



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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INUVIK, NORTHWEST TERRITORIES

WEDNESDAY, MAY 19, 1982

MEMBERS PRESENT

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

ITEM NO. 1: PRAYER

---Prayer

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

Item 2, replies to Commissioner's Address.

ITEM NO. 2: REPLIES TO COMMISSIONER'S ADDRESS

Mr. Appaqaq.

Mr. Appaqaq's Reply

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker, Members of the Legislative Assembly, Mr. Commissioner. Thank you, Mr. Speaker. I am going to make a short reply. I have told the Members of the Legislative Assembly if we are going to meet in the spring, that I would not be able to come, but our job as Members is very important. I am here now today and I am very grateful.

In my community, my son who is five years old, kept wanting me to come back home because he wants to go hunting with me. I see here in this paper, in the Igalaaq Newspaper, that a person who is five years old is able to go to hunting by watching his parents and going with his parents. In springtime it is very hard to leave home. The reason I wanted to talk about this is because it reflects upon the educational system. Children have to be taught by their parents about their traditional way of life. They have to know the culture from the beginning.

I also wanted to make mention of the fact that you all know that the Government of the Northwest Territories and the Commissioner know that there is going to be some oil exploration in the Hudson Bay area. Recently a Sanikiluaq person went to Quebec to meet with the people who are going to be doing some oil exploration in the Hudson Bay area. The aboriginal people of the Northwest Territories are not informed very well about the five year plan. This is going to have an impact upon the sea mammals because there are going to be explosions taking place in the sea and I know that the sea mammals, if they hear something that they have not heard before, even if it is far away, they are not going to stay in that area. For that reason the Sanikiluaq people that met with those people felt that this was going to have a great impact upon the sea mammals.

It is already planned and we cannot make any changes to it. The territorial government has to have some food plans for the sea mammals. If they are going to chase away our sea mammals, they will have to have some food ready just in

the case the mammals are gone. We could not make any changes to the plan because they had already finished it. I feel if we are going to have a good government which represents the people, the people have to be informed of what is going on. Sometimes they do not inform the people of the communities and that is why there are always problems coming up because we are not informed very well. The people of the Northwest Territories and the communities have to be involved in the planning of things that are going to be happening near their communities.

Housing In The Baffin Region

The other thing that I wanted to talk about is the housing in the Baffin region for the year 1982. This has been talked about. The business of having to have rent increases has been of concern to the people. They have said that they want to find some employment. If rent is increased, they are worried as there is no limit on the increases. This has to be considered again and should be discussed further. The people are concerned about it. Sometimes people do not have any employment and they should take that into consideration. This does concern the people of Sanikiluaq.

The Canadian Arctic Producers was not running very well. People without jobs are confused because their carvings are not being bought too much and since they do not have a job, their only livelihood is carving and art work.

There was a plebiscite that took place on April 14th. Even though I was not supposed to work in it, just prior to the plebiscite vote, I was asked some questions about why there had to be a plebiscite. During the plebiscite my people voted "Yes" to division but here in the Dene communities, I do not know what happened. I do not know what happened in the Dene communities but I feel that they were not informed very well. Maybe they did not have interpreters and they voted "No" to division, but we were informed and we had interpreters even though we do not know how to speak English. The business of the plebiscite -- we do not want to just go ahead with it without being informed and the government people have a very big job to do. The reason why we had a plebiscite vote was to make the job of the government easier. I do not have very much left to say. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Thank you, Mr. Appaqaq. Replies to the Commissioner's Address. There do not appear to be any further replies today.

Item 3, oral questions.

ITEM NO. 3: ORAL QUESTIONS

Mr. Curley.

Question 60-82(2): Definition Of Aboriginal Rights For First Ministers' Constitutional Conference

MR. CURLEY: Mr. Speaker, I have a question to the Minister of Justice. Since the Minister of development on the constitution is not here, I would like to direct this question to him. In view of the upcoming First Ministers' Constitutional Conference coming up soon with the aboriginal leaders of the country, does the Minister have a government position prepared for the important conference which will, amongst other things, define aboriginal rights? When will the Minister table the policy, if it exists and what definition does the government have for the aboriginal people?

MR. SPEAKER: Mr. Braden.

Return To Question 60-82(2): Definition Of Aboriginal Rights For First Ministers' Constitutional Conference

HON. GEORGE BRADEN: Thank you, Mr. Speaker. There has been some work that has been done over the last year in researching some of the main issues that are expected to be considered at the First Ministers' Conferences on the constitution, among them aboriginal rights. At this point in time, I do not have a paper put together which contains all that information, but I would be pleased to have one prepared, which provides further elaboration, by Friday and we could distribute it to Members. I want to indicate in conclusion that we have had in this House, some major discussions on the issue of aboriginal rights and I believe that the sessional paper that was discussed in Baker Lake in 1980 provides a very solid background or set of principles from which to draw conclusions about specific rights and benefits that are associated with aboriginal people and their rights. So, if the Member is agreeable, I would undertake to provide for him and for this House, by Friday, a summary of the work that has been done on this particular issue.

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

Supplementary To Question 60-82(2): Definition Of Aboriginal Rights For First Ministers' Constitutional Conference

MR. CURLEY: Yes. Supplementary, Mr. Speaker. In view of the fact that this constitutional conference could probably convene any time in the fall, before the Legislative Assembly has a chance to get together, I am a bit concerned that we will not be provided with the government's position. We have been dealing, I know, with general principles, but to define the exact aboriginal rights which will be the main theme of the First Ministers' Conference is what I am concerned with. So, can the Minister somehow give a little more specific commitment that we will be provided with any of the government positions if they have been developed?

MR. SPEAKER: Mr. Braden.

Further Reply To Question 60-82(2): Definition Of Aboriginal Rights For First Ministers' Constitutional Conference

HON. GEORGE BRADEN: Yes, Mr. Speaker, I will give the Member that. I will make that commitment to the Member and to this House. I think it is a very important subject. Although I am not quite sure if the fall is going to be the date when it will be discussed, but I recognize the urgency of getting the information to the people of this House.

MR. SPEAKER: Thank you. Oral questions. Mrs. Sorensen.

Question 61-82(2): Bonding For Northern Contractors

MRS. SORENSEN: My question, Mr. Speaker, is for the Minister of Economic Development. Mr. Minister, I have recently had a letter from the NWT Construction Association in which they are asking what action has been taken with respect to their membership's difficulties in obtaining bonding from southern bonding companies and I know that they have been in touch with you and your department, with respect to specific government action in this area. Do you have a status report on what action you have been taking in this area?

MR. SPEAKER: Mr. Butters.

Return To Question 61-82(2): Bonding For Northern Contractors

HON. TOM BUTTERS: Mr. Speaker, I would like to thank the Member for her courtesy in giving me notice of her question. I requested a report and have been provided with the following information, which I would like to read into the record.

Surety bonding is often a prerequisite, especially for construction work, to be awarded both government and private contracts. The federal government, for example, requires surety bonds on all federal construction projects. While this is not generally the case with the Government of the Northwest Territories, all large projects must be bonded. The surety bonding relationship is basically a three party relationship in which the surety, for a fee, makes itself responsible for obligations which the contractor owes the owner or other persons with whom it contracts. When, as a result of this obligation, the surety incurs the loss, it can sue the contractor to recover its loss. Also, the surety takes over the contractor's rights to payments from the owner.

Northern contractors have had difficulty in obtaining bonding for a myriad of reasons; the shortage of working capital, insufficient experience, a greater risk factor, and general lack of presence in the North by the surety industry. In the May sitting of the Legislature, 1981, Mr. Harold Rattai of the Northwest Territories Construction Association petitioned Assembly Members to provide assistance to northern contractors. The association put forward two recommendations: establishment of a fund to lend moneys to increase the contractors' working capital; and the provision for the Government of the Northwest Territories bonds.

In the last Legislative Assembly session of February, 1982, the Small Business Loans and Guarantees Ordinance was amended to increase the maximum level of the fund, because of demands for loans, from five million dollars to \$11 million, remove the \$100,000 maximum on individual loans, change the definition of a small business by removal of the one million dollars maximum for the first year of projections, and permit a working capital component on loans. Economic Development is currently developing a proposal for a surety bond guarantee assistance program. The proposed surety bond guarantee assistance program will authorize the Government of the Northwest Territories to guarantee, for a fee, any qualified surety company up to 90 per cent of its losses incurred under bid payment or performance bonds on northern business contracts up to \$500,000. A meeting of the Government of the Northwest Territories officials and surety and construction industry representatives will be scheduled in the next month to review the proposed program and guidelines.

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

Question 62-82(2): Membership In The Freshwater Fish Marketing Corporation

MR. CURLEY: Mr. Speaker, I have a question to the Commissioner, but I will ask first the Minister of Economic Development another one, while the Commissioner is preparing his way. Mr. Speaker, my question is to the Minister of Economic Development. I would like to ask him what is the present policy of his department with respect to the membership of the Freshwater Fish Marketing Corporation? Is the Minister going to withdraw membership of the NWT from it or if not, why not?

MR. SPEAKER: Mr. Butters.

Return To Question 62-82(2): Membership In The Freshwater Fish Marketing Corporation

HON. TOM BUTTERS: The present government approach to that problem remains the same as was identified in the report presented to the House in March. The agreement with the Freshwater Fish Marketing Corporation was entered into by the Minister of Indian Affairs and Northern Development on behalf of the territorial government. To withdraw from such an arrangement would require the Minister to be satisfied that such an action would not jeopardize in any way the interests of fishermen in the Northwest Territories. There have been ongoing discussions with the NWT fishermen since March and there is a very much split opinion with regard to a withdrawal or even a request for a withdrawal from the corporation

at this time. I have indicated to the Freshwater Fish Marketing Corporation the displeasure of a number of fishermen in the Territories with the marketing arrangements that they are making and the prices that they are assigning and allocating to the fish that is taken in the Northwest Territories, but there is a significant number of NWT fishermen who continue to have confidence in the corporation and would, I am quite sure, become very vocal in opposition to any action taken at this time to remove the NWT from the FFMC.

Since March I have been in consultation with my Alberta colleagues and, unlike what the Member for the Western Arctic said, we were not playing games. I was an equal with the Alberta ministers and as they share the same concerns and problems for their constituents involved in the fishing industry, we went in a group to Winnipeg and discussed our joint and mutual concerns with the officials of the Freshwater Fish Marketing Corporation. In fact, I have on the table before me the letter which we sent to Mr. Moss, the chairman of the board of that corporation, indicating our continuing displeasure with the prices that have been developed by the marketing board.

Our visit indicated that the Freshwater Fish Marketing Corporation plant in Transcona, in Winnipeg, is a very efficiently run plant and we returned convinced that they are doing an excellent job when you consider the situation in which the fishing industry on the west coast and east coast of this country now find themselves. So, we found that the general operation of the Freshwater Fish Marketing Corporation is very efficient and very productive. However, we still have the problems of marketing the product from the Northwest Territories. Alberta and the NWT have recommended to the Freshwater Fish Marketing Corporation that the costs of transporting fish to Winnipeg be pooled so that the fishermen in both Alberta and NWT do not have to pay the full costs of that transportation. I am now in discussions with the one agency which was most keen to have some exception developed under the act with regard to the marketing of their fish, and that is the Inuvialuit Development Corporation. I have discussed with Peter Moss and also with Tom Dunn, the general manager of the corporation, methods by which exceptions can be developed which would be satisfactory to IDC to allow them to market fish on their own. As recently as last Sunday, when I met the member in the COPE office, I discussed with Mr. Delury and Ms Cournoyea means by which Mr. Delury could discuss with the Freshwater Fish Marketing officials methods to satisfy their needs. So, there is ongoing action. There is no action now to remove the NWT from the corporation. We are leaving that option open if we cannot get satisfaction within the system, but we are certainly addressing the problem and attempting to react to the concerns of NWT fishermen.

MR. SPEAKER: Thank you. Supplementary to Mr. Butters.

Supplementary To Question 62-82(2): Membership In The Freshwater Fish Marketing Corporation

MR. CURLEY: Yes, thank you, Mr. Speaker. Supplementary. In view of the concerns of some of the Members that we would be better off by creating our own crown corporation to assist the fishermen of the NWT -- that is, I think, the desire of the many Members, that the NWT should become a little more independent in selling its product to the southern markets -- I would also like to ask the Minister, since the Eastern Arctic has a smaller volume with respect to the fish being sold to the Freshwater Fish Marketing Corporation, a lot of our people have been asking that they be taken out of the Freshwater Fish Marketing Corporation. I wonder if the Minister would be prepared to address that specific concern, to allow the Eastern Arctic people a better price for the Arctic char, the main product of the fishermen. I would like to ask the Minister whether or not his department or the Minister considers Arctic char a fresh-water fish.

MR. SPEAKER: Mr. Minister.

Further Return To Question 62-82(2): Membership In The Freshwater Fish Marketing Corporation

HON. TOM BUTTERS: I do not think it is a matter of whether I or my department consider Arctic char a fresh-water fish, Mr. Speaker. The fact that Arctic char exists on the schedule of fish that are marketed under the aegis of the Freshwater Fish Marketing Board -- I did discuss the concern of Members from the Eastern Arctic and from those communities whose main and only fish product is the Arctic char. I discussed this at some length with Mr. Moss and he indicated to me -- I did not pursue it much further -- that he would have no trouble in recommending to his board to having Arctic char totally excluded from the Freshwater Fish Marketing Board operation. Again I must make it clear that he is not speaking on behalf of his board now; he is saying what he would be -- he told me what he would be willing to do. The only concern he would have is that he would be willing to recommend to his board that Arctic char be excluded from the schedule across the Northwest Territories and not in a particular region only, such as in the Keewatin or the Western Arctic.

I do know that the char fishery in the Central Arctic is the most accessible Arctic char fishery, I believe. Members of that fishery have been not too keen to have us move toward such an exclusion. They appear to be satisfied with the markets being developed by the Freshwater Fish Marketing Corporation. A very active member of the co-op in that area, Mr. Lyall, a former member of this House, indicated to me personally that he would not wish such a withdrawal and also indicated that he would be willing to appear as a witness when we met in Inuvik should the matter of the Freshwater Fish Marketing Corporation be raised, and the matter of char. I, too, have been approached by the MLA from the Central Arctic constituency reiterating what Mr. Lyall indicated to me personally. So, yes, I did address that matter and I have indicated to the House the response I received from Mr. Moss.

MR. SPEAKER: Thank you, Mr. Butters. I understand you have a question for the Commissioner. Are we agreed to bring the Commissioner inside the ropes?

SOME HON. MEMBERS: Agreed.

---Agreed

MR. SPEAKER: Mr. Commissioner, would you please attend? Mr. Curley.

Question 63-82(2): Government Changes To Prepare For Division

MR. CURLEY: Yes, Mr. Speaker, I have a question to the Commissioner of the NWT. In view of the fact that the majority of the people of the Northwest Territories have decided in favour of division of the NWT, could the Commissioner indicate to this House whether he would be prepared or willing to consider now, within his jurisdiction, any possibility of changing the present policies of the government and administration procedures to prepare for eventual division of the NWT so that the transfer of responsibility from one administration could be transferred without any difficulty?

MR. SPEAKER: Mr. Commissioner.

Return To Question 63-82(2): Government Changes To Prepare For Division

COMMISSIONER PARKER: Mr. Speaker, due to the short time that has elapsed since the actual vote on division was taken and since there is an expectation that the further steps to be taken will be discussed by this House, I have not, up to this point in time, contemplated any administrative moves. The plebiscite was a creature of the House and I believe it is now up to the House to give its further direction and clearly this is under way because I am aware of motions of which notice has been given.

The Northwest Territories administration is already divided on regional lines and therefore we have in place many of the structures that might be necessary should division occur. I think anything beyond that at this time, and particularly beyond the settling of the boundary question, would be premature.

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

Question 64-82(2): Correctional Centre For Cape Dorset

MR. ARLOOKT00: (Translation) Thank you, Mr. Speaker. I do not know whether or not this is a real question, but one of my constituents brought me a petition and it was requesting that I ask the Minister of Social Services -- Cape Dorset requested to have a correctional centre, during a session of the Baffin Regional Council. My question is directed to Social Services. Did the Minister responsible for that department consider some of the matters? Perhaps he can answer me in this session or in the fall session. Can Cape Dorset purchase itself a correctional centre? Thank you.

MR. SPEAKER: Mr. McCallum.

Return To Question 64-82(2): Correctional Centre For Cape Dorset

HON. ARNOLD McCALLUM: Mr. Speaker, at the present time the government, through the Department of Social Services, is planning only to replace the existing Baffin Correctional Centre. We are talking about plans to do something in the Delta. There are many concerns that will be brought forward in institutional care, both for adult corrections and under young offenders when the new young offenders act comes into force, but we are not now, and to my knowledge, it is not in any three to five year program planning to put a correctional centre in Cape Dorset.

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

Question 65-82(2): Shortage Of Nursing Staff In Lake Harbour

MR. ARLOOKT00: (Translation) Thank you, Mr. Speaker. I understand the answer to that question but I will ask another question. Regarding the nurse in Lake Harbour, she has been working in Lake Harbour for five years and in recent weeks she will be taking a holiday or annual leave, and the Lake Harbour residents had requested that whenever the nurse goes out on annual leave they should have someone to replace her. Do you have any considerations about having this nurse replaced while she is on annual leave? The problem is that there will be not enough nurses in that area. Perhaps you can transfer some nurses to that community. In the meantime, this month, in May, there were some problems with regard to the nurse. Whenever her eight hours are up, she would send someone else to go see some sick person in that community. I do not think those people who are sent to replace the nurse when her eight hours are up, have any authority.

There was a person who died because of mismanagement of the medicine. Yesterday I had a telephone call from my constituents who needed the nurse. She refuses to come and see a patient in the community and she told the community that her eight hours are up. With regard to that I would like you to do a survey over in that area or perhaps consult with the general hospital in Frobisher Bay and ask the community of Lake Harbour how they would like their nurses to be approached. This is my question and advice to you. This statement is the truth and I would like you to believe it. There are some problems during this month of May. That nurse is a very nice person and I do not think she is doing her job very well. Thank you.

MR. SPEAKER: Thank you, Mr. Arlooktoo. I have requested when you are asking questions to try and be as brief as possible and ask your questions. It is not proper in question period to make statements in that way. Mr. McCallum.

Return To Question 65-82(2): Shortage Of Nursing Staff In Lake Harbour

HON. ARNOLD McCALLUM: Mr. Speaker, I will take note of the Member's comments and try to impress the zone director of National Health and Welfare the requirement for a replacement when the nurse at Lake Harbour takes annual leave. As to the conduct of the nurse in question in that particular community as to the number of hours she may work or other aspects of her work, I again will take note of that and impress upon the federal Health and Welfare people to attempt to do something to rectify the situation so that the people of Lake Harbour are satisfied with the medical services that are being provided in that particular community.

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

Question 66-82(2): Shortage Of Soapstone In Pangnirtung

MR. KILABUK: (Translation) Thank you, Mr. Speaker. I have a question to the Minister responsible for Economic Development. There is a shortage of soapstone in Pangnirtung since last year and this year there has been difficulty getting soapstone. It is a long way to go down to Lake Harbour or to Pond Inlet to buy a little bit of soapstone and there is a lot of money involved in buying gasoline to go down to purchase soapstone.

MR. SPEAKER: Mr. Butters.

Return To Question 66-82(2): Shortage Of Soapstone In Pangnirtung

HON. TOM BUTTERS: Mr. Speaker, I am aware that the provision of good soapstone, good carving stone to the carvers of Pangnirtung has been a problem over a number of months and extending back into the past year. I had thought that it might be resolved now, but I would indicate to the Member that I will advise my staff of the concern raised by him again and when I travel to Frobisher Bay early in June, I will look at that with him and members of my staff to see just what the problem is and why it cannot be readily solved.

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

Question 67-82(2): Subsidizing Cost Of Gasoline For Carvers

MR. KILABUK: (Translation) Thank you, Mr. Speaker. I would tell the Minister that they have to travel four days and then there is the matter of gas and I wonder if he can assist in subsidizing the cost of gasoline. Thank you.

MR. SPEAKER: Mr. Butters.

Return To Question 67-82(2): Subsidizing Cost Of Gasoline For Carvers

HON. TOM BUTTERS: Mr. Speaker, I certainly will have my staff look into the matter and see whether we cannot resolve the problem before early in June.

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

MR. NOAH: Yes, Mr. Speaker. Thank you, Mr. Speaker. Just a point of order. I do not think it is a very good practice for this House to call an individual person a Christian or a believer. Mr. McCallum mentioned it yesterday. Now an ordinary Member says, if I understood correctly, calling someone from Lake Harbour a believer or a perfect person if I got that translation correctly. I do not think it is good practice in this House to call an individual person a Christian, believer or a nice person. Let us not offend anybody. I am not offended, but it is a very bad practice for this House to call individuals such names. We do not call you miserable or sinner even though you are miserable and a sinner.

---Laughter

I do not think it is a very good practice.

---Applause

MRS. SORENSEN: You use swear words, though.

MR. SPEAKER: Oral questions. Mr. Curley.

Question 68-82(2): Report On Keewatin Health Study

MR. CURLEY: Mr. Speaker, I have a last question to the Minister of Health. In view of the fact that there was a health study conducted about two years ago in my region, the Keewatin region, could the Minister tell this House what action his department has taken to implement the Keewatin health study and if not, why not?

MR. SPEAKER: Mr. McCallum.

Return To Question 68-82(2): Report On Keewatin Health Study

HON. ARNOLD McCALLUM: Mr. Speaker, the Keewatin health study was done in conjunction with people from ITC for the federal government. To this date, despite our requests as to what will and what is going to happen or how the federal government is going to react to that, we have not had any reaction from the federal government save for the establishment by the federal government of the task force on capital expenditures. As to what we, as the Government of the Northwest Territories, have done in terms of taking into account those recommendations, the Government of the Northwest Territories has done nothing in relation to taking those recommendations through because we do not have the jurisdictional authority to do anything in health matters, in this instance, in the Keewatin. It still is the responsibility of the federal government. Until the federal government will indicate to us what their total plans are in the way of capital in the Territories, then there is not very much we can do, save to keep pestering them, if you like, to give us an indication of what is going on.

MR. SPEAKER: Thank you. This House will stand recessed for 10 minutes for coffee; 10 minutes, please.

---SHORT RECESS

MR. SPEAKER: I call the House back to order. Mr. Curley, oral questions.

Supplementary To Question 68-82(2): Report On Keewatin Health Study

MR. CURLEY: Yes, I had a supplementary, Mr. Speaker. Although I realize that the federal government is responsible for the health delivery services in that part of the area, I am concerned that this department seems to be saying, "Look, the jurisdiction lies with the federal government so therefore we have nothing to do and we should not be concerned with trying to pressure the federal government to improve the health services in that region." What I am trying to say is, why does the Minister not take the lead in trying to pressure the government to improve some of the problems that were outlined in that report and implement and get on with the recommendations? Surely he, as the Minister not only for his constituency and for that area, could do that and pressure the federal government to implement the recommendations as set out in that report.

Supplementary Question Ruled Out Of Order

MR. SPEAKER: Please, Mr. Curley, that is not a question, that is a statement and it is really out of order completely under oral questions. Are there any further oral questions? Mr. McCallum.

HON. ARNOLD McCALLUM: A point of privilege, Mr. Speaker. If the Member is going to ask a question of me, and in the meantime lays a commentary on how things are going, surely I have a right to respond to him. If I do not have a right, then the Member should be cut off in the beginning. I am not going to sit and listen to somebody take shots and not do anything.

MR. SPEAKER: Sorry, Mr. McCallum. Until I have heard what he has had to say, I do not know if there is a question in it or not. I am in a difficult position, but certainly there was no question there that would give you the right to the floor. Mr. Fraser.

MR. FRASER: No.

MR. SPEAKER: Are there any further oral questions?

Item 4, questions and returns.

ITEM NO. 4: QUESTIONS AND RETURNS

Written questions. Are there any returns today? Mr. Butters.

Return To Question 59-82(2): Expenditures For Financial Information System

HON. TOM BUTTERS: I would like to respond to a written question from the Member for the Western Arctic relative to the financial information system. I believe she asked if there could be tabled all the cumulative costs related to that system and its implementation to date. I would like to advise the House that the projection of those costs still remains the \$2,053,000 that was provided to the standing committee on finance and the House in the budget session last winter. However, as Members know, the Auditor General's staff is now embarked on the comprehensive audit requested by both the finance committee and Members of this House, a comprehensive audit of the financial information system. We will be providing a summary of detailed costs of the project from its inception until the end of April of this year. Now, as soon as that comprehensive summary is available for the Auditor General, I will ensure that copies are made available to the chairman of the standing committee on finance and I trust that that would satisfy the Member's request.

MR. SPEAKER: Thank you. Are there any further returns today? Mr. Patterson.

Return To Question 51-82(2): Cultural Inclusion Centre, Chesterfield Inlet School

HON. DENNIS PATTERSON: Mr. Speaker, I have a return to oral Question 51-82(2), asked by the Member for Keewatin North yesterday concerning the need for more space for the Chesterfield Inlet cultural inclusion centre: A staff house has been arranged to accommodate the cultural inclusion program for the 1982-83 school year. This will allow us more time to look for more permanent solutions. Thank you.

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

Item 5, petitions.

Item 6, tabling of documents.

ITEM NO. 6: TABLING OF DOCUMENTS

Mr. Tologanak.

HON. KANE TOLOGANAK: Mr. Speaker, I wish to table two documents:

Tabled Document 26-82(2), telex from Pelly Bay re the education report.

Tabled Document 27-82(2), telex from Spence Bay re the education report.

Tabled Document 28-82(2), telex from the Cambridge Bay education committee, which was addressed to the secretary of the special committee on education.

MR. SPEAKER: Thank you. Mr. Butters.

HON. TOM BUTTERS: Mr. Speaker, I wish to table Tabled Document 29-82(2), Supplementary Appropriation No. 3, 1981-82. I believe that to ensure that it is in committee of the whole, I should move that the document be referred to committee later on, and I would be seeking unanimous consent to do that. Is that correct, Mr. Speaker?

MR. SPEAKER: It is a paper relevant to one of the bills, is it not? Well, then, it would automatically be put in with the bill when it goes into committee of the whole. I do not think that you have to take any further action. Are there any further tabling of documents?

Item 7, reports of standing and special committees.

ITEM NO. 7: REPORTS OF STANDING AND SPECIAL COMMITTEES

Mrs. Sorensen.

Motion To Refer 16th Report Of The Standing Committee On Finance Into Committee Of The Whole, Carried

MRS. SORENSEN: Thank you, Mr. Speaker. I have the 16th report of the standing committee on finance to the Legislative Assembly on the Financial Administration Ordinance and the Supplementary Appropriation No. 3, 1981-82. Mr. Speaker, rather than reading the report into the record now, I will simply move that it be considered in committee of the whole when the Financial Administration Ordinance is discussed and when the Supplementary Appropriation No. 3, 1981-82, is discussed.

MR. SPEAKER: Thank you. Reports of standing and special committees. Mrs. Sorensen.

MRS. SORENSEN: Mr. Speaker, that is a motion, to move it into committee of the whole.

MR. SPEAKER: Do I have a seconder? Mr. McLaughlin. Discussion. All those in favour? Opposed, if any? The motion is carried.

---Carried

Reports of standing and special committees.

Item 9, notices of motion.

ITEM NO. 9: NOTICES OF MOTION

Mr. Noah.

Notice Of Motion 14-82(2): Assembly Position On Mining And Production Of Uranium In The NWT

MR. NOAH: Thank you, Mr. Speaker. Mr. Speaker, I give notice of motion that on May 21st, 1982, I will move: Now therefore, I move, seconded by the honourable Member for Frobisher Bay, that this Assembly resolve into committee of the whole at the fall session of this House to finally determine its position on the mining and production of uranium in the Northwest Territories. Qujannamiik.

MR. SPEAKER: Thank you. Mr. McLaughlin.

Notice Of Motion 15-82(2): Legislation Be Prepared On The Education Report

MR. McLAUGHLIN: Yes, thank you, Mr. Speaker. I would like to give notice that on Friday, May the 19th, I shall be moving the following motion, seconded by the honourable Member for Keewatin South:

That this Assembly recommend to the Executive Committee that legislation be prepared before the next session to enable changes to take place in the Northwest Territories education system, taking into consideration the principles and recommendations expressed in "Learning: Tradition and Change", and the debate held in committee of the whole during the session;

And further that this Assembly recommend to the Executive Committee that a task force be appointed by the Minister of Education to monitor the action research projects started by the special committee on education to consult with Northwest Territories residents concerned with education matters, and to advise the Executive Committee regarding the proposed education legislation.

MR. SPEAKER: Thank you. I think you made a date error, there. I think you said May the 19th; it would be May the 21st.

MR. McLAUGHLIN: Sorry. I meant Friday, May the 21st; and I will be asking for unanimous consent at the appropriate time.

MR. SPEAKER: I thought that was the reason for the confusion in dates. Notices of motion. Ms Cournoyea.

Notice Of Motion 16-82(2): Establish A Special Committee On Division Of The NWT

MS COURNOYEA: Mr. Speaker, I give notice that on Friday, May 21st, I shall be bringing forth a motion, and on this motion I will be asking for unanimous consent to proceed with it today.

HON. ARNOLD McCALLUM: Not a chance.

MS COURNOYEA: Now therefore, I move, seconded by the Member for Keewatin South, Tagak Curley, that this House now establish a special committee to be known as the special committee on division of the Northwest Territories, composed, notwithstanding rule 75(1)(a), of all Members of this Legislative Assembly;

And further that this committee shall have the responsibility of representing in every way possible the interests of all the people of the Northwest Territories with respect to planning and preparing for division of the Northwest Territories;

And further, that this committee shall:

- a) be authorized to appoint a subcommittee to undertake any negotiations with the appropriate federal authorities;
- b) be authorized to make recommendations to this House as to how existing and future legislation, policies, and practices of the Government of the Northwest Territories might be amended or developed to reflect the duality of interests between the eastern and western parts of the Northwest Territories;
- c) be authorized to make recommendations to this House on ways in which the process of budgetary and capital planning in the Northwest Territories might be modified in form and process so as to reflect the duality of interests between the eastern and western parts of the Northwest Territories, and prepare for the impact of division in the NWT; and
- d) be authorized to make recommendations to this House on transitional measures which could be implemented to prepare for the division of the Northwest Territories;

And further, that this committee shall:

- e) have access to such persons, papers and reports as are necessary to its business;
- f) be provided with the necessary administrative support by the Legislative Assembly office;
- g) have a quorum consisting of 12 Members;
- h) obtain the funds required to carry out its responsibilities from the appropriations of the Legislative Assembly;
- i) undertake such travel as is required to carry out its assigned responsibilities; and
- j) report to this House from time to time.

MR. SPEAKER: Thank you. Notices of motion.

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

Item 10, motions.

ITEM NO. 10: MOTIONS

Motion 7-82(2): Establishment Of A Federal Boundaries Commission

MS COURNOYEA: Mr. Speaker, Motion 7-82(2).

WHEREAS recommendations adopted by this House following the report of the special committee on unity called for the holding of a plebiscite on division of the Northwest Territories and the establishment of a boundaries commission if a majority of voters approved division of the Northwest Territories;

AND WHEREAS this Council of the Northwest Territories enacted a Plebiscite Ordinance at its seventh session including a question for voters and a preamble to the question which stated that if a majority of eligible voters were to vote "Yes" to the question, "Do you think that the Northwest Territories should be divided?", then the Legislative Assembly would request the Government of Canada to divide the Northwest Territories to create a new territory in the eastern part of the Northwest Territories and to appoint a federal boundaries commission to consult with the people of the Northwest Territories and to recommend the exact boundaries;

AND WHEREAS the Report of the Chief Plebiscite Officer on the Plebiscite on Division of the Northwest Territories 1982, shows that a majority of 5586 of the total of 9890 valid ballots cast, or approximately 56 per cent of the total voters, favoured division of the Northwest Territories;

NOW THEREFORE, I move, seconded by the Member for the Kitikmeot, that this Council of the Northwest Territories hereby requests the Government of Canada to appoint, as soon as possible, a federal boundaries commission to consult with the people of the Northwest Territories and to recommend the exact boundaries of the new territory;

And further, that this territorial Council hereby recommends to the Government of Canada the following guidelines for the boundaries commission:

- 1) that the final recommendations on the exact boundaries of the new eastern territory be concluded in time for consideration by this Council at a special sitting in the spring of 1983;
- 2) that the boundaries commission shall consist of three independent, respected persons with experience of the Northwest Territories, appointed by the Government of Canada in consultation with the Council of the Northwest Territories; and
- 3) that the boundaries commission be provided with adequate funds to hold hearings to consult with interested citizens of the Northwest Territories.

MR. SPEAKER: Your motion is in order, however, your description of your seconder is not a recognized name for a constituency.

MS COURNOYEA: Mr. Speaker, Kitikmeot, Central Arctic, Kane Tologanak.

---Applause

MR. SPEAKER: Thank you. Proceed, Ms Cournoyea. Your motion is in order. Proceed.

Second Stage Of Division Must Be Moved Into

MS COURNOYEA: Mr. Speaker, I believe that in order to proceed in an organized fashion to the wishes of this Assembly, when the question of the plebiscite was given to the people, the second stage would be to go again and put forth a boundaries commission to establish the boundaries. I believe that this time is at hand, that we should move. The question has been asked and certainly the people are prepared to deal with this question at this time and I believe if we put off the responsibility of establishing a boundaries commission and putting the second phase of this very important question into place, then the momentum would be lost and possibly the action to carry out such a chore would not be put in place if left to the general government body. I believe that enough publicity, enough debate and enough questions have arisen that were not answered. Mainly, I believe that the reason that the questions that were in the minds of people were placed there by people who wanted to create debate, which is this stage of time that we should be debating where the boundaries should be and how this new division should take place. I believe that we must proceed at this time in order to reach the mandate and cover the mandate that this Legislative Assembly agreed that we should move forward in placing before the people of the Northwest Territories.

Since 1963, when the federal government decided that the Northwest Territories was much too large to govern as one, the question has arisen from time to time, but for some reason there was not a will and determination to approach that question and bring it to the people and resolve the question in one form or another. I congratulate this Council and the people who to a certain degree from time to time do not necessarily agree that this is a particular good thing to do; however, they were willing to support that the people make their wishes known as to how they felt about the division of the Northwest Territories. I feel quite strongly that this is the time to do it and that the more quickly

that we move, the momentum of the questions that were asked can now be answered and debated in a way and a time when things are fresh in the minds of the people who were probed to answer questions beyond the simple yes and no question that we had put before them. Not to move ahead with a boundaries commission at this time would only create anxiety among the people and unanswered questions that they have brought before us.

I for one am willing to continue with a debate within the communities, which to me will bring to their attention some of the very serious problems that they have with this present government system. I believe that the division question does not only come from the fact that perhaps the Northwest Territories is too big, but also comes from the fact that many people feel that their ideas of regionalism and their ideas in the community level are often not transpired and transmitted to the higher levels of final decision makers. I hope that this Legislative Assembly in its goodwill will see the merit in moving ahead with such a boundaries commission at this time and give it its full support.

Analysing Outcome Of Plebiscite Vote

I realize that there has been some indication from the Executive Committee that they would choose to analyse the votes and analyse how and why people voted such as they did, but when we have a general election those questions are very seldom asked. It is just a matter of who comes out on top, even if it is by one vote. We may have a recount, but the one vote generally decides what direction or who is going to be chosen. I would like to say that the people of the Northwest Territories came out as much as they could at the time that the plebiscite was brought before them. I believe it was a good turnout. I am aware of many small communities and some larger communities who govern their communities on a 15 to 20 per cent turnout at the polls and this does not necessarily excite the people when it comes forward in that low a percentage, but we must admit that the percentage for the plebiscite at the time it was held, Easter time, was very, very good, considering that many people are preoccupied with Easter celebrations.

The boundaries commission is one stage that we had all discussed at the beginning and I think we all agreed that it was time, after the yes or no vote, that this normal course of events would take place and I beg that each of you give this motion their full support.

MR. SPEAKER: Thank you, Ms Cournoyea. The seconder of the motion.

HON. KANE TOLOGANAK: Thank you, Mr. Speaker. I am glad to second the motion as the Member who represents the Kitikmeot people. The vote in my constituency was very much divided as everyone is aware, and the boundary line was what most people considered in the western part of the Kitikmeot region to be very decisive and raised many questions the people in the West asked before the plebiscite. The boundary has always been a concern to the Kitikmeot region, not only with the federal boundaries, but also with regional boundaries. For this reason, I give support to the establishment of a federal boundaries commission so that the people in the Kitikmeot region will have a chance to express their true feelings about boundaries and for the rest of the Northwest Territories to express where they wish the Northwest Territories to be divided. Most of the points have already been expressed by my colleague and have already been said so I will make my speech very short and urge everyone to vote in favour of the motion.

MR. SPEAKER: To the motion. Mr. Patterson.

Amendment To Motion 7-82(2)

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. Of course I am in full support of this motion, but I do wish to suggest an amendment which I think will better reflect our responsibility to respond to the mandate given to us by the people of the Northwest Territories, and that amendment, which I have circulated, is as

follows: I move that the words "to divide the Northwest Territories and" be added following the phrase, "this Council of the Northwest Territories hereby requests the Government of Canada..." so it would read: I move, seconded by the Member for Kitikmeot, that this Council of the Northwest Territories hereby requests the Government of Canada to divide the Northwest Territories and to appoint as soon as possible a federal boundaries commission to consult with the people of the Northwest Territories and to recommend the exact boundaries of a new territory. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. Is there a seconder? Mr. Curley. To the amendment. Mr. Patterson.

HON. DENNIS PATTERSON: Mr. Speaker, I am sure I do not need to remind Members of the preamble to the question that was voted on April 14th, but for the record I would like to read the part which I believe requires that we request the Government of Canada not only to create a boundaries commission but also formally to divide the Northwest Territories, and that part is contained in the second and third parts of the preamble to the question which reads, and I am reading from schedule A of the Plebiscite Ordinance: "If a majority of the voters agree that the Northwest Territories should be divided, the Legislative Assembly will request the Government of Canada to divide the Northwest Territories and create a new territory in the eastern part of the Northwest Territories. If the Government of Canada agrees to divide the Northwest Territories, the Legislative Assembly will also request that a federal boundaries commission be appointed to consult with the people of the Northwest Territories and to recommend the exact boundaries of the new territory. On these terms; do you think that the Northwest Territories should be divided? Yes or no."

I read that preamble, Mr. Speaker, because it makes it clear that if a majority of voters agree, as they have according to the report of the chief plebiscite officer tabled in this House, then the Legislative Assembly will request the Government of Canada to divide the Northwest Territories. We now have instructions from a majority of the people of the Northwest Territories, who agree that the Northwest Territories should be divided. They voted "Yes" and so now therefore we should request the Government of Canada to divide the Northwest Territories and, of course, to create a boundaries commission to delineate the lines. That is the purpose of the amendment, Mr. Speaker, and I trust that the premise on which the people of the Northwest Territories voted in this plebiscite means that we have really no alternative but to follow the advice of the majority of the voters in this regard. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. The seconder, Mr. Curley.

MR. CURLEY: Yes, I just think it is appropriate that we insert the words and I urge that all Members support it. I will have other comments after this amendment. I therefore urge the Members to approve the motion.

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

SOME HON. MEMBERS: Question.

Amendment To Motion 7-82(2), Carried

MR. SPEAKER: Question. All those in favour? Opposed? The amendment is carried.

---Carried

To the motion as amended. Mr. Curley.

MR. CURLEY: (Translation) I am going to speak in Inuktitut for a moment. To the motion. I will have to indicate that there should be a consultant informing the people and if they do not want to have a consultant, I think we will have to have devolution in the Government of the NWT and then we will try to find

somebody. There would be three representatives or three people giving advice to do that. We thought that it would be fine if they were residents from the Northwest Territories. We would know then whether or not there would be some problems arising. I would like you to support this motion when we are discussing that matter. I think the federal government would send somebody who is aware of the NWT area. I will be speaking in English. (Translation ends)

Possible Members Of Boundaries Commission

Mr. Speaker, I think it is very appropriate that we ask the federal government formally now to divide the Territories and proceed with a boundaries commission. Like many Members of the House, I have some concern as to who should be on the commission. We believe that it should be small enough so that it can travel efficiently and deal with the public presentations and briefs and so on, in as efficient as possible a way. I think keeping it small would probably be the best way. I am not sure, though, whether we should be appointing representatives from various native groups or the municipalities and that sort of thing. If we do that, we would not have an independent commission. I was thinking about some of the names that could possibly be recommended to the federal government if they were to ask the question. I will not want Arnold McCallum because I know exactly where he would want the boundary. He would probably want to state his own constituency as a new nation of Canada or a new province. So for that reason...

HON. DENNIS PATTERSON: Maybe he wants to be in Nunavut.

MR. CURLEY: Yes, we can put him on an island somewhere and leave him without any transportation.

HON. ARNOLD McCALLUM: I will move to dead centre, Rankin Inlet.

MR. CURLEY: So, Mr. Speaker, what I would like to say is that I think there are some former members, respectable people in Canada that have quite knowledgeable experience in this area. One name that comes to my mind is Louis Hamelin. I think he has a continuing interest in the NWT. He is not involved in a particular role in advising native groups or whatnot so I think he would be one example, where he could probably have a role to play in this area. The other guy that comes to my mind is Thomas Berger. I do not know whether McCallum would accept him because he just got off his pipeline from his doorstep, so that might be a problem.

---Laughter

Another name that comes to mind is Mr. Fairweather. I think he is pretty fair to all Canadians as chairman of the Human Rights Commission. So these kinds of names -- I think we would also want possibly someone with administrative and political experience and I think a guy like Hugh Falconer might not be a bad example either because I think he was pretty fair to the people of the NWT as well as the native organizations. So these are some of the names that I think should be included in the presentation to the federal government when we present this particular motion. So, Mr. Speaker, I urge all the Members to support this motion because it certainly will simplify and make our job of the Assembly a lot easier if the federal government would act on the motion. So, Mr. Speaker, I will be asking for a recorded vote on this one. Thank you.

MR. SPEAKER: To the motion as amended. Mr. McCallum.

HON. ARNOLD McCALLUM: Mr. Speaker, I want to speak for the motion so that there will be no concern...

---Applause

...or question about it from the Members opposite; but I just would like to say one thing about the mover of the motion. I am so very pleased, having had the experience of such a fiasco the last time on the Morrow inquiry into boundaries -- and that does not go for those who were the people working on it; I mean the members of it. That was a committee made up of four people who counted to five. I find the Member for the Western Arctic now has really learned a lot. She can now say, "One-two-three", so you get a real decision. I am really pleased to see that. So I am a little bit concerned about some of the names that the Member put forward. Some of them. As long as we do not have those who were on it the last time. They made such a mess of it the last time, even the Member for Nunatsiak does not even enjoy it. I just wanted to indicate that I very much voted for division. I am very much in favour. I feel that the people in my constituency would welcome a boundaries commission just as long as we keep those who were involved in the last one clear of it.

MR. SPEAKER: To the motion as amended. Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Speaker. In talking to the motion, I would first like to have to explain what I said during the last session. I was fairly positive -- mostly due to my travels through the Eastern Arctic -- as to what the results of the plebiscite would be in the Eastern Arctic. I figured that a very minimum of 70 per cent of the people there would support division, so I saw division as a reality which would come about in the Northwest Territories eventually. So, during the last session, I said that I would vote "Yes" during the plebiscite; and I have to apologize, I guess, to all Members of the House, especially those who supported the yes stand, that after speaking with people subsequent to that session, some of them being at a dinner attended by Mr. McCallum and his wife, two constituents of Mr. Kilabuk's during the Arctic Winter Games in Fairbanks -- they convinced me that people should vote the way they felt division would affect them and their area. I subsequently decided to vote "No" in the plebiscite, and that is what I did. I respect the wishes of the majority of the people in the Eastern Arctic. Even if the majority in the plebiscite had voted marginally in favour of "No", I think that most people in the West now realize that if 80 per cent of the people in the East want to have their own territory, it is a reality that would ultimately have to be dealt with, and probably come true. So I would like to speak in favour of this motion, and I hope that the boundaries can be resolved to everybody's satisfaction in the Northwest Territories. Thank you, Mr. Speaker.

MR. SPEAKER: Thank you. To the motion as amended. Mr. Patterson.

Plebiscite Conducted Favourably

HON. DENNIS PATTERSON: Thank you, Mr. Speaker. I believe that following the historic plebiscite on April 14, 1982, the Northwest Territories will never again be the same. The old order is now receding forever, and I believe that the goal is clear for us in the eastern part of the Northwest Territories -- and I believe that the way to that goal is clear, too. I am delighted and wish to congratulate the Commissioner and the Executive Committee -- excluding myself -- for having responded so efficiently to the direction from the Legislative Assembly following the unity committee debate, that there should be a public process of decision making to resolve this important question, for presenting the Plebiscite Ordinance well in advance of the plebiscite, and for making it possible for the Legislative Assembly to step in to fill the breach left by the unwillingness of the federal returning officer, or his inability to act to conduct this plebiscite.

I also believe, Mr. Speaker, that we owe a great debt of gratitude to the people of the western part of the Northwest Territories, and I really mean this. The Eastern Arctic people are not ahead in the numbers game, in absolute numbers. The people of the Western Arctic could have turned out in large numbers to vote against division and wiped out the 5500 votes which were generated in the Eastern Arctic, even with a very high turnout; but people did not flood to the

polls to vote "No". I like to think that many people acted like my principled friend from Yellowknife Centre and decided as a matter of conscience to abstain rather than to obstruct the wishes of eastern people for self-determination; but I also fully respect that many people were genuinely confused on the issue of boundaries. We heard it discussed at length all over the radio and in other forums during the division debate leading to the plebiscite. I recognize that this was an issue that it was hard to satisfy people on at the time. I still believe that we did the right thing by asking the people to vote on principle; I think it would have been irresponsible to have requested the establishment of an expensive boundaries commission without receiving approval from the people of the Northwest Territories to embark on the course toward division; but now we have achieved that approval from the people.

I am very pleased to support this motion that we request the federal government to establish the boundaries commission. I am very pleased that the motion includes a request that the Council of the Northwest Territories be consulted on the composition of that boundaries commission. I think we may be fortunate if we are consulted, but I think it is very important that it be recognized that we have a very great interest in the impartiality and wisdom and experience of those commissioners. I certainly agree with my colleague, the Hon. Mr. McCallum, that these people will be very important. We will be asking them to do a very difficult job. I believe they will want to hold hearings in all parts of the Northwest Territories. I know that the boundary was not much of an issue in Frobisher Bay. I told my constituents at several meetings this is one thing we probably do not have to worry too much about. If there is going to be an eastern territory, surely this easternmost constituency in the Northwest Territories will be in that territory; but I still do believe that my constituents, too, would none the less be interested in the boundary issue, possibly not as interested as the constituents of the Kitikmeot region or other areas closer to what might be a future division line, but I would see this commission as holding hearings with all interested citizens, and I believe that that interest will extend widely throughout the Northwest Territories.

Imposing A Deadline

I am also pleased to see that once again this Assembly has recommended a time frame. We recommended a time frame for the report of the special committee on unity. I know they worked very hard to prepare a report and do the necessary consultation in time for the deadline imposed by the Assembly. Similarly, there was, I think, a reasonable deadline imposed for the vote that established the holding of a plebiscite, which we also followed. I think it is now appropriate that this I think reasonable time line of the spring of 1983 be advanced to the Government of Canada as soon as possible.

One thing I would like to say in closing, Mr. Speaker, is that I do believe that it is very important that we urge on the federal government the importance of this issue to the people of the Northwest Territories. It is really a major process of the beginning of our political and constitutional development in the Northwest Territories. I am very concerned, assuming that the federal government might not choose to act, or might not choose to act quickly, that there be means for discussion -- this is to be communicated to us, and that there be means, perhaps, for us to get on with the job if the federal government is unwilling to take on that responsibility. I think we demonstrated that we were quite capable of very efficiently -- and, I might add, economically -- conducting the plebiscite. I think that if necessary and provided the funds were available, we might also be quite willing to expeditiously take on this challenge of consulting the people of the Northwest Territories on the new boundary. I believe that another motion introduced by the Member for the Western Arctic might well give us that capability.

People Of NWT Must Work Together To Establish Boundary Lines

Another point I would like to make before closing, Mr. Speaker, is that I do believe we are quite capable within the Northwest Territories of recommending solutions to this boundary problem and I am aware that the constitutional alliance has now been fully constituted by representatives of all interests from this Assembly and represents the major native organizations in the Northwest Territories. I would like to say that, in supporting this motion that a boundaries commission be established to make final recommendations, that in no way does that indicate a lack of faith in my part on the ability of the constitutional alliance, for example, to get together between the various native interests and discuss some of the concerns, such as overlapping hunting grounds and the rest that need to be discussed before this federal boundaries commission can conclude its work. I think we can be of great aid to that commission in the Northwest Territories by working as hard as we can to solve our own problems in our own back yard and I feel that the constitutional alliance, this Assembly and other groups could give invaluable advice to that commission. So, I support the motion fully, Mr. Speaker, and very much look forward to the final report and the coming year. Thank you.

MR. SPEAKER: Thank you, Mr. Patterson. Are there any other speakers to the motion as amended? If there are other speakers, then we will recess at this time. Prior to recessing for lunch, Mr. Clerk, have you an announcement?

CLERK OF THE HOUSE (Mr. Remnant): Yes, Mr. Speaker, just to advise Members that an invitation from Cec McCauley, the chief of the Dene council, has been received inviting all MLAs and staff of the Assembly for lunch northern style, Wednesday at 12:00 noon in the Dene band office.

MR. SPEAKER: Thank you. This House will stand recessed until 1:00 p.m.

---LUNCHEON RECESS

MR. SPEAKER: I call the House back to order. Mr. Sibbeston indicated he wished to speak to the motion as amended. Mr. Sibbeston.

MR. SIBBESTON: Mr. Speaker...

MR. SPEAKER: Ms Cournoyea.

MS COURNOYEA: Mr. Speaker, on a point of privilege.

MR. SPEAKER: Point of privilege.

MS COURNOYEA: Mr. Speaker, I rise on a point of privilege to protest the disparaging and unfair remarks made by the honourable Member for Slave River against myself, Mr. Ross Peyton of Pagnirtung and the late Mr. Justice William Morrow. We all served many long hours in the electoral boundaries commission and did our best to obtain views from people in all parts of the Northwest Territories and the implications that we were not capable of counting or doing our job -- I think it especially unfair to criticize the late Judge Morrow who is not alive to hear this attack and who is well respected in his concerns for the rights of all people of the Northwest Territories.

MR. SPEAKER: Thank you.

MR. CURLEY: Shame, shame! McCallum, that is terrible.

HON. ARNOLD McCALLUM: I really feel that...

MR. SPEAKER: Mr. Sibbeston. To the motion as amended.

MR. SIBBESTON: Mr. Speaker, in my constituency in the plebiscite, there were 342 yes votes and 284 no votes, giving a majority of 58 yes votes. I found the plebiscite vote very interesting. I found it, though, very close; I am glad it was not an election for me: I like to win with a slightly greater majority than that. I found that the attendance varied, with close to 100 per cent turnout in some of the small communities like Wrigley, Trout Lake, Nahanni, and Kakisa Lake, and in other places like Fort Simpson, Tungsten, the turnout was in the area of about 30 per cent. On the whole there was a 47 per cent turnout which I thought was reasonable considering the issue and the time of the year. I interpret the result as one of a caution and concern vote but the majority in my constituency did vote and are willing to take the bold step toward division.

Mr. Speaker, I am aware that the Dene people, particularly those that live in the boundary area between the Dene and the Inuit people, were very apprehensive but it seems as if in the end they did decide to take the chance. I think this is a vote of confidence in their leaders because I believe, and I know that the Dene leaders, anyway, indicated to their people, that any setting up of boundaries would only be done after a great deal of consultation, and they were also told that there is a good possibility that any boundaries would first be negotiated between the major native groups and that this would have a great deal of bearing on the decision of the boundaries commission. So in places like Lac la Martre, Rae Lakes, Snare Lake, and Snowdrift, the vote was overwhelmingly "Yes".

Vote For New Government In The West

Sir, when the people voted in the plebiscite, in my area anyway, they were not voting as written on the ballot, to set up an eastern territory. I believe the people in my area were thinking that if they voted "Yes", that there would be a good possibility of creating a new government in the West and of course people have been hearing about Denendeh and there has been some discussion started in this regard in the West here. There is the Denendeh proposal. There is this government which is in place and I suppose headed toward the usual Westminster British style of government. The Dene Nation at its meeting in Fort Simpson in early April spent a great deal of time discussing the details

of the Denendeh proposal, so on the whole, I consider that the people were not voting for an Eastern Arctic territory as such but were voting for a new government to be established in the West, the area hopefully to be called Denendeh.

In considering the motion here, I had considered whether it might be advisable to suggest that one of the functions of the boundaries commission be that they also attach names to the two new territories that will result, but on further consideration, I would think that the name of the new territories is something that could be negotiated with the federal government by, for instance, the alliance rather than leave it to the boundaries commission.

So my feeling is that I generally support the motion and let us give it wide support and let us work very hard to have a boundaries commission set up. I believe it is the logical next step to be taken for us in the North.

MR. SPEAKER: Thank you. To the motion as amended. Mrs. Sorensen.

MRS. SORENSEN: Thank you, Mr. Speaker. Mr. Speaker, I certainly acknowledge that the ballots clearly established that, if a majority approved, the federal government would be requested to divide the Northwest Territories and that a boundaries commission would be established or at least called for to be established by this Assembly, and that this House would indeed proceed accordingly. But it is equally important, Mr. Speaker, that as elected people in the Northwest Territories, we acknowledge that a significant portion of those who voted on April 14th voted against division.

Significance Of Vote Against Division

Now, the motion points out that some 5586 residents of the Territories voted in favour but it fails to point out that a total of 4304 voted "No", and, Mr. Speaker, that represents some 44 per cent of the total votes. Over 600 of those no votes were cast in my constituency alone and as the MLA for Yellowknife South with a significant no vote, I must be very cognizant of that no vote. Obviously there are reasons that people in the West felt they could not vote for division at this time. I suspect that the major reason was the fact that boundaries had not been delineated and that there had been little said about what type and form of government would remain to be established in the western part of the Northwest Territories were we to divide the North, other than of course the Denendeh proposal.

Another significant portion of those no voters were, in my opinion, not entirely enchanted with the Denendeh proposal and therefore when Mr. Erasmus began campaigning during the last week of the time before the plebiscite by saying a yes vote would be a "Yes" for Denendeh, I suspect that certain numbers in the West voted "No" since ample time had not been given to the discussion of that proposal and to alternatives to that proposal. A specific time had not elapsed to allow that discussion so we in the West were really not ready to address the question of division in any comprehensive way. Another portion, I am sure, voted "No" simply because they are and remain satisfied with the present system as it is evolving and as it is being changed by this Legislature, and I have heard time and time again, within my constituency, that the Legislature is doing a good job.

Mr. Speaker, our type of government, a consensus type government, surely dictates that we consider seriously why those who voted "No" did so and try to respond constructively to their concerns. Now, I think that that can be done by this Legislature even as this House moves to begin the process of dividing the Northwest Territories as I have no doubt that this motion will pass with a good majority. I think we can satisfy the needs and concerns, and I say this to my constituency quite sincerely, that we can satisfy their needs and concerns if this House settles down and acts responsibly and responsively. The consensus we have arrived at because of the western concern on the education report is an

example of, I believe, acting responsibly to western needs and I do commend the education committee for coming to a consensus on that with the Western MLAs. Mr. Sibbeston's western constitutional committee and the constitutional conferences which will be held in the West over the next few months will certainly be a responsive measure if Mr. Sibbeston is patient with those representing the non-native people.

Responsibility To Reflect Views Of Constituents

Mr. Speaker, I still feel absolutely certain that division of the Territories at this time is political suicide, that provincehood will never be achieved by either territory should division take place, provincehood being the only way that real control over our destiny will be achieved, that self-determination will be realized. However, Mr. Speaker, I also acknowledge that the eastern people have, by a majority vote, decided that they wish to create a new territory...

---Applause

...and because I believe in the democratic process, and I do, I certainly acknowledge their right, particularly as a result of a well-held and duly planned vote; I certainly realize their right to do that. However, I would like to steal a phrase that I often hear our honourable Speaker say, and that is that he finds himself very often between a rock and a hard place...

AN HON. MEMBER: You would like to.

MRS. SORENSEN: ...and that is certainly where I find myself now. I believe that I should represent the people in my constituency. In the vote they voted substantially, by a great majority, to not divide the territory. I feel a moral responsibility to understand and reflect that in this Legislature. Therefore, while I find myself not being able to vote "No" because I believe in the democratic process, I still cannot vote "Yes" to this motion and therefore I will abstain. Thank you, Mr. Speaker.

MR. SPEAKER: To the motion as amended. Mr. Kilabuk.

MR. KILABUK: (Translation) Thank you, Mr. Speaker. Regarding this motion, I would like to support this. I just wanted to say that I am supporting this motion. We really worked hard on this in our constituency so that the people would know what was happening. I also told my constituents that after the plebiscite we would be looking at the boundaries. I have told them that and right now they are expecting some answers about the boundary and where it is going to be located. They are waiting for it now in the Eastern Arctic.

We were very happy that a lot of people voted "Yes" for Nunavut. They were happy to hear the announcements on the radio. At the time of the plebiscite I was listening to the radio and by the time the voting took place we were listening to it. When we started hearing the results from the Western Arctic, that there were so many no votes, when I heard the results of the plebiscite, I thought we would have to work on this harder.

I will inform my constituency that the boundaries will be decided through the Legislative Assembly. I am really supporting this. We all know that we have got a good government in the Northwest Territories. If the NWT was divided I believe we would have more power and so I am hoping that will happen. Thank you.

MR. SPEAKER: Thank you, Mr. Kilabuk. To the amended motion. Are you ready for the question?

HON. TOM BUTTERS: Mr. Speaker.

MR. SPEAKER: Mr. Butters.

Great Change In Eastern Arctic

HON. TOM BUTTERS: Mr. Speaker, I am pleased that the Members from the Eastern Arctic received such an overwhelming vote of support to effect the division of the Territories. I have been an individual who has favoured division for many years. In fact, I can recall in 1964 I made a representation to the Carrothers Commission, on which our Commissioner served, recommending that division should occur. The basis for that recommendation was I felt that it would allow the western section of the Northwest Territories to evolve and develop more quickly. As you know, Carrothers did not accept that recommendation. In fact, the chairman and his members rejected it on the basis that the East required an association with the rest of the Territories to become involved in the political process and to move to a position so that they would not become a vassal or a fiefdom of the federal Department of Northern Affairs and National Resources. I think this judgment and that decision of Dean Carrothers and his colleagues was very wise, because I do feel there has been a great change in the situation in the Eastern Arctic and that that area certainly is on the threshold of a major leap into representative and responsible government.

I would like to remind the Members that spoke, and some who said that the recognition of the fact that 56 per cent of the people of the Northwest Territories voted in favour of division is the only fact that should be considered. I do not agree with that. I think that Members representing constituencies who vote "No" would be interested and should be interested in the reasons why their constituents took that position and adopted that position.

Now, when we discussed the matter at the session in Frobisher Bay and before that, I recollect that on two occasions I took pages in "The Drum". I had a little box indicating that I would be very interested in my constituency's feelings about division and I would be very interested in receiving phone calls from them or the questions filled in and provided to me by mail. I got the responses and I remember some reporter from CBC, in their ever vigilant way, asking me to discuss the responses I had received and just indicate how many I had received. Well, I said that two thirds of the responses I received from my constituency were in favour of division. What I did not tell them was that I had only received three responses and at that time -- that is from the two -- the two were requests for information. So at that time, a year and a half ago, there was, I would say, a monumental, a magna apathy in this community with regard to the division.

"Yes" Vote Seen As Approval Of Tree Line Boundary

Well, what suddenly puts me in the situation now of representing a group of people who voted -- 49 per cent of the eligible voters turned out -- who voted four to one against division? Well, why the change? I feel that it is incumbent upon me to try and assess why that change occurred, because if I am to represent them in accordance with the vote I have to vote against this motion. So I do assess why they voted that way and I must assume from the response I got to my questions a year and a half ago that something has injected itself since that time and I suggest that it is the matter of the boundary. Although the Assembly attempted to point out that the question on division was a question of philosophy, there was no boundary suggested here, we were not looking at a tree line boundary, an east/west boundary, we were not suggesting what boundary, what intruded itself is the tree line boundary and I am quite convinced in the minds of the majority of those people that voted "No" was the feeling that a yes vote from them would be an approval of a tree line boundary -- a boundary which may put this community in the Eastern Arctic territory.

Members from the East might find that strange to comprehend, but I believe this is exactly true, because obviously where that boundary line falls is extremely important. Where that boundary line falls will determine who will share what royalties or what percentage of royalties from the resources that underlie those

two new territories, so that the boundary question did intrude itself and my assumption is that, in the main, this reflects the "No" that echoed largely in the West and in many southern communities.

I would mention, you know, you look at the responses from the Eastern Arctic communities and the constituencies were returning yes votes in the matter of 81 per cent, 79 per cent -- no, that is the turnout. Well, the votes they returned were similar; 88 per cent, 77 per cent, 86 per cent, 82 per cent, 74 per cent, 90 per cent, 92 per cent, 85 per cent -- all the constituencies in the Eastern Arctic and the Keewatin and the Franklin districts. When you begin to move west of that line, you get the question beginning to intrude itself -- the Central Arctic, 57 per cent; the Western Arctic, 49 per cent; Inuvik, 77 per cent against division. So when I vote for this motion, as I would intend to do, Members of the Eastern Arctic must realize what I am doing. I am voting against the direct instructions that would appear in the ballots from my constituents. I am doing that on the basis that I feel that the decision that they made was not on allowing the Eastern Arctic to go its merry way and to work co-operatively with them in the future. It was based on the fact that a boundary had been intruded upon them, a boundary which would lie almost on our back door. I look forward to the establishment of a boundary commission. I look forward to the establishment of a boundary commission made up of Canadians who will carry out the examination and the consultation in all the northern communities and especially those communities who have fears and concerns with regard to the eventual placement of that boundary.

We Can Only Propose

I think we are a little bit presumptuous in instructing the Government of Canada to set up this commission and I think we are even more presumptuous in telling them when they should report. I think we can propose here, but we certainly cannot dispose, because I think you all remember what Mr. Munro said about the plebiscite and the results of that plebiscite when he spoke to the standing committee of Indian Affairs and Northern Development. He said, and I quote from a speech, "While the results of the plebiscite will be a contribution to our deliberations, I am anxious that no false expectations be generated about either the plebiscite, which is purely advisory as far as both the territorial and federal governments are concerned, or the ease with which a matter of this nature can be resolved."

So as I say, when we approve and send this motion forward we must remember and recognize that while we propose, the federal government will dispose.

MR. SPEAKER: Thank you, Mr. Butters. To the motion as amended.

HON. DENNIS PATTERSON: Point of order.

MR. SPEAKER: A point of order.

HON. DENNIS PATTERSON: A point of order, Mr. Speaker. I wonder if the Hon. Mr. Butters could clarify his reference to "instructions" to the federal government in the motion. I cannot find that reference in the motion.

MR. SPEAKER: Not basically "instructions" but "requesting" certain action to be taken. I do not think that the point is relevant at this time. Is there any person who has not spoken who wishes to speak at this time? Mr. Noah, have you not spoken on this? You have the floor.

MR. NOAH: (Translation) Thank you, Mr. Speaker. They fail to understand how we run the government in the Eastern Arctic, and also the people in Yellowknife do not understand how the government runs. They understand how the government works but they do not want it to be in Yellowknife. They think it should be transferred to another territory in the future and the people will be able to move to the territory in the Eastern Arctic and the government in the Eastern Arctic -- if they do not like the government they can move back to the Western Arctic.

---Laughter

Territories Too Big To Govern

Also, it is up to you, the people that voted "No" -- it is obvious that this government is scared of the Eastern Arctic government and what they are going to do and it has not been totally explained to them about what is going to happen with this government. Looking at the entirety of the Northwest Territories, it is too much to try to administer. The people that voted "No", then thought that the Northwest Territories is too enormous to govern. They know, in Keewatin and the Baffin, that the Ministers work hard and they make a lot of money. Maybe some people do not understand. When they are going to govern the Northwest Territories, it is too big to govern in some ways. We do not even know who is the Minister for the Eastern Arctic and we do not even know who the Ministers are because of lack of travelling to that region. A lot of people do not know who they are, who the Ministers are and what for. Now we understand that to govern the Northwest Territories -- it is too large to govern. The air routes also are inconvenient and very expensive and they understand how difficult it is for the Ministers to travel to the various areas. It is much easier for them just to sit in their comfortable offices in Yellowknife.

Government Afraid Of Changes

Mr. Speaker, I do not know how you would like to have a Nunavut government and a Denendeh government but it is obvious now that the government is scared to change now. Maybe they are scared that when the Eastern Arctic starts to govern its own Eastern Arctic territory, the people will be able to succeed. So if you cannot challenge me, come and join me in the Eastern Arctic. I am going to speak in English now. (Translation ends)

Mr. Speaker, I am going to speak in English just for a few seconds. Mr. Speaker, I think this present government is afraid of new changes or shuffling Ministers from the Eastern Arctic to the Western Arctic. My understanding from my constituents and my communities in the East, especially in the Keewatin region, is that politically the NWT is too large. It is understandable that this present government is afraid of new changes and politically, possibly, they are too blind for the future. Some ordinary residents, especially of the Western Arctic, I know that they are influenced by the government, therefore they voted "No". When the Western Arctic or Denendeh government and the Nunavut government is implemented in the future, it can be shuffled very easily. If you do not like the Denendeh government, you can always move to the Nunavut government or the Nunavut Eastern Arctic government, or if you do not like both governments, the Nunavut government and the Denendeh government, you can always shove off to Ottawa. But you are welcome to move to the Eastern Arctic any time you feel like it.

MRS. SORENSEN: Hear, hear!

AN HON. MEMBER: Sanikiluaq.

MR. NOAH: Not to Sanikiluaq but to Baker Lake or Rankin.

---Laughter

Boundary Problems Can Be Solved

(Translation) I have one last comment. I am going to support this motion. I do not even know where we are going to have our headquarters when we have our own government in the Eastern Arctic, but it will be all right because we voted for it. I cannot think of where the border is going to be but they are not going to do bad things to us. I am just going to believe them and I know they are going to do a good job. We do not know where the boundaries are going to be. I really do not know where the Western Arctic wants the borders. This is my last comment. That is my concern. If we cannot come to agreement, the Western

Arctic and the Eastern Arctic, maybe we can solve the problems through the Supreme Court of Canada. The people in Yellowknife, whether they agree or do not agree, about the border, it can be solved through the courts. I am going to support the motion and when you call the question, I will be voting for it, yes. Thank you.

MR. SPEAKER: Thank you. To the motion as amended. Mr. Arlooktoo, you have not spoken yet on the motion. Go ahead.

MR. ARLOOKTOO: (Translation) Thank you, Mr. Speaker. I was told to make a statement to the House by my community. On the plebiscite day, the people in my community voted "Yes" but the people of the Eastern Arctic did not really know about how the government worked. But the ITC had explained to them how the government worked so the people of the Eastern Arctic were well informed through radio stations and through the CBC and we were very happy that we were able to be interviewed and we told the people that we really did not know where the boundaries were going to be set. I did not encourage my people to vote either "Yes" or "No" so I just told them to vote as they pleased. The ITC people gave out pamphlets encouraging people to vote "Yes". We as Members of the Assembly did not put up posters encouraging people to vote either "Yes" or "No" because this was a very important plebiscite. I will vote in support of this motion and they know when the vote is "Yes", they do not get kicked out. I was told to support the motion when someone moved the motion. I am told to support the motion by my community. These are the only things I wanted to bring up. I do not want to make it too long. Thank you for listening.

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

Government Closer To Communities

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I will make a brief comment on the motion. I just want to support the motion but I want to make a comment. The impact on the whole Northwest Territories -- they are going to work for the whole Northwest Territories. I am going to ask the people that run these plebiscites to inform us better next time. Furthermore, I want to say that the people of the West, the majority voted "No". I know that they do not have any problem because they are closer to the headquarters of the government, but we in the Eastern Arctic are quite far and the government rules a lot differently outside Yellowknife. Sometimes we would ask for something from the government and it would take them a whole year to answer it. I support the division of the Northwest Territories just to make the government headquarters closer to the communities. That is the reason why we voted "Yes" for the division of the Northwest Territories. I am going to support the motion. Thank you.

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

HON. JAMES WAH-SHEE: Thank you, Mr. Speaker. I would like to speak in favour of the motion. As the Members are aware, my constituency voted in favour of the division question and I wish to indicate that I respect the outcome of the plebiscite, that the Eastern Arctic people want to create their own separate territory. They also want to create their own government, that will be unique and that will reflect the culture of the Eastern Arctic residents. Likewise, I think we in the West desire our own political institution that will reflect the residents of the western territory. Also, I would like to indicate that I am not afraid of change. I would like to see drastic changes within our political institution and likewise I am sure that the residents of the Eastern Arctic would like to see some fundamental changes. I gather that they do not want to see a transplant of what we have at the present time and that it is not only the Eastern Arctic residents who would like to see those changes. I think we in the West would like to see those changes as well.

In the area of how we go about this, in terms of settling the concerns of the Eastern Arctic and the West, I think this is something that we do in a spirit of co-operation and not in confrontation. I think that I can respect the desire of the East. However, I think that we have to be fair to residents of the East and the West as well and I think that Tagak Curley has put it quite appropriately, I think that those kind of issues will have to be dealt with by an independent group. Hopefully, the names that we do suggest to Ottawa will be fair to settle this very important issue of borders. However, I would not totally agree with all the names that Tagak Curley has indicated. I think that we in the West would like to suggest some names as well.

I get the sense that we only have a year and a half to go and I think people are gearing up for a political campaign, and perhaps we should call an early election, instead of waiting another year and a half then. Thank you.

MR. SPEAKER: Thank you, Mr. Wah-Shee. To the motion. Are you ready for the question? Mr. Braden.

HON. GEORGE BRADEN: Thank you, Mr. Speaker. I will be very brief. In the month since the plebiscite was held I have had the opportunity to give some thought to the results of the vote in the West and I think, after giving some thought and taking some time, it became apparent to me why there was a no vote in some areas. Briefly I will mention some of the factors which have been stated before, and that includes an absence of real progress in some of the land claims negotiations in potential border or overlap areas. There was also, in my estimation, an unwillingness at the time to deal with a concept. I found a number of people throughout the preplebiscite period asking a lot of questions about borders and future institutions of government and I suspect that this had a lot of influence on the way they voted in the plebiscite.

I just would indicate, Mr. Speaker, to this House that I and certain of my cohorts or colleagues in Yellowknife lobbied our constituents to vote "Yes". The results, as far as Yellowknife is concerned, when we look at the three constituencies, is an overwhelming "No". In my constituency it was "No", but not to such a great extent. I think that reflects that there is in my constituency, anyway, a much more stronger desire to see the Territories divided.

Boundaries Commission, A Necessary And Logical Step

Now, I think what the motion presents to us -- and I have talked to Minister Munro about this -- in establishing a boundaries commission, whether it is a territorial or federal boundaries commission, we are establishing a means or a forum where some of these fundamental questions that people were asking can be addressed and hopefully answered in a spirit of co-operation. I feel that what we are doing here, given the overall results, is the necessary and logical step, given the decisions that were made by the Legislature when it examined the unity committee report in Frobisher Bay.

So, I just want to indicate, Mr. Speaker, that while my constituency did not vote in favour of division, while Yellowknife generally did not vote in favour of division, I think that the time and the thought that I have given to assessing the results, not only in Yellowknife, but in other parts of the West, would lead me to believe that what is being proposed here is a productive and necessary follow-up step to the April 14th plebiscite. So, I will just conclude, Mr. Speaker, by indicating that I was very overworked but very proud to have played a role in the development of the Plebiscite Ordinance and working it through the various committees in the House. I think it has been said a number of times, it was an historic step for the Northwest Territories and what we are proposing now is equally historic. I support this motion.

---Applause

MR. SPEAKER: Thank you. Are there any other speakers that have not spoken?
Mr. Nerysoo.

HON. RICHARD NERYSOO: Yes, Mr. Speaker. I rise to indicate that I will be supporting the motion. However, I think that it is a bit unfair that people from the Eastern Arctic can suggest that people in the West are afraid of change...

AN HON. MEMBER: Hear, hear!

HON. RICHARD NERYSOO: ...because this is not the reality, the point being that my constituency is one of the constituencies that voted against division, but there were many questions that required some answers...

AN HON. MEMBER: Hear, hear!

HON. RICHARD NERYSOO: ...particularly that of the boundary. I think my constituency is already on a boundary and we are in fact having many problems with regard to the ability to hunt, to trap and to have access into another region. I think you have got to respect that fact and that when people express a point of view during their casting of the ballots, it is an expression that they want to indicate that there are certain problems and that those problems have to be addressed. I think that the idea that the boundaries commission will respond to answering certain questions that are still in the minds of people is the proper route to go. So, I am going to indicate to you that I will be supporting the motion.

MR. SPEAKER: Thank you. To the motion. Ms Cournoyea, if you speak you conclude and wind up the debate. Do you wish to?

MS COURNOYEA: Mr. Speaker and fellow Members of this Legislative Assembly, I realize that much of what you have said is that you would support the motion and I appreciate that because I believe that is progress and it is a decision that we agreed we would come to if the majority of people voted "Yes".

In regard to my constituency, Mr. Speaker, I would like to bear in mind that when I went around to those communities, which I did, I think I spent all my constituency money just on the plebiscite, trying to answer all the questions, primarily raised by the Canadian Broadcasting Corporation and solicited -- even if there was only one person you could hustle to have a negative opinion on why you should do anything about anything -- so I hope that at some point I will be able to give them a bill for the job that they should have done a little more thoroughly in their deliberations and their promotion, for the simple fact that the Inuvialuit and my constituency are sitting on a questionable area. These people have a lot in common with the Inuit all across the rest of the Arctic, but I am very proud that these people at that particular time came out and expressed themselves and even though the vote was very close, they did come out.

There were reasons why they had problems and there were issues -- there were about 22 to 23 that I could read off to you, which I will not at this time, because I assured them that when the boundaries commission came along that was the time that these particular questions could be answered and that was the time that they would consider those questions.

Primarily, I would like to say as well that the people I represent have gone through a great deal of change and an awful lot of pressure from people surrounding them and oftentimes taken away their determination to do something because the general opinion is we do not want you to have anything, because you might have something that we might want, but we do not know what we want.

Active Support For The Boundaries Commission

Now, as for the particular situation where we worry about Ottawa, I think we can give Ottawa direction. I do not think, I know we can, because Ottawa really requires direction, but our establishment of a boundaries commission, if we are all supporting it, as we say we are, I hope that support is not only in words. I hope that the same thing does not happen that happened in some constituencies where a lot of people really did not get out and hustle their butt like they promised. It is not easy for an everyday person to understand the need and why we are doing certain things and how that relates to the problems they bring up to us every day. It is very easy for a community to continually bring a problem, but they rely on us as individuals, as elected people, to try to overcome a process where they do not have to spend a great deal of time suffering from decisions made, not necessarily reflecting what they feel is the best way to go.

The boundaries commission certainly will have a great deal of work to do and I have confidence that we should move ahead and the issue of whether it is an electoral thing or whether somebody is vying for a platform for getting votes in the next election -- I do not think that is the issue at all. Many of us were elected because people felt that we can do something about the long outstanding issues which were being talked about continually, over and over again, and I think that we can do that and I very much appreciate all and everyone's opinion that they will support this motion. As well, I beg them to also support it in action...

MR. CURLEY: Hear, hear!

MS COURNOYEA: ...when the boundaries commission is finally established.

--Applause

MR. SPEAKER: Thank you. That concludes the debate on Motion 7-82(2).
Mr. Curley, my understanding is you requested a recorded vote. Is that correct?

MR. CURLEY: Yes.

Motion 7-82(2), Carried As Amended

MR. SPEAKER: All those in favour, please rise.

CLERK OF THE HOUSE (Mr. Remnant): Mr. Evaluarjuk, Mr. Arlooktoo, Mr. Kilabuk, Mr. Patterson, Mr. Pudluk, Mr. Appaqaq, Mr. Tologanak, Ms Cournoyea, Mr. Curley, Mr. Noah, Mr. Sibbeston, Mr. McCallum, Mr. Wah-Shee, Mr. Braden, Mr. Butters, Mr. Nerysoo, Mr. McLaughlin, Mr. MacQuarrie and Mr. Fraser.

---Applause

MR. SPEAKER: Those against?

MR. CURLEY: Lynda, stand up.

MR. SPEAKER: Abstentions?

---Applause

CLERK OF THE HOUSE (Mr. Remnant): Mrs. Sorensen.

SOME HON. MEMBERS: Shame, shame!

---Carried

MR. SPEAKER: Can I have the indulgence of the House for just a moment, please?
Mr. Fraser.

Motion 8-82(2): Report Of The Chief Plebiscite Officer To Be Accepted And Transmitted To The Prime Minister

DEPUTY SPEAKER (Mr. Fraser): We are dealing with Motion 8-82(2), Report of the Chief Plebiscite Officer to be Accepted and Transmitted to the Prime Minister. Mr. Evaluarjuk.

MR. EVALUARJUK: (Translation) Thank you, Mr. Speaker.

WHEREAS during the debate on the report of the special committee on unity in the third session of the Ninth Assembly at Frobisher Bay in 1980, it was recommended that a plebiscite should be held on the subject of division of the Northwest Territories;

AND WHEREAS the seventh session of the Ninth Assembly approved the Northwest Territories Plebiscite Ordinance and that it should be held April 14, 1982;

AND WHEREAS the Report of the Chief Plebiscite Officer on the Plebiscite on Division of the Northwest Territories 1982, tabled May 13, 1982, in this House, shows that a majority of 5586 ballots were cast answering "Yes" to the question, "Do you think the Northwest Territories should be divided?", compared to 4304 "No" ballots cast;

NOW THEREFORE, I move, seconded by the Member for Yellowknife Centre, that this territorial Council now officially accept the results of the April 14, 1982 plebiscite on division of the Northwest Territories and recommend to the Executive Committee that a representative delegation of three Members of this Council, chosen by all the Members, personally present the Report of the Chief Plebiscite Officer on the Plebiscite on Division of the Northwest Territories 1982 to the Prime Minister of Canada, the Minister of Justice for Canada and Attorney General for the Northwest Territories and the Minister of Indian and Northern Affairs;

And further that the Report of the Chief Plebiscite Officer on the Plebiscite on Division of the Northwest Territories 1982 be transmitted to the premiers of all the provinces of Canada, the attorneys general of all the provinces of Canada, and to the Yukon government leader and the Yukon Minister of Justice.

MR. DEPUTY SPEAKER: Thank you, Mr. Evaluarjuk. Your motion is in order. Do you want to speak to the motion?

AN HON. MEMBER: Question.

MR. EVALUARJUK: (Translation) Thank you, Mr. Speaker. I cannot make any supplement. I think it is fairly well understood. I think the other Members understand, but for the other people who are listening, we have to clarify the problems. When we had the debate on the motion, I told the MLAs to work on it. We have been told to recognize the results of the Baffin region, the Eastern Arctic MLAs, and because of that we have to recognize it and we want it to be recognized that we want to say "yes" to the motion. This has been debated for a long time in this House. I want to be supported on this motion. Maybe the person that seconded the motion could make further comment.

MR. DEPUTY SPEAKER: Thank you, Mr. Evaluarjuk. Mr. MacQuarrie, as seconder, will you...?

MR. MacQUARRIE: Yes, Mr. Speaker, I would like to. I recognize, in view of the reception that Motion 7-82(2) received, that no speech is necessary in order to win acceptance for this motion, but I deliberately refrained from speaking to the other motion because I was the seconder of this one and I do want a little time to express my own thoughts about the situation surrounding the plebiscite.

Support For Expressed Wish Of Eastern Arctic People

In the fall of 1980, the situation that existed was that leaders of people in the Eastern Arctic, including our venerable MLAs from the Eastern Arctic as well as leaders of the Inuit Tapirisat of Canada, were calling for the creation of a separate territory in the Eastern Arctic. A vote was held in that session in the fall of 1980 calling on Members to support in principle the idea of division. I voted against that motion, and I think I was the only Member in the House to do so, for two reasons. Firstly, I even at that time, did not personally wish to see division, but knew that I could support it and would support it if it were clear to me that it was not only a call of the leaders of the people in the Eastern Arctic but clearly the wish of the people of the Eastern Arctic as well. So when the date of the plebiscite arrived, I was personally faced with a little bit of a dilemma since I did not personally favour division. On the other hand, I simply would not have dreamed of voting "No" and obstructing the people of the Eastern Arctic in accomplishing what they wished to accomplish and so I declared that I would abstain.

First I would like to say thank you very much to the honourable Member for Frobisher Bay for his gracious remarks earlier today with respect to my position. I am very grateful that there is at least one person in the Northwest Territories who understands and appreciates what my position was. That was it precisely. There is no doubt that it might have been politically expedient for me to support the no position and to vote "No" and then come to this Assembly and say, "Well, as a result of what has happened, I will abstain or vote 'Yes'", but I chose not to do that because from the very moment that this issue was decided, I made the commitment and stand by it today that if it was the wish of the people of the Eastern Arctic, I would support it.

I said that I wanted to hear what they had to say and I have heard that very clearly. The people on Baffin Island, in the Keewatin, and the High Arctic and in the Central Arctic, in Pelly Bay, Spence Bay, and Gjoa Haven, have said very clearly, "Yes, we want a separate territory." And while I, myself, am, for my own reasons, reluctant to see that division, I must say that I can now and always have been able to see very clearly why Members of the Eastern Arctic want division.

The fact that there is a common geography and language and culture and lifestyle -- common interests -- make it clear to me, also combined with the fact that we have reached a point in the social development of the people of the Eastern Arctic and a point in our political history that makes all of this possible -- I can understand very fully why people of the Eastern Arctic would want to do that, and I must confess that if I were an Inuk and living in the Eastern Arctic I would probably have been at the forefront of the movement to try to bring it about. So, I do understand that very well.

Accepting Reality Of Circumstances

Although I have no difficulty now in dealing with these motions today, because my mind was made up, I recognize that I may very well have difficulty in living with the results of what I do today, politically that is. The reason is, of course, that even in my own constituency there was a very heavy no vote, nearly four to one against division, and I too have had to think long and hard about what it meant, why the people in my constituency chose to vote that way and what would be the consequences politically for moving ahead when that might be in violation of what my constituents wanted. I suppose in those circumstances you have to rationalize, as I heard certain other Members doing earlier. There is no doubt at all in my mind that many of the people who voted "No" were expressing a preference for unity, but I cannot believe that the majority of them would wish to stand in the way of what is an obvious historical reality.

As well, although in this particular issue my constituents voted "No", I myself was elected on a mandate, in 1979, of a platform that stated that I felt successful political development could only take place if there were sincere efforts to listen to the voices of all of the people in the Northwest Territories and significant groups that were part of the population of the Northwest Territories and there is no question at all that the people of the Eastern Arctic are a very significant group. So, because I respect the call of the people of the Eastern Arctic to establish a new territory and because I see the futility of trying to fight a rear guard action of some kind, to try to pretend that what is happening is not happening, to try to forestall it by devices of one kind or another is futile and from my point of view, foolish. I believe the sooner we accept reality and the sooner we do attain constitutional development that is based on clearly spoken wishes of the people in the Northwest Territories, the sooner that is going to be good for everyone in the Territories.

Of course, there is also the fact that the simple majority vote in the plebiscite itself was in favour of division and for all of those reasons I was able to support the last motion and I am able to support this one and ask other Members to do so as well.

Just finally, I might say that there is no doubt in my mind that we in the West have some very difficult times ahead of us politically and constitutionally and there is going to be a lot of hard slogging and so on, for the people of the East have to persuade the federal government that they ought to agree to this, and that may not be as difficult as some people believe. You may then have relatively clear and easy sailing and I can only say that quite frankly I envy you on the beginning of what is obviously an exciting journey and personally I wish you well. I wish you a successful conclusion to that and with those words, Mr. Speaker, I will conclude my remarks on this motion and ask Members to support it.

---Applause

MR. DEPUTY SPEAKER: Thank you, Mr. MacQuarrie.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Question is being called.

MR. MacQUARRIE: A recorded vote.

Motion 8-82(2), Carried

MR. DEPUTY SPEAKER: A recorded vote is being requested. All in favour, please stand. Mr. Clerk.

CLERK OF THE HOUSE (Mr. Remnant): Mr. Evaluarjuk, Mr. Arlooktoo, Mr. Kilabuk, Mr. Patterson, Mr. Pudluk, Mr. Appaqaq, Mr. Tologanak, Ms Cournoyea, Mr. Curley, Mr. Noah and Mr. Sibbeston, Mr. McCallum, Mr. Wah-Shee, Mr. Butters, Mr. McLaughlin, Mrs. Sorensen, Mr. MacQuarrie.

MR. DEPUTY SPEAKER: Opposed, please stand. Abstentions. The motion is carried, unanimously, for the record.

---Carried

Motion 9-82(2): Lowering Of Rental Scales And Disallowing The Practice Of Including Other Family Income In Rent Calculations

Thank you. We will now deal with Motion 9-82(2), concerning the lowering of rental scales and disallowing the practice of including other family income in rent calculations. Mr. Curley.

MR. CURLEY: Thank you, Mr. Speaker.

WHEREAS the tenants of the Housing Corporation cannot afford the market or economic rent of public or low rental housing, in particular above the tree line in the Eastern Arctic;

AND WHEREAS the per capita incomes of the Eastern Arctic citizens is considerably less than those of the communities linked with the highway system;

AND WHEREAS the cost of living and energy is exorbitantly much higher than the communities linked with the highway system;

AND WHEREAS most public housing and low rental housing in the Eastern Arctic are not energy efficient and, therefore, waste significant amounts of fuel and energy;

AND WHEREAS the Housing Corporation has assessed the income of the whole family or friends of the householder to determine the maximum rent for public or low cost housing;

NOW THEREFORE, I move, seconded by the honourable Member for Keewatin North, that this territorial Council recommend to the Housing Corporation to lower significantly and establish a maximum ceiling to the proposed rental scales for all public and low rental housing in the Eastern Arctic;

And further, that the Housing Corporation be disallowed the practice of including other family income of the lessee or tenant for the purposes of determining the maximum rent of public and low cost housing.

MR. DEPUTY SPEAKER: Thank you, Mr. Curley. Your motion is in order. Do you wish to speak to your motion?

MR. CURLEY: Yes. (Translation) Thank you, Mr. Speaker. I am going to say this in Inuktitut. All over the Eastern Arctic, where there is no highway system and the only means of getting things shipped over there is by ship, they are having a hard time paying their rent and they go into arrears and then they get kicked out of their houses. With this in mind, the motion is trying to say that the Minister responsible for the Housing Corporation has to understand what is in the motion, that there should be a ceiling established in rental scales. Some of the people that are renting houses were supposed to pay half their monthly salary and they are not happy with that. So, that is the reason why I made this motion to have the Housing Corporation establish a ceiling on the rental scale -- just to have the head of the household be assessed for paying rent from his salary. Say, for instance, there are four people making money in one house, they also should not pay for the rent. If you were in a southern community, the person who is the head of the household would pay the rent and whoever is renting inside your house with you would pay you.

I would like support on this motion, because it is very hard for the people in the East because there is a high cost of energy. I will talk in English now. (Translation ends)

Consideration Of Acceptable Ceiling Urged

Mr. Speaker, my motion does not suggest that the Housing Corporation, should not try to get the maximum rent at all. It just says put a ceiling to the houses, each unit there, to the public housing and low rental housing, because without a ceiling -- I can tell you there was one family in Rankin Inlet who was supposed to be paying monthly rent of \$1500, because they have a decent job; not comparable at all to the top civil servants of the government. That was how frightening it was to some families.

Many members of the workforce in the Eastern Arctic cannot afford to pay monthly rent for three of four bedroom houses with maybe a large family, of say \$500 a month, let alone \$600, \$700, \$800 or \$900. You know, when they assess that rent, even in my constituency in a little place like Whale Cove, again there was one family, both he and his wife were working and they were to be assessed over \$1000 for a three bedroom house. I think that is really going too far and I would urge the Members to strongly support that motion and ask the government to consider putting an acceptable ceiling to those rents. Also, I would strongly urge the Members to support that the Housing Corporation be disallowed to include the friends and other family income of the householder. After all, it is the tenant and the one who signs the lease who should be responsible for paying the rent and if there are other members of the family in it, they should be responsible to that lessee. That way, I think the Housing Corporation would have a lot more respect and the respect that it needs in the whole wide Territories. So, I urge every one of you to support this motion.

MR. DEPUTY SPEAKER: Thank you, Mr. Curley. Mr. Noah, as seconder of the motion.

MR. NOAH: (Translation) Thank you, Mr. Speaker. Just a short comment. I was the seconder of the motion. If there is not going to be a ceiling on the rental scale, the people without jobs are going to be in debt and thinking about the high cost of living. I know and understand that electricity, gas and fuel are very expensive. I am thinking about the people that do not have any jobs. For example, if you make \$200 a month, and if there is not going to be a ceiling put on the rental increases, then they might have to pay up to \$200 to pay for the house. Without informing the people -- for instance, if you are a carver or a hunter, even though they are getting some assistance from Social Services -- there is going to be a lot of money being spent by Social Services if the person needs assistance to pay their rent, so therefore I feel there should be a limit to the rental increases. There is usually a large family living in one house. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Noah. To the motion. Ms Cournoyea.

Amendment To Motion 9-82(2)

MS COURNOYEA: Mr. Speaker, I would like to make an amendment to the motion. It is the fourth line on the first "Now therefore". Following "for all public and low rental housing in the Eastern Arctic", I would like to add, "and areas north of the tree line".

MR. DEPUTY SPEAKER: Ms Cournoyea, that is right after "Eastern Arctic"?

MS COURNOYEA: Yes.

MR. DEPUTY SPEAKER: To add "north of the tree line"?

MS COURNOYEA: Yes.

MR. DEPUTY SPEAKER: Thank you. To the amendment. Ms Cournoyea.

MS COURNOYEA: Do I need a seconder?

HON. KANE TOLOGANAK: I will second it, Mr. Speaker.

MS COURNOYEA: It is seconded by the Hon. Kane Tologanak, Central Arctic, Kitikmeot. Mr. Speaker, the reason I would like to add that on is because oftentimes in areas where there is not a substitute fuel for the houses, there is not a choice by the individual communities and I would like to say in regard to the Housing Corporation, they are now making special considerations to allowing people to have wood burning facilities within their homes which they were not really supporting in the past because of their feeling that it

would be a fire hazard. Since the areas north of the tree line have very little ability of using a possible alternative fuel, I believe that we require that a consideration be given for these communities that do not have that alternative fuel.

MR. DEPUTY SPEAKER: Thank you, Ms Cournoyea. Mr. Tologanak, seconder of the amendment. Mr. Evaluarjuk, to the amendment.

MR. EVALUARJUK: (Translation) Thank you, Mr. Speaker. I do not have anything to say on the amendment. Maybe after we vote on the amendment I will talk.

MR. DEPUTY SPEAKER: Thank you. To the amendment.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Question being called. Mr. Patterson. To the amendment.

HON. DENNIS PATTERSON: Well, Mr. Speaker, with all respect to the concerns of the Members and with all deference to my own strong beliefs that there should be a new territory established in the eastern part of the Northwest Territories, which I am sure would include most of the area beyond the tree line, I do not think I can, particularly as a Member of the Executive, support a motion that discriminates between one part of the Northwest Territories geographically and the other. We are still one territory and I do feel obliged to state that I cannot support this amendment for that reason.

MR. DEPUTY SPEAKER: Thank you. Thank you, Mr. Patterson. To the amendment.

SOME HON. MEMBERS: Question.

Amendment To Motion 9-82, Carried

MR. DEPUTY SPEAKER: Question being called. All in favour, raise your hand? Down. Opposed? The amendment is carried.

---Carried

To the motion as amended. Mr. Tologanak.

HON. KANE TOLOGANAK: Thank you, Mr. Speaker. I rise on this occasion being a Member for the Kitikmeot region. In the past few months there have been many concerns regarding housing and the direction that housing is taking in regard to the rents that are being assessed to the people. We know that the freeze on increases is until July. I have received copies of petitions from four communities regarding the increase of the assessment of rents; from Coppermine, Gjoa Haven, Pelly Bay, Spence Bay. One of the communities has been in contact with myself and the Housing Corporation wanting to establish a ceiling on the rents that should be assessed.

Many of my constituents, having no alternative housing in the Kitikmeot region, rely on the public houses and northern rental houses -- rely on the houses that are provided by the NWT Housing Corporation. These not only include the co-ops, hamlets and councils; the private sector also relies on these houses provided by the Housing Corporation. Many of the people who are fairly high income earners are re-applying for houses that have a lower rental scale, and that is northern rental housing units. So, Mr. Speaker, I find that I have to support my constituents in this matter, and this motion, so I urge other Members to consider those reasons. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Tologanak. Mr. Patterson, did you want to speak to the motion as amended?

HON. DENNIS PATTERSON: Not really, Mr. Speaker, but I feel I must.

MR. MacQUARRIE: Nice distinction.

HON. DENNIS PATTERSON: I am not going to be able to support this motion, Mr. Speaker. I guess there are several reasons, but I want to make it clear right now to my constituents that I would like to see nothing better than significant reductions in rents charged to public housing tenants. I am well aware of the concerns that have been raised with the proposed new rental increases -- and let me say that there is one category of tenants with proposed new increases who have not been given a freeze until July the first. There is one category of tenants who are, at this moment, being assessed the new rental rates which call for them to pay economic rent and those are the people who do have significant incomes and do not benefit from any of the exceptions that are available to people who have a large number of dependents or who have other exemptions. They are very concerned and they have been assessed, I think, significantly higher rents as of April 1st and those rents may be reviewed by the Housing Corporation board of directors but they may not.

Housing Corporation Set Up Independent Of Legislature

The point that I wish to rise on, Mr. Speaker, is that I believe that the Northwest Territories Housing Corporation is a body which operates independent of this Legislature; it is created by appointments made by this Legislature, and I do not think it is proper or even lawful for us to create a corporation independent of this government and turn around and advise or recommend or, as the motion says, disallow that corporation from certain decisions that they might choose to make. They are in possession of more information than I am about the extremely high costs of operating a public housing, a social housing scheme in the Northwest Territories and they have, as representatives of the people chosen by this Assembly, determined that they should increase rents, although they have decided to postpone most of the increases until they receive public input. As a matter of principle, I do not think that it is our place to quarrel with their decisions and I do not.

That is the main reason why I will not support this motion but I also do feel that I understand -- although it is not a happy result -- I understand the necessity to increase rents and I realize that it is going to wreak hardships on certain people; I realize it is going to result in more costs through social assistance. I cannot feel, however, that people who are bringing in large incomes into their households should not pay as much as they can, and I know my own constituents are willing to pay what they consider is a fair share of the cost of rent. The question is, what is fair?

But the main reason I wish not to support this motion, Mr. Speaker, is we have set up an independent corporation. I do not believe it is the place of this House to question their considered decisions. We have a pretty significant power by being able to appoint members to that corporation. It is probably quite in order for Members of the Legislative Assembly, as any other private citizen might do, to speak to those members of the Housing Corporation board, but I do not think, as an Assembly, that we should tell that board whether we think they are doing the right thing or the wrong thing. They are an independent board and we have much other business to concern ourselves with than what is essentially their jurisdiction. So those are my reasons, Mr. Speaker. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Patterson. To the motion. Ms Cournoyea.

MS COURNOYEA: Mr. Speaker and Members of this House, as a past member of the board of directors of the Housing Corporation had I been sitting on the board of directors at this time I would welcome this kind of direction and support...

MR. CURLEY: Hear, hear!

---Applause

MS COURNOYEA: ...from this Legislative Assembly. Many of the items that are referred to in this motion have been discussed at the board of directors, and the board of directors are trying very hard to consider these areas of concern. I do not think that I would have felt that the Legislative Assembly was meddling in our affairs. However, I would have welcomed the opportunity to have this kind of support.

To talk in terms of why this area of concern is of major importance to probably all the people who live in low rental housing and government housing, which is a majority -- probably about 85 per cent of the population and probably 90 per cent if you talk about the native population -- in areas north of the tree line, if you get into a bind whereby you were not able to make payments that were assigned to you according to your total family income, then the next step normally would be that the Housing Corporation probably would allow you to stay in that house, but you would have to pay for your utilities. If it is oil that you are paying for, then it becomes a burden that most people could not afford anyway.

No Incentive To Find Employment

What I am concerned about when we talk about not having ceilings on the rental scales is that I feel that in determining rent in that way we often are telling our people that they should not really be going out there working, because the more you work, the more you pay. Oftentimes, the houses have many, many more people in that one home than most people across from me would probably be able to live with. Sometimes they have two families, sometimes they have three families. The lessee of the house normally then has to account for the other people who are making a living in that house and it would be far better if the other individual was able to keep his earnings so he could get out and find his own way. But if 25 per cent of his salary and the now proposed 30 per cent has got to be put into rent for that house, then how do we get rid of that other individual? How do we allow him to save money so that he may or may not build his own home? How can he do that, when each time you try to put the members of your family to work it goes to the Housing Corporation?

Now, I do admit there are a lot of people who neglect to pay rent and who do not live up to the full expectations of society, but we have a good number of people who really do try. They try to work themselves; they try to make their children work. Sometimes their children are only working part time, but that still is calculated in the rent and then the children go away and then the parents are stuck, behind in payment of their bills. Sometimes they have bills up to \$2000 and it is really not their fault, because their child only worked for maybe two months and it was calculated, and that is the scale and that is the criteria of calculating rents. It seems to me all we do is encourage people not to be productive citizens.

Method Of Assessment Unfair To Householders

It is more unfair when you look at government employees staying in government accommodation when they are able to have their rent calculated on one member of the family. It is a disparity and it creates bad feelings, hard feelings and resentment, if you are trying to build unity. I know a number of people who really do try and they do have their children staying at home and they would like their children to have their own homes, but the Housing Corporation or the whole economic situation does not allow for apartment buildings so that these young people can go and rent their own accommodation. It is unfair to the individuals who have to upkeep that house, because maybe if the rental was assessed on one person out of the family the ability to move those young people out on their own would be a process that would come about much more quickly.

We have a lot of older people, and I see these are elderly people, who have homes, who have children, grandchildren staying with them and sometimes great-grandchildren and that is a strain on them. I feel in order to deal fairly with these people who are trying we should not penalize them for trying, because if you take the opposite view, it would be much easier not to do anything, not to earn a lot of money, sit around watching TV and do not hustle and try to get yourself a way in the world, and the parents have a difficult time trying to tell their children that they should and all it does is cause fights and dissensions in the home, because young people oftentime spend their money, but the calculation in the rent is still there.

I believe that, in all fairness, as a former member of the Housing Corporation, I would like to have seen this kind of support from a Legislative Assembly, to move in this direction.

MR. DEPUTY SPEAKER: Thank you, Ms Cournoyea. We will take a 15 minute coffee break and then I have a few other Members that wish to speak to this motion.

---SHORT RECESS

MR. DEPUTY SPEAKER: The Chair recognizes a quorum. We are dealing with Motion 9-82(2). To the motion as amended. Mr. MacQuarrie.

MR. MacQUARRIE: Yes, thank you, Mr. Speaker. The one principle that I can support in the motion is the principle of a ceiling on public housing units, but there are so many other elements in the motion that I find it difficult to accept, that I am not tempted to amend in order to save that same one principle. I feel that it is regrettable that the Members who have proposed the motion and the amendments have included a lot of other baggage that does make it difficult to support.

Difficult To Determine Income On Which To Base Rent

One of the items in the body of the resolution calls for abandoning the idea or disallowing the practice of including other family income for the purposes of determining the rents. I simply feel, Mr. Speaker, that public housing cannot be carried on in any other way or according to any other principle; that with other types of housing that the honourable Member for the Western Arctic referred to, there is quite a different principle for rental charges there. The principle is that you identify a unit and say that for that unit this is the price that is to be paid regardless of income and so people who wish to live in that accommodation pay the price. But the principle behind public housing is that all people in a country, in so far as the resources of the country are able to allow it, are entitled to decent housing. So a public authority undertakes to provide that housing to ensure that people have access to it but then must say they cannot set a unit price because many people would not be able to have the housing at all in that case. So they say, "We will provide the housing and then we will graduate the rental price for that housing according to ability to pay." And I do not find that, in doing that, it is very wrong to take account of other incomes that are in the family that is occupying that unit because it would be very difficult if you were to say that the rental rate should be based on the one person; there would be a very difficult problem in identifying the person whose income was to be used. But I do agree also that in taking account of all of the incomes in a family, that you can reach the point where a rental rate for a unit becomes rather ludicrous in view of what the unit has to offer, and that is why I could support the idea of a ceiling of some kind where the authority finally says, "We just will not go beyond that for this particular unit."

Yellowknife Constituents Consider Decisions Reasonable

The problem has arisen in Yellowknife -- I know that the honourable Members opposite sometimes think that we live in a kind of heaven there, one that has no problems whatsoever -- we think that we live in a kind of heaven, too, but it is for other reasons. There certainly are problems and our constituents have problems as well. This particular one was brought to our attention about a month and a half ago and the Yellowknife Members took the trouble to meet with those constituents and to meet, as well, with housing authority personnel. Together we all discussed the issue and one thing we did clarify was that in many ways the decisions that had been made by the housing authority are reasonable decisions and decisions that had to be made. One thing we all discovered, of course, is that although multiple incomes are taken into account in the rental price, nevertheless there is a maximum limit on the percentage of that total income that will be allocated to rent and that is a percentage of the gross income -- I believe 25 per cent now and proposed to be 30 per cent, yes, for the total income; the incomes added together.

Percentage Of Residual Gross Income

What we discovered also is that in the Northwest Territories that is a percentage of residual gross income and that is a practice that is not carried out in any other jurisdiction in the rest of Canada. What we mean by that is that you do

add up the incomes but you take off certain allowances -- I believe family allowance is one of them; perhaps the Minister will go into this a little more in detail than I will now -- family allowance is one, but so is a cost of living allowance deducted from the gross incomes before you take the rental percentage off, and that is not done anywhere else in Canada. The cost of living is that basic cost of living amount that is determined by the Department of Social Services. I believe it is graduated in zones and I believe that people living in the Eastern Arctic are already entitled to take off a larger amount because of the higher costs of living than are our constituents in Yellowknife.

So, at any rate, in going through this problem with our constituents we discovered some interesting facts about this whole situation. Nevertheless at the end of that meeting with the constituents, I also agree that there probably should be a ceiling of some kind on each unit. As I said earlier, because there are so many other matters attached to this: The question of intervening with board decisions, the question of having proposed it only for certain parts of the Territories, because it includes the idea of changing the nature of paying for public housing, I simply feel that I am unable to amend it satisfactorily and therefore reluctantly put in the position of having to vote against it, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mr. MacQuarrie. Any further discussion? To the motion. Mr. McLaughlin.

MR. McLAUGHLIN: Thank you, Mr. Speaker. I would like to amend the motion to get rid of all the public housing in the Northwest Territories by just giving it away to the people who live in it but I know you would not allow me to do that so I will not. I am definitely in favour of the idea that there should be a ceiling to the rents collected. It is unfair to take a tremendous amount of rent and also realize that when there is seasonal work -- people working just in a season; they are going to have income at one time -- you are going to take away their seasonal income and not have any to collect the rest of the time.

0 And M Large Percentage Of Budget

However, when you look at the budget every year, you see that our 0 and M, the total percentage of the Housing Corporation's budget is going up and up and up, the percentage of 0 and M is becoming a bigger and bigger part of our total cost. We do not have money to build new houses because we are spending so much money subsidizing the existing houses under 0 and M. We also are in a situation where I think that the administrivia of the Housing Corporation -- they probably spend more money figuring out how much they lose than they collect for rent, but that is another matter again.

I have to speak against the motion in general, though, because I do not believe that it should apply just to certain parts of the Territories and I also do not believe that public money should be paid into housing when the extended members of the family also have income. I believe that the total family income in the house and other people living in the house should be included in the rent though I do concede that there should be a ceiling. So because of that, I have to vote against the motion because I think it is a band-aid approach to a big problem and I think it interferes with the Housing Corporation's authority to run their own show. I cannot be in favour of something that does a little thing for one area and is unfair to other areas and does not solve the problem. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. McLaughlin. Mr. McCallum.

Review Of Gross Income Being Conducted

HON. ARNOLD McCALLUM: Mr. Speaker, I would like to offer a few comments, if I may, on the motion -- at least on the resolution clause -- and indicate that as I said earlier in the House, the corporation, at the present time, is conducting a review specific to, I think, one point of that resolution. That is the inclusion of more than one income for the determination of the amount of rent that an individual pays. From what I have heard, I think that is a concern that a number of people have because there are extended families in certain parts of the Northwest Territories -- people are living at home -- and when rents are determined or the amount of money to be paid as a rent, Mr. Speaker, it is the gross income in that home that is being used. I think that very well may be a concern, but I want to indicate to Members that it is, at the present time, under review by the corporation.

If Members will understand, there is a percentage that is being talked about, there is a ceiling on rents at the present time. The amounts that are charged by the corporation are dealing with not a very difficult scaled system but one that may require some little explanation.

System Of Rental Scales

As I indicated last week to this House, the scales that are used are based on social assistance costs and those social assistance costs are being developed in the field, in the communities, in the regions. We have moved a number of communities from one scale to another, and I give you the example of Sanikiluaq. Sanikiluaq had been in the third zone. As I indicated to the Member in past sessions, we were going to take a look at it. Sanikiluaq is now in the fourth zone. Most of the communities above the tree line or in the Eastern Arctic are in scales four, five and six. A community such as Paulatuk in the Inuvik region, if, as of May 1st, there are six people in a house, the amount of basic living allowance that is deducted from the gross income of a unit in Paulatuk is \$666. Now, if there is a gross income of \$2000 in that home, from the gross income is deducted right from the beginning \$666; that is a household of six people in Paulatuk. Now, that is an example. If there were eight people in that particular unit, there would be \$775 deducted right off. Then 25 per cent of the residual amount is the amount of rent.

This House would not allow the corporation to abuse tenants to such an extent that we are led to believe some of -- I was going to say innuendo but it was not innuendo; I would say a half-baked truth that is bandied about. We are not charging people who are out of work. Rents do not go to the Housing Corporation. Rents go to the housing associations. The rents go to the associations for the rehab work.

Cost Of Housing Above The Tree Line

The cost of putting public housing up in the Northwest Territories, as you people know, is considerable. We borrow money from the Canada Mortgage and Housing Corporation; we borrow 90 per cent of that money. We pay 10 per cent of it, and I have indicated to Members before, we are tied into interest rates for the next 35 to 50 years to pay for 90 per cent of the cost of a house and the average cost of putting a house in communities above the tree line is roughly \$150,000 per unit. We rehabilitate those units. They have to be maintained. This government, by its grant to the Housing Corporation, subsidizes fuel and electricity to the tune, in the 1982-83 budget, of \$19 million.

Now, if the Assembly wants to give direction to the Housing Corporation, not only by okaying the number and who will be on the board of directors, but by direct motion, the corporation takes its direction, obviously, from the House. That is what the ordinance says. There is some concern that Members have

expressed about mixing the two of them, but the reality of the situation is that it is a creature of the House though it is a corporation. The ethics of mixing both may be a question, but this Assembly now wants to tell them how to charge the rents, then, in addition to telling them who should be on the board of directors, and how many, then we are going to have to, as well, deal with the local housing associations and in some cases in the Keewatin, and in the Baffin, the federations.

Cost To Government For Housing Will Increase

Public housing, social housing is something this government is going to have to keep providing in the Territories, and it should be provided so that people are being housed adequately and people are not being terribly abused in the amount of rents that are to be paid. The one thing that you have to remember, however, if you put a ceiling on it, there is a continuing cost to the operation and maintenance of those units. If you just say that from now on, in a four bedroom house in Rankin Inlet, where there are three or four members of the family earning money, you only want one person's income used to total whatever amount of money the rent would be, if that is what is to be done, and you are going to say, "Well, regardless, an individual should only have to pay \$200 or \$300 of rent a month", then you have to be concerned about what it is going to mean to this government in extra dollars. As I had indicated, I think that if the concern is major in that part, if you are basically concerned with that, if you are concerned more on that than on the business of putting a ceiling or taking any other things into effect, you have to know right off the bat that it is going to cost this government more money for housing.

Now, we accept that it is costing money, but we set up a situation where a lot of people are involved in dealing with housing associations. We have a lot of local people who are employees of those housing associations. They have to be paid. It is not done free, gratis. The corporation pays those employees. They use the rents that are collected. If there are no rents collected, if there are not enough rents collected, then this government is going to have to increase the subsidy, and I had indicated to you already what it is costing this government in terms of housing. That is to be the decision of the Assembly to do that, and I think you should be aware of the implications, financially, on it.

Now, the corporation is not against any kind of change. The corporation is not. If it is, then you people have asked to have the wrong people on the board of directors. You are the people who put them there. You can remove them. If that is what it is to be, then so be it. The government, through its corporation, is not out to charge people who are unemployed, to hit the old and the infirm. If that were so, we would not be increasing our assistance rates, we would not be taxing other products that the government has so that there can be more assistance given to them to help them pay for the cost, to help them live in the dignity that they should have in their older years. The government has taken those steps to do that. I have indicated to you people last week what it was. By adding \$25 to the senior citizens in the Territories this year, this will cost us approximately \$350,000. You are talking about increasing the corporation's subsidization of public housing. You are talking a lot more dollars than that. Those are just the basic comments I would like to make.

MR. DEPUTY SPEAKER: Thank you, Mr. McCallum. To the motion. Mr. Evaluarjuk.

MR. EVALUARJUK: (Translation) Thank you, Mr. Speaker. To the motion. I am going to support the motion. I do not know how the corporation is going to implement the board. I do not know if they are going to go over the board. It is very inconvenient, as it is going on and on and on, and increasing, increasing, increasing. Myself, I am one of those who are in one of the corporation houses. It is going to go into effect in April, and a lot of communities were expressing their problem with the corporation.

Badly Built Houses Use More Fuel And Electricity

I have a petition here that was sent here through telex before the session in April, and hearing these statements it seems like it is a good idea, but in a way it is not going to be possible. I know and feel that electricity uses a lot of money up in the communities, that the corporation subsidizes fuel and electricity every month. For these reasons that is why they are really thinking of the rents, the corporation is thinking of those reasons. The board or the Ministers have to pay a lot of money because the houses are very badly built. I have a house; I would like to be visited in January or February when there is a wind. The furnace is always on and on, and maybe for one minute it goes off, and that is why you have to pay a lot of money for the fuel and for the electricity.

It is not our responsibility. It is your responsibility, because if the houses were more effectively built, you would not use so much fuel and electricity. We are not happy when the rent is always going up, I know. Some of the floors are caving in. I have, like I said, myself, my house is caving in and the rent is very high. In this kind of situation, maybe if it was corrected first, and maybe things could be reviewed why it is really increasing; it would be a lot more convenient. It is very inconvenient for us, as I said during the session in Yellowknife.

Incomes Will Not Permit Increases

If the rent is not going to stop increasing, some of the people will have more comfortable housing. It is already happening. The people that are making a comfortable income want to move to a smaller house. If increases do not stop, the income that they are receiving is not going to be enough to live comfortably. If the rent increase stops, the income will look a lot better. The debts that are owed to the corporation will not decrease if they are not going to try to decrease the rent. There are already deductions from our income, like income tax. This goes to somebody else. It adds to our deductions. Take that plus the rent. They say that it is their money, but I know that they are not telling the truth. For example, a \$15 increase -- if they are going to pay \$45 a month, they are going to have a difficult time, even though the people that are working are having a difficult time to move into a new house. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: To the motion as amended. Mr. Pudluk.

MR. PUDLUK: (Translation) Mr. Speaker, I will make a brief comment. I am going to support the motion. In the High Arctic I received a letter, a petition, and respecting that, I will be supporting the motion very much. That the reason why the rents are being increased is the badly made houses. What Mark Evaluarjuk said is very true. The rates are going up because of the buildings that have been built so poorly.

Problems With Leaky Roofs And Floors Caving In

Every year, every spring the houses are leaking and we have to clean the floor and take the snow off the roof. Sometimes there is a great amount of mess. If there is no assistance to help them move the mess it just comes to a point that sometimes when the ceiling is white, it turns black. I myself have a floor that is caving in. When you walk the stove kind of moves around with my steps. Sometimes even ornaments on the shelves fall off. Is that the reason why the rent is being increased? This is not true. I know it should not be increased. Maybe the corporation should really study the problems that we have. I know the problems can be corrected.

When we first came into the House, I remember Tagak Curley was translating for me. In my community we talked about the new houses we were going to get from the government. It was a happy moment, that they were assisting us. They told us there was going to be a monthly rent, which would be for the houses, the electricity and for the fuel. The highest one would be \$67 a month. We were also told, "We are not trying to make a profit out of you. We are just going to help." Presently it is totally different. Because of these reasons I am going to support the motion. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Pudluk. To the motion as amended. Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I would like to make a brief comment. I am going to support the motion. I know the corporation is trying to make us satisfied by increasing the subsidy to the rent. In Sanikiluaq they did not think that way, but the social services saw this as the situation. It was a problem. It has always been a problem when the increases just keep going up and up and up.

Rents To Be Based On Seasonal And Part-Time Income

The housing association has told us if a person like a carver has a permanent job or a part-time job, they are going to determine the rent by looking at those. Their income will be very small because of the high rent. As he said, they are going to be looking at those people that are working seasonally or part time. He said he does not have authority to determine -- these people that work for a while or are working at carving or making income through hunting, they really do not understand that kind of situation. I am going to support the motion. Thank you.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Thank you, Mr. Appaqaq. To the motion as amended. Any further discussion? Mrs. Sorensen.

MRS. SORENSEN: Mr. Speaker, I think that what we have here is a problem with definition of what is social or public housing in the Northwest Territories. Mr. MacQuarrie mentioned that a different principle applies to public housing than regular or staff housing and that principle is that in fact ability to pay is very key to the providing of this form of shelter by the Housing Corporation.

No Alternative To Public Housing In Some Communities

Mr. Speaker, in the North we have a peculiar situation and I think that the Housing Corporation must understand this. It involves, as I said earlier, the definition of what constitutes public housing. Now, our definition, as I see it -- or the Housing Corporation's definition is the same definition that applies in southern Canada and here again we have applied southern rules to a unique northern situation. Now, what is unique about it? Well, it is the fact that housing provided to the people living in communities by the Housing Corporation is defined as public or social housing and the problem and the extreme source of frustration is that in many communities there are no alternatives to that Housing Corporation housing. People who are working, industrious, hard working people are living under the stigma of being in social housing and are having applied to them that same definition as applies to people in southern Canada who live in similar housing and that stigma is applied to them just simply because there are no alternatives for them.

Now, the reason behind a graduated rent based on ability to pay is to force people to find other sources of housing once the housing that they are living in becomes too expensive to live in; once their social housing rent has become more than other housing available on the open market in terms of rent and so they move into market housing.

In the North, there are no other sources of housing unless you build your own, and I think in most communities that is almost and nearly impossible, particularly in those areas above the tree line, but if these same people lived in the South, they would be able to move into alternative housing. There would be apartments in their communities or there would be houses that they could build and therefore that social housing would be freed up for those people who really require it. Mr. Speaker, we have experienced that very situation in Yellowknife where we have a very tight housing situation. People are in fact in public housing and under the new rules of the Housing Corporation, are about to be paying more than a comparable unit on the housing market in Yellowknife, in terms of rent, just simply because there are no alternatives, they cannot move out of that housing. So not only do they as well have the stigma of living in low rental in Yellowknife, but they are going to be paying, in fact, more than what a neighbour might be paying who lives in regular free market rental accommodation.

Establishing A New Category Of Renter

So, Mr. Minister, I think that what we need here is to look at the uniqueness of that housing that is provided by the Housing Corporation. I would like you to look very seriously at establishing perhaps another category of renter, based on the fact that we do not have a housing rental market in many of our communities. We do not have in many of these communities people who have the ability to build their own, not because they do not want to, but because it is literally impossible to live in your own home because of the utility and housing construction costs.

Now, this new category of renter, Mr. Minister, would be for wage earners who have regular income but who have no choice but to live in Housing Corporation housing. This category of renter would pay a basic rent based on the size of the house, the utilities and of course the condition of the house. I believe some of the MLAs here would probably fit into that category, those that are living now in public housing. This rental category would have a ceiling applied and would not be subject to all income that is coming into the house. They would be treated as people who are earning their own way. Our government however, would recognize that it is impossible to pay one's own way totally even if one is working.

Abuses In Every System

Now you might say, "Well, that might be abused", but that can also be abused by the staff who live in staff housing in that we apply market rent to staff housing but we also give that same staff a regular subsidy. If that staff member can find three or four people who work for the government to live in that house, then he can get considerably more income by way of subsidy coming into the house and therefore pay no rent to the government. So abuses will always take place in any system that you establish.

Now, the other category that would be applied would be for those who are clearly defined as in need of social housing, those for instance who have no regular job or who are single parents, mothers for instance who are not yet ready to get into the job market because they have small children, those with very low incomes that need support, but as they graduated to a level where they could afford to pay...

MR. CURLEY: Point of order.

MR. DEPUTY SPEAKER: Point of order. Mr. Curley.

MR. CURLEY: Point of order, Mr. Speaker. The Member is proposing proposals to the Minister of the Housing Corporation when in fact she should be addressing her comments to the motion.

MRS. SORENSEN: Mr. Speaker, clearly it is speaking to the motion. The motion calls for a maximum ceiling and I am trying to deal with that, to come up with a compromise for the Minister. If this motion is going to pass, then the Minister needs some direction that will give him an idea of how he can handle such a situation and that is all that I am attempting to do.

MR. DEPUTY SPEAKER: Carry on.

Definition Of Public Housing Should Be Unique To The North

MRS. SORENSEN: Well, I am finished anyway...

---Laughter

...but I would like to conclude, Mr. Speaker, by encouraging the Minister to open up that whole area of definition of what constitutes public housing because I really do feel and have felt for some time that our definition is in need of serious thinking and should not be similar to what has been established in the South. Now, I clearly understand that that will open up all sorts of questions with CMHC because they are a funding agency, but I think CMHC needs to understand that we are unique up here and that special circumstances that we have up here must be taken into consideration. Thank you very much, Mr. Speaker.

MR. DEPUTY SPEAKER: Thank you, Mrs. Sorensen. Mr. Curley, do you want to wind up the debate? Mr. Curley.

MR. CURLEY: Yes, thank you, Mr. Speaker. I am very amused with that lady between the rock and the hard place giving her long speech but still did not indicate whether she is supporting or going to vote against it or what else.

I have other comments. I am quite amused also with the comments from the Minister of Education saying to the Assembly that we really should leave the Housing Corporation alone because it is an independent corporation. It is just like saying to the air line companies, "Look, you guys are independent. Do not bother coming to the Assembly. Run your own affairs. It is an independent company." I think that kind of view is irresponsible. I must say that the tenants who are having to pay very high costs, high rent, have no way of appealing to any authorities or agency within the government.

This Legislative Assembly last year, by a very motion from the Minister of Education, gave the authority to take the tenants who have failed to pay their rent to the small claims court. The Minister irresponsible for the Housing Corporation gladly took that direction and passed it on to the chairman of the board of the Housing Corporation. Now it is a direct policy of the Housing Corporation, so that if a tenant does not pay, the Housing Corporation will take him to small claims court to collect that rent. So I must say, no wonder the Minister -- I call him Minister irresponsible for the Housing Corporation because he does not listen and he does not travel to my constituency to listen to the people. After all, it is not his constituency anyway. Why bother, eh?

HON. ARNOLD McCALLUM: Turkey!

Ordinary Individual Cannot Afford Economic Rent

MR. CURLEY: So, Mr. Speaker, my motion suggests that the Housing Corporation should recommend to the Housing Corporation's board of directors. That is the only authority that we have; we can only recommend to the Housing Corporation. I said in the motion that you should consider establishing a ceiling to each house because the ordinary individual cannot afford to pay the economic rents.

The individuals nor did the people of the Northwest Territories -- they are not responsible for putting a very high cost to fuel and electricity or other utility costs. It is not their problem. It is not their responsibility. We should not fault them for incurring and accumulating a very high cost of utility and electrical costs and other factors for their houses in the NWT.

Now, we are saying, by way of voting against it, "Look, you are responsible for incurring all that cost for energy and other utility costs. Now, you pay the maximum economic rent; pay \$1500 for economic rent if you have to." That is what the Minister of Education is saying to me; that is what the Minister irresponsible for the Housing Corporation is saying to me. Whereas the government and the Minister -- he himself probably pays only a certain percentage. Maybe not; I might be wrong that the Executive Committee Members might be paying full economic rent, but the other civil servants -- top civil servants within the government pay only a certain percentage of economic rent. Aside from that -- the regional director would probably be able to tell us exactly how that operates in a place like Inuvik.

Government Housing Subsidy

The government employees are also given a housing allowance. My understanding is that the government employees are automatically given about \$400 a month for a housing subsidy. If the spouse also works for the government, they are given an allowance. It probably varies from region to region, but the assistance is there for a housing subsidy. I know that. The regional director in Rankin has told me that it is attractive these days to own a private home because if you do that, the government is going to give you the housing assistance to offset the market rent of the house. So that is what my motion is suggesting; that the Housing Corporation consider putting a limit on a tenant's rent. Why sign a lease and say you are going to do all these things when the Housing Corporation does not do it anyway. As to the maintenance, the Member for the High Arctic just said to me that the houses are in very bad need of repairs and renovation and yet the government continues to come back every year and increase the rents.

So, I wonder whether or not we are really attempting to do what we want to do. I do not think we should be so quick in resolving the problem by saying, tenants must pay the full economic rent throughout the NWT. It is just not possible. I put this motion, and if I was the Minister responsible, I would be glad to receive such a recommendation so it would allow me to give to the Housing Corporation board of directors all kinds of various opportunities to plan and to establish a policy that would allow them to have a little more freedom and protection in the NWT. I urge you to fully reconsider your position and support the motion. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Curley. That winds up the debate on the motion as amended.

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: Are you ready for the question?

SOME HON. MEMBERS: Question.

MR. DEPUTY SPEAKER: All in favour? Down. Opposed? Thank you. I understand from the Clerk the motion is defeated and deny the recount.

SOME HON. MEMBERS: No. No way. Recount.

MR. DEPUTY SPEAKER: Okay. Let us try it again. Mr. Curley.

MR. CURLEY: Mr. Speaker, I rise on a point of order. I counted. My own calculations certainly did defeat the negative. So, I request a recorded vote on the second one.

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

MR. MacQUARRIE: Point of order.

MR. DEPUTY SPEAKER: Mr. MacQuarrie.

MR. MacQUARRIE: There is a well established principle in this House, which went against me, Mr. Chairman, that once the vote is begun we are not going to go back and take a recorded vote.

MR. McLAUGHLIN: But you can count again.

MR. MacQUARRIE: We can count again, certainly.

MR. DEPUTY SPEAKER: I understand that we cannot call for a recorded vote now, but we can have a recount. All in favour of the motion as amended put your hand up, please. I count nine. Down. Against?

HON. ARNOLD McCALLUM: Guess what!

Motion 9-82(2), Defeated

MR. DEPUTY SPEAKER: No problem. It is a tie vote. I have to break the tie and I vote against the motion. The motion is defeated.

---Defeated

We will break for 15 minutes for coffee.

---SHORT RECESS

MR. SPEAKER: Call the House back to order. With the consent of the House, what I would like to do now is leave motions and go into the committee of the whole on the Eastern Arctic air carriers' policies, prices and services. If we conclude that today, we will go back into formal session and back to motions. I understand that Mr. McLaughlin has a motion that he is going to ask unanimous consent to proceed with today. If we carry through to this evening with the Eastern Arctic air carriers' policies, well, then you will have an opportunity tomorrow, before we go into committee of the whole. Do I have agreement then to leave motions at this time and go into committee of the whole?

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Are there any nays?

MR. CURLEY: No nays.

---Agreed

MR. SPEAKER: We will move on then to 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

The subject for today will be the Eastern Arctic air carriers' policies, prices and services, with Mr. Noah in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER EASTERN ARCTIC AIR CARRIERS' POLICIES, PRICES AND SERVICES

CHAIRMAN (Mr. Noah): The committee will come to order. This item is in committee because a motion was passed at the last session. The item under consideration is the Eastern Arctic air carriers' policies, prices and services. The committee requested witnesses to appear. Is it the committee's wish to bring in the witnesses from Nordair, Air Canada and NWT Air?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Noah): Agreed.

---Agreed

I would like to welcome the witnesses. Could I have one of you introduce who you are and which companies you are from, please?

MR. CASEY: My name is Paul Casey. I am the regulatory affairs director with Air Canada.

MR. PEIFFER: Kurt Peiffer, executive vice-president of Nordair.

MR. PRINET: I am Dominique Prinet, vice-president of marketing at Nordair.

MR. SMITH: I am Eric Smith, divisional manager, Nordair.

MR. ENGLE: I am Bob Engle, Northwest Territorial Airways.

CHAIRMAN (Mr. Noah): Thank you very much. Do you have any presentations? You could perhaps start out with Mr. Casey from Air Canada.

Presentation Of Mr. Casey, Air Canada

MR. CASEY: Thank you, Mr. Chairman. Air Canada as such does not have a presentation today, but I do have a brief opening statement which I hope will clarify Air Canada's relationship to Nordair. I am not sure how much assistance Air Canada can be in deliberations today. Granted, we are a major shareholder of Nordair, but a commitment was made by Air Canada at the time Air Canada purchased Nordair that Nordair management would continue to be responsible for the operation of the company and that Air Canada would retain what is known in business as an arm's length relationship. When Air Canada announced plans to purchase shares in Nordair in early 1978, a certain amount of opposition was expressed, based largely on the concern that through the share purchase Air Canada would manage Nordair and that competition would be reduced. During the Air Transport Committee hearing into the proposed purchase, Air Canada made it very clear that it viewed Nordair primarily as an investment and not as a corporation it intended to manage through merged operations or control processes.

Since that purchase was approved by the Air Transport Committee in July of 1978, Air Canada has kept its commitment and maintained an arm's length relationship. Although Air Canada has appointed a number of members to the Nordair board of directors, none of these individuals has any specific direction or management mandate from Air Canada, other than to assure that Nordair earns an adequate return on its investment, while providing safe and efficient transportation to the communities it serves, at fares which are just and reasonable. That being the case, I am afraid there is little I can add to the question here today. We at Air Canada are totally unaware of the basis on which Nordair sets its charges or the costs of operations which have to be covered by those charges. We can only assume that the Air Transport

Committee examines Nordair's fare proposals in the North as closely as they examine Air Canada's fares and rates in the South, so that the committee is fully satisfied that the rates being charged are just and reasonable. I therefore am not sure what assistance I can be here today, but if you have any questions on subjects of which I have knowledge, I shall certainly be pleased to answer them. Thank you very much.

CHAIRMAN (Mr. Noah): Thank you very much, Mr. Casey. Perhaps if one of you gentlemen from Nordair have any presentations?

Presentation Of Mr. Peiffer, Nordair

MR. PEIFFER: Mr. Chairman, I would like to take this opportunity to thank you and the committee for the opportunity to appear here. We have briefly introduced ourselves, but I would like to elaborate just a little bit. Mr. Prinnet, our vice-president of marketing, is a veteran of eight years with Nordair. Prior to that, he has flown for Gateway Aviation in the central and the western Arctic. He is a pilot, worked as a consultant in Yellowknife; he is also a professional engineer. Also with me is Mr. Smith, who is manager of our northern division. He has been with the company for two years. He is an MBA from McGill and is a marketing specialist. I myself have been in aviation for 30 years.

We have prepared a presentation to you which Mr. Prinnet will give, but, before, I would like to say a few words. I have already thanked you for the opportunity to be here, but I think I would be less than candid if I did not say that we are somewhat apprehensive about the way in which the invitation came about. I am referring specifically to the report prepared by an employee of the federal government, Mr. McLaughlin, who toured the Eastern Arctic and produced, unbeknownst to us, a report which was to deal with air service within the Eastern Arctic, and during his trip he was accompanied by a representative of a carrier with whom we have certain competitive services. We had no opportunity to see the remarks that Mr. McLaughlin introduced in his report, and the report became available to you prior to us having any input whatsoever. We do not think that that was proper. However, we are here, and we are knowledgeable of the items that are contained in Mr. McLaughlin's report, and I think we are able to convince you that most of the allegations in this report are not correct.

Commitment Of \$55 Million To Transportation In Eastern Arctic

Nordair has been serving the eastern Arctic since 1957. We have started scheduled air service into the eastern Arctic in 1957 with DC-3 aircraft. We have since then continuously expanded our service, continuously expanded our fleet, and today our fleet consists of 11 Boeing 737 jet aircraft, six of which are dedicated to northern operation. They are passenger/cargo airplanes and, at an average value of nine million dollars apiece, that means the commitment in terms of assets in the area of \$55 million that this company has to transportation in the eastern Arctic.

I think we have tackled the service and produced a service with a high degree of professionalism, and we have produced services into communities which by their size nowhere else in the world would have the frequency and quality of air service that they are getting. I think that it is common knowledge that the costs of these operations are high, and our rates reflect that. However, I think I would leave it to Mr. Prinnet to go into details and explain this to you. Mr. Prinnet has prepared a paper which he would like to distribute with your permission, and you can follow his presentation in that paper. Mr. Prinnet.

CHAIRMAN (Mr. Noah): Thank you, Mr. Peiffer. Mr. Prinet, do you want to proceed with your presentation, please?

Presentation Of Mr. Prinet, Nordair

MR. PRINET: Thank you, Mr. Chairman. As Mr. Peiffer has pointed out, we have prepared approximately 20 copies of a brief which summarizes the evolution of our fares and rates, and compares the rates in the East to what they are in the South, and also in the western Arctic. This brief has been prepared in English and Inuktitut, and with your permission we may want to distribute it to the Members, because the presentation I will make is a slide presentation using the overhead projector, and the slides are the same as the ones contained in the brief, and it may be easier for the Members to follow if they have a copy of the brief.

CHAIRMAN (Mr. Noah): (Translation) Is it agreed that they can show us a slide show?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Noah): It is agreed.

---Agreed

Yes. We will start now.

MR. PRINET: Ladies and gentlemen, this is a chart which shows that the air distances on air services in the East are considerably longer than in the West, and this is one of the reasons why the air fares in absolute dollars are higher in the East than in the West. For instance, you can see that the distance between Montreal and Frobisher Bay is about 2200 kilometres, and by comparison the distance between Edmonton and Yellowknife is only 1000 kilometres. The distance between Montreal and Resolute Bay is 3800 kilometres, whereas the distance between Edmonton and Resolute Bay is only 2600 kilometres. So, for instance, this is a distance which is 1200 kilometres longer in the East than it is in the West, and that is about 800 miles or close to two hours of flying more on the eastern segment than it is in the West.

In this presentation, Mr. Chairman, I will briefly review the tariff increases of Nordair, both in terms of cargo and passengers, over the past seven or eight years. I will talk about the discount fares and the discount rates available on Nordair, on the northern services. I will then compare the air fares on Nordair to what they are on PWA and on CP Air in the western and central Arctic, and also to what they are on the southern system. I will talk about the cargo services and the split of revenues between Nordair and the third level carriers who serve the small communities in the eastern Arctic, and finally I will talk about the operating cost increases in the past few years.

Comparisons Of Increases In Fares And Cargo Rates

Exhibit I.1 shows that since 1975 the overall passenger fare increase on the southern network, in the case of Air Canada, has been 135 per cent. On the Nordair services in the South, the overall increase has been very close to that of Air Canada. It was 132 per cent. On the Nordair northern services, however, the increase has been approximately 10 per cent less, and has been only 121 per cent, so the overall passenger fare increase since 1975 has been less on the northern services than they have on the southern services.

The difference is even more dramatic in the case of the cargo rates. We could not obtain from Air Canada their overall cargo rate increases since 1975. However, it must be very close to the one that we have experienced on the southern network, and that was 215 per cent. By comparison, the cargo rates increase in the North on the Nordair system has been only 127 per cent. That means that the overall increase in cargo rates on the Nordair northern services has been 40 per cent below what they have been in the South.

This can be seen with a bar chart. If you look for a moment at the passenger fare increase to the left, this represents, since 1975, the overall compounded passenger increase in the South by Air Canada. The increase by Nordair in the South has been a little bit less. This is what has been and you will notice that, on the northern system, it has been lower than the increase in the South. This is the increase on the Nordair northern system. It is the lowest.

The same thing with the cargo rate increases. We do not know the Air Canada number but it must be very close to the increase of the Nordair cargo rates in the South. So this is what it has been. This is in the South, and by comparison, since 1975, overall the cargo rate on the Nordair northern system has been 40 per cent less than what it has been in the South. So this is for the cargo.

If we now plot the fare increases over the years, you see that the dark line represents the northern services and they have gradually been kept increasingly below what they are in the South. These are the increases of passenger fares on northern services. By comparison in the South, they have been higher, always a little bit higher and increasingly so, and now this is where they have come up to, so the difference has been widening.

The difference is even more impressive, as I mentioned, in the case of cargo. This is the history of the cargo increases. The northern services are the dark line and you can see that over the years the increases have been kept below what they have been in the South. These are the increases on the northern routes and in the southern routes the increases have been higher and you can see that the gap is widening.

Discount And Promotional Fares

I would like to talk about the discount fares and the promotional fares, Mr. Chairman, on the northern service routes, and we are pointing out here that promotional fares and discount rates are available on the northern services as they are on the southern services and they are actually used by people. The average discount has been, over the last three or four months where we measured it, 17 per cent, for instance, between Montreal and Frobisher Bay for passengers. In other words, on the average passengers pay 17 per cent less than the economy fare because people are using discount fares and promotional fares. By comparison, in the South the average discount has been, during the same period, 21 per cent, so there are also promotional fares available in the South and people are using it to about the same extent as in the North. During the same period, the discount in cargo was 25 per cent between Montreal and Frobisher Bay. That means that on the average, people pay only 75 per cent of the cargo rate.

Discount fares, exhibit II.2, are available as well in the South as they are in the North. For instance, those are passenger discount fares. The family members, and depending on how many members are travelling together, the discount varies from 55 to 75 per cent. This is available both in the northern service and in the central service, and by "central", I mean the southern service. The children's fare, from two to 11 is 50 per cent discount. It is available in both services. The senior citizen fare, 60 years and over, 35 per cent discount is available on both services. The stand-by fare for students, 12 to 21 years old, 55 per cent

discount -- it is a deep discount fare -- is available in the North and in the southern service. The confirmed youth fare, which is only 35 per cent discount, is not available in the northern service, but people use the deep discount, the stand-by fare, 55 per cent.

Weekend Fare Extended To Five Days In The North

Possibly the key difference between the two networks is the so-called weekend fare. On the southern system, the weekend fare is really a true weekend fare which extends from Friday to Monday. The discount is only 20 per cent. In the North, we have extended the use of this so-called weekend fare to make it a five day weekend, and that is available year round, and there are no strings attached. The five day weekend offers a 40 per cent discount and that is used between Montreal and Frobisher Bay where the bulk of the traffic is.

B Class Fares To Stimulate Traffic

There are B class fares available in the North and in the South. The discount is less in the North than it is in the South and it varies depending on the season, from 20 to 25 per cent in the North, 25 per cent to 50 per cent in the South. The B class fare is a fare which is used to stimulate traffic at times of year when traffic is low and when the airplanes are partly empty. It is not used to any extent in the North because there are strings attached to it. You have to make a booking seven days in advance at least and you have to purchase your ticket seven days in advance. If you change your reservation, you have to pay a penalty and you have to book in advance your return portion of the trip also. Most people going to northern stations or going out do not know exactly what day they will travel and the advances prevent the use of those discount fares on the northern system. What people use is the 40 per cent discounts for the five day weekend.

Cargo Rate Discounts

Exhibit II.3 shows cargo discount rates which are available in the North and in the South and it shows that there are a lot of cargo rates available on the northern system and not in the South. The general commodity rate is available on both networks. Guaranteed volume discounts are also available in both networks and, depending on the guaranteed volume, the discount varies from 10 to 40 per cent.

Specific commodity rates, for instance food, fish, newspapers, motors, beverages, etc., are available in the North and in the South, but you will notice that there are a lot of specific commodity rates which are available on the northern network only and not in the South: Empty boxes, empty bottles or samples, empty cylinders, tires, pelts, etc. This is to encourage people in the North to ship goods to the South because our cargo is mostly directional; most of the cargo goes North and the airplane comes back empty. We have the capacity and therefore we want to encourage people to ship goods south and help fill the airplane to improve efficiency so we have introduced those promotional rates for specific commodities.

Comparison Of PWA And Nordair Rates

Mr. Chairman, I would like now to do a quick comparison of the rates in the East and in the West in the Arctic. First, this is a comparison of the cargo rates; the cargo rates along the resupply routes between the southern points and the points in the Arctic. You see that in the East on Nordair the rates are between Montreal and the key points that we serve in the eastern Arctic: Frobisher Bay, Hall Beach, Nanisivik, and Resolute Bay. This is the distance in kilometres; this is the rate in dollars per kilo. We have converted this rate into an equivalent rate per tonne per kilometre. In other words, this is the cost of moving one tonne of goods over a distance of a kilometre, and the rates vary from 60 to 97 cents.

By comparison, on PWA, on the same kind of routes between Edmonton and the key resupply points in the West, the distances are shorter, the absolute amount of the rates are lower because the distances are considerably shorter, but the rates per tonne per kilometre are substantially higher. Instead of varying from 60 to 97 cents with an average of possibly 75 cents, they are very close to a dollar and that is a dollar per tonne mile on PWA. I am not saying that the PWA rates are too high. I think their rates are just and reasonable. I am saying that our rates are substantially lower and they may be unrealistically low but that is the way they are.

With respect to food, Nordair offers a discount for food because Nordair recognizes the importance of food for the people in the communities. Between Montreal and Frobisher Bay, the discount for food is 35 per cent. Between Montreal and Hall Beach, the discount for food is 31 per cent. By comparison, PWA does not offer a discount for food and that is in recognition of the fact that food is expensive to carry because food is perishable and if anything, there should be possibly a surcharge for the carriage of food, but I just wanted to show the kind of discount that Nordair offers and that are not available on other carriers.

Cargo Rates Within The Arctic

If we look at the cargo rates now within the Arctic, not to and from the Arctic but within the Arctic, you will notice that the Nordair rates are higher than those of PWA. Those other rates which would apply between Frobisher Bay and Hall Beach, Nanisivik, Resolute Bay, as well as between Hall Beach and Resolute Bay, those rates are higher than those of PWA and I do not know what the average is but it may be close to two dollars per tonne. However, I should point out that those rates are hardly ever used by anybody. For instance, there is a very high rate between Hall Beach and Resolute Bay and I remember that about five years ago, the Ministry of Transport had one diesel engine to ship between Resolute Bay and Hall Beach. We did not have a rate; we made one up, we made that shipment and I do not think anybody has ever used the rate again. So it is very high but it does not mean anything because it is not used.

The rates by PWA are used to a greater extent because some of the goods are trucked to Yellowknife and then flown by PWA beyond Yellowknife to those points in the northern Arctic. The rates by First Air are several times higher than our rates per tonne mile. They vary from three and a half or four dollars per tonne mile to up to nearly nine dollars per tonne mile in comparison to the Nordair rates which are maybe two dollars per tonne mile and those of PWA which may be a dollar and a half per tonne mile, and here again I am not implying that the First Air rates are too high. I am saying that our rates within the Arctic are substantially lower than those of a third level carrier and there are reasons for that. It is because their operating costs are higher; they use smaller airplanes; their stage length is shorter, etc.

Rate Structure For Passenger Fares

If you now look at the passenger fares between the southern points and the points that we serve in the Arctic, these are the rates on Nordair between Montreal and Frobisher Bay, Hall Beach, Nanisivik and Resolute Bay, and you will see that the equivalent rate per mile is in the neighbourhood of about 14 or 15 or 16 cents per passenger per mile. The rates on PWA are exactly the same. They are also anywhere between 14 and 16 cents per passenger mile and the rates on PWA and CP Air between Vancouver and Whitehorse are exactly the same again, 14 cents per mile. So, you see that all three carriers, CP Air, PWA and Nordair, offer the same kind of rate structure mile. It is around 15 cents per mile. The overall fare is higher in the East because the distances go up to 3700 or 3800 miles and in the West you are talking about 1000 miles or 1500 miles only, but the rate per mile is the same throughout the Arctic.

Within the Arctic, if you look at the passenger fares, and this is exhibit III.5, you will see that the rates within the Arctic on Nordair are around 20 cents per passenger kilometre. On PWA they are a bit lower, around 18 cents per passenger kilometre, but it is very comparable. On First Air they are about twice as high, around 36 cents per passenger kilometre, and on NWT Air they are fairly low. In fact, they are quite comparable to the rates offered by Nordair and by PWA. They are substantially lower than the rates available on First Air, and I am talking about the rates per mile.

Joint Food Rate Structure With First Air

Exhibit III.6 shows the breakdown of revenues between Nordair and First Air for the carriage of food and what this exhibit shows is that there is a total rate of two or three dollars per kilo for transportation of food between Montreal and all the eastern Arctic communities. So, this is the rate per kilo and we have broken down the distances between Nordair and First Air and the revenues for Nordair and First Air and this is the result. We end up carrying the food over 80 or 90 per cent of the distance. This is our share of the distance. It varies from 70 to 90 per cent of the distance. So, we do most of the transportation and yet, because of our discount for food and especially in the case of food going to the communities, we collect only 40 per cent or 50 per cent of the revenues. In effect, our joint food rate structure is such that we offer discounts of anywhere between 70 per cent and 77 per cent for food going beyond Frobisher Bay to the communities because we recognize again the importance of food in the smaller communities. So we start off with a cargo rate which is lower than the cargo rate which applies to other carriers and, in fact, which is generally so low that there are no profits made at all from the carriage of cargo, which is an unhealthy situation, and we offer discounts of 70 or 77 per cent for the carriage of food to the communities.

Approximately 70 per cent of our flights carry cargo. If we were to regroup all the cargo flights and regroup all the passenger flights, we would find that approximately 70 per cent of our flights carry cargo and 30 per cent carry passengers. This causes an imbalance and a low overall load factor because cargo does not come back south, so most of our flights come back empty.

Evolution Of Operating Costs

I will now say a few words about the evolution of our operating costs. This exhibit shows the increase of our operating costs on the northern services since 1975 and you can see that our operating costs per hour have gone up like so. Our operating costs are now approximately 3.2 times what they were in 1975. By comparison, the passenger fares and the cargo rates which are marked here have increased overall only 2.3 times. You can see that they have increased less than our operating costs and this reflects a very slow and gradual improvement in efficiency whereby, for instance, we improve the utilization of aircraft by eventually being able to add a flight per week. You have a better utilization of equipment, the improved utilization of aircraft by having cargo available to top off the flight just before departure so that the flight leaves with a full load every time and so with this kind of effort to improve the efficiency, we have been able to control the increase in price and widen the gap between the increase in operating cost and the increase in prices.

Improvements In Service To The North

Finally, Mr. Chairman, some of the steps we have taken recently to improve service to the North. Prompt Air is a small package service. You will recall that until very recently there was one rate between one and 45 kilos, for

instance. If you had a small envelope or a small parcel you had to pay the full amount all the way up to 45 kilos, but we have changed the breakdown and now we have introduced categories of weight from one to two kilos and from three to 15 kilos, so you do not have to pay the full amount for 45 kilos. We have introduced priority air freight. If you have to have your goods on the first flight and therefore displace somebody else's freight, then you can take advantage of this priority air freight. We have lowered the rates for restricted articles from 175 per cent of our commodity rate to 130 per cent. We are introducing a new direct service from Toronto, through Ottawa, to Frobisher Bay. This service will start on June the 8th. We are introducing Val d'Or as a new supply point, at the request of the people in the North, because Val d'Or is closer to the North than Montreal or Ottawa. The distance is shorter and, therefore, the rates are lower.

CHAIRMAN (Mr. Noah): Excuse me. Yes, Ms Cournoyea?

Ms COURNOYEA: Just a point of order. I cannot see what he has on the board and I cannot read it. Would the gentleman be kind enough, if he is referring to certain pages that are related to the presentation booklet -- if it is related to something and a certain page could you refer to that, please?

MR. PRINET: Yes, Mr. Chairman, and I am sorry. All those pages are included in the brochure -- all of them. This particular one is called exhibit VI. It is toward the end of the presentation.

New Supply Point At Val d'Or

So, we are introducing Val d'Or as a new supply point and, in fact, we have asked the Canadian Transport Commission for authority to offer, on a temporary basis, until we have a licence, direct flights between Val d'Or and Frobisher Bay -- those are cargo flights -- because the northerners feel that the service which is provided from Val d'Or is better because the community at Val d'Or has been used to resupply construction camps in the James Bay area. The businesses are smaller and maybe they try harder and provide a better service. Also, the distance is shorter, therefore the fare rates are lower. Finally, through Val d'Or you can use post office rates and this is a flat rate which can be used by people in the North and especially in the smaller communities. It is a flat rate throughout the eastern Arctic, which allows people to transport food at a very low rate.

We have reduced the fare increases and the cargo increases in the North over the last few years and in particular, last February, and we had done the previous year the same kind of rate cutting on the northern services. Finally, we are adding a flight that we have started operating, an additional flight to Resolute Bay. Mr. Chairman, these were the remarks that I wanted to make and with your permission I will go back to the witness stand and I will be available to answer some questions.

---Applause

CHAIRMAN (Mr. Noah): Thank you, Mr. Prinnet. Are there any questions?
Mr. Patterson.

HON. DENNIS PATTERSON: Mr. Chairman, I have a number of questions...

CHAIRMAN (Mr. Noah): Could you wait until Mr. Prinnet gets back to the witness table?

HON. DENNIS PATTERSON: Well, I was just going to suggest, Mr. Chairman, in light of the lateness of the hour, that perhaps it might be fairer if we heard from Mr. Engle before we start on general questions.

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

Presentation By Mr. Engle, Northwest Territorial Airways

MR. ENGLE: Mr. Chairman, it is an honour and a privilege to appear before this Assembly, as a fellow northerner, and to have this opportunity to brief you -- I might say, briefly -- on development of scheduled air services North of 60 in the last two years, with particular reference to the central and eastern Arctic.

A thumbnail sketch of NWT Air: This is our 20th year of service. We now rank in revenues as Canada's eighth largest carrier. We have gone from scheduled services in the last 14 years, where they were something less than five per cent of our revenue, to today they are approximately 50 per cent of our total revenue in the company. We are a worldwide Hercules carrier, and in 1980 introduced our first scheduled services into the central and eastern Arctic. This service we have named the trans-territorial service. It is a direct through service by Lockheed Electra aircraft. It takes five hours from Yellowknife to Frobisher Bay and, as most of you know, previously, around the southern route, it was approximately two days. The frequency of that service two years ago was twice weekly.

In the presentation folder I have enclosed a copy of our advance schedule, effective June 15, 1982, and I would like to draw some comparisons in service schedules in just that short time frame of two years since we introduced service across North of 60. On June 15th, we will be operating between Yellowknife and Rankin Inlet five days a week, Monday through Friday, and continuing service on to Frobisher Bay, two days a week. Our service between Yellowknife and Winnipeg, that was introduced less than a year ago, on June 15th, 1981, non-stop three days a week, is currently operating at five days a week, and from July 4th will go to six days a week with the introduction of a non-stop return Sunday flight. Service to Rankin Inlet...

---Applause

Thank you very much. Service into the central Arctic, which was introduced even more recently, on December 1 of 1981, with two days a week non-stop service from Winnipeg to Rankin Inlet, on June 15th goes to three days a week. The central Arctic will then have flights five days a week between the capital of Yellowknife and Rankin, and three days a week between Rankin and Winnipeg, all non-stop services.

Winnipeg Decision Of The Air Transport Committee

Of particular significance to my appearing here this afternoon is my wish to thank this House, its Members, for the support that we received when applications were made by the Government of Manitoba and the municipality of Churchill in a petition to the privy council to have the Winnipeg decision of the Air Transport Committee stayed, and, as well, support from this House to the Minister of Transport in the matter of an appeal of Calm Air International to have the

same decision rescinded. In that regard, I would like to read to you messages that I received from the Minister of Transport, for the record. "The Minister of Transport has requested that I inform you that the Governor in Council, by privy council number 1982-1387 of 6 May, 1982, dismissed the petitions filed by the Government of Manitoba, Minister of Highways and Transportation, the local government district of Churchill, and the Port Churchill Development Board, seeking a rescission of ATC decision number 6564 of October 8, 1981, in the matter of authority for Northwest Territorial Airways Limited to serve the point Winnipeg, Manitoba, under its licence number 3016/79NS, and at the same time I should advise you the Minister of Transport has certified an opinion to the secretary of the Canadian Transport Commission dismissing the appeal of Calm Air International pursuant to section 25 of the National Transportation Act from same decision."

In the conclusion of the Minister of Transport's finding, I would like to quote the last paragraph: "Taking into account the substantial benefits to be derived by the public from Northwest Territorial Airways' service, the inadequacy of the previous service between Winnipeg and Rankin Inlet, and the uncertain and in any case unlikely tolerable negative impact on Calm Air and Churchill, it is clear that the net benefit to Canada favours Northwest Territorial Airways' service. In addition, I believe the central Arctic has in the past not received air service comparable to that enjoyed by the western and eastern Arctic. The new service provides an opportunity to bring the central Arctic more into balance." From the Hon. Jean-Luc Pepin, Minister of Transport.

Northern Scheduled Air Services

In conclusion, may I share with you some of the principles that we at Northwest Territorial Airways have developed with regard to northern scheduled air services? We service some 14 communities, 12 of which are North of 60. The minimum service to any community is twice weekly. Our objective is to have five days a week to our northern communities. On our June 15th schedule, east of Cambridge Bay, service will be increased to five days a week, Monday through Friday; it is presently four days a week. Service to Coppermine will go from four to five days a week. An Electra service, for the first time, will be implemented between Yellowknife, Coppermine and Holman Island on Saturday, and this will give Holman Island three days a week service that was previously two days a week.

In addition to our objective on frequency, we emphasize connections. On our trans-territorial service across North of 60, we interline with PWA on departures out of Yellowknife, and we interline with Nordair on arrivals and departures out of Frobisher Bay to Montreal. We interline with the local service carrier, First Air, on Baffin Island; we interline with Calm Air in the central Arctic; and, in the western Mackenzie, we interline with CPA on a local service that connects at Fort Nelson, BC; and for those of you in the western Mackenzie, our service along the headwaters of the Mackenzie, the settlements of Wrigley, Fort Simpson, Fort Liard, they are going to two days a week service as of June 15th. So, in addition to frequency, NWT Air has emphasized connections.

I want to thank you very much for sharing with me what I have considered for some years most important to the unity of the Northwest Territories; that is a matter of good air transportation, to remove the isolation and to bring the North closer together as one community. Thank you very much.

---Applause

CHAIRMAN (Mr. Fraser): Qujannamiik, Mr. Engle.

(Translation) Any questions? Mr. Tologanak.

Air Fare Increases In The Kitikmeot Region

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. I am sorry I was not here at the beginning when the president of NWT Air was making his introduction, his presentation to the Assembly. As the Member for the Kitikmeot region, I have some concerns and correspondence and readings with representatives of the communities in the last month and I have received a reply from Northwest Territorial Airways' vice-president in charge of operations.

We have had two increases since Northwest Territorial Airways started providing service throughout the Kitikmeot region. The average increase with the latest air fares, the average I am speaking of, is 31.58 per cent. I brought this to the attention of the people in the Kitikmeot region during the regional council conference because in the past the people in the Kitikmeot have been very supportive of NWT Air and the services that have been provided to them, and any kind of increase the people should be made aware of, and this has happened.

We have had many problems in the past, as everyone is aware, throughout the western part of the Territories, when we had a Twin Otter service which was provided by a firm somewhere in Alberta. NWT Air, Mr. Chairman, operates DC-3 service except to Coppermine and Holman to which they operate a Lockheed Electra. Are there any immediate plans, given NWT Air's commitment in the past, that as soon as the airstrips are upgraded -- and the completion of the airstrip upgrading in Gjoa Haven is to occur in early August -- my question, Mr. Chairman, to Mr. Engle is, are there any plans to upgrade your fleet or will you continue to operate the DC-3 for some time? Also, I received the letter from Northwest Territorial Airways concerning the aviation fuel available in some communities -- aviation fuel 100-130 will be available in Coppermine this summer, and as for Spence Bay, which was one of the other areas where NWT Air was concerned about the high cost of fuel in the Kitikmeot region, I am afraid it will take some time yet, I just want to ask you, sir, since the people have asked in the past and we had meetings with the people in the communities. I would just like to know so that I can report back to the people as well. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Noah): (Translation) Thank you, Mr. Tologanak. (Translation ends) Do you wish to respond now or...?

MR. ENGLE: Yes, Mr. Chairman. I am pleased to respond to Mr. Tologanak. Taking our two year period that I have chosen to review today, 1980 through 1982, we have been operating east of Cambridge Bay for the past two years. We were the replacement carrier for Northward Airlines and in particular reference to those communities east of Cambridge Bay, our fare increases over the two years have averaged 2.5 per cent per year between those communities, I make specific reference to inter-community travel east of Cambridge Bay because one of the commitments that we made in expanding our service in the central Arctic area was to do our very best to contain increases for inter-community travel. On our May 5th fare increase that you referred to, sir, there was no increase in the fares between Gjoa Haven, Spence Bay and Pelly Bay. The average fare increase across our system was approximately 10 per cent.

High Cost Of Aviation Fuel In The North

With regard to aviation fuel, NWT Air is operating in what is likely Canada's highest cost fuel area, the central Arctic coast. For example, the price of aviation 100-130 grade fuel has increased 50 per cent in Cambridge Bay during the past two years. I am very pleased to have your advice that aviation fuel bulk distribution will be available in Coppermine this year. Up until this time, we have been having to bulk tanker by Hercules freighter aviation fuel into Coppermine and as well into Spence Bay and Pelly Bay. In our letter of May 7th, we did request that Spence Bay be given a priority for bulk aviation grade fuel in the earliest time frame and this single item would have the greatest impact in containing air fare increases along the central Arctic coast.

With regard to a replacement airplane, as long as I have been in aviation, and my company has operated DC-3s for over 15 years, I have heard of a replacement airplane for a DC-3 and after 45 years it still is developing scheduled air routes. We have five of them. We are Canada's largest operator of DC-3 aircraft but, indeed, we do have a plan to replace them. The DC-3s are scheduled for replacement in as early as three years and hopefully within five years. We are looking at several aircraft that will be flying very shortly and of particular interest to us is the DeHavilland DASH-8 which is a twin engine, fuel efficient, advanced wing design carrying up to 36 passengers, and indeed it would meet the runway requirements in the central Arctic area. As you recognized, sir, we are now operating the Lockheed Electra, both into Coppermine and into Holman Island.

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

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. I would like to very much welcome and express our gratitude to the witnesses who have come before us today. We fully recognize in the Assembly that you do not have to accept our invitation and I can assure you that we are all very pleased that you have come.

Particularly with reference to Nordair, I would like to observe that in my view, at any rate, one of the problems that has concerned the citizens of the Eastern Arctic has been a lack of information about Nordair's prices and policies and I would venture to say that in recent years, and in fact in recent months -- I like to think partly because of this invitation -- your public relations with the people of my constituency and with, for example, the Baffin Regional Council and just with the public generally, have improved greatly. I believe that sessions like these are very helpful in clearing up misconceptions on both sides.

Frequency Of Nordair's Fare Increases

Having said that, I would like to ask a specific question about the frequency of fare increases. Now, you are aware, Mr. Chairman, that northerners have no notice whatsoever of fare increases. There is no requirement that they be posted or advertised in the North. We usually end up hearing them on the radio on the day they are to take effect. You may wish to comment on that, but in light of the fact that we do not get notice and have no opportunity to intervene or comment on fare increase applications, and of course we do not have any representation on your board of directors, I would like to know why it is that in recent years -- and you will correct me if I am wrong, I am sure -- Nordair has incrementally and regularly increased fares at what I consider to be a significant frequency. My records show that in 1981, in a period of eight months from January to September, there were four increases: 9.8 per cent, 1.75 per cent, two per cent and seven per cent. In the calendar year 1980, five increases: January, March, June, September, November. So far in 1982, we have had two increases: in January, 9.5 per cent; and in March, 1.8 per cent. I find that frequency of increases especially surprising in light of your assertion in exhibit V that fuel costs increases absorbed 80 per cent of your fare and rate increased costs, yet -- and again please correct me if I am wrong -- my understanding is that, at least for your northern flights beyond Frobisher Bay to Resolute Bay and Hall Beach and Nanisivik, that the fuel supplies that you obtain in the North itself are fixed costs all year. Our fuel prices do not increase, although they increase dramatically when the annual resupply occurs.

Now, I think this is not only annoying to the public but I suspect -- I am not speaking officially on behalf of the government by any means -- but I suspect that it must make it extremely difficult for business and for the government, which I am sure you acknowledge as a very large customer, to plan and budget on a year to year basis with these very frequent and unannounced, unexpected increases. So I would like you to comment on why you cannot give more notice and decrease the frequency of increases. I think this is a source of major irritation to my constituents. Thank you.

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

MR. PEIFFER: Mr. Chairman, with your permission, I would like to have Mr. Prinnet answer that question.

CHAIRMAN (Mr. Noah): Mr. Prinnet. I am sorry, I cannot pronounce your last name.

MR. PRINET: My name is Prinnet. With respect to the frequency of fare and rate increases, Mr. Chairman, the frequency has been the same on the southern services as it has in the North. In fact, in one case there was an increase in the South and no increase in the North. There are some of those increases which apply to cargo only, and there are other increases which apply to passenger fares and the reason why there are so many increases is that some apply to passengers and some apply to cargo. You mentioned the price of fuel, and I must say that while in certain communities the price of fuel remains unchanged for sometimes up to 12 months at a time, the government imposes taxes which are scheduled or unscheduled and which we have to pass on. This is over and above the normal purchase price of the fuel, and the taxes apply throughout the system. On the southern points, for instance in Montreal, the price of fuel varies over the years and is not fixed for any period of time.

Advance Notice Of Fare And Rate Increases

You mentioned that you would like some advance notice of the proposed fare and rate increases, and I can very much appreciate your position; I think it is a very good point. We do advertise the fare increases or the cargo rate increases through the media, throughout the northern media as well as in the South. The difficulty is that we are subject to government control, and we have no indication whatsoever as to whether the fare increases will or will not be approved by the Canadian Transport Commission. For us to advertise it a long time in advance is really a gamble which can cause a lot of damage, because if the fare increases are disallowed, then we have to advertise again to correct the first information; but when we do have indications from the Canadian Transport Commission that the fare increases will probably be accepted -- and that happens maybe a week or two or three weeks before they become effective -- then we go ahead and advertise them. I should say that all these fare changes are scrutinized in great detail by the Canadian Transport Commission, and they become effective only when the Canadian Transport Commission is satisfied that they are just and reasonable, and that they should be implemented. This was my answer, Mr. Chairman.

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

Motion To Extend Sitting Hours, Carried

MS COURNOYEA: Mr. Chairman, because of the presentation we are receiving and the many other items of business for the next number of days, I move that we extend the sitting hours to conclude this item before the committee today.

CHAIRMAN (Mr. Noah): Your motion is in order, Ms Cournoyea. It is not debatable. All those in favour of the motion? Opposed? Abstain? The motion is carried.

---Carried

Mr. Patterson.

HON. DENNIS PATTERSON: I would just like to ask a supplementary to that question and response, Mr. Chairman. First of all, has the CTC ever disallowed one of your fare applications? Secondly, Mr. Chairman, could Nordair not let the public know when a rate increase is applied for in order a) to give the public more notice, and b) possibly to allow some public input into that process? Thank you.

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

MR. PRINET: Thank you, Mr. Chairman. The commission has indeed and does frequently reject fare increases or modifies fare or rate changes, or the conditions attached to fares. In fact, we have great difficulty introducing promotional fares or discount fares, because they are scrutinized by the commission, who is very reluctant to accept them, and who imposes what they call "fences" -- for instance, advance booking conditions -- or they impose limits on the discounts. I recall one time when we had to go to Ottawa three times to convince the commission to introduce B class fares on the northern system, because their position was that it was not necessary, and we should not offer discount fares on the northern system. We did not want to be accused of discrimination. We wanted the same fare discounts to apply in the North as they do in the South, and we had a lot of work to convince the commission to agree to it. What was the other part?

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Prinnet. Yes?

MR. PRINET: Sorry, Mr. Chairman. With respect to the advance notice, it is a question which was brought up recently in Igloolik at the Baffin Regional Council meeting, and we have agreed to distribute to representatives of the communities the justifications, or a summary of the justifications, of our fare and rate increases to advise them as to the reasons behind the proposed increases, and we will distribute those documents to the communities at the time when we file them to the Canadian Transport Commission. We already file such documents with the Consumer Association of Canada in Ottawa, and we will extend the distribution list to include the northern communities. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Noah): Qujannamiik. Ms Cournoyea.

Problem Of Filling Southbound Flights To Capacity

MS COURNOYEA: Mr. Chairman, one of the economic dilemmas that the Northwest Territories oftentimes faces, something that both Mr. Engle from Northwest Territorial Airways and the gentleman from Nordair mentioned was that a northbound flight is not really the biggest problem to fill, but the issue generally comes on what do you send out from the North? In some discussions with Pacific Western Airlines recently, I have been assured that they have been reviewing the possibility of having a reduced rate on cargo going north to south, and I wonder if Mr. Engle and the gentleman from Nordair -- and I apologize for not knowing your name -- if you also would be entertaining some discussions that would help the economy of the North, as well as possibly help the air line in filling to capacity, by reducing rates on southbound products perhaps from the non-renewable industry or the renewable resource sector?

CHAIRMAN (Mr. Noah): Qujannamiik. Mr. Peiffer.

MR. PEIFFER: Yes, thank you, Mr. Chairman. With your permission, we do have at the moment a number of commodity rates, as we call them, which apply to service from the North to the South. The concept of introducing these rates -- and we have introduced these rates quite a while ago; they have in fact, been in our tariff for many years -- has been to stimulate southbound traffic that would otherwise not move by air. We have in exhibit II.3 given an example of some of these rates. This is not a complete listing of them all, but you might be interested to see, for instance, that we have a southbound rate for fish and fish products in the anticipation that some efforts would be made to develop some fishery in the North. You will also see that we have special rates for ore samples, southbound, which are intended to stimulate and assist in the resource exploration in the area. You will also see that we have a rate for pelts in the southbound direction. We also have rates for handicrafts and artifacts. So your suggestion is indeed welcome, but we can assure you that we have these rates under continuous review with the very intent to introduce new ones wherever those new rates are expected to stimulate additional traffic. I hope that that has answered the question for Nordair.

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

Discounts On Southbound Rates

MS COURNOYEA: Just to complete the gentleman's answer, could he just refer exactly to what the difference is in those rates comparing south/north with north/south? What is the difference per pound or per thousand weight?

CHAIRMAN (Mr. Noah): Qujannamiik, Ms Cournoyea. Mr. Smith.

MR. PEIFFER: Mr. Chairman, Mr. Smith will answer that question.

CHAIRMAN (Mr. Noah): Proceed, Mr. Smith, please.

MR. SMITH: Just to give you an example on some of the discounts that are given on some of our southbound rates, the general commodity rate northbound is \$2.11 a kilo. The southbound rate for propane cylinders is 40 cents a kilo. The southbound rate for the fish products and the handicrafts is 95 cents a kilo, basically, so you can see the reductions are up to almost one dollar, \$1.25 a kilo off the normal rates.

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

Nordair Policies Versus Air Canada Policies

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. I also am grateful Air Canada is here. Perhaps the gentleman from Air Canada expressed some questions about why he might have been invited or why -- it is a matter of great concern, but let me just explain that my constituents are very cognizant of the fact that Air Canada has a very large majority ownership of Nordair. I believe it is 87 or 78 per cent. I am sure you will give me the correct figure. However, for all intents and purposes, my constituents believe that Nordair is owned by Air Canada; and of course, they are well aware of the more generous policies and practices of Air Canada. Anyone who has travelled from anywhere in Canada on Air Canada to connect with Nordair knows at the baggage counter in Montreal that there is a dramatically different policy on baggage. For example, another matter that is an instance of better service offered by Canada's national air carrier is on freight. Now, to be more specific -- and perhaps I can give this situation as an example of the problems that are concerning my constituents -- last summer, an expeditor from Frobisher Bay made arrangements to bring in via Air Canada DC-8 a substantial amount of freight for a particular construction project that was under way in Frobisher Bay. Now, the DC-8 has a very much larger cargo capacity; I believe it is in the area of 75 thousand pounds compared to 25 to 30 thousand pounds for the 737, resulting in a quoted price -- again, last August -- of 31 cents a pound via the Air Canada DC-8 compared with 60 cents a pound on the Nordair jet.

Now, we understand that Air Canada was prepared to deal with my constituents and fly in this significant cargo at approximately half the price per pound, but that Nordair, which we consider to be, in effect, owned by Air Canada, went to the Canadian Transport Commission, protested that Air Canada had agreed to fly into Nordair's route, and persuaded the Canadian Transport Commission to issue an order forbidding Air Canada to deal with my constituents.

Now, there was a substantial amount of money and costs involved, but it illustrates an issue that my constituents just cannot understand and that is, where that company is owned by Air Canada why cannot Nordair and the people it serves have the benefit of services that Air Canada can offer? Perhaps this example of the DC-8 with its cheaper per pound cargo capacity is a good illustration of the problem. Why can people in Frobisher Bay not -- particularly if they are going to charter a whole aircraft, which was the case in this

construction season -- why can they not see a little co-operation between Air Canada and Nordair, particularly when this is a public airline, Air Canada, financed with public funds, which my constituents believe was established to bring a little bit of equity into the country, to give the more remote regions services and advantages that the larger urban areas might not enjoy? We consider that we are as much a part of Canada as anywhere else and we expect that the national airline should extend some of its benefits to the North, particularly where it owns or virtually owns this regional carrier on which we all depend. May I get a response from -- it really does not matter whether it is the gentleman from Nordair or Air Canada? Thank you.

CHAIRMAN (Mr. Noah): Mr. Casey.

Two Separate Corporations

MR. CASEY: Thank you, Mr. Chairman. A number of issues were raised there and I will try and deal with as many as I can. I thought I had made it clear that in order to get permission from the Canadian Transport Commission to purchase interest in Nordair we had to assure the commission that the two corporations would remain quite distinct and that a competitive relationship would remain. Under section 27 of the National Transportation Act the commission must be assured that an acquisition will not unduly restrict competition or otherwise be prejudicial to the public interest. For that reason, we maintain separate managements and leave Nordair to operate as an independent company.

Now, there has been a policy in Canada for many, many years, in order to protect carriers, that another carrier is not allowed to take charter operations or start scheduled operations into another carrier's area without either the permission of that carrier or the permission of the Canadian Transport Commission. It is a policy known as "route protection". In this case Air Canada was offered business, I believe, into Frobisher Bay. We had to approach the Canadian Transport Commission. They, I believe, approached Nordair and Nordair, using route protection, suggested that they could adequately handle the business. Now, many other carriers in Canada use that same provision. Air Canada, as a matter of fact, has used it against Nordair where we compete in the South on occasion.

The specifics of that incident beyond that I do not know, although I understand that there have been occasions when Nordair has obtained the use of larger Air Canada aircraft for services in the North on a lease basis. The only other thing I can say is that historically, services to the North have been developed and evolved by the regional carriers. Air Canada in the long run may well be interested in serving the North, but at the present time the markets are still so small that we do not believe that a competitive presence is either required or could be sustained. At the point where northern services develop and we believe that competition could be sustained, Air Canada may well at that point be interested or another carrier may be interested, but at the present time we just believe that even to the larger communities in the North we see one, perhaps two flights a day -- there just is not room for another carrier, but we are watching the way transportation systems are developing in this country constantly and the day may come sometime in the future. Perhaps Mr. Peiffer has some comments on the specifics of that case. Thank you.

CHAIRMAN (Mr. Noah): Thank you, Mr. Casey. Mr. Peiffer.

MR. PEIFFER: Mr. Chairman, I can only add one item to that. I think that I am familiar with this particular incident that Mr. Patterson related and it is quite correct that we made use of the route protection clause, as we felt that we had the capacity to handle that charter on our regular scheduled service. We have had a prior incident that may predate Mr. Patterson's history in Frobisher Bay. It goes back about eight years, where we had a lengthy hearing before the

Canadian Transport Commission on exactly that point, namely, what it would do to the regularity of our service if large aircraft were used irregularly to override our service. The commission agreed with us that it would be detrimental to the scheduled regularity of our service and to the economy and viability of the service. We are still convinced that that is so.

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

Reason For Air Canada's Share In Nordair

HON. DENNIS PATTERSON: Just one supplementary, Mr. Chairman, and that would be to the gentleman from Air Canada, Mr. Casey. In light of all that he said about the respect of air lines, including Air Canada, for the territory of regional carriers and their right to compete and survive in their regions, why did Air Canada buy such a large, virtual control of Nordair in the first place then? Thank you.

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

MR. CASEY: Thank you, Mr. Chairman. I believe that the answer to that is that Air Canada viewed Nordair as a viable investment and that was the prime reason for the share purchase.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Casey. I believe Ms Cournoyea asked a question and she is not satisfied with it. Ms Cournoyea.

MS COURNOYEA: A question was put both to Nordair and Northwest Territorial Airlines and I wonder if Mr. Engle could answer the question I asked in terms of the north/south rates and perhaps the special arrangements that he may be making to stimulate economy in the North by providing special concessions?

CHAIRMAN (Mr. Noah): Qujannamiik, Ms Cournoyea. I do not know who would like to answer that. Mr. Engle.

MR. ENGLE: Thank you, Mr. Chairman. NWT Air operates hub-spoke pattern services, where all of its flights originate in Yellowknife and all of its flights return to Yellowknife every day. Over many years NWT Air has developed a truck-air inter-modal cargo service and over 90 per cent of the air cargo, both scheduled and chartered, that originates in Yellowknife travels on the Mackenzie highway by truck. We have a southbound cargo back-haul rate on our trucking affiliate, Northwest Transport. We do not have commodity rates developed in the manner that Nordair has. The net effect, however, is that, for example, a shipment travelling from Coppermine to Edmonton would benefit substantially on the inter-modal truck-air back-haul rate.

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

Excess Baggage On Northern Routes

MR. KILABUK: (Translation) I would like some clarification. I want to make sure going from Ottawa to Montreal there is no payment, but from Montreal to Frobisher you have the same stuff and they have a regular charge for it. I cannot understand it from Nordair. How come, in the southern route, there is no charge for the excess baggage but when you are flying from Montreal to Frobisher, there is an excess baggage charge? Thank you.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Ipeelee Kilabuk. Mr. Peiffer.

MR. PEIFFER: Mr. Chairman, I regret that I did not understand the question. Can the interpreter please repeat the question?

MR. KILABUK: (Translation) Mr. Chairman, I will give it slower. My question is to Nordair. I usually use Nordair every year. I go from Montreal to Ottawa and from Ottawa to Montreal. When I have overweight luggage, in Ottawa there is no charge for it to go to Montreal, but after an overnight stop in Montreal there is a charge for the same stuff on Nordair. I cannot understand it. My question is, is the Nordair policy different for southern routes than for the routes in the eastern Arctic? Is that more understandable, Mr. Chairman?

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Kilabuk. Do you have the question now, Mr. Peiffer?

MR. PEIFFER: Thank you, Mr. Kilabuk. I am sorry I asked you to do that again for me. I really did not understand it the first time. The answer to your question is this: We do not use the concept of two pieces of luggage on our northern service. On our northern service, weight on the aircraft is critical and we allow only a certain amount of weight to move free, whereas on our southern services, where weight is not critical, we use the same concept as Air Canada does, and that is that you carry two pieces of luggage no matter what size they are.

I would like to give you a little bit of an example on why we are doing this. The northern passenger on the average carries a substantially larger amount of luggage, and I would just suggest to you that, for instance, if -- I know that does not apply to you personally -- but when you move people who are working on a drill ship with their 200 pound tool boxes, you will understand that they charge for those 200 pound tool boxes because the weight on the aircraft on the northbound service is absolutely critical. So we say you can carry 40 pounds but no more than that. So when you come from Ottawa to Montreal, you are the beneficiary of the fact that we allow you two pieces but in Montreal the thing changes and we say, "From now on, you are only allowed 40 pounds", so you unfortunately end up paying us for the excess baggage. That is the reason.

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

Cost For Excess Baggage Exceptionally High

HON. DENNIS PATTERSON: Mr. Chairman, I would like to ask a supplementary to that one. Now this issue of the excess baggage charges is really a source of real concern to people in the North. It is true that people do carry a little extra baggage especially when they are coming back from an annual visit to the South but that is because you cannot get so many things in northern communities and people like to bring fresh vegetables and shopping items, other grocery items. We accept, or at least there is some acceptance, that weight is crucial with a plane that is utilized fully in cargo capacity, but what I do not understand is why we pay through the nose. Now, if our extra box is replacing comparable freight, I think you are charging -- I believe that the general commodity rate is around \$2.75 a kilo -- I am sorry, you are saying no. Well, at any rate, I can assert this -- and I just took a trip to Frobisher from Ottawa and I noted down what I had to pay for the few extra groceries that I brought home: \$3.43 per kilo to begin with for every kilo over 22, and on top of that, I had to pay eight dollars for every piece of baggage.

Now, when I climb on Mr. Engle's air line in Yellowknife, I am charged a flat \$10 for every piece over two, and PWA, which brought us up here, also has a similar policy of a flat rate over so many pieces. Now it seems to me that you are not only recovering what you might have been able to gain in freight, which I think reasonable people can accept, but you are recovering much more and, from my two little boxes which totalled 22 kilograms, I ended up paying \$91.47; \$16 for the eight dollar per piece charge, and \$3.43 a kilogram. It seems to me that you are recovering far more than you need to recover to make up for lost freight weight.

The other thing is, do you really reduce the cargo capacity of the plane in light of excess baggage? I know that I have never been asked to let a piece of excess baggage wait until the next flight when I check in 20 minutes or half an hour before the flight time. I do not mean to be suspicious, but I find it amazing efficiency if one of your cargo people is taking 30 pounds of cargo off the plane when I show up at the counter 20 minutes before take-off or half an hour before with a 20 or 30 pound excess bag. So these are the questions my constituents really want me to ask. It is a very, very emotional issue.

I even have a letter from one constituent who has a letter -- and really this is something you would not wish to endorse -- he has a letter dated January 30, 1981 from Mr. Paul Pelletier, assistant vice-president, customer service. This man was charged not just for excess baggage in his checked baggage but his carry-on baggage was weighed as well and this letter of January 30 says: "Due to weight restrictions on northern flights, we weigh both checked and carry-on luggage. This policy should have been enforced uniformly. If it was not so, we thank you for bringing this irregularity to our attention." So I would like some responses to these issues, Mr. Chairman. Thank you.

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

MR. PEIFFER: Mr. Chairman, firstly I would like to say that the convention is that excess baggage is charged as a percentage of the passenger fare. You may be right; maybe we should be looking at that, but that is a convention and we are not the only air line that does that. All air lines that still use the weight concept do the same thing.

Carry-On Hand Luggage

The second item. You were saying that you would be surprised at the efficiency of our loading crews if indeed we were able to replace 30 kilograms of cargo with hand luggage or luggage in excess that is carried on the aircraft. The fact of the matter is that that is indeed so. We do have cargo normally standing by which we use to top up the aircraft to get the full available payload to us. If the weight of the passengers plus their luggage indicate that we cannot take a certain amount of that, then that is the way it is. We have, in fact, loaded cargo up to the last 15 minutes on our airplanes and we intend to continue to do so.

I do not know the exact nature of the charges and I do not know about the letter that you have mentioned from Mr. Pelletier. I do know that the carrier regulations prescribe that hand luggage carried on board the aircraft is restricted to certain articles and I myself have had the same experience -- boarding an aircraft with more than what is prescribed as the hand luggage. I found myself having my luggage weighed, so that is not unusual.

To the extent that this is repulsive to you, and I think you said yourself that it is an emotional issue, I am inclined to agree with you and probably it is repulsive particularly when you end up your holiday on a cheerful note going north, and when you are probably short of money anyway by this time after two weeks or three weeks in Hawaii or wherever it was that you have been and then you end up having to pay \$80 to get your luggage up there and your pineapples and oranges that you are taking. Let me assure you that I will look into that and we will discuss that with our tariff people as soon as I get back. Thank you.

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

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. I wish I could afford to go to Hawaii. Someone passed me a note suggesting that Nordair cut down on its fuel at the last minute and hope for a tail wind when too many passengers get on with excess baggage, and I am sure that is not the case. We have great faith in the safety record of Nordair.

More Equitable Means Of Calculating Excess Baggage Charges

But seriously, Mr. Chairman, to pursue this matter a little further, I would like to just ask Mr. Peiffer if he does agree that perhaps a more equitable means of determining the excess baggage charge -- particularly when you consider the length of the runs to the North and therefore the rather high air fares -- a more equitable means of calculating excess baggage charges, in view of the fact that the rationale for the air line charging that is loss of freight revenue, would be to relate that excess baggage charge more to what the air line might be able to recover in the equivalent weight in freight rather than the other mode of a percentage of total fare. I think air lines must be very free to impose different rules on their passengers. I find, and I do not mind saying it here, that the NWT Air policy which -- because of the distance which makes the shipment of freight from Yellowknife to Frobisher Bay a very, very expensive proposition -- simply saying, "Okay, we will charge a flat rate of \$10 a package", is probably giving the air line business, that it might otherwise never have. Those of us who travel regularly can bring a box of fresh meat or fresh milk or things that are not so obtainable in the East. So do I take it, Mr. Chairman, that we have a commitment from Mr. Peiffer that this business of the formula for excess baggage is something that the board will review and we may hear that the policy may be made a little more favourable? I can assure you that the dividends in public relations and perhaps business would be enormous. Thank you.

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

MR. PEIFFER: Yes, Mr. Patterson, you have that commitment. Mr. Prinnet would like to add to my answer.

MR. PRINET: Yes, Mr. Chairman, I just wanted to say that I think it is a very valid point and we will look into it when we get back to Montreal and see how we can improve this policy. I appreciate your comments and I appreciate your concern and we will certainly look into it as soon as we get back to Montreal. Thank you for bringing it up.

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

Children's Fare Up To 12 Years Old

MR. EVALUARJUK: (Translation) Thank you, Mr. Chairman. I would like to ask a question. It might not be done by Nordair or other air lines. Maybe it is a task for Canada. Why is the children's fare only up to 12 when they cannot work and pay for their own air fare? That is something I would like to find out. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Noah): Mr. Prinnet.

MR. PRINET: Thank you, Mr. Chairman. The definition of children age is common to all the carriers and throughout the industry and the limit has been set at 12 years, I believe, because of weight. I think there is a Ministry of Transport regulation which allows children up to a certain age, and I do not know what it is, to share a seat. The discount on children is based on the average weight of a child and it is a standard limit throughout Canada and for all the carriers and that limit is 12 years old.

CHAIRMAN (Mr. Noah): Qujannamiik. Mr. Tologanak.

Air Freight Into Cambridge Bay

HON. KANE TOLOGANAK: Thank you, Mr. Chairman. Earlier I was talking about the average percentage increases. These average increases I mentioned, 31.58 per cent, are made up over the following, and I based them out of Cambridge Bay into Coppermine, Gjoa Haven, Pelly Bay, Spence Bay and Yellowknife. So I just thought I would make that clear for the record and I mentioned the difference in percentages between myself and Mr. Engle.

Also, the other part I wanted to touch upon was the air freight from Cambridge Bay -- I am basing this from Cambridge Bay again -- an increase from \$2.22 per kilogram from Cambridge Bay to Pelly Bay. That was the price. Can you confirm for me, sir, that this is in fact going to \$2.44 per kilogram from Cambridge Bay to Pelly Bay? Do you have those rates available because I got this information third hand and shortly after that I would like to make some closing remarks on my part. Thank you.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Tologanak. Mr. Engle.

MR. ENGLE: Mr. Chairman, in reply to Mr. Tologanak's question, the fare increases, including cargo and passengers, on May 5th was an average 10 per cent throughout our system. The cargo fare from Cambridge Bay to Pelly Bay after the increase is \$2.44 a kilogram or \$0.062 per kilogram mile. To further explain our fare increase, the fares to Cambridge Bay from Coppermine and from Yellowknife had an average 10 per cent fare increase and when I referred to an average 2.5 per cent increase for each of the past two years and no increase on May 5th, that would have been between the settlements east of Cambridge Bay, the settlements of Gjoa Haven, Spence Bay and Pelly Bay, for which there was no increase at the last fare filed.

CHAIRMAN (Mr. Noah): Mr. Tologanak.

HON. KANE TOLOGANAK: Mr. Chairman, I just want to conclude my remarks as a Member. I would like to thank the air lines for coming on my own behalf, Mr. Chairman. Other people may wish to ask more questions and make comments, but I guess the biggest complaint to the air lines these days is the change in the value of the ticket that goes over the counter and the cargo that is presented to the air carrier. This complaint from the consumer about air travel and the change in the value of the tickets and air cargo is basically a complaint that they have very little information to allow them to be satisfied that rate increases are justified. I think Mr. Casey can confirm for me that their pricing formula is available to the public and perhaps we, as people who live in a very high cost territory for anything that we consume, we should encourage the local air lines so the people understand that their pricing formula would be available to the public. I think that most air lines do know the ground site costs of their operation and the aircraft operating costs. I think this information being available to the people in the communities would make things a lot easier, not only for them but also for the consumer in understanding the high cost of travel these days. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Noah): Qujannamiik, Mr. Tologanak. Are there any more questions? Mr. Patterson.

Use Of Larger Volume Aircraft

HON. DENNIS PATTERSON: Mr. Chairman, I guess I am concerned about concluding the issue of the larger volume aircraft and the savings that can be afforded by using a DC-8. I am aware that Nordair has retired its DC-8 fleet. What is available, I will say through Nordair, in light of the route protection issues that have been explained by the representative of Air Canada -- what might be available in the way of the savings that result from the larger volume aircraft to a shipper in the North who might wish to ship a large volume? Is Nordair willing to at least lease the services of other air lines that might be able to provide larger aircraft and therefore more volume savings? Thank you.

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

MR. PEIFFER: Mr. Chairman, first let me address the remark by Mr. Patterson regarding the retired two DC-8 aircraft that we own. These aircraft are DC-8 52s and have a very poor performing engine in terms of fuel economics. These aircraft are retired because of that. The fuel consumption on these aircraft

is excessive and they are, furthermore, not cargo aircraft. To modify these aircraft as cargo aircraft would cost substantial amounts of money and it is like installing a Rolls Royce engine in a 1973 Chevrolet. You just do not do that.

As for other aircraft being available to accommodate sudden surges in cargo, I think that you are aware that we have, in fact, made arrangements, both with Mr. Engle some years ago and off and on for his Hercules 200 aircraft, with Air Canada on the odd occasion and, in fact, only last March we had a surge of cargo and we used a DC-8. However, we took a good look at the actual final cost of this charter and you probably will be surprised to find that we really did not beat our own unit total price with that, because the aircraft had to be hand loaded because of the complexity of the cargo, there was a very high demurrage charge involved and it was a very high handling charge. By the time we had it all added up we would have been just as well-off to fly the stuff on the 737.

As for a look into the future, Mr. Patterson, we do honestly believe that for the volume of traffic that exists at the moment on most northern routes, the Boeing 737 200 aircraft is still the most economical machine in the long run and that it will be some time before an aircraft will come around that offers just that little bit of extra weight. You really do not want to double the capacity, because if you double the capacity you have to cut the frequency in half and we had a good look at the Boeing 737 300 series aircraft. This aircraft, so far as we know now, will not be gravel certified and otherwise we cannot use the aircraft on gravel strips north of Frobisher Bay because the engines are even lower than they are on the Boeing 737. We have had a look at the 727 200 series aircraft and find that in the cargo version it is too expensive and, in fact, any new aircraft at this particular time in our careers we find is too expensive. I do not think I would want to make any predictions, but I do not think that you will see Nordair -- and I go as far as to include some other carriers too -- buying any new airplanes for the next couple of years; not as long as the interest rates are what they are.

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

Guaranteed Volume Rates

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. On the subject of freight rates, I heard with interest the assertions that, in fact, Nordair is offering a substantial discount on its food rate and I think that is certainly appreciated by customers in my constituency, at least, but I wanted to ask this: Is it not true, Mr. Chairman, that because you have a very significant portion of your cargo that is covered by guaranteed volume agreements -- I know that the Government of the Northwest Territories, for example, has such an agreement in their supply and services department and it involves a substantial volume of freight -- is it not true that a very significant volume of your northern freight would fall into this category and that you may thereby have significant savings in handling costs and in the costs that would be associated with delivering smaller pieces of freight and that therefore your normal general commodity rate is actually a premium rate? Is that a fair suggestion? Thank you, Mr. Chairman.

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

MR. PRINET: Thank you, Mr. Chairman. You are quite right that there are some guaranteed volume rates and you will recall that they have been listed in one of the exhibits and they are published and they are guaranteed volume rates which offer some discounts, but the guaranteed volume rates apply regardless of how the shipments are moved and we could end up with some small shipments on certain flights and very large shipments on other flights. As long as the total

shipment for the year is over a certain amount of kilos, then there are discounts available, but this is a discount which is calculated off the regular cargo rate. The regular cargo rate is not a premium rate. There are some discounts available from the base rate, the normal, standard rate, and the guaranteed volumes rate is one example of the type of discounts available from the regular rates, and the special commodity rate is also another example of this kind of discount. Thank you, Mr. Chairman.

CHAIRMAN (Mr. Noah): Qujannamiik. I have Mr. Patterson and Mr. Evaluarjuk. Mr. Patterson.

Proposed Air Policy On Scheduled Air Transportation

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. I do not want to monopolize the floor here, but I understand -- and pardon my ignorance, but I do not know very much about this; I recall reading something about it briefly in the newspaper -- that the Canadian Transport Commission has recently announced a new policy for dealing with northern services that would consider northern air line services in a different manner than has been previously done. It amounts, as I understand it, to a new zoning system or a new sector system for the Canadian Transport Commission and since those representatives were unable to be here I wonder if any of the representatives or perhaps particularly Mr. Engle might be able to enlighten us on the implications of this new development and whether as representatives of the public, we should have any concerns or interest in this new area? Thank you.

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

MR. ENGLE: Thank you, Mr. Chairman. I believe what Mr. Patterson is referring to is the proposed air policy on scheduled air transportation, by the honourable Minister of Transport. I understand this to be a white paper that has been presented to the air industry, the consumers, to the Members of Parliament. I participated in an industry appearance before the standing committee on transportation for the House of Commons in February to comment on the proposed air policy and particularly on how it would affect the North. Part of the proposed new policy was to reduce the number of regions in Canada, referring to regional carriers like Nordair, Pacific Western, Quebec Air and Eastern Provincial Airlines, and formerly Transair, to reduce from the present four to two regions in Canada. The region in western Canada would be west of a line between Winnipeg and Resolute Bay and to Vancouver, and eastern Canada, would be east of a line between Winnipeg north to Resolute Bay and east to the Atlantic, which would have the effect of having three carriers in the eastern region and Pacific Western in the western region. I took exception that the Minister did not go far enough.

The existing regional air carrier policy, enunciated by Mr. Pickersgill in 1966, established a responsibility for the regional carriers within their region and to and from the North, but in that policy, which is still the policy today, there was no statement with regard to within the North and with respect I recommended to the standing committee the further extension of the Minister's proposal of a western and an eastern region, that there be a third region in Canada, a northern region, being that part of Canada north of the 60th parallel. The findings of the standing committee have been published. It is my understanding that there has been no further statement from the Minister with regard to the new policy or amendments to his proposed policy as of this time.

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

Frequency Of Flights Into Hall Beach

MR. EVALUARJUK: (Translation) Thank you, Mr. Chairman. I do not have very much to say. I will be brief. I know that the Nordair people were over in Igloolik. They were holding a hearing. I thought I recalled that they would be going into Hall Beach once a week. At the moment, Nordair is coming into Hall Beach twice a week. Sometimes we would have to wait for a week. Is this true or false?

CHAIRMAN (Mr. Noah): Mr. Prinnet.

MR. PRINET: Thank you, Mr. Chairman. We have no plan on changing the frequency of our flights at Hall Beach. We have been offering two flights per week to Hall Beach for a number of years. This is the schedule that we now have, and we intend to continue, and our schedule calls for two flights per week to Hall Beach and now three per week to Resolute Bay; and two flights per week to Nanisivik, and this is the schedule that we intend to continue for the time being. Thank you.

CHAIRMAN (Mr. Noah): Qujannamiik. I wonder why NWT Air does not fly to Baker Lake? Mr. Patterson.

HON. DENNIS PATTERSON: Thank you, Mr. Chairman. I just have really one more question. I would like to once again thank the representatives for coming here. It is unfortunate that the Canadian Transport Commission could not have been here as well, or we would have had a real opportunity to learn a lot about these issues; but I am very grateful for the presence of all three air lines, and can assure the representatives that it has been informative to myself and I am sure the public of the Northwest Territories. I look forward to continuing opportunities for clarification of these issues with the public. I think Nordair particularly has embarked on an improved public relations campaign, and it really is welcome, and I think in their interest and in the public interest. A final question to Nordair, Mr. Chairman. I am delighted you are willing to give serious consideration to taking another look at the excess baggage policy which I am pleased you have admitted may be a little strict. Might we expect a decision to be announced when the board meets in Frobisher Bay this June? Thank you.

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

MR. PRINET: Thank you, Mr. Chairman. We will get back to you by then, and we will make the announcement when the board meets in June in Frobisher Bay.

CHAIRMAN (Mr. Noah): Thank you. Are there any more questions? I would like to thank the witnesses, Mr. Casey, Mr. Peiffer, Mr. Prinnet, Mr. Smith and Mr. Engle. Thank you very much.

---Applause

We shall now report progress.

MR. SPEAKER: Mr. Noah.

REPORT OF THE COMMITTEE OF THE WHOLE OF THE EASTERN ARCTIC AIR CARRIERS'
POLICIES, PRICES AND SERVICES

MR. NOAH: Thank you, Mr. Speaker. Mr. Speaker, your committee has been considering the Eastern Arctic air carriers' policies, prices, and services, and wishes to report this matter concluded.

MR. SPEAKER: Thank you, Mr. Noah. The sitting hours for tomorrow will be 9:30 until 11:30 a.m., 1:00 until 6:00 p.m. Are there any announcements from the floor? Mr. Appaqaq.

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. I have some information to pass on, which is good news. In the Baffin, they have been informed that I was out of the Legislative Assembly. The CBC has been saying I have been ill. I do not wish to hear any more of this matter any further.

MR. SPEAKER: Are there any further announcements? Mr. Clerk, announcements and orders of the day, please.

CLERK OF THE HOUSE (Mr. Remnant): Meetings tomorrow, Mr. Speaker. There will be a meeting of the special committee on constitutional development at 11:45 a.m. in room 101 of the Eskimo Inn. At 8:00 p.m. tomorrow in the small Family Hall, a meeting of the standing committee on legislation.

ITEM NO. 14: ORDERS OF THE DAY

Orders of the day, Thursday, May 20, 9:30 a.m.

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: Tabled Document 2-82(2); Bills 1-82(2), 2-82(2), 3-82(2), 4-82(2) and 5-82(2); 16th Report of the Standing Committee on Finance
14. Orders of the Day

MR. SPEAKER: Thank you, Mr. Clerk. This House stands adjourned until 9:30 a.m., Thursday, May the 20th.

---ADJOURNMENT

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