



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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TABLE OF CONTENTS

2 March 1982

	<u>PAGE</u>
Prayer	891
Oral Questions	891
Questions and Returns	892
Tabling of Documents	894
Petitions	895, 931
Notices of Motion	895, 931
Consideration in Committee of the Whole of:	
- Bill 1-82(1) Appropriation Ordinance, 1982-83	896
- Northwest Territories Housing Corporation	896
- Department of Information	911
- The Executive	914
- Legislative Assembly	920
- Bill 8-82(1) Vital Statistics Ordinance	924
- Tabled Document 3-82(1) Position Paper on the Issue of the Taxation of Northern and Isolated Post Benefits and Allowances	925
Report of the Committee of the Whole of:	
- Bill 1-82(1) Appropriation Ordinance, 1982-83	931
- Bill 8-82(1) Vital Statistics Ordinance	931
- Tabled Document 3-82(1) Position Paper on the Issue of the Taxation of Northern and Isolated Post Benefits and Allowances	931
Orders of the Day	933

YELLOWKNIFE, NORTHWEST TERRITORIES

TUESDAY, MARCH 2, 1982

MEMBERS PRESENT

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

ITEM NO. 1: PRAYER

---Prayer

SPEAKER (HON. DON STEWART): Orders of the day for Tuesday, March 2nd.

Item 2, replies to Commissioner's Address.

Item 3, oral questions.

ITEM NO. 3: ORAL QUESTIONS

Mr. Pudluk.

Question 63-82(1): Information To Baffin Regional Housing Association

MR. PUDLUK: (Translation) Mr. Speaker, this question is directed to the Minister of the Housing Corporation. The Baffin housing association is meeting in Frobisher Bay. I wonder if the Minister could clarify this as soon as possible. The people that are meeting in Frobisher believe that there are going to be new houses being built in 1982, and the Minister has stated here in the Assembly that there are going to be no new houses being built this year. But I do not think that the people that are meeting in Frobisher Bay have been informed properly. Can the Minister inform those people meeting at Frobisher Bay that there will be no new houses built in 1982? Thank you.

MR. SPEAKER: Mr. McCallum.

Return To Question 63-82(1): Information To Baffin Regional Housing Association

HON. ARNOLD McCALLUM: Mr. Speaker, I will make sure that the message gets to the Baffin regional housing association as quickly as possible.

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

Question 64-82(1): Supplying Medicine For Hunters And Trappers

MS COURNOYEA: Mr. Speaker, a question to the Minister of Health and Social Services. Over the last two years, many hunters and trappers have been having a great deal of difficulty in securing medicine such as penicillin to take on their traplines, and the nursing stations have informed the hunters and trappers that they must be ill before they can prescribe penicillin or drugs or that sort.

Since many of the hunters and trappers in my area go away for several weeks at a time, and are equipped with radios, they would wish that you, as Minister of Health and Social Services, could see to it that the nursing stations could supply drugs such as penicillin for their medical kits.

MR. SPEAKER: Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Speaker, I shall take the question under advisement and provide a reply. I think it is asking me to determine something that may well be within the relevant jurisdiction of the federal government. Nevertheless, I will take the question under advisement and try to see what can be done about the situation.

MR. SPEAKER: Thank you. Mr. Curley.

Question 65-82(1): Request For Return To Question 20-82(1)

MR. CURLEY: Yes, Mr. Speaker, I have a question to the Minister responsible for the Housing Corporation. I asked a written question the other day to see if he would table the exact formula of the housing rental scales. I wonder if he will be doing that before the session is over.

MR. SPEAKER: Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Speaker, yes, of course. Any questions that are asked of me during a particular session I would make sure that the answers, the written replies, are put in before we prorogue the session.

MR. SPEAKER: Thank you. Mr. Kilabuk.

Question 66-82(1): Legislation On Firearms

MR. KILABUK: (Translation) Mr. Speaker, this is to the Minister of Justice and Public Services. I have heard that there has been new legislation in Ottawa being done about gun control, and I think this will probably be directed to the Northwest Territories residents. Have you heard that there is going to be firearms legislation from the House of Commons in Ottawa?

MR. SPEAKER: Mr. Braden.

HON. GEORGE BRADEN: Thank you, Mr. Speaker. This question was asked by Mr. McLaughlin a while ago, and I am pursuing the collection of material so that I can prepare an answer to Mr. McLaughlin. I shall provide one at the same time to Mr. Kilabuk. Thank you.

MR. SPEAKER: Thank you. Oral questions.

Item 4, questions and returns.

ITEM NO. 4: QUESTIONS AND RETURNS

Are there any written questions today? Ms Cournoyea.

Question 67-82(1): Studies On Keyhole Lake In Cambridge Bay Area

MS COURNOYEA: Mr. Speaker, this written question is to be directed to the Minister of Renewable Resources, a question that I was asked to present to him. During what period of time did the studies on Keyhole Lake in the Cambridge Bay area take place? Are there any published reports? Can these reports be tabled? Will the Minister be setting arctic car quotas from the results?

MR. SPEAKER: Thank you. Written questions. Are there any returns for today? Mr. McCallum.

Return To Question 65-82(1): Request For Return To Question 20-82(1)

HON. ARNOLD McCALLUM: Mr. Speaker, I just want to respond to the Member for Keewatin North, as I had indicated, that I always try to provide an answer. I think if the Member would look in his book on motions, questions, and returns, he will find that I did make the reply to his question, I think sometime within the week of February 15th. He asked the question on February the 11th; I replied somewhere around February 19th. It is in the book.

MR. SPEAKER: Thank you. Are there any returns for today? Mr. Braden.

Return To Question 26-82(1): Status Of Native Women Married To Non-Native Men

HON. GEORGE BRADEN: Thank you, Mr. Speaker. I have a return to written Question 26-82(1), asked by Mr. Curley on February 15th. It concerns the status of native women married to non-native men. I realize that comments concerning the federal government's action have already been made on this, but for the record I would like to read this in. In response to Mr. Curley's written question, the federal government has exclusive jurisdiction over the status of Inuit women marrying non-Inuit men. Accordingly, the Government of the Northwest Territories cannot pass legislation respecting this matter. Although the Indian Act does not apply to the Inuit, the Department of Health and Welfare Canada has treated Inuit women married to non-Inuit men in the same way Indian women married to non-Indian men are treated under the Indian Act. Therefore, Inuit women married to non-Inuit men have been denied the medical benefits available to the Inuit. Last week, however, the federal government passed a motion reversing this policy. The fact that an Inuit woman marries a non-Inuit man will no longer affect her eligibility for medical benefits from the Department of Health and Welfare Canada.

Return To Question 21-82(1): Alberta Power Corporation Power Rates

I have a second return, Mr. Speaker, to written Question 21-82(1), asked by my colleague, Mr. MacQuarrie, on February 12th. It concerns Alberta Power Corporation power rates.

I am pleased to present a comparison of Alberta Power and NCPC, which I am sure will satisfy in part the question by the Member for Yellowknife Centre on this matter. The data presented in the table attached to my statement, Mr. Speaker, are drawn directly from the latest Public Utilities Board rate submissions by the utilities and describes their forecast 1982 operations. I felt that it was most appropriate to show the results as cost per kilowatt hour and revenue per kilowatt hour, as these two measurements are a reasonable way of averaging consumer and utility costs. On the other hand, the rates themselves are more difficult to compare because of the differing rate structures and the different monthly service fees levied by the utilities. I have also included a column entitled, "Revenue as a percentage of cost", which will allow Members to see situations in which the utilities are not recovering their full cost from the community or from a group of consumers within the community.

I would advise you, Mr. Speaker, to use caution and to Members to use caution in their interpretation of the data as it is incorrect to draw hard conclusions about relative or comparative operating efficiencies unless perfect community parallels or comparisons exist. As operating conditions do vary widely community to community, at best only general and judgmental conclusions can be reached in a brief analysis or study. For example, it is generally cheaper to produce power for residential communities than it is to supply an industrial area in which additional equipment must be installed to handle widely fluctuating swings in demand. The columns on the attached table entitled, "Cost per kilowatt hour" and "Revenue per kilowatt hour" can therefore serve only as general guides and do not in themselves definitively indicate relative operating efficiency.

Generally speaking, the costs per kilowatt hour seem to follow the pattern one would expect. Of the diesel communities, Inuvik, which is supplied by NCPC, is the lowest cost with 16 cents per kilowatt hour. It also has the highest generation and usually the bigger the better phrase applies in this case. Hay River-Enterprise, which is supplied by Alberta Power, is the next with the rate of 17 cents per kilowatt hour. This seems reasonable considering that they only have 70 per cent of the total sales that we would find in the Inuvik-Tuk system. It also has to maintain a transmission line, but a much shorter one and a transmission line which does not have to withstand the tremendous weather conditions that we find in the Inuvik-Tuk region. Fort Simpson's cost -- I note that Fort Simpson is supplied by the Northern Canada Power Commission -- is approximately 24 cents per kilowatt hour, but their market is only 30 per cent of Hay River's and they are overstocked or they have too much generating capacity as a result of a decision made many years ago to increase capacity when everybody felt there was going to be a big gas pipeline down the Mackenzie Valley.

Finally, Mr. Speaker, Fort Providence-Dory Point follows with a rate of 27 cents per kilowatt hour, which I suppose I could say, or some would say, is a good showing, considering that there is a very small market in these communities and the need for the transmission line to Dory Point. I would note, Mr. Speaker, that Fort Providence-Dory Point are supplied by Alberta Power.

In summary, while I still have serious concerns with the higher level aspects of jurisdiction and policy relating to electrical supply, at this time I am reasonably satisfied, after this brief analysis, that the two utilities are relatively comparable in operating efficiency. Thank you.

MR. SPEAKER: Thank you, Mr. Braden. Returns. Mr. Wah-Shee.

Return To Question 59-82(1): By-Law Officer In Pangnirtung

HON. JAMES WAH-SHEE: Mr. Speaker, I have a return to oral Question 59-82(1), asked by Mr. Kilabuk on March 1st, 1982, regarding a by-law officer in the hamlet of Pangnirtung. The hamlet of Pangnirtung has a part-time by-law enforcement officer at the present time. The hamlet's present financial situation is such that should the hamlet council wish to make this a full-time position or hire an additional enforcement officer they could do so without the need of additional funds. My officials spoke yesterday with the secretary manager of the hamlet and he advised that the hamlet council previously decided that a part-time enforcement officer was adequate as there are very few by-laws to be enforced.

Return To Question 58-82(1): Retrieving Sunken Grader At Whale Cove

I have another return, Mr. Speaker, to oral Question 58-82(1), asked by Mr. William Noah on March 1st, 1982, in regard to a grader in Whale Cove. The grader that fell through the ice at Whale Cove in the fall of 1980 rests in approximately 100 feet of salt water. Consideration was given to salvaging the equipment; however, it was written off owing to the cost of a salvage operation and because the effect of the salt water on the equipment has made it uneconomical to repair if salvaged. The grader was put up for sale as is and where is and was purchased by Mrs. Solomon Voisey in 1982 for \$77.77.

MR. SPEAKER: Are there any further returns?

Item 5, petitions.

Item 6, tabling of documents.

ITEM NO. 6: TABLING OF DOCUMENTS

Mr. Braden.

HON. GEORGE BRADEN: Mr. Speaker, I wish to table the following document: Tabled Document 26-82(1), Proposed Domestic Air Carrier Policy, Unit Toll Services,

Prepared by Transport Canada, 1981, and Response of Government of the Northwest Territories, to this document. I would note, Mr. Speaker, that our government's response has been translated. Thank you.

MR. SPEAKER: Thank you. Tabling of documents.

Item 7, reports of standing and special committees. Mr. Curley.

MR. CURLEY: Mr. Speaker, I would like to go back, if I could have unanimous consent, to the petitions, please.

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Unanimous consent is being requested. Are there any nays?

---Agreed

Item 5, petitions

ITEM NO. 5: PETITIONS

Proceed, Mr. Curley.

MR. CURLEY: Yes, Mr. Speaker. Petition 4-82(1), Proposed Rental Increase On Public Housing, Whale Cove. This petition is from Whale Cove. It contains, along with my signature, 80 residents from Whale Cove asking the Minister and the Housing Corporation to restrain themselves from increasing the housing rents, due to the high cost of inflation and so on in the Northwest Territories.

MR. SPEAKER: Thank you. Are there any further petitions?

Item 8, notices of motion.

ITEM NO. 8: NOTICES OF MOTION

Mr. McLaughlin.

Notice Of Motion 45-82(1): Guarantee For Future Supply Of Petroleum Products

MR. McLAUGHLIN: Thank you, Mr. Speaker. I would like to give notice that on Thursday, March 4th, I will be presenting the following motion:

That the Executive Committee advise the federal government that the Members of this Assembly demand a guarantee for future supply of petroleum products to the residents of these Territories as a condition to the exploitation of energy resources in the Northwest Territories; And further, that the development permits granted to these companies involved in the Norman Wells and Arctic Pilot projects require the construction of facilities with the capability of supplying the full range of petroleum products required by residents of the Northwest Territories at Edmonton or lower prices; And further, that the federal government require the sharing of resource revenues and permit equity participation by this government and any future governments of these Territories.

MR. SPEAKER: Thank you. Notices of motion.

Item 10, motions. I do not believe we have any motions on the order paper today.

Item 11, introduction of bills for first reading.

Item 12, second reading of bills.

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

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

Bill 1-82(1), Bill 8-82(1), Tabled Document 3-82(1), Tabled Document 9-82(1),
Tabled Document 15-82(1), Tabled Document 16-82(1), and Tabled Document 25-82(1).
It appears I do not have a chairman in the House. Mr. Nerysoo.

HON. RICHARD NERYSOO: Point of privilege, please. As the House knows and the
Assembly Members know, the Department of Renewable Resources has been without
a deputy minister for a number of weeks now. I would just like to inform the
House that I offered Mr. Jim Bourque, who has been the president of the Metis
Association, the position of deputy minister. He has accepted it and will be
on staff on April the 5th.

---Applause

MR. SPEAKER: Thank you, Mr. Nerysoo. I have a chairman, now. We shall go
into committee of the whole with Mr. Pudluk in the chair.

---Legislative Assembly resolved into committee of the whole for consideration
of Bill 1-82(1), Appropriation Ordinance, 1982-83; Bill 8-82(1) Vital Statistics
Ordinance; Tabled Document 3-82(1), Position Paper on the Issue of the Taxation
of Northern and Isolated Post Benefits and Allowances, with Mr. Pudluk in the
chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-82(1), APPROPRIATION
ORDINANCE, 1982-83; BILL 8-82(1) VITAL STATISTICS ORDINANCE: TABLED DOCUMENT
3-82(1), POSITION PAPER ON THE ISSUE OF THE TAXATION OF NORTHERN AND ISOLATED
POST BENEFITS AND ALLOWANCES

CHAIRMAN (Mr. Pudluk): This committee will now come to order.

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

Northwest Territories Housing Corporation

Housing Corporation. Mr. McCallum, do you wish to invite your witnesses in?
Mr. McCallum.

HON. ARNOLD McCALLUM: Mr. Chairman, yes, I would like to have the Deputy
Commissioner, who is the chairman of the board of directors of the Housing
Corporation, and the president of the corporation, Mr. Irving.

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

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): I believe we are on page 3.01, general questions. Are
there any more general questions? Mr. Curley.

MR. CURLEY: Yes. With your permission, I would like to make an introductory
remark to the Housing Corporation.

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

MR. CURLEY: (Translation) Yes, I am going to be speaking a little bit in
Inuktitut, and I will be commenting on the Housing Corporation.

I do not think that the people of our Keewatin region really understand. The
cost of housing and the cost of fuel are going up but the housing associations
are not making very much money. Now the housing associations feel that they
are going to be phased out. Also, the Minister has been saying, when he made

his reply to my question concerning rental rates -- a home-owner with many kids ends up paying over \$1000 a month. They are going to be charged a percentage of their income for the rent. They end up paying a lot of money to rent a house. The Minister made a reply to the question that I asked on February 20, 1982, but he did not say what percentage would be charged for the rental of houses. Will you charge only the head of the household a percentage of his salary, or will you charge anyone in that house who makes money? It is very hard to understand the housing rental rates and how they go about it. We have been saying also that we are paying for fuel as they go over the subsidized limit. If they go over the subsidized limit, they are going to be charged -- that is going to take place. We will start paying this year because it has been a very cold winter.

In the Keewatin, some of the houses are owned by the government and should be condemned, because the way the houses are constructed -- when the weather is extremely cold, they are not properly constructed to keep the heat in. The windows are not properly made and it is very hard to keep the houses heated and warm in the wintertime. Can the Housing Corporation make themselves understood by the people, when many people owe money, and many people cannot get employment? When you cannot get employment and you still have to pay your rent, there is no way that you can keep up with your payments. Last year, the government made a rule that if you cannot pay your rent, you would be charged, and they wanted to be able to take people to small claims court. They are not making any more money because of inflation. Some of the housing associations are not getting any more funding than they have been getting in the past. I shall speak in English. (Translation ends)

Serious Communication Problems

Mr. Chairman, we have an agency here which is a very important agency, as far as the people of the Northwest Territories are concerned, because it happens to be an agency that people of the Northwest Territories look to when talking about housing, any kind of housing -- public housing -- whether it be private or government staff housing. The reason I want to address the general issue of housing in the Northwest Territories -- even though the government is attempting to meet the housing needs of the people in the Northwest Territories, the agency, I think, is having serious problems in communicating with the locals. I do not know why, maybe because it is too centrally organized as far as the executive decision making is concerned. I know, for instance, in the region where I come from, there are Housing Corporation officials there, but they just do not have any authority to make any decisions at all. We continually, each year, each spring, when the tenders are issued, go back to Yellowknife, and it is not an unusual thing for a small business contractor to be so darn frustrated because he does not even get the courtesy of getting a response or an answer to the questions and tenders that they have submitted to the Housing Corporation.

There are all kinds of problems with the -- for instance, with the housing associations -- the lack of really understanding exactly how the decisions are made. We realize the Housing Corporation's board of directors sets the policy and then I think they submitted that policy without explanation to the community and the community is faced with all kinds of unnecessary misunderstandings with its tenants in the community. So, we have a housing association in each community that is supposed to administer government policy with respect to housing, public housing, collecting rents, and administering the funds for maintenance programs and so on, but the tenants, who are the members of this association, are faced with the continuing problem of really not having a clear understanding of exactly how the whole system operates.

I do not think it is good enough to just send a copy of the housing manual of the Housing Corporation to the communities and say, "Here it is. Look it up and that is a guide." It does not work that way. I think you guys have done very well in doing all kinds of paperwork, pushing paper, which the bureaucracy is set to do, but I think that has to improve. It has to go right down to the community level -- to the regional level, first of all, I think.

Lack Of Regional Control

I am addressing the lack of regional control because unlike the government departments, the Housing Corporation operates sort of independently in the regions. Regional directors do not have any real say in it. The Housing Corporation officials in the region do not report through the regional director. So, it is like a security agency, operating completely independently and they can do whatever they please in carrying out the policies of that organization. People do not know what is happening with that agency -- what kinds of things they have in mind, and what kind of policy the board of directors has recently approved. It operates like a secret agency of the Territories, a secret police service or something like that. Therefore, the officials in the region, when they do come in, act like they are from a secret agency and people do not get to see them. So, maybe that is partly the reason they appointed you as the president, Mr. Irving, to that post, and the chairman of the board has to evidently come in from the same trade.

HON. ARNOLD McCALLUM: I keep a balance.

MR. CURLEY: They have a Minister who acts like a clown in the circus, so we never really understand exactly...

HON. ARNOLD McCALLUM: You had better be careful. You know what is going to happen to you.

MR. CURLEY: So, we really never understand how...

HON. ARNOLD McCALLUM: You had better be careful. I can walk over there too.

CHAIRMAN (Mr. Pudluk): Order! Order, please! Proceed, Mr. Curley.

HON. ARNOLD McCALLUM: It would not be the first time.

CHAIRMAN (Mr. Pudluk): I do not want to kick you out yet, Mr. McCallum. Proceed, Mr. Curley.

MR. CURLEY: We have not got too much of an understanding and if we can get, you know, you people with a certain trade to understand how the circus operates, maybe we could begin to communicate to the community, because I think it is important that the people in the community have a clear understanding. First, I think if we are going to have a Housing Corporation that will serve the people, I think not only should we restructure the executive level, I think we also have to restructure the regional operations as far as the Housing Corporation is concerned.

Housing contractors have a very, very frustrating experience in the region. We said that last year. We again wish to state on the record that that has not improved. I do not know why. I think if you are going to be able to respond, you are going to have to have people who are energetic, who are prepared to move fast and inquire and act on the particular things that the contractors need in order to meet that deadline that the government has accepted.

Poor Image In The Regions

There are all kinds of seamy things -- rumours that are going about in the region that certain officials in the Housing Corporation in the regions seem to favour certain contractors. I do not think the Housing Corporation can afford to have that kind of image on them, because that only contributes to the mistrust between the corporation and the people and the contractors. I think that has to get settled. There are practical experiences that people can probably cite to substantiate these rumours, but it would be a pretty dirty mess if we have to go into that, unless the Housing Corporation itself wants to have an in-house

inquiry. That would be fine, but I say that not because these are just rumours. There are facts that can back up those things, but I would not want to be the one to release those things, because, as I said, it would be a messy job.

I think if the Housing Corporation were to do an inventory of its stocks and all of its supplies, you would pretty soon find out that you are missing thousands of dollars worth of materials and supplies that should have been used for the Housing Corporation's purposes, but you would end up finding them somewhere else. Somewhere along the line in the regional management they have made a certain deal to hand over the material left over or whatever to someone else. That kind of practice is not unusual in the regions and I do not know if it is a policy that these kinds of things go on, but they do go on.

So, Mr. Chairman, I do not want to go too far. I just want to register these concerns. As far as the housing associations' shortage of funds for operations is concerned, I do not know what to do about the shortage, but I think the government should be prepared to respond to the regional housing associations positively and if they are going to cut back on their funds, I think they should understand. Otherwise, they are going to be forever expecting that they are going to be able to operate when, in fact, they should be making plans to cut back and even maybe lay off workers if they have to. So, Mr. Chairman, I would just like to register these concerns that I received from my area. Thank you.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Curley. Mr. Minister, do you wish to reply?

HON. ARNOLD McCALLUM: You have got to be kidding me.

CHAIRMAN (Mr. Pudluk): Okay. General comments. Does this committee wish -- Mr. MacQuarrie.

Contract Between Baffin Building Systems Ltd. And Housing Corporation

MR. MacQUARRIE: Thank you, Mr. Chairman. Yes, I would like to come back to the matter that I was dealing with yesterday. Last night I went over the figures that had been given and so on and tried to sort out precisely where things are at and what I have come up with is, first of all, what would appear to be a reasonable amount to get certain work done in the Frobisher Bay contract and there is one change order that is very specific. It deals with pile foundation and that came to \$114,168. There is a pad work change order -- very specific. That came to \$110,000. Now, in both those cases there was no tender and I know that there are contractors who felt they would like to have had the opportunity to tender on those. Despite the fact that they were part of this negotiated contract, I see evidence in the case of the pile work that there was shoddy work, that the piles were not put in properly, that they were dislodged with backfill and that this, in fact, was the first time, apparently, that this company, which got the negotiated contract, was doing piling work. Also, I am told that with respect to the pad work, part of it was done so that there would be training, but I am told that there was, in fact, no training work associated in that.

A third item was the change order with respect to rehabs. That comes to \$140,000 and apparently with training it is going to be much higher than that. There was a small change order for corrective rehabilitation work on one unit and that came to \$2100. There are eight Woolfendens being erected and let us say they are at \$30,000, which would be a reasonable amount for the work, that is \$240,000, and there are two fourplex units, which I am told -- and again, you did not say yesterday that this information was wrong -- that at least in one place in the Territories the labour for putting up one of these units comes to \$60,000, so two of them might be \$120,000, more or less. There is room for more -- plenty of room yet.

When I add the actual work, then, of what is being done, that comes to \$726,268. That would be for the actual labour of putting these in. Under theoretical tender conditions, if there are companies that could actually do this work for those amounts, approximately, presumably they would make a profit at putting them up for that. Now, as I say, it could be slightly more than that, depending on the circumstances. So, that is not absolute, but it is a neighbourhood figure -- \$726,268. Now, your contract figures are, as of January 21st, 1982, \$1,648,988.60, but I understand that it is a kind of cost-plus contract, so the contract can still go higher than that.

Training Program Costs

All right. When I subtract the amount of actual work, \$726,268, that leaves \$922,000 to be accounted for. Now, I assume that that is what is for the training part of putting these up, but that is a whopping big sum of money. There is one note in Appendix A that suggests that the trainees' pay roll would be in excess of \$250,000. Well, the question has to be "How much in excess", because here we have \$922,720 to account for, more or less. So I would ask that at some point you do actually table the trainees' pay roll. Just how much money has actually gone to trainees up to January 21st? Perhaps, I suppose, include in that as well the specific money that has gone to the trainers as well.

Now, if it turns out that all of that \$900,000 has gone on a training program, and it is a good training program, and it is leaving people with the kinds of skills that will enable them to conduct this work in the North in the future with no dependency on southern contractors, well, then, I guess I would have no complaints whatsoever if that would be beneficial; but if all of that money has gone on training programs and it is not effective -- if there is confusion and we cannot see that individuals will have specific accreditation toward certain certification and so on, then we have to wonder what is happening in spending that amount of money. The third possibility is that if that large amount of money is not actually identified as serving the training portion of the contract, then the question has to be asked, "Where is the money going in that case, then?" If, under other tender conditions people could do that amount of work for approximately \$726,000, where is the rest of the money going? That would certainly have to be asked. So, as I said, I would ask you specifically to indicate just what the trainee pay roll is up until January 21st.

Favourable Terms For Contractor

For my own part, I do not know -- perhaps you do not feel that way; you did say you had concerns about the contract and so on, but my concerns are very great. It seems to me, at least, that the circumstances of awarding that contract and what appear to be very cushy terms of the contract for the contractor raise serious questions that I feel need further investigation, and I am certainly going to undertake to ensure that that investigation takes place.

With that kind of contract, one would suppose that at the very least we would be getting the very best possible results from it; and yet, I see in some of the information that was given to me that there are problems, as I mentioned, with the pilings. I understand that there have had to be pieces welded on to them in order to support the structure. I see complaints about poor materials management, and the fact that what these people are doing is not a good example in handling materials for the people who are supposedly being trained. I see a notice that the corporation is billed for sorting and checking materials, and yet there is already a materials provision in the contract for a materials co-ordinator for \$900 a week who presumably is doing that kind of thing.

So there are all kinds of questions like that that have to be asked, and after getting that information from you, I will leave the matter. I would just like to make a couple of general comments about the whole situation again in the end, and that is regarding what you indicated yesterday, the statement was made that some of the smaller contractors might be paid for downtime. I understand it is a "might", and that would be determined when the season is completed. Yet,

when I look at this particular contract with Baffin Enterprises Ltd., article seven seems to indicate that they get it. That is all there is to it. If, for some reason, materials are not in place that the corporation was supposed to supply, they are not going to suffer as a result of that delay. I also reiterate again that this contractor seems to be treated in quite a favourable way. Yet there are smaller contractors who have trouble getting what is owed to them; and yet what they are dealing with is peanuts compared to this contract. I know that in some of the documentation, it is stated that this contract is given because of the training component, and yet I am told specifically that there are other contractors in the area who could give training. I know yesterday also it was stated that the town of Frobisher Bay had asked for the continuance of the training program, and I see a document that indicates that that is, in fact true; but the town itself did not specifically ask that this particular contractor be awarded a negotiated contract.

Consideration Of Bids

Again, I am told that in fact, as we mentioned yesterday, tenders had been let for the rehab part of this contract, but I was told by someone yesterday that Baffin Building Systems Ltd. actually was awarded that contract on a negotiated basis before those who had submitted bids were even informed that their bids had been rejected. Again, that may be right or wrong, but that is certainly what I was told yesterday.

As I said just a little while ago, there was no bidding on pad and piles in the change orders, and yet, apparently there are on-site companies that are prepared to bid on that kind of thing and do it adequately. The question of the management fee -- it is at least 12.5 per cent of the contract. I was told that five per cent is a reasonable amount in these kinds of contracts. The amount stipulated initially was \$196,000, and yet I noted one document that indicated that management fees up to the time of January 21st -- actually, there had been billing for as high as \$231,000; so that appears to be rising as well. There is also the question of whether the Housing Corporation has co-operated effectively with the pilot economic development project, and I believe that since we are one government with one policy that there certainly should be co-operation and not rivalry with respect to training and so on.

Discrepancies In Tenders

Just finally, another word about discrepancies. I think that whenever there are tenderings across the Territories, we can expect that there will be discrepancies, particularly if all contracts are tendered and in various locations you have various circumstances. But I would think that there would be more or less some close relationship between the tendered amounts; and what we see instead -- I have other documents here that indicate, for instance, that the Housing Corporation did accept a tendered contract in Repulse Bay from inexperienced local contractors on a bid for five Woolfenden units at a total of \$115,000. That was \$23,000 per unit, and at that amount it is possible that these inexperienced contractors will have trouble making money on it. As the corporation itself noted, that is below the \$26,000 per unit. That seems to be an average. Okay. That is one example of where something happens, that was for five Woolfenden units, \$115,000. Then I see another document that says, "Clyde River" -- where Percy Thorpe Construction Limited, which I believe has an office in the South again, has a negotiated contract to put up three Woolfendens for \$180,000, or \$60,000 a unit, where these other people are going to put them up for \$23,000 a unit. That was a negotiated contract. In addition to that, I understand that the Percy Thorpe company will get additional money -- in addition to the \$180,000 -- for training; some from Manpower Canada and some from the Northwest Territories Housing Corporation. So I can understand some discrepancies, but when you see discrepancies like that -- particularly discrepancies that seem to be very favourable toward certain negotiated contracts...

CHAIRMAN (Mr. Pudluk): Mr. MacQuarrie, your time is up...

MR. MacQUARRIE: I have just a couple more things.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Okay. Go ahead.

Negotiated Contracts Favoured

MR. MacQUARRIE: Thank you, Mr. Chairman. I will just need a couple more minutes. When you see contracts where there are discrepancies, but in favour of negotiated contracts, then that is to me a very serious matter and one that does deserve looking into further. It just simply has to make people wonder what is going on, because surely if there is some gravy or some additional funds that can be used to help mount effective training programs, surely that can be allocated to truly northern contractors. At any rate, I would just generally urge that the corporation attempt to bring consistency into its practices, so that there are not such glaring examples of differences in the way people are treated. The one specific matter was, do you have the information on the trainee pay roll for that one contract in Frobisher Bay?

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

HON. ARNOLD McCALLUM: Mr. Chairman, I think that Mr. MacQuarrie raises a number of concerns, if not questions, and I do not want to read more into it than he intends there should be, but certainly, there are, to my way of thinking, some implications -- if you like, innuendo -- that there has been some kind of wrongdoing.

Now, I do not know whether the president of the corporation has that financial material that Mr. MacQuarrie is requesting there with him now, but I am confident that it can be obtained. I would have to reply to the question the Member raised, about if we have the information on the training pay roll accounts, I would have to then ask Mr. Irving to respond to that. I certainly do not have them here. Whether Mr. Irving has them or not, he could respond to it.

I think, Mr. Chairman, as well, though, that I am not sure what Mr. MacQuarrie is wanting to get to. There certainly are a number of things that one could look at in the operation of a number of areas, not the least of which may well be the Housing Corporation, but, you know, to suggest that something demands an intensive investigation because there is a possibility of funds disappearing or misused, as such, I think that is a fairly serious charge. I would have confidence in the corporation staff and personnel that they would be able to refute these particular questions. There is no question that we have at times dealt directly without tendering situations. I can think very quickly of having a difficulty with Canada Mortgage and Housing Corporation a year or two ago, when we wanted to help a northern business, when they did not want us to get into that kind of a situation, but we did not go and tender it. We simply used the northern business that was in the North and gave the contract directly to that northern business person, rather than go out to tender. Regarding specific questions that are raised, including, I think, the last one, Mr. Irving can respond to those now. I think he may have that information.

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

DEPUTY COMMISSIONER PILOT: Thank you, Mr. Chairman. I have some documents put before me, which I will just read into the record, perhaps helping to clarify some of the concerns expressed.

With regard to the trainee pay roll, to date, \$112,110 has been paid: under the trainers pay roll, \$54,548; job supervision and project management, \$40,000; tools for trainees, \$6000. During the period of the contract to date training has been provided to a total of 32 local workers, eight of whom were on previous years training programs, and at the end of December, 1981, there were 19 trainees still on the job. Of the eight trainees from previous years, three are still on the job and three have moved to other full-time employment -- Bell Canada, the federal Department of Public Works and the territorial Department of Public Works -- and two have left the program.

Training Costs Should Be Separate From Construction Costs

I do not know what more I can add to the concerns raised. We on the board of directors of the corporation are anxious to remove ourselves from the training portion of house construction. We find that the costs associated with the training element are too difficult to manage and the training component rightly belongs either within the Department of Economic Development or the Department of Education and we will continue to make our construction programs advantageous to a training component. However, the financing of that training component has to be outside of the true construction costs of any particular project, because it becomes so complicated to try and derive the actual costs for any project with the training program added to it.

Some of the figures, I know, that have been quoted by Mr. MacQuarrie appear to be excessive. One thing we have found over the years, is that because of the nature of the community of Frobisher Bay, it costs this government and the corporation between \$30,000 and \$50,000 more to construct a home or a fourplex or a row house in Frobisher Bay than it would and does in other communities. For example, the Department of Public Works has in its budget \$125,000 to erect a fourplex at Fort Franklin -- \$140,000 -- and at Frobisher Bay that fourplex is costing us \$200-some thousand, but that also includes the training component and the administration component. So, when we try to break it all out and come to a single figure for that particular fourplex, it does get confusing and I know even in the administration of the corporation, they have a difficult time trying to separate those actual figures.

I do have this document. If Mr. MacQuarrie would be interested in receiving a copy of it, I would be pleased to pass it on to him. We are not opposed to having any kind of inquiry or investigation of the contract in Frobisher Bay. We looked at it internally just before Christmas, at the request of Mr. Patterson. We did an in-depth study of the situation at that time and the administration satisfied myself and I believe Mr. Patterson that although the contract appeared to be excessive, because it is a cost-plus contract, that there was no wrongdoing or that there was no indication of a kickback, or whatever terminology may be used, to indicate that someone may have benefited as a result of that contract. I was satisfied with the inquiry that we did. However, I am still open to suggestions and the direction of the Minister, if he so requires us to continue or to go into it in further depth. We could have the audit bureau of the territorial government do an audit of the situation, if that is so desired, which would be independent of any influence of the corporation or of the Executive. Thank you, Mr. Chairman.

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

Pay Roll Figures Leave Room For Inquiry

MR. MacQUARRIE: Yes, thank you. I would appreciate getting that information. Certainly the thrust of what I was saying is not to try to get you out of the training program -- that is a separate question, and ought to be dealt with separately; maybe it should have, and maybe it should not. But based on the figures that you have given me with respect to the trainee pay roll and the trainers pay roll, you know, there is still room for inquiry. I would have to

say that the figures that I added up when I said the work apparently could be done for around \$726,000 if it were just a straight construction project -- you know, if it is more expensive in Frobisher Bay, up that by \$100,000 or \$200,000. But it still means that whatever is left over, that is, maybe \$700,000, then -- you have just said that the trainees got \$112,000 and trainers got \$54,000, so there is still a fair amount to be accounted for in the training part of the program. So yes, certainly, I shall pursue that in another way at another time, but I would like to see a further inquiry into that matter. Thank you, Mr. Chairman.

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

MR. CURLEY: Mr. Chairman, I have had an interest in wondering how Baffin Building Systems would get preferential treatment when it is a southern contractor. It is registered in the Northwest Territories. It is a southern company. The question that I have should really be dealt with by every Member of the Legislature and the Executive Committee as a government -- in charge of all agencies and departments. The question is, should the Housing Corporation be engaged in developing training programs, and therefore be able to make a political award to a contractor and continue to be seduced by those southerners who want a long-term agreement? I believe the government tied itself with a long-term agreement with Baffin Building Systems by tying in a training component to it. I wondered about that, because that really did a lot of damage to the northern contractors, small and local regional contractors, particularly, let us say, in Keewatin. I would say so, too, in the Baffin region that the tendering policy of the government then would rule out and did not apply to contractors like Baffin Building Systems, because the government had already bought the idea of training components being in it, so that it had no choice but to give a political decision and award that agreement through direct negotiations with them.

Social Aspects Of Housing Program Tied In

So I would say that that kind of a deal hurts the free enterprise concept which the government has I think been engaged in for a long time, so I really wonder whether or not the Housing Corporation should tie itself with the social aspects of the program. We have continuing concerns with the way in which the Housing Corporation is subsidizing the tenants and so on, and wants to get on with the user-pay system, for instance, with energy and fuel. Now, with the kind of deal that we were just told about, the kinds of things that are happening, the Housing Corporation supports the other kinds of social aspects of the thing, particularly when it should, in my mind, really have an open mind in tendering these large-scale projects or whatever. It is so easy to buy a program that has a training component with it. It is so very easy to go and say to the other regions, "Look, we are going to train that many people and therefore we need your support." No doubt the housing associations -- which I think have a limited knowledge of the free enterprise concept -- will want to support that kind of a program. I think the Housing Corporation did get itself tied into that. So I think the question really is, should the Housing Corporation continue to be involved with training aspects of the program? I think it is good if it can get away with it, because the government can find all sorts of reasons why it should be in the training business; but I say we have a department, we have Manpower Canada agencies and so on that can put up that program and apply to any contractors that get the awards, rather than giving preferential treatment to one company that seems to have, in my mind, patterned itself with this training component that seems to be having pretty good success with the government.

I wonder, Mr. Chairman, if the Minister would want to answer the question with respect to the training part of that thing, whether they should continue to be involved in it rather than training housing association manpower for them to do whatever they wish -- whether they want to bid on the contracts or not -- but at their own will. Thank you.

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

Direction Given By Assembly

HON. ARNOLD McCALLUM: Mr. Chairman, all I could say in response to that is that in the past, the Housing Corporation has been directed by this Assembly and its Members collectively or individually that when construction of houses occurs in communities, to get involved and have local people be trained to do some of the work. We have been told that time and time again. You cannot have it both ways. Yes, I think we should be involved with it. Yes, I think that we should involve people who are in the construction business in that particular aspect as well. That is what I think. If it now is the collective opinion of this august body that we should not be in the training business, then fine, we go back out the door. However, we have to make up our minds what way we are going, because sometimes we are going up the down staircase and down the up staircase. We have to find out what way we are going. I think we should be involved with it. I think that the training programs are not always totally successful, but they have been successful in a great number of instances, not only with the Housing Corporation, but with aspects of the Department of Public Works. Members who were in Fort Smith today saw that there is training going on in the construction -- of a government contract to local people, and that is something good. So I think that we do get something out of it.

Unless Mr. Curley wants to continue on with something, may I just comment on the question previous to that, which the Member for Yellowknife Centre, Mr. MacQuarrie was talking about. I expect that he has received the material from the chairman of the board, or that the chairman of the board indicated would be sent out. I would like to indicate to him that the figures that we were getting for last year in order to look at the possibility of putting particular buildings up, such as the erection costs of Woolfendens last year -- the figures that we are getting now run \$30,000 to \$35,000 a unit. The erections costs for rehabs and that is excluding administration, the figures that we are getting for even rehabs for various sites across the Territories, are in the vicinity of \$18,000 to \$20,000. Now, I recognize that when the Member gets this material -- and I think it is put out fairly clearly and concisely, as the chairman of the board indicated -- there is a difference in the figures that Mr. MacQuarrie is using to make his point and what we have been paying. There clearly is a difference of approximately \$190,000, as he will find out; but I suggest to you that the numbers that Mr. MacQuarrie is using -- \$26,000, \$15,000, and \$60,000 -- are low.

As well, the original contract 81-42 with Baffin Building Systems Ltd. or Baffin Enterprises Ltd. was changed a number of times. The contract in the beginning was for 10 Woolfenden units and one fourplex. It was changed to cut out two of the Woolfendens, to add a fourplex, to do rehab -- site preparation, foundation, and everything. I think that the figures that are put forward now -- and if Mr. MacQuarrie will concede that there is some room on both sides in terms of the estimates of the costing -- I think that the figures will indicate that there has not been this hanky-panky going on, and we have as a corporation been obviously learning from past mistakes. If this is a mistake that we have made here, then we will learn again. That is life, and that is experience. I suggest that we, the corporation, would be responsible enough to admit where we do make mistakes, we would attempt not to make those mistakes in the future because of that kind of experience.

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

Mackenzie Valley Housing Association Programs

MR. SIBBESTON: Mr. Chairman, I just want to ask the housing officials here what they know about the future of the Mackenzie Valley Housing Association. I think we all know that in the past few months, the Mackenzie Valley Housing Association, which is a native organization set up to help native people deal with housing repairs in the North, has become insolvent. I am just wondering whether the

officials here have had any discussions with Canada Mortgage and Housing Corporation as to whether they, in fact, will be taking over the programs and the work that has been done by the housing association, or whether they know if the housing association will be started again?

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

MR. IRVING: Mr. Chairman, the corporation is unable to offer much information in this regard. The matter of the funding of the Mackenzie Valley Housing Association by CMHC, a federal agency, is a matter between those two respective agencies. I am aware that CMHC are attempting to continue the program and the Housing Corporation may be requested to assist. I am aware that there has been last week, and it is continuing, a dialogue between western territorial native groups and CMHC to revive the program. The previous program that the Mackenzie Valley Housing Association had been responsible for is of concern to the Housing Corporation and very recently the Housing Corporation assisted in an interim measure to provide some building materials to Trout Lake, to the native people at that point. This was a part of the Mackenzie Valley program being funded by CMHC and we have taken upon ourselves to step in in the interim, but I do not know where the present negotiations lie between Mackenzie Valley and CMHC, so I cannot provide any further information than that. Thank you.

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

---SHORT RECESS

CHAIRMAN (Mr. Noah): (Translation) We can begin our meeting. Are there any general comments? We will go page by page. Page 3.01, 0 and M, \$28,367,000. Mr. MacQuarrie.

MR. MacQUARRIE: I am sorry, Mr. Chairman. There just was one other item that I wanted to deal with. I would say I appreciate getting the figures that I did from the chairman and the comments of the Minister and certainly if in fact, the costs have risen as much as indicated, it certainly brings it closer to what might be understandable, but as I said, I still feel the circumstances under which the contract was given and some of the terms seem to raise serious questions.

I will get away from that. Returning to another matter that had come up earlier, I would just like to ask if the corporation could indicate to us the numbers of peoples that are in arrears in rental housing and the total amount that is in arrears, not at this moment if you do not have it, but somewhere shortly. The one final thing was, would you specifically inform the district manager in Frobisher Bay of this Assembly's position concerning collection of rental arrears?

CHAIRMAN (Mr. Noah): Thank you, Mr. MacQuarrie. Mr. Irving.

MR. IRVING: Mr. Chairman, yes, we will provide that information.

CHAIRMAN (Mr. Noah): Thank you. Mr. Kilabuk.

Board Of Directors

MR. KILABUK: (Translation) Mr. Chairman, I would like to ask first of all about the Housing Corporation's board of directors, because I am not really sure how it operates. How many are there on the board?

CHAIRMAN (Mr. Noah): Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, there are 11 board members in total, that is, including the president of the corporation; 10 appointed from different walks of life throughout the Northwest Territories, and at the present time there is one vacancy.

CHAIRMAN (Mr. Noah): Thank you, Mr. Pilot. Mr. Kilabuk.

MR. KILABUK: (Translation) Mr. Chairman, I would like to know how they would feel if they were asked to increase their board members, because we have a greater population and more houses in the Territories now. Sometimes we think that 12 is not enough. Do you wish to increase your board members or not? What are you planning to do with the number of board members you have now?

CHAIRMAN (Mr. Noah): (Translation) Thank you, Mr. Kilabuk. Who will reply to this? Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Mr. Chairman, if the representation on the board is made up from the various regions of the Northwest Territories, then we feel that the current number is adequate. The method whereby a person is appointed to the board is from this Legislative Assembly, through a nomination by Members and discussion, I believe, in caucus. We, as a board, do not make recommendations or put names forward. They do come from the Members of the Legislative Assembly.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Pilot. Mr. Kilabuk.

MR. KILABUK: (Translation) Mr. Chairperson, we have been thinking about Baffin Island, especially the High Arctic. We have a regional association for housing in Baffin Island. We have only one person from the High Arctic who is with the Housing Corporation board. We thought maybe for Baffin Island we should have two representatives, one for the High Arctic and one for southern Baffin Island. As you said before, the Legislative Assembly of the Northwest Territories has to nominate them and appoint them. Thank you very much.

CHAIRMAN (Mr. Noah): (Translation) Thank you, Mr. Kilabuk. We will think about that, for consideration. Page 3.01, \$28,367,000. Mr. Curley.

Whale Cove Housing Association

MR. CURLEY: Yes, Mr. Chairman. I have some ideas, presented to me from Whale Cove, which I think has been very patient in studying the whole operation of the Housing Corporation with respect to maintenance and maintenance fund and staff, as far as the housing association is concerned. They are concerned that there have been cutbacks and they have sent me a number of letters concerning those issues. They feel that there should be enough money for the housing association to carry on and continue and also to be able to provide for staff benefits, like the government civil service enjoy. They did send me one comparison, how the government civil servants are provided with all kinds of benefits and annual holidays and so on, whereas housing association staff, again, are threatened with the possibility that the Housing Corporation might take over their operation. Whether this is true or not -- you may want to provide that information voluntarily. What kind of plans do you have as far as the housing association staff are concerned, as well as the housing association's continuation of managing the administrative requirements of the Housing Corporation at the community level? I think we should know these things.

One idea that the Whale Cove Housing Association tenants suggest is, because of the continuing disparity of the regions as far as the need and the priorities of the housing in the regions, they feel there should be a separate board of the Housing Corporation in those areas, one for the East and one primarily for the West. It may be a far-out idea, but could you not at least consider ways and means to decentralize that part of the decision making process, as far as the housing administration is concerned? If not, you should be prepared to respond to those kinds of suggestions, because non-response really will create further substance for having a management group to deal with that part of an area, because I believe you guys have no shortage of western advice on your board and, therefore, the energy and the priorities are normally directed to the western part of the Northwest Territories. So, would you not want to at least think about this and see what you have to say about them, but do something about it? Thank you.

CHAIRMAN (Mr. Noah): Thank you, Mr. Curley. Mr. Pilot.

DEPUTY COMMISSIONER PILOT: Thank you, Mr. Chairman. One avenue that we have been pursuing is the formation of housing federations; that is the various housing associations of any one district, for example, the Keewatin, come together once or twice a year in a housing federation to make recommendations to the administration. If you take that one step further in pursuing what Mr. Curley is saying, the federation, then, could indeed be providing some advice to the board of directors. I think this is a possibility and we shall certainly as a board look at the methods available to us to incorporate the advice of the various federations into the policies that are being developed by the board of directors.

Maintenance Funding Derived From Rent Collection

I have one comment on the O and M budget, or the maintenance funding that the various districts have. For example, in the Keewatin district, the current or 1982 proposed O and M budget is \$5,466,900, and that is to cover seven communities. This budget is made up of a grant from the NWT Housing Corporation

and from rental collections made in the various communities, so that it encourages the communities and the associations to be more active in their rent collecting scheme, because as I say, the more that they can collect in the rental area increases the amount of funding that they have to carry out the maintenance of their buildings. Our total O and M budget of \$23 million is divided equally by requirement between all of the districts that have been established within the corporation.

With regard to providing benefits to the employees of various associations, this has to be addressed by each association in regard to the amount of funds that they have available to them in their O and M budget. The more they pay their staff and provide benefits to them, the less money is available to carry out the actual maintenance on the units, so the one method of getting the funding that they require, is to be more active in the collection of rent. We, of course, on the board, recognize that we would like to provide more funding to the various districts; however, we are under restraint and can only divide the total funding that is provided to us by the appropriation that is given to us by this House. Just in conclusion, we will pursue more actively the association that we should have with the various federations, because I think that may be the answer to some of the concerns, and help to provide some better direction from the field to the board of directors. Thank you.

Total O And M, Agreed

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Pilot. On the page 3.01, \$28,367,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Detail Of Capital

CHAIRMAN (Mr. Noah): Capital. Pages 3.03, 3.04 and 3.05, \$7,573,000. Mr. Evaluarjuk.

MR. EVALUARJUK: (Translation) Mr. Chairman, on the capital budget I understand that they are not going to be bringing any more houses to the Northwest Territories this coming year, but I would like to say that people have put in some petition papers in Pond Inlet. You probably know that in 1979 Pond Inlet got their last batch of houses. Right now they are looking for lots to build houses on. Right now, there is a shortage of housing in Pond Inlet, and there are going to be no more houses coming in. They made a petition requesting 10 houses, and the reason is that some of those houses have 12 occupants in one house per family, and the people who have moved to Grise Fiord are back in Pond Inlet, and people are starting new families. For these reasons, they want new houses. They are going to be renovating the old houses for at least six months or so. If it is going to be impossible to bring new houses to Pond Inlet -- the Minister said yesterday that it is not because of a shortage of money that they are not going to be bringing in more houses. Is it going to be possible for you people to bring in new houses to Pond Inlet for the year 1982-83?

CHAIRMAN (Mr. Noah): Mr. Minister, do you want to clarify it one more time, maybe?

HON. ARNOLD McCALLUM: Yes, Mr. Chairman.

CHAIRMAN (Mr. Noah): Thank you.

Moneys Unavailable For New Housing

HON. ARNOLD McCALLUM: One more time. No, we are not going to complete the erection of any houses anywhere in the Northwest Territories, that is starting this year. We shall complete the homes that are now waiting for completion. We will not start any erection of new housing anywhere in the Northwest Territories this year. I cannot say what is going to happen in the following years.

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

MR. EVALUARJUK: (Translation) How impossible. Well, if that is the way it is going to be -- what is the petition good for if nothing is going to be done about what they want? I am sure that if you really tried, we could get those houses up there, and I feel that if it is not going to be for a while yet, I am sure it will be possible for you to bring some houses up, because as a representative of the people of Pond Inlet, they told me that they want houses. Thank you.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Evaluarjuk. Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, we simply do not have any money in the budget for building new homes other than preparing sites for 82 houses that we hope to be able to put up the year after next. That is the only money that we have in 1983-84. In 1982-83, we are preparing sites for 82 homes that we will start to put up the following year, 1983-84. It is not a question of whether we want to or not; we just do not have the money. Further than that, if we went to even borrow the money, at the current interest rates on the amount of money that we pay back in amortization now, I do not think it is all that good a deal. We have to try to get a better way of getting capital money. Borrowing 90 per cent of the cost of a home and paying current interest rates for the next 35 to 50 years is not my idea of a good deal.

MR. CURLEY: Very good.

HON. ARNOLD McCALLUM: Thank you, Tagak Curley.

CHAIRMAN (Mr. Noah): Thank you, Mr. Minister. Capital. Mr. McLaughlin.

Availability Of Small Settlement Home Assistance Grants

MR. McLAUGHLIN: Thank you, Mr. Chairman. I am not exactly sure I am addressing this in the right area, but I believe it is capital where you have grant money available to assist people who are going to be building their own homes, and I realize that this will be going ahead this year. Is this money taken out of the same areas that you would have normally taken capital money from to construct new houses with? That is one question. The other one is, will you be making some efforts to see what can be done to make this type of grant in housing, I guess more acceptable or possible in areas of the Territories where home-ownership right now is more difficult? In other words, will you be able to give people more money in areas where it costs more money to build the equivalent house or the same house?

CHAIRMAN (Mr. Noah): Thank you, Mr. McLaughlin. Who is going to respond?

HON. ARNOLD McCALLUM: I will give it a shot.

CHAIRMAN (Mr. Noah): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, the money that I think the Member is referring to is money that we, as an Executive, voted extra. This is not in this particular budget. What we have placed in here is money, \$1.4 million, for the Small Settlement Home Assistance Grants. Now, that money is 78 units,

based on \$18,000 per unit. Well, as you know, I have indicated that the board of directors said we are going to up that by \$12,000, to make it \$30,000 available to people to put up homes under this particular program, the Small Settlement Home Assistance Grants. That means, obviously, that we are not going to be able to fund 78 of those applications. What it will mean is that we will be able to fund whatever \$30,000 into \$1,404,000 comes out to.

As the Member has indicated, we will be attempting to do something more for people in the Territories over and above the SSHAG housing. The policy that this government has now embarked upon in terms of the sale of staff housing -- there is some possibility there that we may be able to do something for people in other communities to assist them through a mortgage within the government, at better rates than what one could get from any other lending institution, whether it be a bank or the Canada Mortgage and Housing. So, yes, we will be attempting to do what we can at all times to make home-ownership viable in all communities of the Territories, not just in the West.

Now, I am not sure that I handled all the questions, or I did justice to the Member's questions. If he thinks not, then he can come back again on them or maybe the chairman of the board or the president of the corporation would want to comment as well.

Detail Of Capital, Agreed

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Minister. Capital, \$7,573,000. Is it agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): I would like to thank the witnesses, Mr. Irving, Mr. Pilot and Mr. Minister McCallum.

---Applause

Department Of Information

Now we are going back to the Department of Information. Page 7.05. That is where we left it the last time. Mr. Parker.

Total O And M, Interpreter-Translator Corps

COMMISSIONER PARKER: Thank you, Mr. Chairman. There were one or two matters left for discussion when we last looked at the Department of Information. I have provided to the Pages an information sheet on Dene language interpreters, which is being distributed right now and while that is being done, perhaps I could read some information on satellite television services, which is in answer to another point that was raised when we were last discussing this subject.

On February 22nd, during the discussion of the Department of Information estimates, the Member for Western Arctic asked what this government's policy was regarding communities with facilities provided by our satellite communications program switching the receiving dish to other television services. Although the Department of Information provides the equipment to bring radio and television service to the communities, the licences from CRTC are held by community broadcasting societies. The societies are only licensed to receive and rebroadcast CBC radio and television. The broadcasting societies have also signed CBC affiliate agreements. Communities wishing to receive a different television service would have to apply to the CRTC for a change in their licence and enter into an agreement with Cancom, which has approval to provide alternative television services. The Cancom service is on a different satellite than the CBC and communities would not receive both services from the

one receiving dish at this time. Communities should be aware that Cancom intends to scramble its signal shortly and at that time it will not be possible to receive a television picture from their stations without a formal agreement and descrambling equipment. They should also be aware that once a switch to Cancom is made, the CBC radio service is lost, as well as CBC television.

When a new satellite, Anik D, is launched in the fall, it is possible, but not certain, that CBC and Cancom may both move to the same satellite. If that happens, it would be possible for communities to receive both services by purchasing additional equipment. The broadcasting societies would still have to apply for a licence change and sign an agreement with Cancom. The Department of Information is prepared to assist communities with the paperwork required for licensing changes.

Use Of Dene Languages

Mr. Chairman, the question of the use of the Dene languages was brought up and, as I say, I have distributed a short information sheet, which describes a program which the Executive Committee has agreed to proceed with. In addition, if I could say before I get into any of the details on this program, it is well recognized by Information and, in fact, by all parts of the territorial government, that it is necessary for us to have a comprehensive program for the use of the Dene language. To that end, we are looking at both a language commission and a consolidation of our efforts within the government, and particularly through the Departments of Information and Education. The director of Information has provided me with excellent material, which would see this happen; that is, the drawing together of a comprehensive program of the use of the languages. The paper that I have distributed today is intended to be one aspect -- mind you, a major aspect -- of that total program. In addition, we are aware of initiatives being taken by the Native Communications Society, which has given us an indication of their desire to provide Dene interpreting services and although at this stage it is a bit early for us to make a final decision, it appears that we will find it necessary to set up our own interpreter service, but I would suspect that we will work very closely with the Native Communications Society and we welcome their efforts, because there is a lot of work that has to be done in this field.

With regard to the specific program that we are proposing, it would see the employment during the coming fiscal year of some 10 people. Eight of these people would be interpreters, working in one or more of the Dene languages. The ninth person would be a linguistic program co-ordinator and the tenth person would be an office manager -- that is to provide administrative support.

We had already made the decision last year to protect a certain amount of money and five person years, so we had in our budget \$172,000 and five person years. We propose to add to that five person years and \$217,200 additional money. We would not propose to increase the budget of Information by amending the main estimates at this time, but since I have Executive approval, we would then propose to vote this money in our first supplementary. That would in no way slow up the implementation of the program. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Noah): Thank you, Mr. Parker. General comments. Mr. Sibbeston.

Dene Interpreter-Translator Program Essential

MR. SIBBESTON: I just want to say how glad I am that the Executive have taken action and are prepared or will be in a financial position to go ahead with its translator-interpreter program. I recall very well the debate or the discussions that had occurred when we voted on a motion to disapprove or not approve the funding for this part until government has come forward -- and I recall specifically Mr. Wah-Shee more or less saying that it was not proper for us to do this, it was not proper for anybody here to do that sort of thing to government. I could not help but think how wrong he was, because you do what

you have to do in whatever way you can. I believe that our little action, as it were, last week, has resulted in this decision or this sheet of paper here today which says, in effect, that the government is going ahead with a translator-interpreter program, and I am very happy and delighted about that, and I thank the government for coming through.

CHAIRMAN (Mr. Noah): Thank you, Mr. Sibbeston. Page 7.05, \$1,090,000. Mr. Sibbeston.

MR. SIBBESTON: I just want to say, Mr. Chairman, that I am aware that the Native Communications Society has also drafted a proposal and I believe that copies have been given to everybody here. As I understand it, the initiative or the idea of the Native Communications Society is starting or proposing interpreter-translator services, only because the government had not done anything about the matter so they have drawn up a proposal. My feeling is that if the government is prepared to go ahead with its translator-interpreter service, then I think they should be given the opportunity -- if for some reason the government fails or does not do a very good job, then there might be some purpose in giving the whole task of translators-interpreters to a native group to see what it can do with it.

Just generally, my feeling on the subject is that I frankly do not care who does it, as long as it gets done, and there is probably a lot of need to co-operate in many areas of the program. I know that there is not, at the moment, in the North an adequate system for translating the Dene languages into the three or four or five different varieties of the language, so I am hoping that the territorial government or the native groups will fund or make moneys available to buy such needed equipment, so that at meetings such as the Assembly here or at Dene Nation meetings, any large public meetings where native people are involved, that a system could be in place for proper translations.

Communicating With Dene People In Communities

The other point that I think still has to be considered is, how do you communicate with the people in the communities? As I said, you cannot write the Dene language very well. It is being developed, but most people cannot read it as such as yet, so there is still a need to find a system of getting the message out to the people, and the only way that I think is possible is if people see and hear it. So there still has to be developed a system for the message, as it were, to get out to people at this stage. In the initial stages it can be a one-way communications system where information is provided to the people in the various native Dene languages, so I guess the only way that I presently know of is to set up some kind of communications centres in all the communities where Dene people live. I do not think it will be possible to use TV or radio, because TV and radio is controlled by CBC for the most part, so you also need to set up some hardware in communities so that tapes and visual tapes can be played so that people can hear what the messages are from government.

I do not know if there is any money in the budget for this. I suspect that at this early stage of the whole program there is just enough money to hire the interpreters and train them, but there is not too much money to set up the communications centres that I think are needed. I would like to hear from Mr. Parker on this, what the government's plans are in this regard.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Sibbeston. Mr. Parker.

COMMISSIONER PARKER: Mr. Chairman, the program which Mr. Sorensen has developed takes into account the requirement to have verbal and pictorial means of getting information to the Dene people within their own communities. I cannot speak to the technical details of it, but I can say that in his program descriptions for the next several years, he is taking that into account, and I am confident that such a system will be developed.

As far as the funding is concerned, it does not show in the budget that is being presented to you, but I have already indicated we will have to be bringing forward a supplementary appropriation for operations in this area. Since it will take some time to get the interpreter corps on the Dene side fully staffed, I think that we can, even this coming year, commence to make some moves to answer this question that has been raised on the matter of verbal and pictorial information distribution.

Total O And M, Interpreter-Translator Corps, Agreed

CHAIRMAN (Mr. Noah): Thank you, Mr. Parker. Page 7.05 interpreter-translator corps, \$1,090,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Detail Of Capital, Agreed

CHAIRMAN (Mr. Noah): Page 7.07, detail of capital, \$300,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Noah): Page 7.01, O and M. \$2,631,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Thank you very much, Mr. Parker. Does the committee wish to go to the department of the Executive now?

SOME HON. MEMBERS: Agreed.

The Executive

CHAIRMAN (Mr. Noah): Qujannamiik. Page 2.01. General comments. Mr. Braden.

HON. GEORGE BRADEN: Thank you, Mr. Chairman. We do not have any opening remarks on the Executive, so we would be pleased to go right into general comments, and then page by page consideration of the various sections of the Executive and the budget.

CHAIRMAN (Mr. Noah): General comments. Page by page. Mr. Curley.

MR. CURLEY: Not many, really, Mr. Chairman. I just wanted to point out my concern with respect to the way the priorities are normally proceeded with or formed by the Executive. I raised some issues the other day which were important, that the Executive Committee must also demonstrate its leadership in the Northwest Territories. I think the Assembly is no doubt attempting to guide the Executive Committee as far as the broad principles and priorities that the people of the Northwest Territories would like to see, but I was a bit concerned -- maybe because I am not an inside Member of the Executive Committee -- that I do not know how they normally arrive at issuing priorities for the fiscal year or for any year. What I seem to see is a lack of co-ordination among the Executive Committee Members, and therefore there is no co-ordination as to how broad issues are dealt with, for instance constitutional development and the political development of the Territories. Also, we do not seem to have a really good co-ordination of the economic development priorities in the Territories, let alone other priorities with respect to cultural and social nature.

So I was confused, and maybe I am impatient, because I still believe that the Executive Committee should be demonstrating its leadership as well in carrying out the mandate given to them by the Assembly. So often we are just watching the government from the outside, and the government barely demonstrates its leadership. I could say, I think, that for instance the other day we were dealing with the broad principles of the constitutional development, but it was clear that the Executive Committee did not have or never had approved principles outlined to, for instance, the alliance. So that is one example. I think the Executive Committee did finally accept the principles, having backtracked some of the concerns that were raised by the Members. So I would just like to ask the Commissioner as to whether or not he sees himself as a leader and demonstrating leadership, or whether he expects the Minister responsible for a department to demonstrate that leadership needed in a particular area. There does not seem to be a collective leadership there when important issues arise. So could he maybe indicate to this House what kind of a cabinet does he perceive, or whether he himself is the man behind the leadership of the Executive Committee? Thank you.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Curley. Mr. Parker.

Role Of Commissioner In A State Of Change

COMMISSIONER PARKER: Mr. Chairman, as the honourable Member realizes, we are in a process of change in the Northwest Territories. We are in a process of evolving from one style of constitutional operation to a different one. We are right in the midst of proceeding toward fully responsible government. Sometimes, in making moves in that direction, there are bound to be rough edges show up; there is bound to be a concern expressed by some people as to how the process is working and how it is perceived. It does create, for Members of the Executive Committee, some problems in perception; that is, as to how the Executive Committee is perceived, how it is seen by the public, how it is seen by Members of the Legislative Assembly.

There is no question but the role of the Commissioner is also in the state of change. I would like to think that the Members of the Executive Committee and indeed the Members of this House, support the changes, support the kind of initiatives that I believe that I am taking. I do not believe that it is any longer appropriate for the Commissioner to take very strong initiatives, or attempt to direct the Members of the Legislature. Leadership is necessary, but if the leadership on behalf of the Commissioner is expressed in too forceful a fashion, or is imposed, then my belief is that the growth of the political system, the changes in the constitutional directions of the Territories, will not take place. The atmosphere has to be right for these changes to take place, and that means that, although under the Northwest Territories Act the responsibilities of the Commissioner remain unchanged -- they have not been changed for quite a number of years -- by practice it is important for individual elected Members, acting as individuals and acting collectively, to accept responsibilities and to be seen to be commanding their departments.

Workings Of Executive Committee

Now, having made that rather philosophical statement, I would like to turn to the practical side. On the practical side, the Executive Members, in fact, work together very, very well. The Executive Members meet once a week for a full morning, and very often a full afternoon as well, in the format of the Executive Committee. In addition, they meet -- I would say -- in what adds up to about another full day a week, in senior committee activities. Not all of the Members are present for all of those committee meetings, but the majority are. That means that they have a great deal of exposure with each other. There is a great deal of understanding of what one Member feels and what he is doing, what his department is carrying out.

There is never quite enough time for discussion of departmental activities, but I think that that is common to any government, but we do have a lot of exposure, we do have a lot of time together, and we arrive at positions basically through discussion, through reaching a consensus, through trying to find what appears to be the best way to go.

We are supported by what I believe to be very competent staff members, who assist us -- once they are given direction, they assist us in preparing policy papers; they assist us in defining the priorities of the Executive. These priorities are developed, first and foremost, from directions that emanate from this House, and then there is a great refining process and a definition process that takes place. But I would say that, for the first time, perhaps, we have been able to come forward with priorities -- both spending priorities, constitutional priorities, and so forth -- which are reflective of the people of the Northwest Territories, but most certainly bear the stamp of the Executive Committee itself.

Now, before going on too long -- because I would not want to get off the subject that the honourable Member has raised -- I would just conclude by saying that there may be times in the Legislature here, in the rush of getting business brought forward, that Executive Members may not seem to have discussed every issue, but in most cases, I assure you, they have, and that they have reached a position and that it is generally a position of strength. Thank you.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Parker. Mr. Curley.

Assurance Of Representation To "Others"

MR. CURLEY: Mr. Chairman, these are important to me. I think the kind of assurances the Commissioner outlines, as far as the Executive Committee are concerned, I think are very important. The reason I am raising those kinds of questions right now is because I think the public out there is expecting some form of leadership and assurance from the Executive Committee. For instance, the minorities have had to do that during the history of the NWT and its political development. We have had to try and seek assurance from the government that our interests are represented, and so on, and therefore seek priorities from the government, a public statement from the Commissioner and his Ministers, to see to it that we are represented by the government.

Now, I think there is a perception out there, from the non-native people, that this government does not represent them, that their interests are not taken seriously by this Executive Committee. For instance, when dealing with the constitutional development, we know there is a certain group out there -- they refer to themselves as "others" -- that does not have a shepherd. They are looking for a shepherd and they wish there was a shepherd but he is not there to represent their interests as far as constitutional development is concerned.

Organizations To Represent "Others"

That is the kind of example that I was trying to at least give you, Mr. Commissioner, the chairman of the Executive Committee. I think you need to reassure them from time to time, rather than giving those of us from the native majority the brunt of the problem of walking all over them because we are not in a position to do that, but we are being lumped with that problem, and therefore the public out there is seeking assurance from us, which we have no control over as far as the government's priorities are concerned, and they are saying to us "Will you assure us that our interests will be represented in the constitutional changes?" What I would like you to say to them is, tell them which organization represents them, and who is speaking for whom.

If those "others" are having those uneasy feelings these days, if they feel that the Assembly represents them, they should not feel that we do our best to represent them. But I am not in a position to say to the mayor of Yellowknife, "Look, I will represent your interests." He should have an organization like any other interest groups in the Territories, to be able to say, through these types of organizations, to present his case to an appropriate forum, for instance to this Assembly.

I think the problem is creating a backlash. The native organizations used to be reminded a few years ago -- I am sure some Members will remember -- that they had to get their act together, they had to get organized. If they are going to be influencing and initiating changes, that they had to do it in a businesslike fashion and get their cases together, document them, send them through their representatives, citizens' organizations or whatnot.

Now we have sheep out there, lost sheep in the Territories, who want somebody to represent them, but they do not have an organization to back them. So we have groups like the chamber of commerce who are saying, "These are the kinds of things that you guys should consider as far as constitutional development is concerned." But I would like to be able to say to them, "Why do you not do your job as the promoter of the economic development, and we will deal with the political issues." I think that is where the role of the Executive Committee comes in. You need to assure the public once in a while, rather than just being forced to by this Assembly, to represent those "others" and say to them that their interests are secure as long as you are there as the chairman of the Executive Committee.

So that is what I am referring to, because I think we are creating a myth out there, and sort of a feeling out in the public that the government no longer has any interest in representing any non-native people, but I do not share that, and they have to be reassured, I think. That is why I am raising these points, Mr. Commissioner. Thank you.

CHAIRMAN (Mr. Noah): Mr. Parker.

"Others" Will Find Means Of Expressing Views

COMMISSIONER PARKER: Mr. Chairman, that represents quite a switch. I do not mean that the honourable Member has switched, but the usual words that are heard are that the native people are not being listened to, not being heard, and so forth, and frankly I am delighted to hear that a native Member feels that care must be taken that there is not a backlash, which is very wise, and that all of the people of the Northwest Territories must be heard from. I think that the "others" of the Territories have ample means of making their views known, so I am not overly concerned that their voices are not heard. I think that they are being heard.

The Executive Committee has to be a little cautious in this area of constitutional development. I think that that is perhaps an understatement. Just even, for instance, on the issue of division, the Executive Committee has been very careful to let the various groups express their opinions and to bring forward their causes, but they have not felt that they had a mandate themselves to put forward a peculiar or different Executive position. In this case, they are quite pure. They are taking direction from the House.

Back on Mr. Curley's subject, I think that his words are well taken, but I also believe that all of the "others" in the Northwest Territories can and will find means of expressing their views.

Total O And M, Commissioner's Office

CHAIRMAN (Mr. Noah): (Translation) Thank you, Mr. Commissioner. Any more general comments? Shall we turn to page 2.02? Commissioner's Office on page 2.02. Mr. Sibbeston.

MR. SIBBESTON: I just want to say firstly, I think Mr. Parker has heard it quite a number of times, but I will say it again, just generally that I feel he is doing a very good job for the people of the North.

---Applause

Now...

---Laughter

CHAIRMAN (Mr. Noah): Now what?

Phasing Out Of Deputy Commissioner's Position

MR. SIBBESTON: I want to talk about the Deputy Commissioner. I think he is doing a good job, too, but if anybody has to go, I think it should be the Deputy Commissioner first. When the Deputy Commissioner was appointed a couple of years ago, it seems to me that it was on the understanding that it was not kind of like a lifelong term, that it was just for a couple of years to see how he would work, and just to see how things developed in our government system here. Inasmuch as I think Mr. Pilot is doing a very good Deputy Commissioner job, I really wonder if it is time that we considered replacing the position with an elected person, or simply doing away with it and having the Leader of the Elected Executive to be designated as the Deputy Commissioner. Is this not the next step toward more responsible government? I just do not know what the federal government's plans are in this matter, but I would like to ask Mr. Parker whether he is aware of any plans to phase away the Deputy Commissioner's position, perhaps after the term of this Assembly?

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Sibbeston. Mr. Commissioner.

COMMISSIONER PARKER: Mr. Chairman, Mr. Pilot's appointment as Deputy Commissioner was made initially for a two year period ending last November. His appointment was renewed because obviously the function had to be continued, and his appointment was renewed "at pleasure". Now, that does not indicate that the position of Deputy Commissioner need continue forever and ever. In fact, it provides full flexibility to the federal cabinet to make up its own mind as to the length of service necessary. There is a need within the system for someone to be in the position of Deputy Commissioner until the Northwest Territories Act is changed, because there are many things outlined under the act which call for either the Commissioner, or in his absence the Deputy Commissioner to do, and so that is an essential office. It is a matter, then, of the size and strength of that office, I think, that becomes a question.

In the matter of political evolution, I would say that the Office of Deputy Commissioner would probably be phased out rather than be replaced by an elected Member. The elected Member process is working very well, and elected Members will eventually, I suppose -- and I would not dare put a time limit on this -- but eventually evolve to that of Members of a full cabinet in the fashion of a province or in the nature of a province.

So I believe as far as the Deputy Commissioner's job is concerned, for at least the life of this Legislature, which has a little less now than two years to run, I think it is an essential service. Mr. Pilot is providing vital assistance because of his background of experience. It is quite clear that he assists the Executive Members in learning their roles, and believe me, they are learning them very quickly. I would think, then, that the time for review will be at the end of the next two years, and I know very well that Mr. Pilot originally accepted the appointment on the basis that it most certainly would be subject to review at that time. I cannot at this stage speak for the federal government. I have no indication of the federal government's thinking in this area, but I am confident that it will become clear within the next two years. Thank you.

CHAIRMAN (Mr. Noah): Thank you, Mr. Commissioner. We shall now break for a coffee break for 10 minutes.

---SHORT RECESS

Total O And M, Commissioner's Office, Agreed

CHAIRMAN (Mr. Noah): We have a quorum now. We are on page 2.02, Commissioner's Office, \$542,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Ministers' Offices, Agreed

CHAIRMAN (Mr. Noah): Page 2.03, Ministers' Offices, \$1,202,000. Expensive. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Executive Committee And Priorities And Planning Secretariats, Agreed

CHAIRMAN (Mr. Noah): Page 2.04, Executive Committee and priorities planning secretariats, \$1,903,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Aboriginal Rights And Constitutional Development Secretariat, Agreed

CHAIRMAN (Mr. Noah): Page 2.05, aboriginal rights and consitutional development secretariat, \$534,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Regional Operations Secretariat, Agreed

CHAIRMAN (Mr. Noah): Page 2.06, regional operations secretariat, \$2,862,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Energy And Resource Development Secretariat, Agreed

CHAIRMAN (Mr. Noah): Page 2.07, energy and resource development secretariat, \$633,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Audit Bureau, Agreed

CHAIRMAN (Mr. Noah): Thank you. Page 2.08, audit bureau, \$950,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Workers' Compensation Board, Information Item

CHAIRMAN (Mr. Noah): Thank you so much. Page 2.09, Workers' Compensation Board is an information item.

SOME HON. MEMBERS: Agreed.

Detail Of Capital, Agreed

CHAIRMAN (Mr. Noah): Capital, \$155,000. Page 2.01. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Agreed

CHAIRMAN (Mr. Noah): Total of operations and maintenance, page 2.01, \$8,626,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Thank you very much, Mr. Commissioner.

---Applause

HON. ARNOLD McCALLUM: Is that a record?

CHAIRMAN (Mr. Noah): Does the committee wish to go to Legislative Assembly?

SOME HON. MEMBERS: Agreed.

---Agreed

Legislative Assembly

Total O And M

CHAIRMAN (Mr. Noah): Page 1.01, total O and M, \$3,268,000.

HON. ARNOLD McCALLUM: There should be a lot of questions on that.

CHAIRMAN (Mr. Noah): We are open for general comments. Who is the Minister...

HON. ARNOLD McCALLUM: The Speaker. Shall we put him in the witness chair so we can get at him?

CHAIRMAN (Mr. Noah): Who? Mr. Stewart.

HON. DON STEWART: Thank you, Mr. Chairman. The estimates for the Assembly have increased considerably on this budget.

SOME HON. MEMBERS: Shame, shame!

HON. DON STEWART: The points that show the greatest increase are on administration, at the House's direction, on the extension of staff. The other large increase, basically, is on committees, which of course have been set up by the House. So our total for this year is \$3,268,000. I do not think I have any other -- I think everyone in the House is familiar with the funding of the Assembly, so I shall try and answer any questions that you may have.

CHAIRMAN (Mr. Noah): Any questions or comments? Mr. Curley.

Increasing Members' Indemnities

MR. CURLEY: Mr. Chairman, I have a question, and I think it concerns every Member of the Assembly here, on the way the indemnities of the MLAs are reviewed and increased. I was too late to ask the Executive Committee as to how they deal with their salary increases and so on. I would like to ask the Speaker of the House whether or not he has any kind of plans to try and see if he would have an outline of how to review the MLAs' indemnities, even after the term of this particular Ninth Assembly has occurred, because the way in which the indemnities are handled -- by the caucus, I believe it is, and whether or not this is really the appropriate way. Should we not be considering at the end of each term of the Assembly -- inquire -- think in terms of setting up an independent commission of some sort to see whether or not the extensions are really in line with the business community or not.

I know that Executive Committee Members may not have any real problem with that, because along with their salaries as Ministers they also have the indemnity that the ordinary MLAs receive. I think also the officers of the Assembly were recently given increases without taking into consideration the amount of work and time the ordinary MLAs do. So ordinary MLAs did not have a salary increase or indemnity increase other than adjusting their travel expenses to cover their constituents. So how should we handle that? I think there has to be an acceptable way to deal with that, rather than just keeping up with the inflationary adjustment that is allowed presently. So maybe the Speaker can give us a new insight into the possibilities of having a permanent, acceptable way to increase MLAs' indemnities.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Curley. Mr. Stewart.

HON. DON STEWART: Thank you, Mr. Chairman. Well, other than the salaries of the MLAs being tied to consumer price index, you are correct. The MSB, Members' Services Board -- actually it is part of their function to review this and it is under review at the present time and will be reported to the caucus at a later date, probably in the next session in May. This system may not be the best, but that is what is in place at the present time and that is what we are operating from.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Stewart. Any more questions or general comments? Mr. Sibbeston.

Providing For Simultaneous Translation

MR. SIBBESTON: I just want to ask Mr. Speaker if there are funds in the allotment here to provide for providing for simultaneous translation in any of the Dene languages? I just generally feel that we ought to begin now to provide translation for Dene people who wish to use their language. It may be that there may not be very many here that will wish to, but certainly, if the facilities were there and were encouraged, then people may use it. Certainly, at the next election, I can tell you that there will be many more Dene people elected who will likely want to use their language. So, I think it should be there, in preparation for the future.

CHAIRMAN (Mr. Noah): Qumjannamiik, Mr. Sibbeston. Mr. Stewart.

HON. DON STEWART: Well, basically to date the Assembly budget does not contain any capital. It never has. Generally speaking, we go with our shopping list to the various departments, on the recommendation of MSB and/or the caucus decisions, to finance. So, there is no money in the capital budget for this year at all, but this is not an unusual case, generally speaking. I think there have been instances in the past, but not this year, and I do not think there was any last year either, as far as capital is concerned.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Stewart. Mr. Curley.

Vote Of Appreciation For Assembly Staff

MR. CURLEY: Yes. Mr. Chairman, I think it is important to take a note of how excellent the staff of the Legislative Assembly are. We, I think, are fortunate to have good people who work for the Assembly.

AN HON. MEMBER: Hear, hear!

MR. CURLEY: I think we should give them a vote of appreciation, anyway.

---Applause

I am sure they are listening. I am sure they are all listening upstairs, as well as the staff down here. I am always amazed at how fast they can get things done, when it must be difficult to please 22 MLAs with different...

HON. ARNOLD McCALLUM: Just impossible. That is right. Sure.

MR. CURLEY: ...particularly, you know, the Member from Fort Smith and so on.

---Laughter

---Applause

I think it is important to continue the good working relationship with them and they do work hard. Thank you.

CHAIRMAN (Mr. Noah): Thank you, Mr. Curley. Mr. Patterson.

HON. DENNIS PATTERSON: I was going to ask, Mr. Chairman, whether we have another emergency trip to Ottawa budgeted, in case the federal government leaves us with a terrible problem, with the taxation problem at the end of this fiscal year or does something else?

MR. McLAUGHLIN: Is that a threat or a promise?

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Patterson. Mr. Stewart.

HON. DON STEWART: No, it is not included in the budget, but it was not included this year either, but it did not seem to stop the Legislature from moving when it decided to move.

Total O And M, Agreed

CHAIRMAN (Mr. Noah): Any more questions or comments, general comments? Page 1.01, total O and M, \$3,268,000.

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Thank you. Shall we go through clause by clause?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Bill 1-82(1). The legislation. Bill 1-82(1), clause 2, amount granted for 1982-83. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Clause 3, purpose and effect of each item. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Clause 4, lapsing of appropriations. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Clause 5, transfer of moneys and accountable advances. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Schedule, total O and M, \$351,938,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Capital, \$73,183,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Total appropriations, \$425,121,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Short title. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Is the bill ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

---Applause

CHAIRMAN (Mr. Noah): What do you wish to do now, committee of the whole?
Mr. McCallum.

HON. ARNOLD McCALLUM: Mr. Chairman, we have Bill 8-82(1), Vital Statistics Ordinance, an amendment to it, that is on the order paper. I would suggest that we proceed with that bill, to be done by Mr. Braden.

CHAIRMAN (Mr. Noah): Does the committee wish to go to Bill 8-82(1)?

SOME HON. MEMBERS: Agreed.

---Agreed

Bill 8-82(1), Vital Statistics Ordinance

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

HON. GEORGE BRADEN: Thank you, Mr. Chairman. I think the purpose of the bill is very straightforward. It is to allow a child to be registered under the surname of the father, which is traditionally the case, or hyphenated or combined with the surname of the mother, which is a practice becoming very common in other jurisdictions in Canada, and we felt it important to proceed with an amendment to our Vital Statistics Ordinance, to allow this to take place. The bill, as I understand it, has been reviewed by the standing committee on legislation and it has been recommended for approval, although I would have Mr. MacQuarrie comment on that. That is basically all I have to say, Mr. Chairman.

CHAIRMAN (Mr. Noah): Thank you very much, Mr. Braden. Mr. MacQuarrie.

MR. MacQUARRIE: Thank you, Mr. Chairman. The standing committee on legislation reviewed the proposed amendment at a meeting in January and had received favourably the principle of what was presented. The one point that was made at our committee meeting was that if the request for registration with a hyphenated name was made at some time after the birth of the child, that there probably ought to be a small fee to cover that and that was subsequently incorporated in the amendment and so that point appears in the bill as presented to the Assembly and, therefore the committee recommends the bill as it is for your consideration.

CHAIRMAN (Mr. Noah): Any more comments?

AN. HON. MEMBER: Clause by clause.

CHAIRMAN (Mr. Noah): Bill 8-82(1), clause 1, registration of double surname. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Bill as a whole. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Is the bill ready for third reading?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): What is the wish of the committee? Does the committee wish to deal with the documents?

AN HON. MEMBER: Agreed.

CHAIRMAN (Mr. Noah): Which one?

HON. ARNOLD McCALLUM: Just as they are shown on that order paper, Mr. Chairman.

CHAIRMAN (Mr. Noah): Tabled Document 3-82(1).

SOME HON. MEMBERS: Agreed.

---Agreed

Tabled Document 3-82(1), Position Paper On The Issue Of The Taxation Of Northern And Isolated Post Benefits And Allowances

CHAIRMAN (Mr. Noah): Mr. Butters.

Opening Remarks By Minister Of Finance

HON. TOM BUTTERS: Mr. Chairman, Members of the committee will recall that I tabled this document again, at the request of an honourable Member. The general position was developed in 1980. It was approved by the Executive Committee, tabled in this House and sent to the Minister of Finance. In effect, what it recognizes is that many employers, including this government, have been paying their employees allowances and benefits which are provided to help offset the higher costs of living in the Territories. In the past, in most cases, these allowances have not been reported, nor have they been taxed. I think Members will recognize that these benefits are taxable under the Income Tax Act and that for the last two years a moratorium has been in effect on taxation of such benefits, in an attempt to determine a method by which this whole problem area can be examined and resolved.

We know that the Minister of Finance last November has placed a deadline on that moratorium, and has requested that Mr. Munro, working with groups, individuals and this government, would be attempting to put together some alternative form to recognize the benefit package that has been received in the past, and at the same time not see people unduly taxed for these benefits.

Alternatives To Provide Relief From Higher Living Costs In The North

The territorial government's position was to look to developing a number of alternatives. There was the subsidizing by government of cost of living factors, lowering the high costs of goods and services in the North to levels comparable to those in the South. Another alternative under consideration was the amendment to the taxation of earnings in the North by (a) reducing the rate of tax in the North, or providing a specific tax reduction; (b) providing additional personal exemptions in arriving at taxable income from net income in the calculation of income taxes for northerners; and (c) providing a prescribed adjustment to income in calculating the net income of an individual in the North.

Our recommendation, to cut it short, was that, of all the alternatives examined, a deduction from total income to arrive at net income would appear to most fairly and simply provide relief from the higher costs of living experienced in the North. That is the essence of the recommendation that this government has made to the federal government. As I mentioned earlier, too, we have not received any indication from the federal government of their response to that suggestion, but we would expect that there would be something forthcoming in the very near future.

CHAIRMAN (Mr. Noah): Any general comments on this paper? Any more general comments? Mr. Stewart.

HON. DON STEWART: Thank you, Mr. Chairman. Well, this particular issue is of vital concern to all persons living in the Northwest Territories, and if some form is not found to relieve northerners of the full impact of the new tax schedule -- and having to pay tax on northern benefits as they exist today -- the whole matter becomes that important that it would, in my opinion, bring to a halt in the Northwest Territories pretty near all of the industries and

jobs that we have at the present time. It would even interfere by way of the subsidization that people are now getting on oil and various things, in all of the housing, the high cost of power and all the related high costs. I am afraid that the North will become just a working place where people will be coming in for five days -- in five days and out five days -- something similar to what Dome is doing now in the Beaufort Sea, and that the town such as Fort Smith and Hay River, Yellowknife, will in fact be hit very, very severely.

A Second Alternative To Fall Back Upon

My problem is that if the government does not buy the suggestion of this paper, what alternatives has the government up its sleeve? What other position can we take? Have we a second line of defence, because I am afraid that when the decision is made that it will be made very quickly, and unless we have something else to fall back on we are likely to be in no end of trouble. So I suppose really what I am trying to find out is, if they do not buy this, and they proceed as they have indicated, that northern benefits will be taxed, where do we go from here, because the Territories will be completely and absolutely crippled if this happens, in my opinion.

HON. DENNIS PATTERSON: We will charter a plane to Ottawa.

HON. DON STEWART: We would not have enough money left to charter a plane to Ottawa, if we paid the taxes first. Mr. Butters.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Stewart. Mr. Butters.

Rotation Of Employees In Mining Industry A Possibility

HON. TOM BUTTERS: Mr. Chairman, I think that the concern voiced by the Members is very real. I met some six weeks ago with the mining industry, and, as we know, the mining industry has been traditionally an industry that lives in the jurisdiction in which it operates. Its plant is there, its employees usually live on-site, and you have maybe what is called a company town, but it is a corporate citizen who lives in the community and pays taxes in the community. What the industry was suggesting to me at that time was that, if the taxation of benefits, which is being suggested, proceeds as presently contemplated, the mining industry would likewise look very seriously at the rotational situation of bringing its employees in from southern jurisdictions.

The other concern, too, was that not only would the mining companies look at that, but so would the small companies which now act in the service capacity to that industry. Rather than maintaining their head offices and their corporate structures in the North, they too would look very seriously at locating on Jasper and 101st, or downtown Calgary. So that, as the Member points out, it is a very serious situation that could face us unless we come up with an adequate solution. That problem does not only face this government. It faces industry, it faces every employer who is currently paying benefits to his employees to maintain them and keep them in remote areas.

As to what our fall-back position would be, we have not discussed that, either as an Executive Committee -- in fact, as I mentioned, we have not even had our first meeting with the governmental group who is looking at a method to resolve this problem. It is something that we will have to get at immediately this session is concluded. With this budget laid to rest and as we have already put our projections for 1983-84 in place, I would expect that we would be moving on the resolution of this matter very soon after this House adjourns. At the present time, we do not have alternate approaches.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Butters. Mr. MacQuarrie.

Motion To Support Seeking A Deduction From Total Income To Reduce Net
Income Of Taxpayers

MR. MacQUARRIE: Yes, just to get something specific on the table, and to move along as rapidly as possible, I would like to make a motion. We can deal with alternatives later, but I move that this committee support the Minister of Finance in seeking to secure for all taxpayers in the Northwest Territories a deduction from total income to arrive at a lower net income as the best and fairest method of taxing individual income.

CHAIRMAN (Mr. Noah): (Translation) Can we have a copy of the motion, please? (Translation ends) Mr. MacQuarrie, your motion is in order.

MR. MacQUARRIE: Thank you, Mr. Chairman. Yes, to speak to it very briefly, the paper had been tabled earlier, but the Assembly did not deal with the matter any further than to receive the document. There has not been specific Assembly support prior to this time and I feel that if we were to endorse a specific proposal as being a preferred choice, having that endorsement would be useful to the Minister when he attempts to make representations to Ottawa with respect to a particular position.

Needless to say, I, along with many others, feel that the situation that we are facing is a very serious one. It will be difficult for individuals and for companies and I will not go through all the difficulties, because many people have done that in the past, not only in this House, but in the media and in private conversations and so on. So, there are many reasons why there is a problem and why it needs to be addressed.

A More Equitable System Throughout The North

Certainly one of the very desirable features of this specific proposal is that many of us feel that there are inequities at the present time, where some receive a variety of benefits -- allowances of one type or another for northern living -- and in the past these have not been taxed. They may be and certainly for the people who receive those benefits, it was great for them, but we know that there are many other people in the Northwest Territories who have not been receiving any such benefits. So it is very desirable that we have a more equitable system throughout the whole North; that for all people who are faced with the higher costs of living in the Northwest Territories, if their earnings are sufficient where they must pay taxes, some allowance should be made, not only to those who are employed by companies that give allowances, but to everybody, so that they receive some consideration for having to face the considerably higher costs of living in the North.

CHAIRMAN (Mr. Noah): Thank you, Mr. MacQuarrie. To the motion. Ms Cournoyea.

MS COURNOYEA: Before I comment, could you just read that motion once again?

CHAIRMAN (Mr. Noah): We will ask Mr. Hamilton to read it.

CLERK ASSISTANT (Mr. Hamilton): I move that this committee support the Minister of Finance in seeking to secure for all taxpayers in the NWT a deduction from total income to arrive at a lower net income as the best and fairest method of taxing individual income.

CHAIRMAN (Mr. Noah): Thank you. To the motion.

MS COURNOYEA: Maybe Mr. MacQuarrie could explain what that means. I do not understand that.

CHAIRMAN (Mr. Noah): Mr. MacQuarrie.

MR. MacQUARRIE: Yes. It is simply that in the paper that was tabled there were a variety of methods of attempting to take into consideration the higher costs that people who live in the North are faced with and this particular method is simply that when people who live in the Northwest Territories are figuring out their taxes, then what they would do is this. Because they live in the Northwest Territories, the federal government would say, "All right. At the point where you are figuring out what your net income is, because you live in the Northwest Territories you would deduct a certain amount from your income and arrive at a lower net income." This would mean that you would not be taxed on a portion of your income and in that way it would replace the kinds of allowances that are sometimes given by various companies and that sort of thing. It would apply then to all taxpayers, the benefit would be felt by all taxpayers and not just as the present situation is, people who work for companies that give allowances and so on.

CHAIRMAN (Mr. Noah): To the motion.

SOME HON. MEMBERS: Question.

Motion To Support Seeking A Deduction From Total Income To Reduce Net Income Of Taxpayers, Carried

CHAIRMAN (Mr. Noah): (Translation) To the motion. (Translation ends)
Question being called. All those in favour of the motion? Opposed? The motion is carried.

---Carried

Any more questions? Mr. MacQuarrie.

MR. MacQUARRIE: Yes, just a part of it. The question was asked as to other positions and so on and I guess I did not hear the answer to that. We should not put all our eggs in one basket. So, could I ask the Minister again whether there are other plans to deal with the problem?

CHAIRMAN (Mr. Noah): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I indicated that at the present time this is the proposal that we have put forward. It has not been rejected by either the Minister of Finance or Mr. Munro, so we are still working on the assumption that it is a valid initiative. We have not looked at what positions we would take if this proposal were rejected. However, I did indicate that it is an objective of major importance and as soon as this session concludes we will be going at it with a much higher degree of intensity than has been the case in the last six weeks.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Butters. Mr. MacQuarrie.

MR. MacQUARRIE: Yes. About a year ago, and I cannot remember exactly when this was tabled first, but sometime after that, when I had phoned Ottawa and was talking to someone in the revenue department there and tried to make them aware that there was a Government of the Northwest Territories position, I got the impression that it was there; it was one among many other representations and so on. So, my question is, is that still the status or in the meantime has that position been even more forcefully brought to the awareness of the people in Ottawa?

CHAIRMAN (Mr. Noah): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, I am not aware of what may have occurred in the immediate past. I have had meetings, as I said, with Department of Finance people and I also know that Mr. Munro has accepted the responsibility for co-ordinating and resolving this problem from the point of view of the North,

but as yet I have not had any dealings with Mr. Munro. I notice that Mr. Nielsen is in the House. Maybe he might assist us. I am not sure of any information he may have which I am not privy to. If he could join us and maybe speak to the question?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Mr. Nielsen.

MR. NIELSEN: Mr. Chairman, as the Minister of Finance pointed out, this was the territorial government's position. It was presented to the federal government, and we have not received any indication that it is unacceptable. It is my understanding from discussions with the administration and the federal Department of Finance that the question of a deduction from income was not rejected on the basis of its technical configurations, but rather was rejected on a philosophical basis and because of other representations, but that it was very close to becoming accepted.

Alternatives Might Cost Territorial Government Money

The examination of alternatives will certainly be part of representations that are being made at the administration level, and Mr. Butters has undertaken responsibility in the area of our administration developing a follow-up proposal in conjunction with personnel from the mining industry, labour, and businesses in the Northwest Territories, and we are currently refining this proposal and developing something else which will form the basis for additional political and administrative lobbying efforts.

The only other thing that I would like to add is that as a fall-back position, we would probably have to rely on alternatives which would cost this government money, and while I think we are examining those, I think as Mr. MacQuarrie pointed out, they are definitely not as preferable as the method that was recommended in the position paper. However, obviously as an administration we have to consider things like tax credits; but if a tax credit was introduced, it would likely be a territorial tax credit which would, as I say, cost this government a considerable amount of money.

CHAIRMAN (Mr. Noah): (Translation) Thank you very much, Mr. Nielsen. Mr. Butters.

HON. TOM BUTTERS: Just to reiterate, Mr. Chairman, that I do not like to think of a fall-back position until we are totally and absolutely sure that our first initiative is unacceptable, and to this point in time we have not had indications of that nature.

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

MR. MacQUARRIE: I know that about a month ago, I think it was, there was a meeting with many concerned people and so on. Could you tell me whether there is follow-up on that, and what role our government is going to play in it? Are we going to spearhead and be a co-ordinator, or what?

CHAIRMAN (Mr. Noah): Mr. Butters.

HON. TOM BUTTERS: Mr. Chairman, the Member refers to the meeting which I spoke of a few moments ago, attended by many representatives from the mining industry and the mining support industry. I did not attend the subsequent meeting, but Mr. Nielsen did go in my stead, and maybe could report directly as to some of the things that came out of that meeting, and if there has been any progress as a result of that gathering.

CHAIRMAN (Mr. Noah): Mr. Nielsen.

Working Group Formed With Mining Industry

MR. NIELSEN: Mr. Chairman, yes, the Department of Finance has in its administration a taxation expert, Mr. Gary Foster, and Mr. Foster was volunteered the role of secretary to this committee, and has essentially spent the last few weeks doing nothing but working on this subject. Mr. Terry Daniels from the Chamber of Mines has been appointed as the group leader, and it is a working group that has been established. We have a reporting back date of approximately March 31st. It is certainly our intention to meet that date, so that we would hope that internally we would have something that could be reviewed by our Minister of Finance and available for circulation to the community as a first pass within the next few weeks.

CHAIRMAN (Mr. Noah): Any more general comments? Ms Cournoyea.

MS COURNOYEA: Just some information that I would like to know. I presume that it was inevitable that the moratorium was going to be concluded at a certain point in time, and that this government was working to adjust its cost benefits to its employees to try to equalize or give them equivalent to what they have now in terms of adjusted salaries and direct housing payments, and then they are on their own. Is that not the case, or am I misunderstanding?

CHAIRMAN (Mr. Noah): Mr. Butters.

HON. TOM BUTTERS: That is an option. It is not the option that we are seeking to achieve; that is why the recommendation of the paper has made a different approach. What the Member describes is a very real possibility if there is no change in the current situation with regard to the Income Tax Act.

CHAIRMAN (Mr. Noah): Ms Cournoyea.

MS COURNOYEA: Considering that there would not be a change in the situation, is this fall-back position being generated among the employees of the government to begin looking at that alternative?

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

Recommended Approach Would Apply To All Taxpayers

HON. TOM BUTTERS: The alternative has been looked at and would be looked at. It was on the basis of such examination that we determined the approach that would be best for all taxpayers, would be the one that we have recommended in our paper, because as the Member realizes, it does not apply only to employees of government, but it applies to employees who are in private industry, in co-operatives, any organization -- maybe even native organizations where there is a benefit package -- for paid employees who work for that organization.

CHAIRMAN (Mr. Noah): Thank you, Mr. Butters. Any more comments? I guess that concludes Tabled Document 3-82(1).

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Thank you. Thank you, Mr. Nielsen and Mr. Butters. (Translation) What are we going to go into now? Mr. Evaluarjuk.

MR. EVALUARJUK: (Translation) I think that we should report progress. There is a legislation committee meeting tonight.

CHAIRMAN (Mr. Noah): Shall we report progress now?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Noah): Thank you.

MR. SPEAKER: Mr. Noah.

REPORT OF THE COMMITTEE OF THE WHOLE OF BILL 1-82(1), APPROPRIATION ORDINANCE, 1982-83; BILL 8-82(1), VITAL STATISTICS ORDINANCE; TABLED DOCUMENT 3-82(1), POSITION PAPER ON THE ISSUE OF THE TAXATION OF NORTHERN AND ISOLATED POST BENEFITS AND ALLOWANCES

MR. NOAH: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering Bill 1-82(1), and Bill 8-82(1) and wish to report these bills ready for third reading. Also, Mr. Speaker, your committee has been considering Tabled Document 3-82(1), and wish to report this matter concluded, with one motion being adopted. (Translation) Thank you very much.

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

REVERT TO ITEM NO. 5: PETITIONS

MR. CURLEY: Yes, Mr. Speaker. On a point of privilege. This morning, when I tabled a petition, I indicated that there were 79 signatures to the petition I tabled from Whale Cove with respect to the increased rental rates, but the fact is that there were two petitions. I did not realize it as they were stapled together. I would just like to say that the two petitions are one for asking the government to stop the rental increases for housing, and the other one Petition 6-82(1), Request for Separate Board of Directors of Housing Corporation for Eastern Arctic. It suggests that the NWT Housing Corporation consider establishing a separate board for the Eastern Arctic. Thank you.

MR. SPEAKER: Thank you, Mr. Curley, but that is really not a point of privilege. You really should have gone back and asked for unanimous consent for tabling of a petition, but you have got away with it again, Mr. Curley.

MR. CURLEY: Thank you, Mr. Speaker, for your understanding. I would like to ask the committee for unanimous consent to go back to Item 8, notices of motion.

MR. SPEAKER: Unanimous consent is being requested to go back to Item 8. Are there any nays? Okay.

REVERT TO ITEM NO. 8: NOTICES OF MOTION

Go ahead, Mr. Curley.

Notice Of Motion 46-82(1): Funds For Native Court Workers

MR. CURLEY: Mr. Speaker, I give notice that on March 4, 1982, I will move the following motion:

Now therefore I move that this Assembly recommend to the Executive Committee that Maliiganik Tukisiiniakvik Society and the Northwest Territories Native Court Workers be provided with funds to cover inflationary increases in their operating costs for 1982-83.

And further, that this Assembly recommend to the Executive Committee that more funds be provided to the Legal Services Board to promote public legal education in all parts of the Northwest Territories in 1982-83. Thank you.

MR. SPEAKER: Mr. Curley, is that one motion or two that you are giving notice of?

MR. CURLEY: One. One motion, Mr. Speaker.

MR. SPEAKER: You may be well advised to give notice for two motions, Mr. Curley.

Notice Of Motion 47-82(1): Funds For Legal Services Board

MR. CURLEY: Okay, Mr. Speaker, with your advice, I give notice that on Thursday, March 4, 1982, I will move the following motion and the last paragraph is the second motion, then:

Now therefore, I move that this Assembly recommend to the Executive Committee that more funds be provided to the Legal Services Board to promote public legal education in all parts of the Northwest Territories in 1982-83.

MR. SPEAKER: Thank you, Mr. Curley. Are there any other motions? Mr. McLaughlin.

Notice Of Motion 48-82(1): Amendment To Section 62 Of Education Ordinance

MR. McLAUGHLIN: Thank you, Mr. Speaker. I would like to give notice that on Thursday, March 4th, I will move the following motion, seconded by the honourable Member for the Western Arctic, Ms Cournoyea: That this Assembly recommend to the Executive Committee that section 62 of the Education Ordinance be amended so as to permit the Minister of Education to establish in his discretion and at the request of local education authorities a school year of not less than 170 days.

MR. SPEAKER: Thank you. Are there any other notices of motion? Ms Cournoyea.

Notice Of Motion 49-82(1): Recognition To Cross-Country Skiers, Firth Sisters

MS COURNOYEA: Mr. Speaker, I wish to give notice on March 4th, 1982, that I will move, seconded by the Member from Fort Smith: That this Assembly give further recognition to cross-country skiers, Shirley and Sharon Firth, and recommend to the Executive Committee to continue their support for these two excellent Northwest Territories ambassadors and athletes.

AN HON. MEMBER: Hear, hear!

---Applause

MR. SPEAKER: Thank you. Are there any other notices of motion? Thank you. Are there announcements from the floor? Mr. Butters.

HON. TOM BUTTERS: Thank you, Mr. Speaker. Just to remind the Eastern Arctic MLAs of the briefing on the Baffin regional tourism study on the Pangnirtung community based tourism project in room 301 after this session is recessed.

MR. SPEAKER: Thank you. Are there any other announcements from the floor? Mr. Clerk, announcements and orders of the day, please.

CLERK OF THE HOUSE (Mr. Remnant): The standing committee on legislation will meet at 7:30 this evening in Katimavik A. For Wednesday, March 3rd, the following meetings are scheduled: at 9:30 a.m. in room 301, the Commonwealth Parliamentary Association executive committee; at 9:30 a.m. in Katimavik A, the standing committee on finance; at 11:00 a.m. in room 303, the special committee on constitutional development; at 6:30 p.m. in room 301, the special committee on education.

ITEM NO. 14: ORDERS OF THE DAY

Orders of the day, 1:00 p.m., Wednesday, March 3, 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: Bills 10-82(1), 11-82(1), 12-82(1); Tabled Documents 9-82(1), 15-82(1), 25-82(1)
14. Third Reading of Bills
15. Assent to Bills
16. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until 1:00 p.m., Wednesday, March 3rd.

---ADJOURNMENT

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