



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, FEBRUARY 26, 1982

MEMBERS PRESENT

Mr. Appaqaq, Mr. Arlooktoo, Hon. George Braden, Ms Cournoyea, Mr. Curley, Mr. Evaluarjuk, Mr. Fraser, Mr. Kilabuk, Mr. MacQuarrie, Hon. Arnold McCallum, Mr. McLaughlin, Mr. Noah, Hon. Dennis Patterson, Mr. Pudluk, Mr. Sayine, 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 the 26th.

Item 2, replies to Commissioner's Address.

Item 3, oral questions.

ITEM 3: ORAL QUESTIONS

Oral questions. Mr. Curley.

MR. CURLEY: Mr. Speaker, I would like to ask the Commissioner a couple of questions, and maybe he could be permitted to come in here.

MR. SPEAKER: Thank you. Requesting the Commissioner enter the ropes. Is it agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Mr. Commissioner. Mr. Curley.

Question 51-82(1): Executive Committee Endorsement Of Constitutional Alliance Principles

MR. CURLEY: Mr. Speaker, in view of the fact that the Commissioner is the Chief Executive Officer and chairman of the Executive Committee, I would like to ask him the question whether or not his cabinet has fully endorsed the principles that were outlined by the Minister responsible for Constitutional Development, particularly as they relate to the alliance, and I am particularly interested in section c), that the alliance will initiate the development of common positions and negotiate constitutional reform with the federal government. I would like to ask the Commissioner, has your cabinet, the Executive Committee, approved those principles and therefore fully endorsed the work of the alliance?

MR. SPEAKER: Mr. Commissioner.

Return To Question 51-82(1): Executive Committee Endorsement Of Constitutional Alliance Principles

COMMISSIONER PARKER: Mr. Speaker, the Executive Committee has endorsed the efforts of the Minister of Aboriginal Rights and Constitutional Development insofar as the initiatives that he is now undertaking with the group which has become known as the alliance. The Executive Committee has not considered the principles contained in the report that the Member referred to on an individual basis, but on the basis that the work of the alliance must come to this House in the form of recommendations and receive the approval of this House. Insofar as that is to take place, then the Executive Committee does, indeed, endorse the work of this group and the efforts of the Minister.

MR. SPEAKER: Thank you, Mr. Commissioner. Mr. Curley.

Question 52-82(1): Executive Committee Approval Of Principle For Political And Administrative Reform

MR. CURLEY: Yes, Mr. Speaker. I have another question. I understand that the Executive Committee is fully behind the efforts of the Minister of Constitutional Development. Again I would like to ask the Commissioner, as the chairman of the Executive Committee, whether he fully endorses, or his Executive Committee endorses the last principle, which states that the alliance will work toward initiating political and administrative reform within the Northwest Territories where the jurisdiction rests with the Northwest Territories Act. Does the Commissioner not feel that any reform with regard to the Northwest Territories Act should first have the approval and endorsement from the Executive Committee, or is he telling me that the Minister in charge normally would just go directly to the Legislature?

MR. SPEAKER: Mr. Commissioner.

COMMISSIONER PARKER: Mr. Speaker, I am a bit unclear on the question. Was the question that the Minister -- that is, the Minister of Aboriginal Rights and Constitutional Development should go first to the Executive Committee, or directly to this House?

MR. SPEAKER: Would you rephrase your question, please, Mr. Curley? I did not understand it either.

MR. CURLEY: Yes, okay. The last principle in the Minister's report states, "initiate political and administrative reform within the Northwest Territories where the jurisdiction rests with the Northwest Territories Act". So my question is, does the Executive Committee support fully the Minister responsible for Constitutional Development going directly to the Legislature through the alliance rather than through the Executive Committee? Does the approval of the proposals for reform be considered by the Executive Committee, or does the Minister responsible go directly to the Legislature, as you have stated?

MR. SPEAKER: Mr. Commissioner.

Return To Question 52-82(1): Executive Committee Approval Of Principle For Political And Administrative Reform

COMMISSIONER PARKER: Mr. Speaker, since the Minister of Aboriginal Rights and Constitutional Development has the confidence of his colleagues in the Executive Committee, it is my belief that he has their endorsement to come directly to this House to report on the stage of negotiations and to report his recommendations. Now, I should also state that it is quite clear that that Minister will also be reporting from time to time to his colleagues on the Executive Committee.

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

MR. CURLEY: Yes, thank you, Mr. Speaker. The reason I am going at this in that fashion is that I understood that there must be a cabinet solidarity on any major government position, but on the constitutional development issue that does not necessarily have to be, as far as the Minister responsible for Constitutional Development is concerned. So I would just like to understand that, and I got your assurance that there does not necessarily have to be a cabinet solidarity on the constitutional development. Fine with me.

Question 53-82(1): Appointment Of Minister For Nunavut

Another question that I have to the Commissioner is that in view of the fact that he fully supports the efforts of the constitutional development, will he now seriously consider appointing a minister responsible for Nunavut, and thereby appoint him just shortly before the plebiscite?

MR. SPEAKER: Mr. Commissioner.

Return To Question 53-82(1): Appointment Of Minister For Nunavut

COMMISSIONER PARKER: Mr. Speaker, the question of a minister for Nunavut or a minister for the eastern regions most certainly has been raised in this House and with me over a span of perhaps more than a year, and perhaps I am negligent in not having dealt with it before this time. It has been my view that the Minister for Aboriginal Rights and Constitutional Development has the responsibility within the Executive Committee to deal with constitutional development matters for all parts of the Northwest Territories. I am still puzzling over the appropriateness of appointing at this stage a minister who would be responsible for Nunavut, bearing in mind that the plebiscite is so close, within six weeks, and also bearing in mind that I have had no request to establish a minister for Denendeh, or a minister for the western part of the Territories, and therefore I would have some concern over, at this stage, appointing a minister for one part of the argument, as it were. If I could add, Mr. Speaker, the question of regional representation within the Executive Committee, which is part of this question but not exactly the same, has also been discussed from time to time, and I believe that my colleagues in the Executive Committee are prepared to deal with that issue, that is, to seek perhaps some means of ensuring that there is direct ministerial input into regional operations.

AN HON. MEMBER: Hear, hear!

COMMISSIONER PARKER: I am not in a position to report today as to the final decision in that area, but I am in a position to say that it is a matter of very current discussion.

MR. SPEAKER: Thank you, Mr. Commissioner. Oral questions. Mr. Curley. Remember, this is a question period, not a debating period. I shall take another question.

Question 54-82(1): Minister For Nunavut

MR. CURLEY: Thank you. In view of the fact that the Commissioner had already stated -- right -- five minutes ago, and in view of the fact that the Commissioner had assured this House since last May that he would look into the possibility of appointing a minister responsible for Eastern Arctic affairs, which is really the Nunavut area, I would like to ask the Minister responsible for Constitutional Development, since the chairman of the Executive Committee already stated that he fully endorses your initiative, and in view of the fact that you supported the motion yesterday urging the Executive Committee to appoint a minister responsible for Nunavut, will you indicate to this House that you will attempt to convince your colleagues on the Executive Committee and the Commissioner to appoint a minister responsible prior to the plebiscite vote?

MR. SPEAKER: Mr. Wah-Shee.

Return To Question 54-82(1): Minister For Nunavut

HON. JAMES WAH-SHEE: Mr. Speaker, that is a loaded question if I ever heard one.

---Laughter

First of all, I indicated yesterday that I do support the idea of having a minister responsible for Nunavut. Now, I have the task, of course, and the honourable Member has already mentioned it, that I have to convince my colleagues on the Executive of it. I am not certain whether my colleagues will be prepared to appoint someone before April 14th; however, I do believe that there is a need right now, because the Ministry of Constitutional Development for the whole Territories is a really complex one, and I would appreciate having another colleague of mine who would share this responsibility between the East and the West. Thank you.

MR. SPEAKER: Thank you, Mr. Wah-Shee. Oral questions. Mr. MacQuarrie.

Question 55-82(1): Assembly Endorsement Of Constitutional Alliance

MR. MacQUARRIE: Yes, if I may follow up on the constitutional development matter. Yesterday the Assembly did endorse in a general way what the alliance was attempting to do. I personally expressed the belief that that did not mean we were endorsing all of the specific principles in the paper. Could I ask the Minister how he views that matter? Does he consider that all of the principles that are in that paper are endorsed fully by this Assembly? Personally, I would hope not. If the answer is no, can I ask the Minister what plans he has for allowing for fullfledged discussion of these matters in the Assembly, at what time?

MR. SPEAKER: Mr. Wah-Shee.

Return To Question 55-82(1): Assembly Endorsement Of Constitutional Alliance

HON. JAMES WAH-SHEE: Mr. Speaker, I believe the Legislature has indicated that they are prepared to participate within the constitutional alliance, and that the members of the alliance would like to work out a more detailed proposal for the consideration of this House; and I think that the other members of the constitutional alliance would be expected to do the same thing. However, I cannot really move unless I come back to this House for the support of my colleagues in this House.

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

Item 4, questions and returns.

ITEM NO. 4: QUESTIONS AND RETURNS

Written questions. Are there any written questions for today? Mr. McLaughlin.

Question 56-82(1): Special Funds For Disabled Students

MR. McLAUGHLIN: Thank you, Mr. Speaker. I have a written question for the Minister of Education. As the Minister is aware, there is a committee involving the Departments of Education, Health and Social Services which deals with students with special problems who have to be sent out of the Northwest Territories to be taken care of. Last year, I requested that the officials from these departments should meet to see if they could come up with a policy to provide funds to groups of parents or education committees who want to take care of students in their own communities. Can the Minister advise if this possibility, taking care of these students' requirements, has been discussed

and if funds can be made available to take care of these students in a manner which surely has to be better for these children and their families, and would probably be a cheaper way to effect this very necessary service? After all, 1981 was the International Year of Disabled Persons and I hope our government seriously considered proposals like this for future fiscal years. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. McLaughlin. Are there any further written questions? Are there any returns today? Mr. Braden.

Return To Question 42-82(1): Uniforms For Rangers

HON. GEORGE BRADEN: Thank you, Mr. Speaker. I have a return to oral Question 42-82(1), asked by Mr. Arlooktoo on February 23rd. It concerns uniforms for Canadian Rangers. Canadian Rangers come under the jurisdiction of the federal Department of National Defence; however, I have consulted with Brigadier General Blake Baile of the northern command headquarters in Yellowknife, and now have the following to report on the matter of uniforms for the Canadian Rangers. Brigadier General Baile states that in recent years they have studied the possibility of providing the Canadian Rangers with uniforms. However, they decided that uniforms would not be complementary to their role. However, for designation purposes, the rangers have been and will continue to be provided with a red armband bearing a crest of crossed rifle and axe. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you, Mr. Minister. Are there any further returns today? Mr. Braden.

HON. GEORGE BRADEN: Thank you, Mr. Speaker. I have a statement that my colleague, Mr. Nerysoo, has asked me to read into the record. It is very short, and I would like consent to proceed, please.

MR. SPEAKER: Proceed, Mr. Braden.

Minister's Statement Re Proposed Embargo On Sealskins

HON. GEORGE BRADEN: Mr. Speaker, I wish to address once more a matter of pressing concern which, if corrective action is not immediately taken, could have serious repercussions in the Northwest Territories. I am referring to a proposed embargo on sealskins which has been recommended to the European Economic Council by anti-sealing groups. This proposal is clearly aimed at halting the harvest of harp seals in the Atlantic, but if it succeeds, it will have a similar effect on the utilization of ring seals in Canada's North. As you know, ring seals have traditionally been the very staff of life for Inuit in the Northwest Territories, supplying not only food but fuel and clothing as well. Today, the extra bit of cash which a sealskin brings may seem insignificant to some, but for those living in isolated communities where all but country food must be imported at great expense, and where few full-time jobs are available, it is not.

I therefore suggest, Mr. Speaker, that the proposed embargo, which implies a blanket condemnation of all seal hunting, is one made in ignorance, and I further suggest that we as elected representatives have a duty to protect the interests of the people in this matter, and that we should therefore join forces with the ITC and a representative of the fur industry and send a representative to Europe to argue our case, to inform the people there that Inuit hunters are not a part of the St. Lawrence harp seal hunt, do not club seals to death by the thousands, and that the proposed embargo would have a deleterious or harmful effect on the life and well-being of the Inuit of the Northwest Territories.

Finally, I think it would be appropriate to extend an official invitation to the European Economic Council to send representatives here to the Northwest Territories to see for themselves the truth of the matter. Thank you.

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

Item 5 on the orders of the day, petitions.

Item 6, tabling of documents.

Item 7, reports of standing and special committees.

ITEM NO. 7: REPORTS OF STANDING AND SPECIAL COMMITTEES

Mrs. Sorensen.

MRS. SORENSEN: Thank you, Mr. Chairman. I would like to present the 14th Report of the Standing Committee on Finance to the Legislative Assembly on the 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 31st, 1981.

Motion To Move 14th Report Of The Standing Committee On Finance To Committee Of The Whole, Carried

Mr. Speaker, I move that this report be placed in committee of the whole to be read and discussed during the presentation of the Auditor General later today.

MR. SPEAKER: I have a motion on the floor to move the committee report into the committee of the whole this afternoon for discussion. Do I have a seconder? Mr. MacQuarrie. Discussion to the motion. Ready for the question?

SOME HON. MEMBERS: Question.

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

---Carried

Reports of standing and special committees.

Item 8, notices of motion.

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

Item 10, motions.

ITEM NO. 10: MOTIONS

I notice that we do not have Motion 36-82(1), belonging to Mr. Curley, on the orders of the day. I think this was an oversight. It was set aside yesterday. Do you wish to proceed with that motion at this time, Mr. Curley?

Motion 36-82(1): Plebiscite On Boundary Proposals, Withdrawn

MR. CURLEY: Yes, Mr. Speaker. My understanding is that my motion is technically not correct and I will be withdrawing it today.

MR. SPEAKER: Thank you, Mr. Curley. Motion 39-82(1). Mr. Pudluk.

Motion 39-82(1): New TV Antenna For Resolute Bay

MR. PUDLUK: Mr. Speaker:

WHEREAS many houses in Resolute Bay are unable to receive a TV signal because the antenna beside the receiving dish is too short;

AND WHEREAS residents who wish to watch TV must install their own TV antennas on top of their houses;

AND WHEREAS these privately owned antennas are frequently damaged or destroyed by the very strong winds that are common in Resolute Bay;

NOW THEREFORE, I move, seconded by the honourable Member for Hudson Bay, that this Legislative Assembly recommend to the Executive Committee that it replace the existing antenna beside the receiving dish in Resolute Bay as soon as possible with a new antenna high enough to ensure that the TV signal can be received by all houses in the settlement.

MR. SPEAKER: Thank you, Mr. Pudluk. Your motion is in order. Proceed.

MR. PUDLUK: (Translation) This motion that I made, even if I really do not say it in detail -- there are some houses in Resolute Bay that need antennas. Some of the houses have antennas inside because they get damaged too easily by the strong winds up in Resolute Bay. Without any antennas, we cannot even watch any TV. We can hear the sound, but there is nothing on the screen with no antennas. The receiving dish was put up in Resolute Bay so the Resolute Bay people could be included in the statistics. I would like the antenna to be fixed as soon as possible, so the Resolute Bay people will be able to watch TV again. Thank you.

MR. SPEAKER: Thank you, Mr. Pudluk. Mr. Appaqaq, as seconder of the motion, do you wish to speak at this time?

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I really do not have much to say, but I know about these kinds of problems. I know it costs a lot of money to watch TV, without having to fix your own antennas. I support this motion. Thank you.

MR. SPEAKER: Thank you. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: To the motion. Are you ready for the question?

SOME HON. MEMBERS: Question.

Motion 39-82(1), Carried

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

---Carried

Motion 40-82(1). Mr. Pudluk.

Motion 40-82(1): Local Radio Station In Resolute Bay

MR. PUDLUK: Thank you, Mr. Speaker.

WHEREAS the community of Resolute Bay does not have adequate means of communication;

AND WHEREAS the smaller populated communities in the NWT have local radio stations;

AND WHEREAS there is a need for residents to hear important or any other information;

NOW THEREFORE, I move, seconded by the honourable Member for Hudson Bay, that this Legislative Assembly recommend to the Executive Committee that it set up a local radio station in Resolute Bay as soon as possible.

MR. SPEAKER: Your motion is in order, Mr. Pudluk. Proceed.

MR. PUDLUK: (Translation) Thank you, Mr. Speaker. Yes, we always have a lot of problems and these problems that we have have to be heard about. There are quite a few people who do not have phones and when there is an emergency, for instance, if there is a polar bear in the community, it takes a long time for our people to hear about this, even through we try to phone everybody that has a telephone. It just takes a long time to let everybody hear about what is going on. If I have anything to say from this House, the only way I could report on this is by the telephone. It is very hard to get a public meeting going, except through radio programs. This is all I have to say. Thank you.

MR. SPEAKER: Thank you, Mr. Pudluk. Mr. Appaqaq, as seconder, do you wish to speak to this motion?

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I just would like to support this, because I know in the communities people do not really like to attend meetings any more except through radio programs. We use radio stations a lot more now. Thank you.

MR. SPEAKER: Thank you, Mr. Appaqaq. To the motion.

SOME HON. MEMBERS: Question.

MR. SPEAKER: Question being called. Are you ready for the question?

SOME HON. MEMBERS: Question.

Motion 40-82(1), Carried

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

---Carried

That then will conclude motions for today.

Item 11, introduction of bills for first reading.

ITEM NO. 11: INTRODUCTION OF BILLS FOR FIRST READING

Mr. Braden.

First Reading Of Bill 8-82(1): Vital Statistics Ordinance

HON. GEORGE BRADEN: Mr. Speaker, I move that Bill 8-82(1), An Ordinance to Amend the Vital Statistics Ordinance, be read for the first time.

MR. SPEAKER: Is there a seconder? Mr. Wah-Shee. All those in favour? Opposed, if any? The bill is at first reading.

---Carried

Introduction of bills for first reading.

Item 12, second reading of bills.

ITEM 12: SECOND READING OF BILLS

Mr. Braden.

HON. GEORGE BRADEN: Mr. Speaker, I wonder if I might have the consent of the House to move into second reading of Bill 8-82(1)?

MR. SPEAKER: Unanimous consent is being requested to move into second reading of Bill 8-82(1). Do we have unanimous consent?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Are there any nays?

---Agreed

Proceed, Mr. Braden.

Second Reading Of Bill 8-82(1): Vital Statistics Ordinance

HON. GEORGE BRADEN: Thank you, Mr. Speaker. I move that Bill 8-82(1), An Ordinance to Amend the Vital Statistics Ordinance, be read for the second time. The purpose of this bill, Mr. Speaker, is to amend the Vital Statistics Ordinance to allow a child to be registered under the surname of the father, hyphenated or combined with the surname of the mother.

MR. SPEAKER: Do I have a seconder? Mr. Tologanak. Discussion in principle of the bill. Are you ready for the question?

SOME HON. MEMBERS: Question.

MR. SPEAKER: All those in favour?

HON. GEORGE BRADEN: Mr. Speaker. Mr. Speaker, I suppose I could go into some discussion of the principle, because it really does reflect changes which I believe that women all over Canada have been fighting for for many years, but I will save that until committee of the whole. Thank you.

MR. McLAUGHLIN: Very good. Very nice.

---Applause

MR. SPEAKER: Are you ready for the question? All those in favour? Opposed, if any? Bill 8-82(1) has had second reading.

---Carried

Second reading of bills.

Item 13 on the orders of the day, 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

Tabled Document 4-82(1); Tabled Document 20-82(1); Tabled Document 21-82(1) and the 14th Report of the Standing Committee on Finance; Bill 1-82(1), Appropriation Ordinance, 1982-83; Tabled Document 15-82(1); and Tabled Document 16-82(1); 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 Tabled Document 4-82(1), Annual Report of Territorial Accounts, Fiscal Year 1980-81; Tabled Document 20-82(1), Report to the Council of the NWT on the Examination of the Accounts and Financial Statements of the Government of the NWT for the Year Ended March 31, 1981; Tabled Document 21-82(1), Report to the Council of the NWT on "Any Other Matter" arising from the Examination of the Accounts and Financial Statements of the Government of the NWT for the Year Ended March 31, 1981; 14th Report of the Standing Committee on Finance; 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 TABLED DOCUMENT 4-82(1), ANNUAL REPORT OF TERRITORIAL ACCOUNTS, FISCAL YEAR 1980-81; TABLED DOCUMENT 20-82(1), REPORT TO THE COUNCIL OF THE NWT ON THE EXAMINATION OF THE ACCOUNTS AND FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE NWT FOR THE YEAR ENDED MARCH 31, 1981; TABLED DOCUMENT 21-82(1), REPORT TO THE COUNCIL OF THE NWT ON "ANY OTHER MATTER" ARISING FROM THE EXAMINATION OF THE ACCOUNTS AND FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE NWT FOR THE YEAR ENDED MARCH 31, 1981; 14TH REPORT OF THE STANDING COMMITTEE ON FINANCE; BILL 1-82(1) APPROPRIATION ORDINANCE, 1982-83; 13TH REPORT OF THE STANDING COMMITTEE ON FINANCE

Tabled Documents 4-82(1), 20-82(1) And 21-82(1)

CHAIRMAN (Mr. Fraser): The committee will come to order. We are dealing with Tabled Documents 4-82(1), 20-82(1), and 21-82(1). You should find them in your folders. The tabled documents. Mrs. Sorensen.

MRS. SORENSEN: Thank you, Mr. Chairman. We have with us today the Auditor General, Mr. Ken Dye; Mr. Raymond Dubois, the deputy auditor general; and Harold Hayes, who is the principal responsible for the audit of the government and its agencies. I wonder if I could have the permission of the committee to bring in these three witnesses into the Assembly.

CHAIRMAN (Mr. Fraser): Is it agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): We would like to welcome the witnesses: the Auditor General, Mr. Dye; on his right is Mr. Dubois; on his left is Mr. Hayes. Have you any opening remarks for the Assembly, Mr. Dye?

Auditor General Of Canada's Opening Remarks

MR. DYE: Yes, Mr. Chairman. I would like the opportunity to make a brief opening statement. Let me first say how delighted I am to have this opportunity to appear before you in my capacity as your auditor of the Northwest Territories, and in my capacity as Auditor General of Canada, and to let you know how privileged I feel to have this first opportunity in my career as Auditor General to sit on the floor of a House, even if it happens to be in committee; so it is a first in my career, and I appreciate this opportunity you have extended to me. According to my deputy auditor general, Raymond Dubois, and Harold Hayes, my principal responsible for the audit of the government and its agencies, this is the first time that the Auditor General has appeared before you. I cannot guarantee to make this visit frequently because of other commitments from time to time; I do, however, intend to visit with you as frequently as possible in the future.

I believe it is important for me not to be totally absorbed by the Ottawa machine. After a year or so -- I have now been on the job for 10 months -- this sometime proves to be a tough struggle. I was not exactly naive; I was not a barefoot boy when I first arrived in Ottawa; and certainly it is an intimidating experience to be responsible for the audit of \$76 billion business. So it is very easy to be caught up in the state of mind of the bureaucracy; however, I am doing my best not to be seduced by that system down in southern Canada. I am also trying to get across the idea to the taxpayers that it is important to have effective systems, delivered efficiently and economically, and that is far more important than jurisdictions and government processes.

Something I have noticed since I arrived in Ottawa is the use of buzzwords, and I am pleased to observe that one of the favourite buzzwords is "accountability". I do not think that I am telling any of you present that the word "accountability" is one that has not been popular over the years in Ottawa, and accountability at the federal level has been less than satisfactory in recent years. In an environment where accountability is lacking, it is hard to get value for money when taxpayers dollars are being spent.

Well, what is accountability? In my mind, it is important to realize that accountability means different things to different people. From the political standpoint, it can be whether a policy objective has been achieved. I would, however, argue that the taxpayer is looking for more than simply the achievement of the policy objectives. The taxpayer must be interested in the administration or managerial aspects of accountability. How well-managed was the process which led to the achievement of a particular objective? Were the resources used economically and efficiently, and on programs that are effective? Accountability to me means that those who seek certain policy objectives take the responsibility for assuring that sound projects are soundly managed. The end should not justify any means. Rather than merely the achievement of particular ends, I view accountability as the process by which the public can be assured that their tax dollars are being spent prudently and economically, and on programs that are effective.

Role Of The Auditor General

With these comments in mind, what is our job in the audit office? I believe our responsibility is to review and report systematically at the federal level on accountability relationships and on the supporting activities, systems, and controls employed by management in fulfilling its responsibilities. This work is carried out on behalf of those who confer responsibilities; in other words, the Member of Parliament, or in this case in the Northwest Territories, the Legislative Assembly.

The role of the Auditor General, therefore, is directed toward the accountability of the federal government to parliament for the administration of public programs; that is, the administrative side of the government rather than the policy-making political side. Consequently, we are concerned with the accountability relationships at the program and managerial level. This includes responsibility for achievement of planned results, proper management of resources, compliance with established rules and regulations, and proper reporting of how these responsibilities have been met. Recently, my senior officials and I have been developing a new set of objectives for my office. As many major corporation executives have found in the private sector, it is remarkably difficult, and sometimes impossible to say precisely what business one is in.

I wanted to say in as few and as uncomplicated words as possible what it is we do. We have just completed that process, and I would like to share them with you as they are not long. Some of these objectives may sound self-evident and may be painfully obvious, but they are the culmination of considerable discussion, debate, and argument.

Objectives Of The Auditor General

What are the objectives of the Auditor General? I believe it is to make independent examinations of the accounts of federal departments and agencies, and of other entities, of which the Northwest Territories is one, where he is the appointed auditor, and to express his opinion on their integrity.

A second objective is to make an independent examination and inquiry, as I determine necessary, and based on those inquiries, to report whether or not there are significant deficiencies in the management control systems and practices in the audited entity during the period under examination, thereby providing reasonable assurance to the Members present, where possible, that public assets are safeguarded and controlled; transactions are lawful and proper; financial, human and physical resources are managed with due regard to economy and efficiency; and that procedures are in place to measure and to report the effectiveness of programs.

It is also an objective to call attention to anything that I consider to be of significance and of a nature that should be brought to the attention of the House, and in this case to the Assembly; to communicate my findings and

observations to the management of the audited entity; and to make any constructive recommendations which I might have. I also have two other objectives which are not necessary for you to be aware of.

Most of you, I suspect, may be familiar with the recently developed comprehensive auditing process. The scope of the comprehensive auditing includes attesting to the financial and performance information related to accountability. The scope is broad enough to permit me a review and report on the management of financial, human, and physical resources. This includes reviewing key management activities and assessing the adequacy of related systems and controls to ensure due regard for economy, efficiency, and effectiveness. One way of summarizing that is to ask the question of the manager, "How do you know how well you are managing, and how do you report on that?" Under section 23(5) of the Northwest Territories Act, the Auditor General has, in connection with his examination of the accounts of the Territories, all the powers that he has under the Auditor General Act in connection with the examination of the accounts of Canada. Under section 5 of the Auditor General Act as auditor of the accounts of Canada, I am empowered to make such independent examinations and inquiries as I deem necessary, and based on them to report to you.

It is not abundantly clear that I have the mandate to undertake value for money auditing here in the Northwest Territories, because of what may be a conflict with section 23(4) of the Northwest Territories Act which requires me to examine the accounts and financial transactions of the Territories so that I can express an opinion on the government's financial statements and report those to your Legislative Assembly. This requirement is similar to that contained in section 6 of my act in Ottawa. Section 23(4) of the Northwest Territories Act also provides for me to call attention to any other matter falling within the scope of my examination that, in my opinion, should be brought to your attention.

Major Issues Of Tabled Document 21-82(1)

In this 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, there are a number of matters, and those are now before you. I would like to summarize briefly the major issues. The first one is the accounting and reporting system. It seems to me that you share my views on value for money auditing as evidenced by your request through the Commissioner for my office to undertake a comprehensive audit of the government's new financial information system. As mentioned in our report, the scheduled date of April 1, 1980 for the implementation of the new system was not met. A contingency system had to be developed midway through the fiscal year, creating reporting and reconciliation problems. I have today had an opportunity to watch a demonstration of your new system, and I believe that your new system should be fully operative, now, in May, 1982, just a few months from now. We will be pleased to undertake this comprehensive audit, and expect that it will be completed by next September. Matters of significance arising from this audit will be included in my next years report to your Legislature.

On the point of year end procedures, Mr. Chairman, we encountered a number of problems with the contingency system which contributed to inadequate year end preparation of accounts, working papers, and financial statements. It made it very difficult for your accounting staff and my auditors to meet deadlines. More effective monitoring of progress on year end tasks and review of year end working papers and financial statements could have minimized the problems encountered. You will note from the comments of the Office of the Commissioner that positive corrective action is being taken on our recommendations. These actions will be followed up as part of this year's audit.

The third major point was the legislative amendment required for the present senior financial officer position. The revised Financial Administration Ordinance which, I understand, may be tabled shortly, should correct the situation. Under the existing ordinance, the Territorial Treasurer is designated as the senior financial officer; but organizational changes in the Department of Finance several years ago resulted in the appointment and recognition of the deputy minister of Finance as the senior financial officer.

A fourth major issue is in connection with the economic development project bank accounts. There were inadequacies in the control of economic development project bank accounts and the remittance of project revenues. The comments of the Office of the Commissioner indicate that procedures were not fully understood by regional officials. Procedures have been clarified, and accounting procedures are now in place to monitor projects regularly.

In connection with your accounts payable, the accounting procedures were not clearly understood by departments and regions. Payments were made in April, 1981, and charged to the previous year, 1980-81, although relating to the current year, 1981-82. Conversely, cheques dated and issued in March 1981 should, as required by government policy, have been charged to the 1980-81 appropriations even though they related to the 1981-82 fiscal year. You will note that the Office of the Commissioner's response indicates that the 1981-82 year end instructions clearly outline the government's accounting policy on accounts payable and cheque issue, and that the Department of Finance will monitor expenditures to the extent possible to ensure compliance.

With respect to the petroleum, oil, and lubricants revolving fund, while improvements have been made to the POL system, it does not provide adequate control on the POL operations. The deficiencies are highlighted in my report. The response of the Office of the Commissioner indicates that the system is being reviewed, and that changes are contemplated to ensure that proper controls are in place; also, that procedures are being established to ensure prompt collection of accounts receivable.

Regarding social assistance payments, we refer to serious weaknesses, particularly the lack of accountability over issue and usage of blank cheques, which could have serious consequences. The response of the Office of the Commissioner indicates corrective action taken.

On other matters, there are problems indicated with the delegation of payment and spending authority which we have discussed with the Commissioner and other senior government officials and on which appropriate action has been promised to be undertaken.

Mr. Chairman, we will follow up on all of these items. Now, that is my report to you, sir, and I would be very pleased to answer any questions you may have with respect to my opening comments, and if you would permit me, since Mr. Dubois and Mr. Hayes are more familiar with the details, I may refer the questions to them to assist your committee, sir.

CHAIRMAN (Mr. Fraser): Thank you very much, Mr. Dye. We will now have some opening remarks from the chairman of the finance committee, Mrs. Sorensen.

Opening Remarks Of Chairman Of Standing Committee On Finance

MRS. SORENSEN: Thank you, Mr. Chairman. Before I begin I would like to, on behalf of the Legislature, welcome you, Mr. Dye, and your officials. We know that you are just a new man to the job and we look forward to the role that you will play with our Legislature over the coming years.

Mr. Chairman, the standing committee on finance, in an earlier report to the Legislature, indicated that it was looking at the structure and role of a public accounts committee with a view to how such a body could be established in the

Northwest Territories. Over the past year the chairman has been collecting information from other jurisdictions in Canada regarding terms of reference, roles and general acceptance by the public and the Legislature on the work of such a committee.

We are not yet ready to make a formal recommendation to the Legislature regarding the creation of such a body. We plan, however, to continue our investigation and have received the full co-operation of the Auditor General, the Minister of Finance and government officials. I might add that encouragement has come from our government leader and Mr. Parker, the Commissioner, on this matter.

Mr. Chairman, for those Members who are not familiar with the role of a public accounts committee, I think it is best illustrated in a booklet called, "Improving Accountability, Canadian Public Accounts Committees and Legislative Auditors", and in this book the article outlines that members of a legislature should be interested in receiving answers to the following questions. Do the public accounts give an accurate and appropriately detailed report of the government's financial affairs so that it can be held properly accountable? Were all the taxes and other revenues due to the government collected and properly accounted for? Was the money voted by the legislature spent for the purposes approved and did expenditures exceed the amounts authorized? How well did the systems of control ensure that public money and property were not lost, stolen or used for unauthorized purposes? Was the administration frugal or extravagant in its buying and hiring practices? Were programs managed in an efficient or in a wasteful manner? Are programs being evaluated and the results reported wherever possible, and if so, are the programs achieving what they set out to do, and if not, why not and what steps are being taken to rectify administrative weaknesses? Mr. Chairman, that is basically what a public accounts committee does and the kinds of questions that it asks.

Finance Committee's Method Of Review

As an experiment, Mr. Chairman, your finance committee decided to conduct its review of the Auditor General's report as a public accounts committee. We first met with the deputy auditor general on Thursday morning, to discuss the role of a public accounts committee and from there we moved into a page by page review of the Auditor General's Report to the Council of the Northwest Territories on the Examination of the Accounts and Financial Statements for the Year Ended March 31st, 1981. We were given assistance in the preparation of our questions and, in particular, with respect to what areas were of major concern in the report. Although the Minister of Finance and the Commissioner were invited to attend the review of the Auditor General's report, neither were able to come because of prior commitments. This, however, is not irregular, by any means, since a public accounts committee traditionally seeks clarification from the administration. An auditor's report deals only with administrative matters, as opposed to policy, and it is primarily an audit of administration's financial functions which take place. We found it a unique opportunity, Mr. Chairman, for our politicians and our administrators to interact and we feel that this interaction should not be viewed in any way as threatening to the Executive Committee or to the administration and officials.

The standing committee on finance plans to meet in June to review its findings and to formalize recommendations with respect to a public accounts committee and place these recommendations to the Legislature in the fall. We are reluctant to move hastily in this matter, because of the Legislature's small size and the already heavy load that committees have, particularly the finance committee. However, I think all of us agree that there is a need to review government finances after the money has been spent, in order to maintain government accountability, and this is not now being done within our Legislature. Whether it should be done and how it should be done and under what body is yet to be determined and we, as I said, plan to bring a report to the fall session for debate and discussion.

Co-operation Of Auditor General's Department

Now, Mr. Chairman, with respect to the Auditor General's report to the Legislative Assembly, first may I say on behalf of the committee that we were pleased with the co-operation and assistance received from Mr. Dubois, the deputy auditor general and Mr. Hayes, the principal responsible for the government audit. They have been extremely supportive and have indicated that they will continue to assist our committee as much as possible as we evolve.

Secondly, the committee would like to state that it was generally pleased with the administration and their responses. The administration was extremely positive in their replies and co-operative in their nature. For the review to have been successful, this was of great importance. A defensive siege mentality on the part of the bureaucrats, as does happen in some public accounts committee hearings that are held in the South, often causes disruption and ill feeling. We did not experience that by any means.

Mr. Chairman, there are eight matters, as the Auditor General pointed out, which are being brought to this Legislature's attention. We reviewed each of the eight matters with the responsible official and are satisfied that the government is taking action or plans to take action on each important matter. We plan on following up with the Auditor General and with the administration in a few months time in order that we can be assured that, indeed, the promised action was proceeded with and fully implemented.

Mr. Chairman, that concludes my opening statement. I and other Members of the committee will have remarks to make under each matter as we go through the page by page review of the report. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Thank you, Mrs. Sorensen. We will now open the floor for general comments on the opening statements, before we go into the page by page report. Are there any opening remarks? Mr. MacQuarrie.

Value For Money Auditing

MR. MACQUARRIE: Just one matter of clarification with respect to a statement that Mr. Dye made, that in his reading of the Northwest Territories Act that it was not clear that he can undertake value for money auditing in the Northwest Territories. Could you elaborate just a little bit on that? Has that been clarified now? Do you feel that you can? You did say that you feel that in view of some of the things that were asked by this Assembly, that that is what we seem to want. Can you perhaps elaborate on that matter, please?

CHAIRMAN (Mr. Fraser): Thank you, Mr. MacQuarrie. Mr. Dye, did you get the question?

MR. DYE: Yes, I did.

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Thank you, Mr. Chairman. It is my understanding of your Act that there will be a change and possibly we will have clearly stated in an ordinance the opportunity for value for money, but in the federal act there is a section which requires me to report on items of due regard for economy efficiency and comment on whether or not there are procedures in place by management so that they can measure the effectiveness. Those phrases do not show up in your ordinance.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Any other opening remarks? Mr. MacQuarrie.

MR. MacQUARRIE: Just a further elaboration, if you will. Do I understand, then, that value for money auditing would be one aspect of what might be called a comprehensive audit?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, I apologize for not hearing all the question, but I understand it is the federal act that would govern in this case, and that it would require value for money phrasing in order to make it specifically clear that I have that mandate. I must say I am very pleased to have been invited in by your officials to conduct a value for money audit on your management information system. I feel I can come on invitation; I do not feel that I can impose that style of audit upon your administration.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. General comments. Mrs. Sorensen.

Difference Between Functions Of Auditor General And Government Audit Bureau

MRS. SORENSEN: Mr. Chairman, during the proceedings the last two days a question arose -- I believe it was placed by yourself, Mr. Chairman -- with respect to the difference between the function of the Auditor General and the function of the audit bureau within the territorial government. I think the answer was a good one and an interesting one, and I hope that you would answer that for me now so that other Members of the Legislature can understand the difference between the two functions.

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, in answer to Mrs. Sorensen's question, the internal auditing done by your audit bureau is done for management, and as I understand it your internal auditor reports directly to your Commissioner or your Deputy Commissioner. I, as your external auditor, report to this Assembly through this committee, and there is a different relationship. I am the external auditor, giving assurance to your parliament. Your internal auditor comments on management practices to your senior officials here in the Territories.

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

MRS. SORENSEN: Mr. Dye, is it unusual for a jurisdiction to have the Auditor General as its external auditor? It appears to me that it is. Why do we have a different arrangement than, say, a province does?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Each of the provinces of Canada has its own auditor general who reports to the parliament of that jurisdiction. Both in the Northwest Territories and in the Yukon Territory, the Auditor General of Canada is the appointed auditor. I do not think it is unusual. Of course, we are the auditors of Canada as well, and in the formative stages of the Legislature and in auditing in the Territories, our office is pleased to provide that service.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Any further comments? General comments? If there are no further general comments, we will break for -- Mrs. Sorensen.

Auditor General's Comments On NWT Government's System

MRS. SORENSEN: Given that no one else has any general questions, I do have one more. A few months ago I sent to your office, I believe to Mr. Hayes and Mr. Dubois, a complete set of the accountability based budgeting documents that my committee has been working with, and I wonder if you could give us an opinion on whether you feel that our system is a good system, and is it a system that is progressive, or are there other systems that could be implemented that could be more progressive?

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

MR. DYE: Mr. Chairman, I have not had the opportunity to read that document that Mrs. Sorensen sent, and I know that Mr. Dubois and Mr. Hayes are right on top of it. Could I ask Mr. Dubois to answer that one on my behalf, please?

CHAIRMAN (Mr. Fraser): Certainly. Mr. Dubois.

MR. DUBOIS: Mr. Chairman, at the time that Mrs. Sorensen sent the document, the intention was to come back to the standing committee on finance to discuss our basic analysis of the document in a session where we would try to assist the committee in the analytical process of the document. The seminar in question was cancelled, and at that point in time we did not continue our analysis. However, our general knowledge of the system that you have is that it is a good system. It has good narrative descriptions, and it is certainly an excellent base to build on. However, we think that there could be some work done in the area of performance indicators which would make the system even more significant. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dubois. General comments. Mr. McLaughlin.

Assembly's Control Over Accountability

MR. McLAUGHLIN: In the same area of the accountabilities based budget system, we have found that over the years from when we first met as a finance committee to this year, that there has certainly been a lot more information given us because of this, and it is certainly a lot easier for us to go through the budget and find out what the problems are and see what the changes are and be able to pinpoint if the government has made changes that we asked for. But one of the biggest problem areas in our government right now is our Northwest Territories Housing Corporation, and they seemed very reluctant to participate in this function, and the information they gave us was pretty sketchy to start with, and we tried to force them into doing the same as the departments do. I was wondering what the practice is in federal government agencies similar to our "crown" corporation, if they are forced into doing a similar accountability as we do with our departments.

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

MR. DYE: Mr. Chairman, the federal government is just changing its form of receiving the estimates, and at the moment, in fact, just two days ago, the president of the Treasury Board tabled in parliament 10 examples of program expenditure plans. They are a small book for each department which outlines the objectives of the department. It outlines how the department intends to fulfil its objectives, giving considerable financial, statistical data -- person-year type of data -- and performance indicators. It is my view that these program expenditure plans are an ideal source document for the Legislature to see in summary form what it is they are voting upon so that the parliamentarians have the opportunity to have control over budgets.

Now, I understand that your system is very similar to that. Possibly it does not have the performance indicators in it, but it is coming along those lines. I think your finance committee and your Legislative Assembly would benefit from that exercise. It is not an easy exercise to start, because the first book on each department takes a lot of work to develop, but once the format is there and the numbers are available to give you comparisons of past years, present year, future plans, it is a very informative book and, I think, brings back some of the control to parliamentarians, which I believe is required.

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

Financial Accountability Of Crown Corporations

MRS. SORENSEN: Mr. Chairman, Mr. McLaughlin has raised -- I guess I would call it a problem of crown corporations and their financial accountability to the Legislature, and he indicated that we did experience something of a problem in that the crown corporation responded to us that they were a crown corporation and not on the accountabilities based budgeting system and therefore could not provide us with the figures in that format. We understood their problem of not being able to put it into the format in the week or so that we wanted it in. However, I think the key comment was, "We are a crown corporation", rather than, "We cannot give it to you in the format that you wish." This government does not have an awful lot of crown corporations as yet, because we are a small government, but as a government grows and expands the tendency is to somewhat, I guess, privatize some of the functions, and crown corporations appear to have been the way that many governments have gone.

I am aware that the Auditor General's office is concerned about the financial accountability of crown corporations, and since we are not into crown corporations in a big way yet, can you give us some indications of areas that we should be concerned about, and also, should we be demanding that our crown corporations put their financial systems into systems that MLAs and finance committees of the Legislature can understand and work with?

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

MR. DYE: Mr. Chairman, Mrs. Sorensen has posed a very interesting question, because it is my view that the Parliament of Canada does not have sufficient information to properly understand its control over crown corporations. Canada has many crown corporations which use appropriations given to them by parliament on behalf of the taxpayers of this nation, and they do not seem to -- in my mind -- have sufficient accountability back to those people who give them the money. Therefore, I would caution this Legislative Assembly to ensure that as your Territories grow and as your government becomes more sophisticated and creates -- if it does create -- more crown corporations, that proper and adequate accountability be made from the crown corporations to your Legislature. I would be very concerned, indeed, if your Legislature had a result similar to that of Canada where the crown corporations are not held directly accountable. The parliamentarians do not know if the crown corporations are doing what parliament intended they do do, and they do not have control over their financial resources.

Now, there is a problem in a crown corporation to have an independent board established. You want a board to have responsibility, and if you are going to give it responsibility, you have to give it some authority; but my concern would be that if there is no linkage between that crown corporation and the source of its funding, whether it just be capital, or it could be annual appropriations, then your parliament, your Legislative Assembly would lose control over the money that you are voting. So I am very concerned that there is a lack of accountability. There are a number of things which could be done, one of which would be the requirement of a comprehensive audit in a crown corporation in order to give your Legislative Assembly assurance that the crown corporation is fulfilling its objectives in an economical, efficient, and effective manner.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. We will take a 15 minute coffee break and then when we come back we will go through the report.

---SHORT RECESS

CHAIRMAN (Mr. Fraser): The Chair recognizes a quorum. The committee will come back to order. We are dealing with the Auditor General's report and we are still on general comments. Ms Cournoyea.

Cash Flow And Cash Reserve

MS COURNOYEA: Thank you, Mr. Chairman. In going over the business of the Auditor General's report, one of the things that we have been told is that this government has a large cash flow and a large cash reserve. It is also indicated that the federal government is not too happy about that. Could you explain what this cash flow and cash reserve is or the difference in there and what the federal government's problems would be with that?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, in answer to that question it might be easy if we referred to the statement of assets and liabilities, which I believe is available to the Members present, in the Annual Report of Territorial Accounts. It is in the annual financial statements and it will be the first statement there. In the statement of assets and liabilities -- do you have a page reference?

MR. HAYES: Page four.

MR. DYE: It is on page four, Mr. Chairman. In that statement you will see on the top left-hand corner that there is \$17 million on hand and if you look down in the bottom right-hand corner you will see that the Territories have a surplus of almost \$33 million. Now, I am not in a position, as Auditor General, to comment on policy, but I can see where the federal government would say the Territories, at this particular time of March 31, 1981, are in reasonable financial condition and as a result, they may look at that and say you have a reasonable financial condition and some cash on hand and that may influence their thinking about giving you more cash.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Ms Cournoyea.

MS COURNOYEA: What is the difference between, say, the cash flow and the cash reserve?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, the cash flow of your government is the amount of funds, of cash, that comes in and goes out and on page five of Tabled Document 4-82(1), which you have in front of you -- and I am speaking in very general terms -- you had come into this government during the year with \$102 million of your own revenues, generated through income taxes, the liquor board, a number of revenue generating types of operations. If you are looking at page five on the left-hand side, under revenue, you will see a subtotal of \$63 million, plus other moneys coming in from Canada of \$39 million and that is \$102 million coming in from basically your own operations and then Canada has granted a further \$158 million. So, that is for operating, you have about \$259 million coming in. You have another \$59 million for capital and \$15 million for other recoveries and projects. So, there is \$335 million that comes in. Then it begins to go out and you see that on the right-hand side of page five, where you see all the different departments, that you have spending money totalling \$257 million and there are capital expenditures of \$55 million and some projects of \$15 million, and you made, what would be called in the private sector, a bit of a profit last year, of eight million dollars and then the two tie in. Now, using very general terms, you have had a cash flow operation of \$335 million in and \$335 million out.

Surplus Cash Resources

If you go over to a statement on page eight, called statement of changes in financial position, here is another way of looking at funds flowing through your government. I talked about what would be in the private sector a profit. You

have generated from your operations approximately eight million dollars in cash. You did not have to pay off loans to Canada of \$105 million and so that creates, in effect, funds for your account. There are several other fund-raising items there, showing \$116 million coming in and the \$109 million going out, leaving you a net increase in your working capital, which for easy understanding could be considered to be cash, and you had about \$26 million available to you in the form of cash and easily convertible items into cash. So, you have about \$34 million at the end of your last fiscal year to run this government, that is before you start receiving funds for the next fiscal year.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Ms Cournoyea.

MS COURNOYEA: Just a follow-up question, for clarity. You said that we may have a problem with the federal government in applying for future funds. Do you think this is a serious situation for the government or do you feel that it is a normal state of being for general accounts, government accounts, to have the cash flow higher or is it an indication that there is an excess of funding in the government?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, my experience as an auditor has taught me that any not-for-profit organization, which a government would be, requires sufficient cash resources to operate effectively. If you find yourself in a situation of inadequate funds to operate then, invariably, the organization suffers from problems with its management and I do not think it matters much whether it is the Boy Scouts, the Red Cross, the church or government, they need adequate funds to operate. So, I cannot engage in a discussion as to whether the federal government should give you more or less money, knowing full well that at the moment they are on a concept of restraint, but if the government intends to operate effectively, it must have money to operate. You have to finance your accounts receivable, which on the balance sheet on page four shows you are financing \$26 million. You need money to finance your inventories of \$15 million. So, you have to have enough funds to stay in business.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. General comments. Any further general comments? Mr. Commissioner.

Apparent Surplus Already Partially Committed

COMMISSIONER PARKER: Mr. Chairman, just in order to be helpful further on the subject that has been raised with Mr. Dye, the \$33 million that is declared here as surplus had charged against it some very important charges. Now, first of all, we had underspent our capital program last year, due to a variety of factors and, therefore, required additional capital money to go into the new year, because of programs that we had planned and not completed in the neighbourhood of \$10 million. So, we were simply carrying that \$10 million forward.

In addition, we have an agreement each year with the federal government that if there has been an overpayment to us in either utilities or income tax once the final figures are totted up, then we have to make a repayment and that was in the neighbourhood of \$10 million in total. So there is, for instance, \$20 million of that apparent surplus that I submit to you is already committed. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Commissioner. General comments. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, Mr. Dye mentioned that there was a need for any not-for-profit organization to have working capital and that is certainly what our committee has been told with respect to the working capital that is left at the end of the year and, of course, the cash that is the cash reserve, but our concern is, what is a reasonable amount to have? Could we put it, perhaps, in the form of the total budget, a percentage of the total budget, or do you actually

look at your inventories and your receipts or accounts payable to get an idea as to what is reasonable? The reason that I ask that is that we, as a government, will be going to the federal government very soon for some B level money and it is important, I think, for the finance committee to know whether the federal government may say to us, "No. You have a lot of working capital and a lot of cash on hand. You draw down on that and use that for any B level money that you need." So, if you could respond to that with respect to how we, as MLAs, can determine what is a reasonable amount of money to have on hand?

CHAIRMAN (Mr. Fraser): Do you wish to answer that, Mr. Dye?

MR. DYE: I will attempt to, Mr. Chairman. The easiest way to find out how much it is you require is to develop a cash plan -- a forecast of your cash needs on a monthly basis. There is no one answer that I could give to you which would say, "This is the right proportion of your operations which you should have in cash at any one time." It is very dependent -- when, for example, you receive your grants from the federal government, the timing of the receipt of those moneys is vital to your knowledge of how much you might have to temporarily borrow. I would think your objective would be to keep your temporary borrowings down to a minimum, because money is so expensive, and let your other sources of finance pick up the cost of the interest. So my recommendation to you would be to establish a process by which you are able to estimate your cash requirements at any point in a year, and then plan accordingly.

CHAIRMAN (Mr. Fraser): Mrs. Sorensen.

Role Of Performance Indicators

MRS. SORENSEN: Just one more question, Mr. Chairman, and that concerns something that was said earlier with respect to the fact that yes, we did have a progressive accounting method, the accountabilities based budgeting system was a good one, but that it was not yet complete, and I am not sure of the lingo, but you mentioned, I guess, efficiency indicators or whatever -- but I think you know what I am talking about.

Would you agree that these indicators are an important factor in order to assist the role of a public accounts committee in establishing whether the government has spent its money efficiently, and whether the programs that the government has instituted are really doing what they are supposed to do? Would you say that that is an important item, for a public accounts committee to receive the indicators?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, I am very positive in answer to your committee that performance indicators are vital for the committee to have a grasp of what is going on. They need management information, and management information is not solely financial data, the summary of numbers of the financial transactions. You want to have ratios and comparative data to give management an opportunity to understand what it is doing in very simple terms. For example, in my business as a chartered accountant, it is very important for me to know about chargeable hours. I want to know how many professional hours are being applied to an audit engagement. Now, to extend that analogy, every department of the government has meaningful items that do not show up on a financial statement, but I think are necessary to properly inform those who have an oversight role as a public accounts committee would, or in your case, your finance committee. They need more information than just financial information, and therefore I strongly recommend performance indicators carefully thought out so that they give you the essence of what is going on in each department. Performance indicators can be thoughtfully contrived in order to give the management a handle on what is going on.

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

Base Review Recommended

MRS. SORENSEN: Mr. Chairman, the standing committee on finance made a recommendation to the Legislature which we have not yet discussed or debated, but we will be doing so after the main estimates, and the recommendation was that this government should do a base review of each department. The reason we recommend that was that we were concerned that we were being told by the government that they could not institute the kinds of priorities that this Legislature wanted in any large fashion because there was just not the money to do so. We said that certainly was evident, and that we, too, are in a period of restraint, but that perhaps a way around that was to take a thorough look at the expenditure of each department and the programs and services that it provides to see whether they were still needed and whether they were effective in carrying them out. Now, the government responded by saying that it had done a base review some 18 months ago, and there was some difference of opinion as to whether the base review that the government conducted and the base review that we were speaking of were one and the same. I wonder if you could explain to me what, in your opinion, is a base review of a department of government, and what would be the primary features of any base review?

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

MR. DYE: Mr. Chairman, my experience in government is not sufficient to give you a great deal of background from my own experience on what comprises a base review. It sounds to me something like the concept of zero based budgeting where you look at the reasons for a department's operations, and I guess you start off with the question, "Should the department exist?" If it should exist, what are its objectives, and then, are those objectives consistent with the desires of the Legislature? Should they be consistent, are they being executed in accordance with the wishes of the Legislature? If they are not being executed in accordance with the wishes of the Legislature, what are the reasons? Are there insufficient physical resources? Are there insufficient financial resources? Are there insufficient human resources? Do people have the right skills, abilities, to provide the Legislature with the programs which it desires? So you are looking at fundamental things like people, dollars, physical resources. Are there enough to do what is required? Are there too many? Is it necessary to have as much as the department may have on its wish-list? It may well be that the department could be using the strategy of wishing for a little more than it really needs to accomplish its objectives, and consequently there would be occasions where a committee could quite rightly offer its advice as to where things might be cut back.

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

MRS. SORENSEN: You mentioned that "you look at". Who should take part in a base review, or a zero based budgeting exercise? Should it be the cabinet -- in our case, the Executive Committee -- working together with the deputy ministers, or should it expand to involve the auditors and perhaps the Legislature through its committees in any way? Just who are the principal actors in that exercise?

CHAIRMAN (Mr. Fraser): Mr. Dye.

Evaluation By Management

MR. DYE: Mr. Chairman, in Ottawa that evaluation of a base review would be by the Treasury Board secretariat, and they would want to be satisfied that the management of the department had carried out this kind of process. My view is, basically, the questioning of whether or not a department is functioning well is the responsibility of the management of the department; and then your auditor, your public accounts committee, your finance committee has an oversight role to ensure that these evaluations are being made, and that the management is testing itself all the time to see that it is doing what it is supposed to be doing, whether management is managing well.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Mr. Curley. General comments.

MR. CURLEY: Mr. Chairman, I do not have any questions with respect to your report, because I do not understand figures. I have been advised that figures can either mislead you or you could read them the other way around, so there are all kinds of ways to interpret figures, so I am not going to ask any questions with respect to your report. However, what I would like to ask you is whether or not you had a meeting with the finance committee, and if you did, do you think that that would be the best forum in which to present your report, and they in turn would report to the Legislative Assembly, because some of us really do not have any concrete questions with respect to the government's -- or your report. I am just asking here, where would you prefer that you report? To the committee of the whole or just to the finance committee? Thank you.

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

Procedure For Reporting To The House

MR. DYE: Mr. Chairman, in answer to Mr. Curley's question, we have had meetings with your finance committee and with all the senior officials affected by our report, and that is very useful. In years in which there are significant items for your auditor to report, I think that it is advisable that the committee of the whole understands those problems. If things become routine and the finance committee on behalf of your Legislative Assembly feels that they have received enough assurance, then I think it is sufficient to go to the finance committee. However, when there are serious problems, it may well be an opportunity for your committee of the whole to have the opportunity to speak directly to the auditor.

Now, I fully appreciate that your Legislative Assembly is very busy, and has not the time to -- in a committee as large as this -- take its time up just talking to the auditor, and then you have to delegate through the finance committee. Certainly our relationships with your finance committee, we believe, are excellent, and we seem to be able to get support from them in terms of the issues that we want your Legislative Assembly to be as concerned about as we are.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Mr. Curley.

MR. CURLEY: Yes, one more. One more, Mr. Chairman. To you, sir, did you then indicate any major problem in your report about the government's handling of its finances? Thank you.

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, we have brought to you, I think it is eight major issues which we think are important for your Legislative Assembly to understand. There are many other minor ones, but in our report, which I believe was tabled with you today, we have outlined our concerns.

Just a further answer to your previous question, it may well be that this Legislative Assembly would like to do what other provinces and the Yukon Territory does -- create a public accounts committee, which could be the interface -- the place where our office could communicate with your parliamentarians and then they, in turn, report to your House.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. General comments. Mr. MacQuarrie.

MR. MACQUARRIE: Yes. The Auditor General said that when things became routine, that this exercise would not be necessary and you did say major problems were noted in the report. In a general way, to help those of us who are not experts in economics -- you had said earlier that the job of the auditor is to try to ensure that -- I believe the phrase was something like, "that there are systems in place that are delivered efficiently and economically". Do I understand then that we have not achieved that yet in the area of financial management?

CHAIRMAN (Mr. Fraser): Mr. Dye.

Not A Comprehensive Audit

MR. DYE: Mr. Chairman, in answer to Mr. MacQuarrie's question, in order for us to give you assurance as a parliamentarian that you do have due regard for efficiency and economy and that there are procedures in place to measure effectiveness, in our view it is necessary to conduct a comprehensive audit. All we have done for your government is do a traditional financial test audit and we have brought to your attention other matters which form this report, "on any other matter". So, we would have to do a great deal more work in order to give you assurance, both positive and negative, as to whether or not you have due regard here.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Mr. MacQuarrie.

MR. MacQUARRIE: Given the size or the nature of our government and the volume of transactions and the size of the staff and so on, should it be quite possible to develop a management system where it probably would not be necessary that a report like this come to the Assembly with major issues? Is that within the realms of possibility for this government?

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

MR. DYE: Mr. Chairman, any large organization tends to have problems, some larger than others. It would be a world of perfection if there were not problems, particularly in government. As I mentioned to Mr. Curley, possibly the answer is for our report to be received and considered by a public accounts committee and then a report of a public accounts committee be debated here in your House.

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

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Any further comments? Is it agreed that we go into the detail of Tabled Document 21-82(1)?

SOME HON. MEMBERS: Agreed.

---Agreed

Accounting And Reporting System

CHAIRMAN (Mr. Fraser): Item one on page one, accounting and reporting system. Mrs. Sorensen.

14th Report Of The Standing Committee On Finance

MRS. SORENSEN: Mr. Chairman, your committee reviewed with the Auditor General and with the deputy minister of Finance and with the Territorial Treasurer the problems that were brought to our attention under accounting and reporting systems. We are all painfully aware of the problems which the difficulties and the delays in the implementation of the FIS system have caused, and the auditor in this section made reference to these problems in last years report and again this year. Members will remember that the standing committee on finance proposed and this Legislature accepted the motion calling upon the Auditor General to do a comprehensive audit of the FIS system. The terms and conditions are now being agreed upon between the auditor and the government and it is expected that the audit will get under way in May or June. The committee has asked to have those terms and conditions tabled so that we may also review them and the full report on the audit is expected to be in next years auditor's report to the Legislative Assembly.

Mr. Chairman, although the delays and problems with the FIS system has caused spinoff problems with year end procedures, the Auditor General did indicate that more effective monitoring of progress on year end tasks and review of year end working papers and financial statements could have minimized the problems encountered.

Mr. Chairman, as you can see from the comments from the Commissioner, the administration is in fact developing year end procedures and updating or has already updated its manuals where applicable. They, however, did indicate that the delays have affected the 1981-82 audit and year end, but should be fully rectified by the 1982-83 year end. Thank you, Mr. Chairman.

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

MR. MacQUARRIE: Yes. In the area of item one and the question of the comprehensive audit do I understand then, in light of what you said earlier, that value for money will be a part of the comprehensive audit with respect to FIS? Will the audit also include an assessment of whether adequate information was available when decisions were made with respect to developments in the FIS area? The third question is, when you are accounting costs -- some time ago, in the area of the Department of Government Services, we had a capital item where a new computer centre was going to be built. Some of that may have been necessitated by the new FIS system. Would the comprehensive audit identify what costs have arisen as a result of the implementation of the system, not only directly, but related kinds of costs as well?

CHAIRMAN (Mr. Fraser): Thank you, Mr. MacQuarrie. Mr. Dye.

MR. DYE: Mr. Chairman, in answer to your first question as to whether or not there will be a value for money opinion provided, the answer is yes. Regarding whether or not we would look into the process of acquiring a computer, whether or not there was adequate information in that process so that the people making the judgment could make an intelligent judgment, the answer is, yes, we will report on that.

In answer to your third question as to whether or not more money needs to be spent on a computer facility, I would like to check with Mr. Dubois. We have the terms of reference almost locked up. I am not sure whether that point is in it. Could you just give me a moment to see?

Mr. MacQuarrie, we will be asking management, in accordance with these terms of reference, whether or not they have their financial plans carefully thought out, in order to have the assets of your government safeguarded, so that there is adequate storage and that the computer can function properly. So, we will be exploring that part of it. Now, that is not exactly the answer to the question you put. I am just trying to clearly get into my mind the question that you put. Have I answered to your satisfaction, sir?

CHAIRMAN (Mr. Fraser): Mr. MacQuarrie.

MR. MacQUARRIE: Yes. Not entirely, but maybe it is because I am not framing it adequately. It is just that I know that whenever some project like that is undertaken there are obviously direct costs that are assigned to it and certainly those will be accounted in the value for money process, but it seems to me sometimes that there are spinoffs, overtime work and other things that are necessitated as a result of the implementation of a program like that. Are those costs included in the value for money assessment?

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

MR. DYE: Mr. Chairman, in answer to Mr. MacQuarrie's question, we will be analysing all the costs related to the new computer facility and reporting on them.

CHAIRMAN (Mr. Fraser): Thank you. Accounting and reporting system on page one. Any further questions?

Year End Procedures

Item two, year end procedures. Any questions? Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, in my remarks under item one I covered year end procedures. So, I have no further comments under item two.

CHAIRMAN (Mr. Fraser): Thank you. Any further comments on item two? Mr. MacQuarrie.

MR. MacQUARRIE: Thank you, Mr. Chairman. Under one of the recommendations it says: "Senior financial officers should be more actively involved in the monitoring and review of working papers and preparation of financial statements for which they are responsible." I know that in documents like this the language is sometimes carefully couched and I am trying to make a translation. It sounds to me as though somebody charged with some responsibility is not entirely fulfilling it, not entirely doing the job. Is that a fair translation of what this means?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. MacQuarrie is quite right. When we present a written document it is carefully couched. I think, in all fairness to your staff, they went through a very difficult situation because the computer was not functioning the way it was expected to and, therefore, you had people doing two tasks -- first, trying to get on with the implementation of the new computer and, secondly, trying to make the old system work sufficiently well in order to get the accounts done. So, you were stretching your resources.

Now, the preparation of the accounts is the responsibility of management and it is not the responsibility of us, as your auditors. We, as auditors, give you an opinion. We do not put the accounts together for you and in this particular year I think your staff were stretched to the point where they could not provide us with the usual kinds of documentation we would expect to be available in order for us to effectively carry out our audit work. When it was finally over, I think both the accounting people on your staff and our auditors breathed a sigh of relief. It was one of those very difficult years.

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

MR. MacQUARRIE: In reading the paragraph just under the title "Year End Procedures", though, certainly part of the problem was the contingency system; but in reading it, I get the impression, too, that it was not only that. Notwithstanding that, there still were additional difficulties that had to do with procedures or whatever. Can you just clarify that a little, please, or do I misread that?

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

MR. DYE: Mr. Chairman, in order to adequately answer Mr. MacQuarrie's question, I think I should ask Mr. Hayes, who actually ended up doing the work and is more knowledgeable of these problems.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Mr. Hayes.

Inadequate Preparation Of Working Papers

MR. HAYES: Thank you, Mr. Chairman. There were a number of other problems associated with the preparation of the working papers. A lot was a question of getting in the information from the regions, and where we talk about monitoring,

monitoring also does ensure getting the information in, and I think that you have to recognize that there are communication problems within the Territories because of the distances involved.

Then there was another one in connection with reconciliations of certain accounts receivable. Again, it was a problem more with the system, the operations of the contingency system, rather than the individuals. However, I personally as a professional would expect, when you get into situations like that, there would be greater effort made by the people to ensure that the things were flowing through the system so that no one was held up in the final analysis.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Hayes. Mr. MacQuarrie.

MR. MacQUARRIE: Was it your judgment, then, Mr. Hayes, that with that additional effort or close monitoring that, notwithstanding the difficulties with the contingency system, that these things could have been brought together on time and accurately.

CHAIRMAN (Mr. Fraser): Mr. Hayes.

MR. HAYES: I think in a situation like that, yes, if everything had been in order it probably would have been possible for, say, Finance to meet their commitments and deadlines to us, and we in turn meet our own deadlines. I think we could certainly expect improvement this year, and if we do not find the improvement, you can rest assured that we will be reporting back to the Assembly on this particular matter; but I would visualize certainly when the new FIS system is completely in place -- based on what I have seen of the new system -- probably there will be no problems in the future at all.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Hayes. Item two, year end procedures. No further questions.

Legislative Amendment Required For Present Senior Financial Officer Position

Page three, item three, legislative amendment required for present senior financial officer position. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, this comment of the Auditor General has arisen several times now over the past three years -- well, each Auditor General's report that we have received has contained this same comment, and we have been assured by the administration that they now have a draft copy of the Financial Administration Ordinance which makes the changes called for by the Auditor General, and in fact makes a lot of additional changes. The date that the administration indicates it will be tabled is February, 1982. There was some delay being experienced, I believe, and it will now be tabled in May. Is that correct, Mr. Commissioner? The committee will be reviewing the new Financial Administration Ordinance, and because of its technical nature, has asked that the Auditor General provide us some assistance and expertise, and we have been assured that that assistance will be given to us so that we can intelligently report to the Legislature on the ordinance itself. We also plan to work very closely with the legislative committee, because it is, basically, a new ordinance that is coming in. Thank you, Mr. Chairman.

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

COMMISSIONER PARKER: Mr. Chairman, we had every intention of tabling the ordinance at this session, at least as a draft ordinance, but the activities of the session have been so intense that we simply have not completed the review by the Financial Management Board of the draft ordinance. We are nearly finished, but we are having a hard time identifying a date for even another half days work, so I am afraid that we will not have it ready to table at this session. However, we are prepared to make a commitment to provide it to the two committees, the

standing committee on finance and the standing committee on legislation, between the two sessions; that is, well in advance of the May session. I would think that we would have no difficulty in having it in the committees' hands early in April, so that they can then schedule their review of it and be ready to deal with it at the May session.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Commissioner. Any further comments on item three? Mr. MacQuarrie.

MR. MacQUARRIE: Yes. Mr. Dye mentioned earlier that there probably ought to be reference in the Northwest Territories Act to value for money auditing, so that the authority to do so was clear. With respect to our Financial Administration Ordinance, should we as legislators be concerned that some reference to that appear in that ordinance, or is that not really necessary?

CHAIRMAN (Mr. Fraser): Thank you, Mr. MacQuarrie. Mr. Dye.

MR. DYE: Mr. Chairman, in answer to Mr. MacQuarrie's question, it is my belief that you should not leave too much to interpretation, and if you left your ordinance vague, then you leave the judgment up to me as your auditor. I think it would be better that your Legislative Assembly gives its views. For my part, I would encourage you to ask us for value for money auditing.

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

Deputy Minister Of Finance As Senior Financial Officer

MR. MacQUARRIE: Yes. Just one other comment. I see that as a result of practice over the years, the deputy minister of Finance has become the chief financial officer or senior financial officer rather than the Territorial Treasurer. Does that create complications for financial management for control of finances, or whatever, or is that, in your opinion, a very desirable step?

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

MR. DYE: Mr. Chairman, as I understand it at the moment, your legislation designates one person -- gives one person the authority, but you have given the responsibility to somebody else. Now, I think they should be synchronized.

CHAIRMAN (Mr. Fraser): Mr. MacQuarrie.

MR. MacQUARRIE: Thank you. Yes, I agree they probably should be. I was asking again for a judgment from your point of view whether synchronizing them in the one way is better than the other; in other words, if the Territorial Treasurer had been named as the senior financial officer, does that enable accounting or financial management to proceed more effectively than the way we are doing it, or vice versa? Are you very satisfied with that being part of the Financial Administration Ordinance?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: I understand the question as, am I satisfied that the revised Financial Administration Ordinance would make the senior financial officer the deputy minister of Finance? I think I am. I think that puts him in a position similar in the private sector to vice-president of finance, and then you, as policy makers, have somebody to look to, to determine whether or not your financial administration is being done in accordance with your wishes.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Dye. Any further comments on item three?

Economic Development Projects Bank Accounts

We go to item four on page three, economic development projects bank accounts. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, this area refers to inadequacies in the control of economic development projects bank accounts, and we discussed that at length with a representative of the Department of Economic Development. We feel that the problem was essentially one of communication, and feel relatively satisfied that the problem has now been rectified. We have asked for a copy of the procedures that are now in place to monitor projects regularly, and we expect that those will be tabled with the committee as soon as they are available. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Any further comments? Item four, page three.

Accounts Payable

Page four, item five, accounts payable. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, throughout the report there are references made to the fact that procedures were not always followed, even though the procedures were laid down and those procedures were available to the staff. Primarily, the problem seemed to be in some of the regions. It apparently was the turnover, the high turnover that we have experienced in this government, and one of communication, and one of monitoring on the part of the responsible persons at headquarters and in the region.

Mr. Chairman, as a committee we were assured that the government does have capable people who can read and follow procedures, and that those procedures, as I said, are available. Therefore, since the major concerns seem to be related to the high turnover of staff, it is a difficult one to rectify, since there is no indication that we are not going to continue having high turnover of staff until we have northern people who live in the area working at these jobs. Thank you, Mr. Chairman.

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

Petroleum, Oil And Lubricants Revolving Fund

Page five, item six, petroleum, oil and lubricants, POL, revolving fund. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, the POL revolving fund is another item that has appeared several years in a row in the Auditor General's report. It is a source of great concern for your committee. We are quite frankly tired of seeing this item being brought to our attention. However -- and that is not a criticism on the Auditor General's part. I guess that...

HON. ARNOLD McCALLUM: Is it a criticism or not? Come on, make up your mind.

MRS. SORENSEN: ...is a criticism of the administration, of course. However, the Auditor General does point out that there have been improvements in the POL system and we certainly questioned Mr. Quirke with respect to whether he did, in fact, feel that he could ever get on top of this very difficult problem. I think we all realize that governments do not usually operate in the area of fuel delivery and fuel maintenance and, therefore, it is something that is unique to our government.

We have determined from Mr. Quirke that he is making it a very high priority within his department and that it is going to cost us money, as a government, to rectify the situation, but that it appears that we have no choice, particularly since inventory control is a major factor in getting on top of this situation.

Problems of revenue collection were discussed and the committee would like to emphasize that revenue collection is extremely important and the government must come to terms with the POL system and its mandate. We are particularly referring

to the fact that we feel, as a committee, that prompt collection of accounts must take place and that the POL system must not operate as a social agency, but rather, as a business enterprise.

SOME HON. MEMBERS: Hear, hear!

MRS. SORENSEN: However, Mr. Chairman, if certain customers, such as co-ops, are in need of assistance with respect to paying their fuel bills, we feel that this government should look at more appropriate arms of government to provide that assistance, that it should not be done through -- no, we are not advocating shutting down co-ops, Mr. Parker -- but that we really should allow the POL system to operate as a business.

We fully approve of the COD delivery method for chronically delinquent accounts whom we know certainly can afford to pay and we encourage the government to continue its practice of COD accounts...

HON. ARNOLD McCALLUM: You ride shotgun.

MRS. SORENSEN: ...and we will stand behind you all the way when you do so.

HON. ARNOLD McCALLUM: No, not behind. You ride shotgun.

MRS. SORENSEN: As I said, the problem of proper inventory measurement and control was discussed and we certainly learned that even a one inch difference in measurement with respect to what is in a tank can mean a significant number of dollars with respect to inventory and we learned that measures are under way this spring to redo the inventory, and I guess they use the dip-stick method, which Mr. Stewart feels is not all together the best method of measuring, but it is the only method at this point that we are able to use. Mr. Stewart brought up the fact that he felt our government should have an independent source of advice and take around another person who can double-check the inventory when our officials are doing it. That concludes my report on this item, Mr. Chairman.

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

Social Assistance Programs

Page six, item seven, social assistance programs. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, this section, although it looks bad after some questioning in detail we, as a committee, are relatively satisfied that the Department of Social Services is moving to rectify the problems that are raised under this matter and that steps have been taken to, as they say, introduce a form control procedure, beginning April 1, 1982. The \$85,000 that is referred to in this item, which is \$85,000 worth of social assistance payments made over the last three years which lack proper documentation, are still being reviewed by the department, although more than half of the payments that had not been reconciled are now reconciled. They have found them and found the proper documentation for them. So, we were relatively sure that the possibility of fraud, which of course was raised very quickly given the news reports of fraud in social assistance payments in other jurisdictions in the rest of Canada -- that the possibility of fraud was remote and that the department has instituted measures so that this kind of thing does not happen again. However, we did discuss the matter of being able to be flexible within the system and we were assured that emergency procedures are available to social workers so that they can proceed to assist people. So, as I say, we are relatively satisfied that this area is going to be cleaned up. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Thank you, Mrs. Sorensen. Any further questions or comments? Mr. MacQuarrie, page six, social assistance payments.

Time For Comprehensive Audit

MR. MacQUARRIE: Yes. As we go through we see that there are a number of major problems that have arisen with financial management and it has been stated earlier that there are thoughts of establishing a public accounts committee, and we know that we are going to have fully in operation soon a new financial information system. When I asked earlier as to whether our financial management was efficient and cost effective and so on, you said that that could only be determined if there were a comprehensive audit done. My question now is, since it is unclear, at least in my mind, as to whether the distance and communication problems and staff turnover and that kind of thing are the full reason for problems that arise, can I ask you whether you feel, as these things come together, FIS, public accounts committee and so on, that maybe it is time to do a comprehensive audit of the financial management, not only of the financial information system, but the operations of the Government of the Northwest Territories?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: Mr. Chairman, in answer to Mr. MacQuarrie's question, I am of the view that management should be given a chance to get their act in order before they happen to have auditors imposed upon them, to further slow down the progress if they are in one of these evolutionary kind of phases where they are dealing with a new computer and they are dealing with all kinds of new projects. I think it would provide better assurance to your Legislative Assembly if they were given a chance to complete what it is they are up to and then proceed with a comprehensive audit. Now, one of the problems is that, in the federal system, if they do not want to have a comprehensive auditor around they are always starting a new project and they never finish anything, so you can never get started. In this situation, I think there might be some assurance to your parliament that you are getting what you should expect to receive from your financial administration and, therefore, we would be prepared, if asked, to carry out a comprehensive audit on your behalf.

CHAIRMAN (Mr. Fraser): Mr. MacQuarrie.

MR. MacQUARRIE: Thank you. I gather, then, that a year or two years down the road would be a more suitable time for that sort of thing?

CHAIRMAN (Mr. Fraser): Mr. Dye.

MR. DYE: A year to two years would be a good time to do such a project.

CHAIRMAN (Mr. Fraser): Thank you. Item eight on page seven, other matters. Mrs. Sorensen.

MRS. SORENSEN: Before I make our comments on other matters, I just want to be clear that we were talking about the financial administration of the government and not an individual department when you said let us give the chance for the government to get its act together.

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

MR. DYE: Mr. Chairman, my answer was really given in the context of looking at the financial administration -- and it would then have effects on all your operations.

CHAIRMAN (Mr. Fraser): Thank you. Item eight, page seven, other matters.

Other Matters

Mrs. Sorensen.

MRS. SORENSEN: Under other matters, Mr. Chairman, again this area reveals that there have been some problems in communication and getting the message down to the regions, to the little guys who are working with the general public, with respect to how to properly maintain records. We have again been assured that measures are being taken to better communicate with these people. The one area that we did question more deeply was the \$100 limit on the local purchase authorities and we learned that the government has raised that limit to \$250 and has put a procedure in place that will allow emergency purchases at the local level for over \$250, even though that is the limit. If it turns up again next year, I guess we have a problem, but I think we can be relatively sure that the government will respond by communicating better, by better monitoring, and will respond. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Any further comments? Does this committee have any further questions for the witnesses? No further questions. We would like to thank you, Mr. Dye, Mr. Dubois and Mr. Hayes.

---Applause

Does this committee wish that we report the reports of the Auditor General, Tabled Documents 4-82(1), 20-82(1) and 21-82(1) are concluded? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): We will break for 15 minutes and then go into Bill 1-82(1).

HON. ARNOLD McCALLUM: Right on.

---SHORT RECESS

CHAIRMAN (Mr. Fraser): Atiigo. Okay, you guys in the coffee shop, let us go. I do not recognize a quorum. There we go. All we need is Mr. Curley to step into the ropes. The Chair recognizes a quorum. Mr. McCallum, DPW.

Bill 1-82(1), Appropriation Ordinance, 1982-83

Department Of Public Works

HON. ARNOLD McCALLUM: Mr. Chairman, you are right, DPW.

CHAIRMAN (Mr. Fraser): Do you wish to call in any witnesses, Mr. McCallum?

HON. ARNOLD McCALLUM: Mr. Chairman, I would have the Deputy Commissioner and the deputy minister of DPW, as well, Mr. Elkin.

Total O And M, Highways

CHAIRMAN (Mr. Fraser): Can we have the Deputy Commissioner, Mr. Pilot, and Mr. Larry Elkin, and we are on page 11.12, Department of Public Works, highways, in the amount of \$13,680,000. Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Chairman. I have a couple of questions on our highways. I will just deal with them one at a time and make them short. The first one deals with highway signs. Myself, verbally, and the town of Pine Point, I believe by letter, have pointed out that they believe that during the reconstruction of the road between Pine Point and Hay River that several of the curve signs were never replaced. I believe the answer they got back was that those were curves that were not really big curves, but the point is that a lot of people, especially tourists in the summer who are unfamiliar with the road, have no indication of where these curves are. I know last spring when myself and Mr. McCallum were returning from a late night golf match in Pine Point, on the way to Hay River some of the corners kind of surprised us.

---Laughter

I was wondering also, since the South Mackenzie Area Council and the Big River Tourism Association have asked for something to be done about the highway signs in the Northwest Territories, not only indicating where curves are but where various facilities are, if the department is going to look seriously at doing something about this.

CHAIRMAN (Mr. Fraser): Thank you, Mr. McLaughlin. You are lucky to have a highway, never mind the signs.

---Laughter

Mr. Pilot.

Delay In Highways Signs Due To Conversion To Metric

DEPUTY COMMISSIONER PILOT: Thank you, Mr. Chairman. Yes, the department of highways will examine the continuing concern of signs on that particular stretch of highway and in fact on all of the highways. I believe one of the major causes of delay has been the conversion of a lot of our signs and the numbering system to the metric system. I believe the plan was that once the conversion had taken place, that the crew would be out and would be putting up all of the necessary signs along the different highways that are appropriate. With regard to signs that indicate that there are facilities in that area, this is being addressed by the department and I think this coming summer we will be seeing those types of signs appear on our highways.

CHAIRMAN (Mr. Fraser): Thank you. This is the third time this guy has mentioned it, now. Mr. McLaughlin.

Future Program For Chip-Seal Surfacing Of Highways

MR. McLAUGHLIN: One other thing that I have pursued before and I would like to pursue again is the work that was done between Pine Point and Hay River on the highway. Using the chip-seal surface instead of actual hot asphalt paving, just putting a chip-seal asphaltic coating on it, I think has been very successful. I know that it is cost-saving, that you do not have to grade the roads in the summer because of that, or haul material or crushed rock; I know that the sources for gravel and crushed rock are disappearing. I was wondering where the next areas you are going to do chip-seal coats are in the Pine Point, Fort Resolution and Fort Smith areas, as well as other highly travelled areas like Rae to Yellowknife.

CHAIRMAN (Mr. Fraser): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, I am just looking under what we call our "third-party" -- work performed on behalf of third parties. This is road reconstruction which is still under the Department of Indian and Northern Affairs and is in the process of being transferred to us, and we do have a major program underway for surface stabilization. It is on the list of items to be brought before the Executive Committee so that a prioritization can be determined as to where the work will be carried out in this coming year. So I am not prepared at this time to state exactly what areas of the highway will be worked on with regard to stabilization until it has been brought before the Executive.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Pilot. Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Chairman. You are, however, going to continue this asphaltic coating chip-seal program, in order to save maintenance costs, and you are going to do some more of it this summer, then?

CHAIRMAN (Mr. Fraser): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, as a general statement, yes, we are, but how much and where I am not prepared at this time to state. We have a number of areas which are on the priority listing for reconstruction, but they have not been, as I say, identified in a true priority sense.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Pilot. Mr. Stewart. Highways.

Priority For Paving Portion Of Mackenzie Highway Within Hay River

HON. DON STEWART: Thank you, Mr. Chairman. The end section of the Mackenzie highway from Edmonton that is inside the municipal boundaries of Hay River on Vale Island has been under reconstruction and the promise of paving. Now, the reconstruction I think is now concluded. Is there any hope of having that two or three miles of heavily used road by the truck lines paved this summer? Or hardchipped or whatever? Some sort of dust control?

CHAIRMAN (Mr. Fraser): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, I do not have that information before me at this time. We are preparing work on the bridge that has been a requirement and that has been expressed over a number of years, and whether there will be sufficient funding to complete that portion of the highway with a chip-seal or with a reconstructed surface at this time is difficult to say.

I should add, Mr. Chairman, that one of the difficulties that we are facing in the highways sector of the Department of Public Works is the identification of funding from the federal government. We have identified a requirement for \$6.6 million and the Department of Indian and Northern Affairs has not confirmed

this figure with us to this moment. My understanding is that the figure will be more like \$3.9 million rather than \$6.6 million, so that is one of the areas that we have to address, and one of the reasons why I was saying we wish to take the priority listing to the Executive Committee to have confirmed.

CHAIRMAN (Mr. Fraser): Mr. Stewart.

HON. DON STEWART: Would the Minister then agree to putting this section of road on his priority list for discussion with the Executive Committee because this has been promised for five or six years? I know that there was a rebuilding problem that had to be overcome before the final coating to be put on the road, but that piece of road in there probably is the most used road in the whole of the Northwest Territories, and the danger to life and limb with reduced visibility with dust is such that it certainly requires looking at. It has been promised to Hay River for some five or six years and it has still not been done. Will the Minister undertake to do that for me?

CHAIRMAN (Mr. Fraser): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Yes. Mr. Chairman, it is on the list as one of the areas which we would like to complete. It is kilometre 37 to 48. It is the end of that highway that Mr. Stewart is referring to and our proposal is to continue work on that section for eventual paving.

Total O And M, Highways, Agreed

CHAIRMAN (Mr. Fraser): Thank you, Mr. Pilot. Any further questions on highways in the amount of \$13,680,000? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Detail Of Capital

CHAIRMAN (Mr. Fraser): Capital on pages 11.13, 11.14, 11.15, 11.16 and 11.17 in the total amount of \$16,300,000. Mr. Curley.

MR. CURLEY: What page did you say?

CHAIRMAN (Mr. Fraser): You want to go to page 11.13. That is the detail of capital. If you want to go page by page, that is the first one. Mr. Curley.

MR. CURLEY: Yes. I wanted to ask the Minister exactly how the capital planning process is handled in the government. Do you have any important role in how the capital funds should be spent in regions and in the communities? The reason I am asking that is, when we are dealing with the individual departments, the method that I normally get, as far as prioritizing the major capital projects is concerned, is that they really do not have any control.

So could you explain to me and to this committee exactly how the planning begins on the major DPW capital projects? I realize each department must present their lists of priorities to -- I do not know who. Who do they give it to? Do they have to give it first to the regional director and then from there -- maybe if you explain to me a bit, then I will understand a little more. Thank you.

CHAIRMAN (Mr. Fraser): Mr. Pilot.

Past And Proposed New Capital Planning Process

DEPUTY COMMISSIONER PILOT: Mr. Chairman, in response to that question, and in an attempt to remain brief, I can say that the capital planning process as this House has been familiar with has not been a very successful system and we are now in the final stages of revising the capital planning process for the Government of the Northwest Territories.

In the past it appeared that we assigned a target level of spending to each region and to each department and the regions, without the opportunity to do long-range planning, were placed in the position of gathering the requirements of their communities in haste and presenting that amount of money or that spending target level to the Executive for consideration.

What we are proposing in the new process is that a provisional spending level will be established based on historical spending trends that have taken place in the various regions. Each regional director will be asked to develop a five year capital plan with the involvement of all the communities in their region and that five year capital plan should adhere as closely as possible to those provisional spending levels which have been established. The plan is then sent to headquarters and at that point it is divided into departmental requirements and then the departmental targets are established on those lines that have been established. But the true spending requirements of this government are not known until we have received our target figures from the federal government and those target figures do not come to us until usually in the mid or late summer of each year.

It is after those target figures have been received and we know then how much capital funding will be available to us that we are able to match those provisional spendings with the actual targets. In this method we will have a better understanding of what the true community requirements are by region. At that time we match those requirements to the priorities that have been established by this Legislature and the policies and priorities have to be interpreted and matched with the requirements that have been indicated by any particular region or community.

Explanation Of New Process For Planning

I think once we have this new process in place that the capital planning as you are concerned with will be more meaningful. You will note that when we address any particular concern or item in the capital that it has come from a requirement in a community and it does in fact meet the policy or the priorities of this Legislature, otherwise they should not be appearing here for expenditure.

I know that is a long and complicated sounding process and I hope within the next month to have the actual capital plan completed, the process side of it. It will be taken to the regions by the new manager of the capital planning system, who is a man by the name of Al Falconer. He will meet with all of the regional directors, explain the system and at the same time we will be preparing what we call our "call letter" to the regions asking them now to consult with their communities and develop a community catalogue of requirements by region. The catalogue that we are referring to or the needs that will be identified by each community will be prioritized by the region before it is sent to headquarters. If we are successful in our negotiations with the federal government for capital funding, the provisional spending levels or targets that we have given the regions and the actual target that comes from Ottawa should match. Each of the regional needs and requirements should be addressed and appear in the first year of the capital plan and in the ensuing years, it is a matter of updating that capital plan through the same kind of a cycle basis.

The purpose for changing at this time is that we have to come more into step with the federal government's spending requirements; the information that the Treasury Board and the Department of Indian and Northern Affairs requires from us is on a cycle basis. In the past we have been out of step in providing that information and we must now come in closer relationship to their spending targets as they present them to the Treasury Board. I do not believe I can add anything more. If I went any longer, I am sure I would confuse you further.

CHAIRMAN (Mr. Fraser): You have done pretty well.

---Laughter

Mr. Curley.

Urgent Need To Plan For New School In Eskimo Point

MR. CURLEY: Thank you, Mr. Chairman. I appreciate Mr. Pilot's response. For the record I would like to present you with a particular problem in my constituency, in Eskimo Point, where I am sure you are aware that the large territorial school is really not adequate to serve the needs of the community. I am sure the Minister has been provided with that information, but I think because it is so large a territorial expenditure, you will have to be, I am sure, involved in whether you would consider that as a priority. I would just like to quote a recent submission of Mr. Noah and myself given to the Minister and to all the various MLAs. The quote I am reading will be about the particular school and it says: "Our school presently consists of one large building with open area classes and three external portable buildings housing seven classes. This situation is inappropriate, both because the main building is especially poorly designed for our needs and because we do not wish to see continued development of small detached buildings as emergency or band-aid solutions to much larger long-term program needs of our children. With projected increases in enrolment, increases in staff and growth of school programs over the next few years, we suggest that rationalization of our school facilities become urgent."

That is an introduction to the argument. I do not think the Minister of Education himself would be able to convince the Executive Committee or the planning group in the government so I am just putting that in the record because there is an urgent need, I think, to do something about that situation in Eskimo Point. So, for your information I would like you to keep that in mind as you prepare for next years planning -- this item anyway -- capital project.

There are two other needs with regard to the adult education centre in Eskimo Point and the other kinds of community education office facilities needed. I think I have much more appreciation as to how the process goes about and I know that you, as the Minister responsible for Public Works, will definitely find a way to fix that situation.

Assurance That DPW Will Safeguard Northern Contractors And Employment Of Northerners

There is another problem that I would like to address to you which involves the capital issues. Particularly when we are dealing with the Department of Public Works in the regions, we must be concerned with the job opportunities, be guaranteed and protected for those depressed areas and communities. We have seen for many years that the budget, the capital expenditures are approved by this Assembly in spite of their arguments to provide jobs and so on, employment for the northern people. There is no preference policy of the Department of Public Works. The Department of Public Works is guided by, I am sure, the Treasury Board regulations and in spite of the Executive Committee's and this Legislature's arguments to protect and provide preference for northern hire, it does not happen in reality. It does not happen with DPW, I think particularly. We can possibly prove by saying that we hired that many people in this community and so on, but even the awarding of the contracts for government tenders is -- I think the majority of them would not really prove that northern contractors are getting the best deal out of the government tenders. I would like to ask you what assurance you can give to us that these capital expenditure funds that we are going to approve will ensure that northern people are getting the maximum employment and northern contractors will adequately be safeguarded against the large construction companies that are frequently being awarded contracts by this government?

Policy On Northern Preference Not Forthcoming

We approved a motion one time to change the government policy, to give the northern preference in terms of government tenders and hiring of northern people. The government circulated all the regulations with respect to contractors and financial administration stuff. I did receive that information, that package, but I did not go through it because I was a bit disappointed for having all those legal documents dumped on me when it was not my job, when I really was not paid as a servant of the government to go through all that in detail and make recommendations for change, because our original motion a year and a half ago in the Assembly was the Executive Committee establish a new policy to be presented to this House. That has not happened so I am wondering why you have not attempted to give that motion more priority than you have given it. Thank you.

CHAIRMAN (Mr. Fraser): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, direction has been given to the Department of Public Works to place a very high emphasis on the utilization of locally hired construction crews and northern companies in work that the Department of Public Works will undertake this coming year. I have the assurance of the deputy minister, Mr. Elkin, that he is going to be working very closely with the regional superintendents of Public Works to see that this direction is adhered to.

With regard to the development of a policy, we have attempted to put together a policy that would be acceptable to the northern construction industry. We have on several occasions met with them to discuss the kinds of regulations that should be put into place that would be acceptable to them. At our last meeting it was the Northwest Territories Construction Association's wish that they would develop an acceptable level -- or regulation -- and present it to the Department of Public Works for consideration. I understand that a meeting has been arranged for early March with the Northwest Territories Construction Association, and I am sure that this document will be forthcoming at that time.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Pilot. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, on the capital plan there are a number of items shown as buildings to be built for staff accommodation. Is the government going to continue to build staff accommodation, or is this an indication that these units will be out for tender for lease?

CHAIRMAN (Mr. Fraser): Mr. Pilot.

Requirement For Staff Housing

DEPUTY COMMISSIONER PILOT: The government will still be providing accommodation in level two and level three communities; that is defined as those communities outside of the highway system. It will still be our requirement to put staff housing into these areas, although we will be moving toward a market rent to be charged to our employees as they occupy these units.

CHAIRMAN (Mr. Fraser): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, he said "communities on the highway system". How would you define a community on a highway system? Is Fort McPherson not on a highway system?

CHAIRMAN (Mr. Fraser): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, yes, Fort McPherson is on the highway system. At the present time, until the new housing policy comes into effect, which is November, 1983, we will still be responsible to provide housing within that community. Other communities on the highway system would be: Arctic Red River; Inuvik; and all the communities along the Mackenzie highway as we have identified them.

CHAIRMAN (Mr. Fraser): Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, has the Department of Public Works or this government explored whether any new housing could possibly go out to tender and lease? Are you looking at that? I realize you are going to be into staff housing supply for some time in various areas, but are you looking at moving toward putting out to tender the need for houses and leasing them?

CHAIRMAN (Mr. Fraser): Mr. Pilot.

Government Owned Buildings Less Expensive Than Leasing

DEPUTY COMMISSIONER PILOT: Mr. Chairman, we have looked at that. We have examined that possibility. This past year we extended through advertisements in newspapers proposals for Cambridge Bay for leased accommodation. The cost of three different companies -- all northern companies -- was provided to us and we found them to be in excess. It would be less expense to this government to build and maintain our own buildings rather than lease.

Detail Of Capital, Agreed

CHAIRMAN (Mr. Fraser): Thank you, Mr. Pilot. Any further questions on capital? Page 11.14, 11.15, 11.16 and 11.17, in the amount of \$16,300,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Highway Reconstruction Program

CHAIRMAN (Mr. Fraser): Page 11.19 is an information item. Do you want to discuss page 11.19? Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Chairman. I advised the Deputy Commissioner that I had some questions in this area, and it is third party work regarding federal funds which are used to upgrade highways under this highway reconstruction program. The area that I am interested in is the NWT border to Enterprise. This summer, Mr. Pilot, you sent me a letter advising that you would be beginning the upgrading of that highway, and possibly paving it the following summer, but that paving it would depend upon taking over that responsibility from the federal government and setting your own priorities.

What I would like to put to you is that in the upgrading of this road, the past experience being when you upgrade roads you spend a lot of money possibly widening it six or seven feet in order to put paving on it. I think it would be a lot better in this case if you would seriously look at paralleling this road by just building another road beside it, because every time in our area when you have done upgrading like this, there have been people killed while they have been travelling these roads during the reconstruction. During the reconstruction from Pine Point to Hay River, I know two or three people were killed during that construction.

Need For Wider Highway And Bridge

So I would like you to seriously consider that for several reasons, one of them being that the road which comes north from Alberta is extremely wide compared to ours. There is no weigh scale in Alberta north of Grimshaw, so that vehicles that are overweight and extra wide and extra long all travel this highway. It is very dangerous, because the weigh scales for the Northwest Territories government are not until you get to Enterprise. By the time these dangerous truck loads head into the Territories, you have already run the risk of killing people and having accidents on the highway, so you are not going to send them back. You are going to let them continue on their way anyway, because most of them are just destined to Hay River.

Then you have a problem again on this highway where the bridge in Hay River is not wide enough or strong enough to hold the loads which are destined for NTCL, and this causes all these trucking companies a large problem, where they have to drive through the west channel of the Hay River, or have to rent cats to pull the trucks through. All this adds to the cost of this freight, which is destined not just for Hay River, but for communities further north. There is nothing indicating to these companies that they are going to run into these kinds of problems when they come into the Territories. There is nothing at the border to help them out.

I would like you to look at this whole situation, especially in the light of Norman Wells which is going to put a lot of pressure on this highway system. I realize it is federal funds, and I do not want to see you taking funds away from highway improvements in the Liard area, where you are building a new road, or improving the road to Wrigley; but I would like you to make a special case to the federal government that because of the impact of the Norman Wells project that you should be able to get funding from them in order to upgrade this road to the width of the Alberta highway system, and you upgrade that bridge in Hay River to accommodate the traffic.

Extra Burden On Highway With Development Of Norman Wells Project

Some people I have talked to think it is kind of ridiculous to say, "Let us have a four lane divided highway from the border to Enterprise", but I do not think it is a joke. I think in reconstruction of that road -- things being as they have been in the past, it is going to kill some people. It is a very dangerous thing in the summer when you have tourists up there who have not seen this road before. There is a national magazine on tourist information that describes different areas of the highways where you can travel as a tourist in Canada, and the stretch from Grimshaw to Fort Smith is described with a headline that says, "Through Dust and Flying Gravel to the Great Northwest". I think that has been somewhat solved by the paving Alberta has done on their part of the highway, but I would like to see us have a highway from the border to Hay River and Enterprise that is of the same width and standard as the road Alberta has, to accommodate the extra traffic and the width of traffic that is going to be caused by Norman Wells. I think you people should make a serious effort to go after the federal government for special case extra funding in this area. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Thank you. Department of Public Works. Are you through with that one, Mr. McLaughlin?

MR. McLAUGHLIN: I would like Mr. Pilot to respond with a few comments.

CHAIRMAN (Mr. Fraser): Mr. Pilot, could you respond to that?

DEPUTY COMMISSIONER PILOT: Yes, Mr. Chairman. We will have prepared a Treasury Board submission for the upgrading of that highway between the border and Enterprise. As I indicated earlier, we have a difficulty with the Department of Indian and Northern Affairs. There are certain standards that they have set for highway reconstruction and construction, and what has been suggested by Mr. McLaughlin does expand or goes beyond the criteria and standards that have been established. We shall certainly, in the submission of our Treasury Board document, indicate the concerns of the Member and hope that we can get the funding. Without the money, we cannot do very much. I am sure our highways branch could do a lot if they could have an injection of \$10 or \$20 million into their budget.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Pilot. Total O And M, page 11.01, \$73,855,000. Agreed? Mr. Curley.

Assessment Of Condition Of School In Eskimo Point

Before we agree on that, I am a bit concerned whether or not the Minister will at least have an architect or engineer or someone to travel to Eskimo Point one day to really take a look at it. The reason I am saying that is not only is the Eskimo Point education society quite concerned, I am concerned too because not one cent is allocated in the capital expenditures here for Eskimo Point, whereas in some communities, for instance Baker Lake, you are spending one million dollars on improvements to the school, I am wondering why DPW has not taken time to really assess that thing. After all, your officials in DPW have seen that building and so on. I just would like to see if you can assure me that you will undertake to take a good look at it and see what you can do. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Curley. Mr. Pilot, do you wish to respond to that?

DEPUTY COMMISSIONER PILOT: The deputy minister has indicated to me that he will have someone look at that school and work with the Department of Education and the region to identify what kind of a program has to be developed to answer the concerns that have been expressed.

Total O And M, Agreed

CHAIRMAN (Mr. Fraser): Total O and M, \$73,855,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): We will thank the witnesses then, which completes Public Works. Mr. Braden.

HON. GEORGE BRADEN: Thank you, Mr. Chairman. I believe the NWT Liquor Control System is next on the agenda. I am not quite sure what is the wish of the Members. Can they proceed to try and complete this this afternoon?

CHAIRMAN (Mr. Fraser): What is the wish of the committee?

SOME HON. MEMBERS: Proceed!

CHAIRMAN (Mr. Fraser): Mr. Braden.

NWT Liquor Control System

HON. GEORGE BRADEN: Thank you very much, Mr. Chairman. The statement that I made yesterday concerning major revisions to the Liquor Ordinance gives the committee some indication of what I would hope to proceed on with the input of MLAs over the next few months. I think there are some bold proposals with respect to dealing with liquor in the Northwest Territories. What we have before us today are the expenditures of the Liquor Control System in the amount of \$965,000. I do not particularly have much more to say with respect to introductory comments at this point in time. I would ask the committee's indulgence to have Mr. Ed Pugh, who is the general manager of the Liquor Control System, to come in as a witness to assist me in answering some of the technical questions. I am aware that the standing committee on finance has some concerns respecting the costing of liquor in the Northwest Territories and how that relates to profits or income that we receive from the sale of liquor. So that is basically all I have to say, Mr. Chairman.

CHAIRMAN (Mr. Fraser): Thank you. Is it the wish of the committee that we bring Mr. Ed Pugh in as a witness to assist Mr. Braden? Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): We are on page 4.01, Liquor Control System. General comments. We are open for general comments. Mr. Patterson.

Comments On Paper Outlining Proposed Reforms

HON. DENNIS PATTERSON: Mr. Chairman, I would just like to congratulate the Minister on the paper that he submitted yesterday outlining proposals for reform of the Liquor Ordinance and Liquor Control System in the coming year. I find no difficulty at all in accepting the paper and the recommendations. I am pleased that the Minister seems to have identified a number of concerns that have been bothering me for some time. I can just mention the need for Eastern Arctic representation on the board, the need to get the board moving throughout the Northwest Territories, the need to provide more opportunities for inspection, which is a particular concern in Frobisher Bay, and generally the character of the report in telling people in the Northwest Territories that liquor abuse is one of the most serious obstacles to our social, political and economic development and that it is up to us to do something about it. I am getting sick and tired of people who believe that consumption of liquor is a democratic, constitutional right which cannot be taken away by government or influenced by government. We do not have a constitutional or fundamental human right to drink. It is a matter that is subject to control by government for the good of all the people and I would just like to generally say that I recognize that this is a very tough job, that liquor excites people's passions. We know that very well in Frobisher Bay from the agonies, I guess, that some people particularly have gone through over closure of the liquor store, but I have said many times publicly that what was done there has resulted in profound change in the community for the better, even though some people suppose that human rights to drink have indeed been curtailed.

I would also like to say that I was particularly pleased that the paper submitted by the Minister recommended wider acceptance of what is called the "Igloolik model for local liquor control" where local committees are encouraged to counsel and police people within their communities who cannot control liquor and give certain freedoms to those who can drink responsibly. I think that is the end object of all liquor control mechanisms.

So I would just like to say generally Mr. Minister, that although you are going to get very strong criticism for any of these initiatives from some quarters, I think that the majority of the people of the Northwest Territories recognize that reforms are needed, and I think you will certainly have my support and I am quite sure support from Members of this Assembly if you wish to take these steps forward. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Patterson. General comments. Ms Cournoyea.

Control Of Bootlegging

MS COURNOYEA: Yes, I would like to make a couple of comments. First of all, I would like to commend the Minister of Justice and Public Services for addressing the situation in the northwestern Arctic portion of this country, in probably putting the first bootlegging control system in place.

HON. DENNIS PATTERSON: Hear, hear!

MS COURNOYEA: I believe that the situation has been somewhat strained. However, I, for myself, could not understand why anyone felt that their rights and privileges were taken away. During my lifetime I have known some of the best drinkers, people who would not be able to live without it, but in my experience with what is going on in our area now none of them have complained, because most of them could not consume 40 ounces a day. So I would like very much to say that the exercise will probably put some things in order. The subsequent meetings and the follow-up that will be carried through the auspices of your department certainly will lend to more control, more involvement and maybe detailing a little bit better some of the things that probably will crop up from time to time.

There has been some indication that the people who advocate no booze control or no bootlegging control, who seem to indicate that they are supporting the bootleggers, have done very well vocally. I understand that they even want to try some court actions so they can further protect the bootleggers. I do not know whether they are the bootleggers or their best friends are, but whatever it is, I feel that it is time for us to really address the issue and not really make excuses on why we cannot make and carry out, for the common good, some decisions. I do not believe it is autocratic because the issue in our area has been under discussion for many, many years. Prior to 1950, we had a system of controls and people felt that they could live with that quite well and I certainly commend the government for taking that decisive action. I am not really totally involved with the Igloodik formula. I certainly support the concept of that idea. However, I think that we should look at it in the light that that kind of system probably would work in some communities and not in others.

Support For Corrective Measures

I find that in some areas legislation is a tool that people can rely on. I do not believe in a lot of laws, but there are certain things that do protect the general public and allow people who are in the business of protecting the general public to carry out their duties. I support your statement that something must be done and I for one will make the statement quite clearly that I am very, very glad that perhaps some curtailment on the bootleggers is going to be in place in our area. It is too long that these people have controlled the lives of the people. Some communities do try to take corrective action. However, these people are always preying and undermining the ability of the community to deal with its problems. I look forward to the time that you will be placing new legislation on the table and certainly, on my part, and many, many people from my region will be happy to lend any kind of support that you need to make those corrective measures or those changes. I would like to thank you, from the Delta and Beaufort Sea area, for the action that you recently took.

---Applause

CHAIRMAN (Mr. Fraser): General comments on page 4.01. Mr. Curley.

MR. CURLEY: Mr. Chairman, I too welcome the proposed proposal that the Minister puts forward, the possible recommendations concerning a new Liquor Ordinance for the Northwest Territories. I share the views given by Nellie Cournoyea and Dennis Patterson that the problem is real and it must be taken seriously. There have been unnecessary accidents that have occurred, death has occurred and so on. I think communities would like to take part in regulating that abuse, that problem. Particularly, I can say that in Rankin Inlet since the local outlet has been abolished long ago the situation has improved quite a lot, but they would like to be able to have a little more influence as to how the liquor is controlled in the community. I certainly will want to see when the ordinance is presented that the community will not only have an advisory role, but they will have some direct control as to how that commodity is used.

Power Of Communities

We have given municipalities some serious responsibilities. We have given them, for instance, the responsibility to issue licences for small businessmen. No doubt we should be able to do that with this kind of a product, because it should not be categorized any differently than any others, but the licensing procedure, I suppose, is one that we have problems with. I welcome your proposals to this House, because it allows us to express and receive further instructions from the Members. So, I will certainly give you total support for that. I think some Members are concerned in the small communities that even though the Igloolik model is one that is noted a lot I think some communities would certainly want to have a little more power to control that. So I hope that the new ordinance will reflect that concern. Thank you.

CHAIRMAN (Mr. Fraser): Thank you, Mr. Curley. Mr. Kilabuk.

Strength Of The Regulations

MR. KILABUK: (Translation) There is a liquor plebiscite in the communities. I have not seen a law after the liquor plebiscite in the communities. I have not seen a law strong enough to carry out the plebiscite order in the communities. Maybe it is because the communities have to be responsible to make up the law concerning no liquor being permitted in the communities. I have not agreed with some of the regulations put in the plebiscite. I just wanted to find out how strong the regulations are after a plebiscite for not having liquor in the communities. How strong are they because sometimes the communities are allowed some liquor and some are not allowed any at all? I just wanted to find out exactly how strong the regulations are.

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

HON. GEORGE BRADEN: Thank you very much, Mr. Chairman. If a community chooses to prohibit liquor, then it is up to the police to enforce that particular decision. So, very generally in response to the Member's question, it would be the police that would be expected to enforce that prohibition decision. Now, with respect to the future, I would hope that in the new ordinance I can consider a little further the comments of the Member on enforcement of decisions made concerning how alcohol should be distributed or not used at all in a community. There are from time to time situations where a community has made a decision through a plebiscite to take certain steps. That may mean prohibition, for example. However, after a few years of prohibition if it becomes apparent that that just will not work and that other steps have to be taken, such as having liquor sold in the community, but under very strict control conditions and that kind of situation is being investigated in two or three northern communities right at this time. So, I give the Member my assurance that I would like to get some further input from him on the kinds of concerns he has about enforcement. As I said in my paper, we have some general comments on the enforcement of liquor regulations. Thank you.

CHAIRMAN (Mr. Fraser): Mr. Kilabuk.

MR. KILABUK: (Translation) I have been told before that in the towns that prohibit liquor the alcohol committee is not trusted. They have alcohol and drug committees and they do not seem to be really helping. I know that there should be an alcohol committee, but they should put out stronger regulations on liquor and liquor prohibition. There should be regulations in the communities. I like the Igloolik model, and my words are probably a little bit offside.

CHAIRMAN (Mr. Fraser): Mr. Minister.

Legal Base For Community Control Of Liquor

HON. GEORGE BRADEN: Well, as I indicated, Mr. Chairman, we are in the new ordinance looking to strengthen the legal base for community controls over how liquor is used. So, I would hope that I can present something in the next few months which recognizes the concern that is brought up by the Member on the ability of communities to actually take steps and have those decisions enforced.

CHAIRMAN (Mr. Fraser): General comments. Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. I would like to thank the Member for his great work. It was very well put. I have a question. I come from a community where liquor is prohibited. The hamlet council knows that the regulation has been broken a couple of times already. I wonder whether they can put stronger emphasis on the prohibition, whether the hamlet council can put stronger emphasis on the regulations on liquor. Thank you.

CHAIRMAN (Mr. Fraser): Mr. Minister.

HON. GEORGE BRADEN: Mr. Chairman, I will give the Member my assurance that I will raise this issue with the RCMP and as far as the role of the hamlet is concerned, I would say that they should be expressing their concern to the RCMP about violations of the prohibition regulation. So I think the hamlet can and should notify the RCMP if they feel that prohibition is being violated.

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

Comments From Standing Committee On Finance

MRS. SORENSEN: Thank you, Mr. Chairman. Mr. Minister, the government has announced in the speech that our Minister of Finance gave that there were pending fuel tax increases and as you are aware, the bill is now before the standing committee on finance. You are also aware that the finance committee is extremely reluctant to approve some of the increases. However, your committee is equally aware that if this government does not raise the additional revenue then we may be short, there may be a deficit and we may run into problems at the end of the year. We may not be able to institute some of the programs that we would like to.

We in the standing committee on finance have talked about the possibility of increasing the price of liquor and I guess you would do that through increasing the profit margin. Has the government looked at the possibility of increasing the profit margin and, if so, how much of a profit can we take without losing tremendous profits that we already make?

I also realize that it is a dichotomy to be speaking like this, just at the same time as we are discussing the very real problem that we are experiencing in the North with respect to the overconsumption and abuse of alcohol. Nevertheless it is a reality that alcohol is being sold and that this government

is making a profit from that selling of liquor and that we do use the revenue, more than one million dollars of it for rehab programs, and for other programs that are important services to the people. So, you know, I am kind of reluctant to bring it up at this time. However, we are faced with a very real problem in the standing committee on finance and I am wondering if the government has looked at the possibility of increasing the profit margin.

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

Concern With Bringing In Liquor Illegally From Alberta

HON. GEORGE BRADEN: Mr. Chairman, I will have Mr. Pugh explain some of the details of our pricing system and how that relates to the profits that are earned. I just would say in general that we have considered the idea from time to time. One thing that concerns us is if we do raise our profit margin and produce a situation where the difference between the price of a bottle of alcohol in the Northwest Territories is so vastly different than what it is in Alberta, we risk a lot of people running illegal liquor into the Northwest Territories in large quantities. This is one thing that we are concerned about if we do raise our prices to the point where it becomes profitable, I suppose, for some entrepreneurs to illegally bring liquor in and you end up with more bootlegging in the Territories. I will have Mr. Pugh explain some of the technical aspects of our system.

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

Method Of Pricing In NWT

MR. PUGH: Basically the method of pricing within the Northwest Territories is to arrive at the landed cost of the product at Hay River, and depending upon the alcohol content, a percentage markup is added to that to arrive at the retail price. Specifically we have not looked at increasing the markups and increasing the profits but at this time of escalation in prices, we really have a built-in system of increasing profits. As the escalation goes up, our cost goes up, and as we mark up, our percentage goes up or our profit goes up accordingly. So that basically is the situation we are in at the present time. Now, we do have distribution costs beyond Hay River which sort of offset part of the profit, but we have a sufficient markup built in there to realize some form of added profit.

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

MRS. SORENSEN: Yes, the finance committee realizes that there are automatic increases -- I believe they are ad valorem increases -- and we certainly support that. However, those increases are budgeted for. What we are looking for is a method by which we can substitute the proposed taxation of fuel with another taxation or an increased taxation. In this case it would be an increased profit margin because we do not tax liquor; we add a profit margin onto it. So you see our dilemma is, is it better to tax a luxury item like alcohol, even in the face -- not tax it but increase the profits -- even in the face of the information that Mr. Braden has given us? Or is it better to tax fuel which has all sorts of other spinoffs with respect to the cost of living and the increasing demand for subsidy programs to this government, the burden on the home-owner or trucking industry or the air line industry, depending on what fuel you are taxing?

Problems Associated With Increasing Profit Margin On Liquor

So we are wondering if there are any other impediments beside the risk that we may have rumrunners, I guess you would refer to them, and we might have that -- I believe we already have that anyway, but we might increase that. Are there any other problems that might arise as a result of increasing our profit margin on liquor?

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

HON. GEORGE BRADEN: Well, you know, there are obvious implications, Mr. Chairman, to the various licensees in the Northwest Territories who are going to have to pass on increases to their customers and that is one obvious additional impact that I can recognize at this time. You know, I really do have though a major concern about, as I said, the implications of rumrunning or people bringing in liquor illegally from the South. We do, as Mr. Pugh indicated, have a system where we can increase our profits. Quite honestly I recognize the dilemma of the standing committee on finance in terms of taxing luxury items, but the federal government in Ottawa, as I understand it, in the last budget or previous budget, did increase the federal tax on luxury items. I recognize that it may be one particular tool, not only to generate revenue, but it may be a useful tool in discouraging drinking if we raise the price. On the other hand, that affects revenues then so it is kind of a Catch-22 situation, Mr. Chairman.

Total O And M, Liquor Control System, Agreed

CHAIRMAN (Mr. Fraser): Thank you, Mr. Minister. Liquor Control System, page 4.01, in the amount of \$965,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Fraser): Any questions on the information item on page 4.02? Can we thank the witnesses then?

---Applause

What is the committee's wish? Progress?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Mr. Fraser.

REPORT OF THE COMMITTEE OF THE WHOLE OF TABLED DOCUMENT 4-82(1), ANNUAL REPORT OF TERRITORIAL ACCOUNTS, FISCAL YEAR 1980-81; TABLED DOCUMENT 20-82(1), REPORT TO THE COUNCIL OF THE NWT ON THE EXAMINATION OF THE ACCOUNTS AND FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE NWT FOR THE YEAR ENDED MARCH 31, 1981; TABLED DOCUMENT 21-82(1), REPORT TO THE COUNCIL OF THE NWT ON "ANY OTHER MATTER" ARISING FROM THE EXAMINATION OF THE ACCOUNTS AND FINANCIAL STATEMENTS OF THE GOVERNMENT OF THE NWT FOR THE YEAR ENDED MARCH 31, 1981; 14TH REPORT OF THE STANDING COMMITTEE ON FINANCE; BILL 1-82(1), APPROPRIATION ORDINANCE, 1982-83; 13TH REPORT OF THE STANDING COMMITTEE ON FINANCE

MR. FRASER: Thank you, Mr. Speaker.

Your committee has been considering Tabled Documents 4-82(1), 20-82(1) and 21-82(1), and wish to report these matters concluded; Bill 1-82(1), and wish to report progress.

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

CLERK ASSISTANT (Mr. Hamilton): Announcements. There will be a meeting of the special committee on education at 1:00 p.m., Saturday, February 27th in the Executive Committee board room in the Laing building. There will be a meeting of the Members' Services Board at 9:30 a.m., Monday, March 1st, in room 301, and a meeting of the standing committee on legislation at 9:30 a.m., Monday, March 1st, in Katimavik A.

ITEM NO. 14: ORDERS OF THE DAY

Orders of the day for Monday, March 1st, 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); Bill 8-82(1); Tabled Documents 3-82(1), 9-82(1), 15-82(1) and 16-82(1); 13th Report of the Standing Committee on Finance
14. Orders of the Day

---Applause

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until 1:00 p.m., Monday, March 1st.

---ADJOURNMENT

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