday, 1:00 p.m., February 22, 1982.

---ADJOURNMENT

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