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

# LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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TABLE OF CONTENTS

25 February 1983

	<u>PAGE</u>
Prayer	593
Ministers' Statements	
- On Payment of Honorariums to Councillors in Sanikiluaq	593
Tabling of Documents	593
Second Reading of Bills	
- Bill 20-83(1) Wildlife Ordinance	594
Consideration in Committee of the Whole of:	
- Bill 1-83(1) Appropriation Ordinance, 1983-84 - Department of Public Works	594
Report of the Committee of the Whole of:	
- Bill 1-83(1) Appropriation Ordinance, 1983-84	621
Orders of the Day	621

YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, FEBRUARY 25, 1983

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. Dennis Patterson, Mr. Pudluk, Mr. Sibbeston, Mrs. Sorensen, Hon. James Wah-Shee, Mr. Wray

ITEM NO. 1: PRAYER

---Prayer

DEPUTY SPEAKER (Mr. Fraser): Item 2, Members' replies.

Item 3, oral questions.

Item 4, written questions.

Item 5, returns. Item 6, Ministers' statements. Mr. Wah-Shee.

ITEM NO. 6: MINISTERS' STATEMENTS

Minister's Statement On Payment Of Honorariums To Councillors In Sanikiluaq

HON. JAMES WAH-SHEE: Mr. Speaker, I wish to respond to the question raised by Mr. Appaqaq about the discussion between the Department of Local Government and the hamlet of Sanikiluaq about the payment of honorariums to their councillors. I am advised by the department that the hamlet has a by-law in place which provides for honorarium payments. Approximately one year ago the regional office in Frobisher Bay pointed out to the hamlet council that they were paying honorariums in excess of the payments allowed under their by-law. The regional office advised the council, however, that this discrepancy could be corrected by the passage of a new by-law to provide for increases in the honorariums. To date, the department has not received a new by-law from the hamlet council. Department of Local Government staff visited Sanikiluaq last week, and in meetings with the hamlet council on a number of items also provided advice on the formal procedure necessary to amend the honorarium by-law. I understand that at the time the hamlet did not request further assistance in this matter, but the department is prepared to provide assistance in expediting the formal approval of a new by-law when it is received from the hamlet. Thank you.

MR. DEPUTY SPEAKER: Thank you, Mr. Wah-Shee. Item 6, Ministers' statements.

Item 7, petitions.

Item 8, reports of standing and special committees. Item 9, tabling of documents. Mr. Wah-Shee.

ITEM NO. 9: TABLING OF DOCUMENTS

HON. JAMES WAH-SHEE: Mr. Speaker, I would like to table Tabled Document 15-83(1), Department of Local Government Budget Review Statement Regarding Assistance to Impact Communities.

MR. DEPUTY SPEAKER: Item 9, tabling of documents.

Item 10, notices of motion.

Item 11, notices of motion for first reading of bills.

Item 12, motions.

Item 13, first reading of bills. Item 14, second reading of bills. Mr. McCallum.

ITEM NO. 14: SECOND READING OF BILLS

Second Reading Of Bill 20-83(1): Wildlife Ordinance

HON. ARNOLD McCALLUM: Mr. Speaker, I move, seconded by the honourable Member for Yellowknife North, that Bill 20-83(1), An Ordinance to Amend the Wildlife Ordinance, be read for the second time. The purpose of the bill is to amend the Wildlife Ordinance by repealing the sealed firearm provisions for camps and wildlife sanctuaries; to include the eggs of wildlife in the definition of wildlife; to make it unlawful for a person, other than a resident, to hunt without having a licence on his person; to prevent any person from wasting certain wildlife; to allow hunters to remove sex organs from the hide; and to authorize the use of forms of licences, permits, and other documents approved by the superintendent.

MR. DEPUTY SPEAKER: All those in favour? Down. Opposed? Bill 20-83(1) has had second reading.

---Carried

Item 14, second reading of bills. Item 15, consideration in committee of the whole of bills, recommendations to the Legislature and other matters.

ITEM NO. 15: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS, RECOMMENDATIONS TO THE LEGISLATURE AND OTHER MATTERS

Bill 1-83(1), Appropriation Ordinance, 1983-84. Bill 6-83(1), Bill 7-83(1), Bill 8-83(1), Bill 9-83(1), Bill 10-83(1), Bill 11-83(1), Bill 12-83(1), Bill 13-83(1), Bill 14-83(1), Bill 15-83(1), Bill 16-83(1), Bill 17-83(1), Bill 18-83(1). We will move into committee of the whole with Mr. Pudluk in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-83(1), APPROPRIATION ORDINANCE, 1983-84

Department Of Public Works

CHAIRMAN (Mr. Pudluk): Now this committee will come to order. Page 10.01, Department of Public Works. I wonder if Mr. McCallum would like to make opening remarks. Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, hopefully I will be very brief in terms of opening remarks regarding the Department of Public Works, which is responsible for the design, construction, acquisition and maintenance of all buildings, works and equipment acquired and owned by the Government of the Northwest Territories. The department is also responsible for the maintenance of roads in the Territories and is now in the process of assuming responsibility for road reconstruction and new highway construction. The O and M budget for the department to carry out these responsibilities for 1983-84 is approximately \$80 million, and the capital program which the department will undertake for other territorial departments and the federal government, approximately \$50 million.

The department has prioritized certain particular areas for the coming year and I would like to very briefly refer to those. One of the major areas of priority would be improved planning and management for more effective and efficient use of the resources that we would have and the total responsibility of the department. One of our goals is to improve the capital project management responsibility in the department through the expansion of the role of the regional Department of Public Works and the management of construction projects, provision of guidelines to assist client departments in developing their capital program, and improving the co-ordination of all agencies involved. We hope to develop and implement a new maintenance management program for buildings, works and equipment to eliminate the need for any premature or expensive replacement, and to prioritize an effective implementation of the transfer of highway reconstruction from the federal government. This is an important step in the further development of responsible government in the Northwest Territories.

The development and implementation of energy conservation standards and practices which will reduce the demand for energy for heating and electrical purposes for territorial government buildings and works is another priority. We hope to improve our property management practices through the decentralization of certain responsibilities to the regional DPW and improvement in the overall management of the property management function. We have had some requests to even involve the public sector in this particular area.



The improvements to the ferry system and the NWT road system under our northern conditions have been well noted this past year -- the changes to the Merv Hardie ferry in 1982-83 were a very important factor in extending the ferry service on the Mackenzie River at Fort Providence to January 18th this year when the ice bridge was up to full capacity. It should be noted, Mr. Chairman, that this extension saved the businesses and residents of Yellowknife and Rae-Edzo approximately one and a half million dollars.

#### Utilizing Local Contractors, Labour And Materials

The development of business opportunities for small territorial-based companies related to highway maintenance will continue with local companies assuming responsibility for the maintenance of various parts of highways and highways in general, specifically the Liard Highway and sections of the Dempster Highway. The band at Liard continues to have success in their contract; at Fort McPherson there are negotiations under way with regard to the Dempster Highway and local contractors. The winter roads are being maintained as well and we hope to even enhance that in future years.

Particular emphasis will be given in the coming year to development of approaches and local capacity of communities to take part in the construction of buildings and works, and the Department of Public Works and the other departments of the government recognize that in times of high unemployment and restraint there is a need to use local companies in construction projects to the fullest extent. We hope to be providing working project engineers to particular projects that come up and to use local labour and purchase materials locally as well. Some examples where this has gone on are the Cape Dorset recreation building and the Spence Bay hamlet office/firehall.

In this coming year we will give special attention to training in both maintenance of buildings and works and construction to provide local persons with skills that are formally recognized and do it in conjunction with the Department of Economic Development and Tourism, Manpower, as well as the Education department.

One other area that I would like to just briefly deal with is the area of energy conservation and the success we have had with the NCPC and the heat exchange from power plants. We have good examples where this is being used; in Lac la Martre, the school; and the community recreation area in Pelly Bay where little or no fuel is used in these buildings to date. I think it is something that the department and the government will be looking at more and more in other communities as well.

There have been certain particular problems associated with the forecast for the Department of Public Works attempting to identify volume increases and to identify the problems or issues that will have major financial implications. There are three or four areas that we are concerned with and basically, with the maintenance of our buildings and works, the operation and repair of equipment. Our energy conservation, as I have indicated, is of a particular concern to us. We are attempting to ensure that cost effectiveness and maximum use is being made of the many federal funding sources that are made available to us.

In our leases we will be attempting to formalize our policies more, governing the office space allocation. A policy is now before, or soon to come to the Executive Committee which proposes standards for office space allocation for all position types within the Territories and a process for assigning priority requirements. A policy governing the leases of office space is now being developed as well.

The funding for the acquisition and operation of ferries and related facilities has to reflect the special design features for difficult operating conditions for the particular climatic area that we live in. We have commissioned significant renovations to the Merv Hardie and there are dredging activities that will be carried out to extend the Mackenzie Highway crossing. Renovations to the MV Louis Cardinal are planned to meet the design features appropriate for this particular climate in the area and the dredging operations are to continue, to improve the service.

Capitalization of Public Works positions and funds have complicated our budget development to some extent but we have developed a proposal within the department to address this issue and it is coming before the Executive Committee.

#### Programs Transferred From The Federal Government

There is some concern that we have within the department, as well as within the government, with immediate and future impact of programs that are transferred from the federal government to the territorial government, not the least of which is highways. We, as a department through the government, have stated a position to the federal government to the extent that we want to be

involved with the highways in total and develop a full responsibility over a number of years. The decentralization process continues with the department. We have a regional project management section separate from the normal regional Public Works operation and maintenance to undertake minor capital construction projects. This is in a response to the demands that are being made of the department and the government in the regions.

Our overall plan of action will be undertaking the necessary planning and other work that will be required to address all the issues that I have talked about and identified. We will not be in a position, as a department, to present well-defined strongly documented support to additional resources unless we can resolve the particular issues. We are basically a service department and growth within the department must keep pace with the growth in the requirement of plant needs for the programs and services of this government. I have nothing further to add to any opening remarks, Mr. Chairman. We would be open to proceed with the budget itself, and I will ask if I may have the deputy minister, Mr. Elkin, come in as a witness with me at this time.

CHAIRMAN (Mr. Pudluk): Thank you, Mr. Minister. Does this House agree to invite Mr. Elkin to be a witness?

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Thank you. I would like to welcome Mr. Elkin into this House. The Department of Public Works, general comments and questions. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, is the Department of Public Works in the business of representing the trucking firms that secure running rights on the major highways in the Northwest Territories, coming in from the Yukon? Is this department setting policy dealing with the other provinces in issuing running rights?

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

HON. ARNOLD McCALLUM: Mr. Chairman, it is not the Department of Public Works that does that. I have responsibility for the Highway Transport Board, but it is not the department.

CHAIRMAN (Mr. Pudluk): General comments and questions. Mr. Wray.

#### Hiring Of Local Labour

MR. WRAY: Mr. Chairman, can the Minister tell us what the Department of Public Works policy is with regard to contracts which they give out and the hiring of local labour under those contracts?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I very briefly referred to that in my opening remarks when I was talking about the kinds of things that we see that have to occur in improving the management of any project that we take on for a client. I indicated that we would hope to be able to modify the approach that we have taken in the past with the contracting for construction projects, that we would be involved with the project management, that we would want to deal with ensuring that local labour is used as much as possible, and that materials through northern businesses are used in any of these projects. I indicated that there have been some good examples of those. I referred to the recreation building in Cape Dorset and the Spence Bay hamlet office. I can indicate a further one at Breynat Hall where the department was involved but there was a maximization of benefits to local people both in the use of skilled and unskilled labour and with the purchase of materials from the area where possible.

We provide a preference under the northern preference policy. It is based on the principle that northerners should receive every opportunity to benefit from the dollars that are spent in the North, specifically by the Government of the Northwest Territories. At the same time, we have to make sure we are getting value for goods and services. We hope that we would be able to continue that, that we would apply certain standards of performance to all businesses that provide service to the government, and that we treat fairly and consistently the businesses that do have business with the Government of the Northwest Territories.

CHAIRMAN (Mr. Pudluk): Thank you. General comments and questions. Mr. Kilabuk.

Water Tank At Pangnirtung School

MR. KILABUK: (Translation) Mr. Chairman, I am just going to make a very brief comment. Is DPW responsible for looking after the heating and the maintenance of the schools in the local areas? In Pangnirtung they were renovating some houses and they did this in order to save energy costs. It did make a lot of difference, over the last year we have been saving a lot of fuel and energy. But you may not have been informed, and I had not been informed as well, that our school at Pangnirtung has a problem right now. There are a lot more students going to school and they usually use the gym. The water tank at the school is too small; the capacity is only 500 gallons. Therefore they are not able to take showers after physical exercises. They have to deliver water twice in the evening in order to keep up. Our children and the youngsters at Pangnirtung have been dissatisfied that there is not enough water to be used at the school. Maybe if you could try and get something under way to resolve the problem, it would be of great benefit to the residents of Pangnirtung if we could provide a suitable water tank over at the school. I think it should be taken into serious consideration to resolve this problem. It would seem to me that the water is contaminated as it is usually a brown colour. I was talking to the engineers there, and the managers, and they agreed with me that it is not suitable to be used. They feel that a bigger tank should be put in. I think that you will probably get proper correspondence with regard to this. The school principal will write asking if you would be able to do something in this matter. Thank you.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, we will make sure that the problem the Member mentions is raised with the regional DPW to see if something can be done about it.

Total O And M, Directorate

CHAIRMAN (Mr. Pudluk): Thank you. General comments and questions. Page 10.02, directorate, \$3,669,000. Mr. Wray.

MR. WRAY: Mr. Chairman, under this heading I notice that under salaries and wages there is an increase of approximately 34 per cent over last year and the number of person years is a 41 per cent increase. Could the Minister explain why there is such a major increase in wages and in person years? It seems that under the so-called six and five program these increases should not be allowed.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, the Member indicates an increase in salary and wages of approximately \$900,000. I think he is talking about the increase of 15 man years, that is in continuing man years. I think if the Member will look at page 10.04 he will see that there is a reduction of six man years in operations, repair and upkeep of vehicles and equipment. He will see a further reduction on pages 10.06 and 10.07. What it basically is involved with is the reorganization of the financial aspects to various divisions within the department itself. In total, there are nine new man years in the department, from 471 to approximately 480. I can have the deputy minister indicate where they come from but the large increase that the Member is talking about -- 15 man years, there is a movement of six or seven of them from other divisions to the directorate and there is a total increase in the department of nine man years. Obviously the increase in the salaries and wages will take into consideration the amount of money the PSA and the membership have been able to get through the contracts as well. Mr. Chairman, Mr. Elkin might indicate the other nine man years in the total department.

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

MR. ELKIN: For the department in total, as the Minister stated, the number of new positions is a total of nine. The other changes that you will see throughout this are internal transfers. The nine are as follows: accounts payable clerk, Rankin Inlet; heavy equipment mechanic, Rankin Inlet; school maintainer, Lac la Martre; maintenance management officer, Yellowknife; heavy equipment mechanic, Fort Smith; highways foreman, Fort Liard; expediter for highways, Hay River; a traffic technician in the same community; and the one other increase is a transfer from Government Services to this department related to warehousing in that same community.

CHAIRMAN (Mr. Pudluk): Thank you. Directorate, \$3,669,000. Mr. Wray.

MR. WRAY: Mr. Chairman, I take it then that the remaining six have been moved in from the regions to headquarters, or were they already in headquarters and they just moved offices?



HON. ARNOLD McCALLUM: Mr. Chairman, the deputy can continue on with the detail and answer the question that the Member asks.

MR. ELKIN: Mr. Chairman, the answer to that is the bulk of those are from headquarters from the other divisions. As was indicated it is a consolidation in our finance area. Our finance staff previously was scattered throughout the department in total to meet requirements of the financial secretariat, to respond to the tighter control that is required at this point and to maximize the dollars that the government can expect in the maintenance and construction area. We have strengthened our whole financial operation. The source of these positions, as we have indicated, has been strictly internal mainly from various divisions; engineering, architecture and surveying, engineering operations. It has had no impact whatsoever on any of the positions for the field and all the new positions except one are for the regions where the delivery takes place.

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

#### Awarding DPW Contracts To Outsiders

MR. CURLEY: Mr. Chairman, I still have an ongoing concern with the small businessmen, particularly in my region, that they are not satisfied with the DPW policy to continue to retain outside contractors for all the necessary contractual work required for DPW renovation programs. I would like to see if the Minister or his deputy would give us a more positive response. I realize that the government will indicate that it is cheaper to hire outside contractors for retrofitting the government houses in the region, but in terms of the long run I am not sure that it is actually cheaper because you have to bring in the workers from the South, billeting them in hotels and providing them with meals. Unemployment in the communities grows, government subsidy grows and social welfare assistance grows, and so on.

So could we, at least, have some positive response from the Minister that he will no longer award contracts to outsiders -- when the small business people can actually do the work in the communities -- because there are small contractors who are not able to compete with the larger companies? I wonder if you would give us something to look forward to in view of the difficult period that we are in today. Thank you.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, the use of local businesses and labour, the supply of materials by local businesses and the use of local contractors, obviously depends upon the ability of those people to either do the work or supply the goods and services. We have in place and have had in place a northern preference policy, and let me give you a classic example in the Keewatin. We have a tender out for a Baker Lake office building. We received 13 bids for that building; eight came from outside and four came within the Territories. Not one of them came from Keewatin. There were no bids from any business in Keewatin. The lowest bid that we had came from northern contractors, northern business people, without the preference, and so the recommendation will be to award it to a northern contractor. If there had been a contractor or a business in the Keewatin who had bid on the job, we would have given the preference to that person, and hopefully that person or business would employ local people. Hopefully they would buy the materials locally if they were available.

It is very well for the Member to say, "Forget about the northern preference. It does not mean anything." I am telling you now, whether you want to believe it or not, the northern preference has worked, and we have been able to buy materials from northern business people and to hire locally. I have given you classic examples, not only within service departments but in program departments, and as I have indicated, in terms of the Housing Corporation. To say that we are not doing anything, or that I should give you something more positive, I can only reiterate what I said before. If the local business has the capability of doing it, they will obviously bid on contracts. We provide a preference. It has been our experience in the last year and a half that northern businesses do not require, to a great degree, the northern preference in order to bid successfully, because they are able to now compete, and we have the concrete examples of it.

We will continue as a government to have local business people. As much as we are capable of, we will insist that there is local hiring of labour involved with it, and that there is local purchase of materials, and by "local" I mean the North as well as just in the particular area. I think that what we are doing in this regard has borne fruit for northern business.

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

Contracts Awarded For DPW Rehab Program In Keewatin

MR. CURLEY: Thank you for the general comments, Mr. Minister. I would like to ask you specifically, how many contracts were awarded for the last two years for rehabs of DPW properties in Keewatin region? How many of these local contractors, businessmen, were awarded contracts to do the rehabs and hire local people, specifically in Rankin Inlet, Eskimo Point, Baker Lake and other smaller communities. Who were they, where were the contractors from, and how many of the contractors that have been awarded contracts will continue this summer for this summer's rehab program?

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

HON. ARNOLD McCALLUM: Mr. Chairman, I do not have the information here dealing with rehab of housing at the present time. I can very easily get who was awarded the housing rehab work. Had I known you were going to ask about housing, I would have taken the material for housing. I thought we were on DPW. However, there is no difficulty getting that. I indicated in the opening remarks dealing with housing that 100 per cent of the contracts for rehab work done in the Northwest Territories was given to a northern contractor. There were no contracts for rehab and housing given to a southern contractor this year. However, I will have to get the information and make it specific to Rankin Inlet, Eskimo Point and Baker Lake, but I do not have it here with me.

CHAIRMAN (Mr. Pudluk): Thank you. Directorate, \$3,669,000. Mr. Wray.

MR. WRAY: Maybe just to clarify something. My honourable colleague for Keewatin South was not talking about the Housing Corporation; he was talking about the Department of Public Works rehab program on the government staff housing, and perhaps DPW do not want to come up with those figures because it might be embarrassing to them in this House. The fact is that, as my recollection goes, there were no contracts let to local labour, that the Department of Public Works went south into Manitoba and hired carpenters from Manitoba and brought them into the settlements and used them to repair the staff houses.

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

HON. ARNOLD McCALLUM: Mr. Chairman, I took it from the Member for Keewatin South that he was talking about housing. He did not say staff housing. If he says staff housing, I can get the information in terms of staff housing. He said rehab. I felt he was talking about housing. If we have done rehab work in staff housing, I do not have any difficulty getting the information and bringing it in here. I am not going to be embarrassed by it.

CHAIRMAN (Mr. Pudluk): I want you to note that we are on the Department of Public Works, not the Housing Corporation. Mr. Curley.

Departmental Housing Contracts In Keewatin

MR. CURLEY: I did not think the Minister would be, because it has been a long tradition that they do hire south and award tenders to outsiders. I think the only time that the DPW would be embarrassed is if it hired local contractors. That might be a bit strange. However, can I ask the deputy minister, then, did you in fact award a tender for departmental DPW housing rehabs in Keewatin region for outside contractors, and will they be continued again this summer?

CHAIRMAN (Mr. Pudluk): Mr. Elkin.

MR. ELKIN: Mr. Chairman, I am not sure about the details on your question at the moment. I will have to get that and provide that to you. However, I would like to confirm that certainly it is the intention and the general practice to hire firms in the North if they are available and can do the job. In terms of any rehab related to staff housing, those are not major projects so there is no reason as far as I know, why a large part of any work that we do in the future cannot go to people in businesses in the Keewatin, if they are there and available to do the job, because they are small projects. They certainly are not large projects.

As you requested, what we will do is get the information as to what has happened over the last two years, and what we propose to do for 1983-84.

HON. ARNOLD McCALLUM: Mr. Chairman, if I just may comment, those contracts I believe would be let through the regional DPW office. So we would have to get the information from the regional office. They are not let from headquarters here.

MR. ELKIN: They are all done from the region. Totally.

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

MR. WRAY: Just for the Minister's information -- I am not quite sure if contracts were actually let. I have a feeling that the Department of Public Works went south and hired people on casual to do the work, but there was quite a number of them in the Keewatin region.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I appreciate the information. I will have to get the information from our regional office. It is not done through headquarters. We give that kind of responsibility to the regional office through the Department of Public Works there. I do not have that information, but I appreciate the information he has given me and we will look into it.

CHAIRMAN (Mr. Pudluk): Thank you. Directorate, \$3,669,000. Ms Cournoyea.

#### Outside Companies Underbidding On Contracts

MS COURNOYEA: Mr. Chairman, in matters brought before the House before -- awarding contracts that were definitely underbid and contractors unable really to carry out the contract economically -- as a result of that, many of the companies that have been awarded contracts in the past are now bankrupt and many, many people in the communities have still not received their salaries and some of the businesses have not been paid. Is there a bottom line now? Is there a policy now for bids coming in when they are very low? I realize that the government definitely has to try to get the best price they can to put up a project and I certainly support that, however, the past seems to be creeping up on us again, mainly because of the unemployment in the South. There are larger companies who are willing to come into the North and do projects just at cost, knowing that they would not make a profit, knowing that they will hardly be carrying their overhead. The amount of traffic coming through the Dempster Highway makes it sort of open to that kind of competition in our area. I am wondering if there is a bottom line or if there is a policy where you would not accept a bid because it was so low, even taking into consideration that a company is large and probably could complete the contract but is competing against a local business that cannot afford to do a contract at cost.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I am not sure there is a bottom line. Certainly it is a concern that we do have in recognizing the economics that prevail with larger companies or with any company who may bid on a project. Hopefully, we have a better handle on that kind of thing now so that when these contractors or subcontractors come in and pick up work, and then purchase goods and services from local people and are not able to meet the bills in the community, hopefully we will be able to guard against that. We look at any tender that comes in, obviously with the ultimate idea being that it comes near or as close to what we would estimate the job should be. We attempt to get good value for services and goods from a company.

I recognize what the Member is saying because it does place the government in a bad light when either a subcontractor or a general contractor cannot meet the demands made by local businesses who provide goods and services to either the general or the subcontractor. All I can say is that we have been aware that this may occur and possibly has in the past, and we are attempting to try to come up with something that will guarantee that should a business go bankrupt, that northern business people will be looked after in the same light as would any other kind of supplier to that contract from outside the North.

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

#### Government Awareness Needed In Awarding Contracts

MS COURNOYEA: In the matter of the present contracts being let, is there some direction being given to the people who are handling the contracts and are they being alerted to the possibility that this year they will find, particularly in housing contracts, larger apartment building and contracts that would involve large amounts of movement of gravel in that area, that very low bids will be coming in? Now, in a couple of communities there was a couple of contracts which were awarded outside because the bid was quite low. In order to protect the integrity of the businesses that are operating in the community, I would appreciate some kind of response from the Minister



and from DPW that they will be aware of this and will not jeopardize local business. I do not know how you would handle it, or if you have discussed it, or if it is part of a concern that you have, but it certainly is a concern in the area of the Beaufort and Delta area, because it is happening. I do not know how you would give confidence to the local businesses that their interests are going to be taken care of; that they get a fair chance, even though the northern preference probably would not even be applicable because there would be such a difference in the bids. I am wondering if you are experiencing that and if there have been discussions on it.

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

HON. ARNOLD McCALLUM: Mr. Chairman, we certainly are aware throughout the government that because of a lull in work of people in the neighbouring territory or neighbouring provinces, that certain businesses are finding it difficult to maintain themselves and will take on or apply for projects in the North just to sustain the business -- to the detriment of northern people. We are aware that this has been occurring over the last year or two. In the awarding of contracts, we obviously take a look in terms of this and try to determine whether in fact a person can really do the job with such low bids. We do apprise our people of this possibility. Our concern is to ensure that a project once started is completed, and that local people are not going to be jeopardized by these low bids. So there have been discussions with the government and particularly in a department such as Public Works to make sure that we really scan the bids as they come in. So we are aware of the problem and where the region does let some of the contracts out we are, hopefully, making people in the region aware of the problem as well.

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

MS COURNOYEA: A final question, Mr. Chairman. Is there a directive out to the regions to make the necessary people aware and if there is not, how far is the department willing to go to protect the local businesses that are competing with these new firms who are actively pursuing contracts to be done at cost?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I am not sure whether there is a directive out or not. If there is not, the advice I am getting from the Member is good and it is possible that we should be doing even more. We have performance bonds -- requirements to ensure that projects that are taken on are completed to our satisfaction. I think that the advice that I received in terms of this is good advice and we will make every effort to ensure that if people are not fully aware of it now, that they become aware of it.

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

#### Obligations Of Contractors

MRS. SORENSEN: Thank you, Mr. Chairman. I too would like to add my comments to those of Ms Cournoyea with respect to contracting. It is a great concern to myself, both from DPW's perspective and from the Housing Corporation's perspective. I think that in tough times, all sorts of things in terms of problems with contracting can arise, more so than when our contractors are doing well. There are a number of problems that I am aware of -- special deals that could be made between contractors and so-called subtrades that are outside the Labour Standards Ordinance. For instance, deals that state "Well, we will pay you straight time, no overtime and large amounts of holiday pay and we will call you a subcontractor" when they may in fact, not even be a subcontractor but rather, an employee. This of course works at the beginning of the deal that is made to get this person working as a so-called subcontractor, but in the end he may not be paid or he may in fact, work an awful lot of overtime when he could be entitled to overtime as an employee and yet not be paid for it.

I am aware that the department and the Housing Corporation is involved in a seminar now with contractors who have come in from various parts of the Northwest Territories and I would like to commend the department for the involvement that it has had in putting together this seminar. Certainly it is something that has been badly needed and something that will assist the contractors of the Northwest Territories to know and understand what their obligations are with respect to not only the government, but to their employees, and if they do involve subtrades as a contractor then the subtrades as well.



Renegotiating Contracts

I would like to spend a bit of time expanding on Ms Cournoyea's point with respect to local bids coming in from not only southern contractors, but northern contractors as well, because I think there are some northern contractors that are hungry. Contracts may not only come in low bid because they are desperate and they are willing to work at cost, but they may come in knowing that at some point the government will bail them out and there will be renegotiation of the contract sometime during the term of the contract. Rather than let the whole project be held back for problems with long delays, the government will back down and say, "We will renegotiate the higher costs." I think that that is a ploy that we could be seeing much more of, on the part of our subtrades and contractors. I am wondering if the Minister would be prepared now if you have them, or for sometime during the session, to list the projects that DPW has undertaken over the past three years. Who they were contracted to, both contractors and subtrades, and how many contracts had to be renegotiated during the term of the contract for various reasons? How many contracts were not fulfilled for one reason or another -- in other words, the contractor or the subcontractor or subtrade may have gone bankrupt and left the North if it was a southern trade, and how many had to be finished by the government or by another contractor who was brought in by the government? Would the Minister be prepared to table that list of information for us? Thank you.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, first I would simply like to thank the Member for complimenting us on the seminar that was just completed for contractors. I think that what we are attempting to do is to impress upon contractors that they must be ethical businesswise and there is a responsibility on this government as well as the contractors. I think that seminar was very successful and I thank her for the compliment. We hope to be able to continue to do that, not just in this area but in other areas as well; we would like to go into the regions to do it.

In regard to projects that have to be renegotiated, changed by change orders, I do not think we would have that much difficulty in getting the kind of information that she is requesting and would certainly undertake to provide that information for the Member before we leave here. There are a number of reasons why things may change. It may be because of some of the things that the Member has indicated but it may be because of a change in the program that a department may want to have in a building or on a project. That occurs possibly in Education with schools; in other departments, with office buildings; etc.; in hamlets within Local Government or Renewable Resources; all of these. If we were to standardize particular projects, that is standardize buildings, we could simply do things a lot more easily. That does not always occur because of the kinds of programs that are required by the client department and we then proceed to do that work either through our own department or by putting out to private business. The more private business that we have to do the project itself the better, of course, it is for people in the Territories. So I will undertake to attempt to provide that information the Member requests, before we leave.

CHAIRMAN (Mr. Pudluk): Thank you. Let us take a 15 minute recess for coffee.

---SHORT RECESS

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

HON. ARNOLD McCALLUM: Mr. Chairman, I just want to comment on some of the things that have been talked about, especially in terms of the Keewatin. We will attempt to get the information. I ought to apologize to the Member for Keewatin South that I really believed he was talking about the Housing Corporation and not the staff housing, so I want to apologize in terms of that. I did not realize he was talking rehab on staff housing.

Goal Of DPW Is To Use Local Labour In Retrofitting Housing

Further, I cannot very well comment upon the past practices of the regional DPW in this retrofit or rehab of houses in the Keewatin. I am not trying to. However, what I would say to both Members from the Keewatin and to other Members of the committee is that where there is to be staff housing renovated, if there are tradespeople within the communities where it is to be done, required for it, then our people will be instructed to make maximum use of those tradespeople. So also with the labourers, to make sure that if there are labourers available to work on projects in those communities where we need staff housing renovated or retrofitted, then we will have our regional DPW people make sure that they are used as well. That is the goal of what we are attempting to do in all of this, so that this government is a spender of moneys in communities and in areas where there is unemployment we must ensure that we can make these people employable, be they skilled or semiskilled or unskilled workers. So I can assure the Members that that is the direction that we are going and as far as DPW is concerned, we will make every attempt possible to see that that goal is realized.

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

Better Safeguards For Small Businesses Needed

MR. WRAY: Thank you, Mr. Chairman. Just briefly to touch on the subject of contracts. Within the last two or three years, specifically, there have been a number of small businesses within the Keewatin region that have been -- for want of a better word -- "burned", and I think in almost all cases by contractors who were working under contract to the Government of the Northwest Territories Department of Public Works.

Some of the larger businesses in the Keewatin know the procedures and they know who to go to, and they know where to go to get their money, but for some of the smaller businesses, the guy who rents a truck, maybe, or sells them 20 sheets of plywood, those guys do not know the procedures. It has been raised a number of times by the Keewatin Chamber of Commerce and in a number of business meetings that have been held within the region, that there should be a better safeguard policy by the government when it comes to their contractors within the communities. Perhaps the way to go is that in almost all cases the government has a project manager on those contracts, and maybe one of the last things that that project manager has to do before any final payment is released from contracts is to satisfy himself that all the businesses within that particular community have been paid any money that is due them. A guy who merely rents his truck for the summer to one of these contractors, and then does not get paid for it, can be put out of business by that because they are not operating with that high a margin to start with. I would ask the Minister to ensure that in future there are better safeguard policies put in place for the small business community, because many times when a contractor comes in and says that he is working on behalf of the government, a lot of the small guys take it for granted that they are going to be okay, and it has not always worked out that way in the past. Thank you.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

Project Managers Hired So Local People Are Looked After

HON. ARNOLD McCALLUM: Mr. Chairman, I recognize that that has been a problem. I indicated in my opening remarks about what we have done in other projects. I specifically referred to two of them, one in Cape Dorset at the recreation hall, the other at Spence Bay at the hamlet office/firehall complex, where we put in a project manager -- foreman, if you like -- to do exactly what the Member has indicated. We are hoping that in this way we are going to ensure that all people involved with the project will be looked after. That may very well be the best possible answer to the kinds of concerns that have been raised and the kinds of problems that we have experienced in the past. I think that may very well be the direction that we are moving in. Rather than simply go out to a bid, we take it on and we hire a project manager, an engineer, and we use local people as much as possible. That way we can ensure that they would then be paid for the goods and services that they have provided.

Total O And M, Directorate, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Directorate, \$3,669,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Project Management, Agreed

CHAIRMAN (Mr. Pudluk): Page 10.03, project management, total O and M, \$1,342,000. Agreed?

SOME HON. MEMBERS: Agreed.

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Total O And M, Operations, Repair And Upkeep Of Vehicles And Equipment

CHAIRMAN (Mr. Pudluk): Page 10.04, operations, repair and upkeep of vehicles and equipment, \$3,626,000. Mr. Wray.

MR. WRAY: Under this section of operations, repair and upkeep of vehicles, does this include the division responsible for purchasing all hamlet vehicles, or all vehicles and equipment that are purchased for hamlets or on behalf of hamlets by the government?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, may I have Mr. Elkin comment on that?

CHAIRMAN (Mr. Pudluk): Mr. Elkin.

MR. ELKIN: Yes, we do the buying for many of the hamlets and we assist in establishing the standards for the equipment. Some hamlets are actually now buying it direct, but in most cases the setting of the standards and what is required is established between Local Government, ourselves and the hamlet. Representatives from the communities are normally involved in the purchasing process and before the equipment is shipped, seeing the equipment and obtaining an understanding of how it should be operated and maintained.

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

MR. WRAY: Just a general comment. There has been, over the years, in I suppose nearly all the communities that I have been in or have had the occasion to work with, the general comment that the government appears to have more vehicles than they have staff. I think if you go into some communities, particularly in the larger regional centres, you will find that almost every government employee has his own vehicle. There is a feeling that perhaps a lot of these vehicles, rather than being bought for the department, would be much better put to use being bought for hamlets or other organizations.

Option Of Renting Equipment Locally

I am just wondering if perhaps the Minister could explain what criteria they use for deciding whether a vehicle is justified for a particular department, because I know -- not in my home community, but in other communities -- the department has bought vehicles, heavy equipment, where in fact heavy equipment was available locally to rent from two or three private contractors. It would seem to me that rather than purchase a brand-new piece of equipment and then maintain it -- which means that we have to hire mechanics to maintain that particular piece of equipment -- we would be better off renting it from local contractors.

CHAIRMAN (Mr. Pudluk): Mr. Minister. Mr. Elkin.

Request For New Vehicles Strictly Controlled

MR. ELKIN: Mr. Chairman, the purchasing of vehicles for most of the departments is co-ordinated by us. However, the standards for what vehicles are put forward to the estimates are now very strictly controlled, and the guidelines on who can receive the mobile equipment are very, very

strong. There may have been some practices in the past when money was not as tight as it is now for vehicles to be purchased for an individual department for their need. The policy now is that, wherever it makes any kind of reasonable sense, vehicles are to be pooled. The request for new vehicles are assessed against very strict guidelines and these new vehicles are not purchased unless they are absolutely required. I believe when you go through the list of vehicles for this current year -- I stand to be corrected, as I am not sure if there are brand-new vehicles -- all of the vehicles outlined are for replacement. Those replacements are governed by a set of rules that are based on the number of miles that may be on a particular vehicle, the record of repairs, and even after those criteria are applied, there are very stringent guidelines applied by our department. If a vehicle can be reasonably repaired, rather than bought, then it is repaired. I would just say that in terms of the current economic climate we are in, there are very tight controls exercised in that area now.

CHAIRMAN (Mr. Pudluk): Thank you. Operations, repair and upkeep of vehicles and equipment. Mr. Curley.

#### Responsibility For Fire-Fighting Equipment

MR. CURLEY: I do not know whether this is the appropriate section or not. Some time ago, I think it was last budget session, I raised an issue mainly with Local Government. Could I have some indication from the deputy minister whether or not DPW has any responsibility for major fire-fighting equipment in communities, or is it just Local Government that is responsible for that type of equipment? Thank you.

CHAIRMAN (Mr. Pudluk): Mr. Elkin.

MR. ELKIN: The Department of Local Government is responsible for them. We assist in helping them identify the technical standards, but it does come under that department.

CHAIRMAN (Mr. Pudluk): Thank you. Operations, repair and upkeep of vehicles and equipment. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, certainly the Department of Public Works can be complimented on having some tight control and not supplying new vehicles. However, it is very difficult to get maintenance parts into the communities and the transportation system is not always that handy to move vehicles back and forth and extremely expensive. Has there been a policy over the last three years that gives direction that in communities that are very isolated and could run a very high cost of maintenance -- is there a directive or a policy now that these communities will be supplied with new vehicles rather than vehicles that are very old and being shipped from other communities?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Elkin I think can indicate the process by which this takes place.

CHAIRMAN (Mr. Pudluk): Mr. Elkin.

#### Present Policy On Relocation Of Equipment To Isolated Communities

MR. ELKIN: I understand the problem that is being raised here, for isolated communities to relocate a piece of equipment from another community that maybe has grown and the vehicle no longer is required there as they need a larger one. The previous policy we had of moving that to another isolated community, we do now with great care, because we do appreciate that in isolated communities that it is difficult to do the repair work. More often than not, in those communities we would emphasize providing new equipment, rather than getting somebody else's older equipment that has some problems. We just do that as a matter of policy now.

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

MS COURNOYEA: When did the policy come in place? Just over this last year?

CHAIRMAN (Mr. Pudluk): Mr. Elkin.

MR. ELKIN: That practice has been in effect, I would say, for about the last two or three years.

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



MS COURNOYEA: Then perhaps it is an isolated concern. I wonder, if the Minister and his deputy minister will assess the fire-fighting facility that was put into Holman Island with the bombardier that was in there. I wonder if possibly I could ask them publicly to assess that situation to see if something could be done about that.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I will raise the issue with my colleague in Local Government, Mr. Wah-Shee, and have him reassess that.

CHAIRMAN (Mr. Pudluk): Thank you. Operations, repair and upkeep of vehicles and equipment. Mr. Kilabuk.

#### Policy On Crown Assets Sales

MR. KILABUK: (Translation) Mr. Chairman, I just want some clarification. It states here about the purchasing of vehicles and some furniture, usually used; they sell them by tender in Pangnirtung. Is there legislation regarding the auctioning of old government furniture? They auction them off and the highest bidder gets whatever -- if the government is going to do that, I am not happy about it. I would not have minded it too much if the companies were to do the auctioning, but the government auctioning old furniture is what I did not like. I just want to know if there is any legislation regarding auctioning government write-offs.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, the government from time to time has surplus or old goods and materials they do put up for sale under crown assets. It is done through the Department of Government Services. I do not know whether it is by legislation or by policy, but is done through the Department of Government Services -- the sale of crown assets -- not through the Department of Public Works.

CHAIRMAN (Mr. Pudluk): Mr. Kilabuk.

MR. KILABUK: (Translation) Mr. Chairman, I am trying to say that I do not like the idea of the government auctioning their equipment and furniture. I would just like them to put a price tag on them, rather than auction them to the highest bidder. I did not like that. I just want that to be considered further.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I will bring that to the attention of my colleague, Mr. Butters, that Mr. Kilabuk would rather see it priced rather than go to an auction sale. I am sure Mr. Butters has been hearing this. I will just reinforce it with him.

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

#### Conversion Of Vehicles To Propane

MRS. SORENSEN: Mr. Chairman, I notice that you are in the process of converting vehicles to propane. I recently read of an explosion that took place in a propane vehicle in southern Canada. As I understand it, the problem was bringing the vehicle in from outside to a garage and there was a problem with the expansion of the gas itself. I am wondering if the department, number one, is aware of that problem with propane, and number two, what it has directed its people to do about it. In other words are these cars going into garages each night and is it, in fact, a problem?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I am not aware of any difficulty we have had so far with the conversion of some vehicles to propane. I am confident that we have people who are aware of the difficulties and the possibilities of accidents and other things that may occur with the conversion to this kind of fuel, but I am not aware if we have had any difficulty so far.

CHAIRMAN (Mr. Pudluk): Thank you. Operations, repair and upkeep of vehicles and equipment, \$3,626,000. Ms. Cournoyea.

MS COURNOYEA: Mr. Chairman, in regard to some of the communities that are more remote, some of these places have an MOT upper air station. On projects that have to be completed, is the relationship between DPW and MOT at a reasonable state so that negotiations can go on to allow a community to use some of the equipment that is allocated to MOT and is sitting in the community but not being utilized?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, the liaison or contact that we would have with MOT by the government is through the Department of Local Government. I am sure that we could make arrangements through our Department of Public Works and our Department of Local Government to maximize use of materials that are there. I am sure Mr. Wah-Shee would be more than amenable to that.

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

Request For Use Of MOT Equipment In Sachs Harbour

MS COURNOYEA: It is okay. I do not think he is listening, anyway. Just to put a situation in place so that you are aware of the particular situation -- in Sachs Harbour the DPW operation is there under your jurisdiction; as well, there is an MOT station that has certain equipment that is required for this summer. If there cannot be an arrangement made at this time, or before the barge, to bring in an extra load to get the programs that the community is planning for road repair, some alternative arrangement must be made and as quickly as possible. I would like to ask the Minister if he could expedite that as soon as possible. It appears that there is a possibility that it can be done. It would save the government here a lot of money rather than bringing up a vehicle, if he can do that as quickly as possible. Or the community itself will make other arrangements, then, if that is not possible.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I will have Mr. Elkin contact the deputy minister of Local Government to see what can be done. I do not know the circumstances but from the information that the Member has given, we should be able to work some arrangement. Anything that will save the government money I would be interested in.

Total O And M, Operations, Repair And Upkeep Of Vehicles And Equipment, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Page 10.04, \$3,626,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Operations, Repair And Upkeep Of Buildings And Works

CHAIRMAN (Mr. Pudluk): Operations, repair and upkeep of buildings and works, \$13,128,000. Mr. Wray.

MR. WRAY: Thank you, Mr. Chairman. In the top of the page I see the middle paragraph says that during 1982-83 several major roof replacement projects in schools were commenced. We had one of those roof replacement projects in Baker Lake last summer. I have to say, first of all, it is one of the best roofs I have ever seen constructed, but on the other hand, that contract was worth \$1.1 million and I have to go back to what we were talking about earlier in terms of local labour. At least one third of the jobs in that project were what you term bull work jobs -- carrying tar up and down ladders, hammering nails into wood -- unskilled labour, and yet not one person from the community of Baker Lake was hired to work on that project. All the labour was brought in from Vancouver and from the west coast.

It appears that over the years probably the biggest culprits in terms of not hiring of local labour have been contractors under contracts to the Department of Public Works and under contracts to the Housing Corporation. I think it is about time that we started to come up with a policy whereby we force those contractors to hire local labour in areas that can be identified as having local labour available and those skills available. I know in every government contract there is a clause that reads something like, preference will be given to the contractor who uses northern labour. Yet the government never enforces that clause; they never force the contractor to hire local labour where that labour is available.

Unless we start doing that, our people in the communities are never going to get the jobs. They are never going to get the training that is required so that in the future they will be able to take over those jobs. This one was of particular concern to us because we stood there and we watched these people who were brought in from Vancouver, who were put up in the hotel for \$90 per day, while there were about 200 people in the community of Baker Lake who could have done that work because it did not require any skill whatsoever to carry a bucket of tar up and down a ladder to the school.

I am just wondering how the Minister or the department can justify allowing things like this to happen? How can they justify allowing contractors to get away with -- this is territorial money, they are territorial contracts. If we cannot enforce those contracts then how are we going to enforce contracts from outside of the Territories? How are we going to enforce the Housing Corporation to do it? How are we going to enforce the private sector to do it? If we cannot enforce it within our own house, we cannot ask anybody else to do it nor can we get up on a high pedestal and say "Oh, we believe in local labour, we believe in northern preference", because we are not doing it ourselves. I am wondering if you could respond to that and tell me if there is anything in the works which will force contractors to use local labour?

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

Northern Contractors Do Not Always Exercise Northern Preference

HON. ARNOLD McCALLUM: Mr. Chairman, I am not too sure how I can respond to it. I would hope that in future when these contracts are given out that we are able to insist upon the hiring of local labour, not only in the Department of Public Works but, as the Member says, in the Housing Corporation. A lot of the work carried out for the Housing Corporation is done by northern contractors; as I say, in the last two years especially in rehab work, 90-some per cent of it last year, 100 per cent of it this year. These are northern contractors, they know the problems of northern employment and I would think that they would be more than sympathetic to it; that they would hire northern people. We can attempt to insist upon it. I know that in some instances where work was carried out by the communities for rehab work, where retrofit work under the Housing Corporation was done by local groups, these people, themselves, did not buy northern materials, they did not hire, in some cases, northern people. They bought materials from Winnipeg. I know that that has occurred. We are not pure by any means, but in some instances neither are some of the northern contractors pure.

All I can say is that I do not condone it and we will make every effort to see that it is not continued, but I cannot comment upon past practices other than to say that we would attempt to do as much as we can. Whether I stand up on a pedestal or not, I do stand up and say that our northern preference is a good policy and that it has met with a great deal of good comment in terms of business people in the North to the detriment, in a lot of cases, of contractors from the South who over the past years have come in and done business. In awarding of one specific contract that I know to northern people, we were condemned in an editorial in a southern paper for just not even looking at a southern contractor. So we have a way to go but I think that we are on the way of getting there now, but I appreciate that the sins of the past can be visited upon the present, but as far as I am concerned, I am not going to have them visited upon me in the future.

Total O And M, Operations, Repair And Upkeep Of Buildings And Works, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Page 10.05, operations, repair and upkeep of buildings and works, \$13,128,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Operations, Utilities

CHAIRMAN (Mr. Pudluk): Page 10.06, operations, utilities, \$26,565,000. Before you agree...

CHAIRMAN (Mr. McLaughlin): Operations, utilities, \$26,565,000. Mr. Pudluk.

MR. PUDLUK: (Translation) Mr. Chairman, I would like to make a brief comment. We have a problem in my community which I have been asking DPW about every summer. They start making buildings which would be used in the summertime in the wintertime, and then what they are going to use in



the summertime, they make in the wintertime. My community has very short summer seasons. When the recreation centre's water supply is not attended to in the summertime they start trying to fix it in the wintertime, and then it can never be fixed properly. I heard just recently that they were trying to fix it in the wintertime, just a few months ago when it was getting colder. When the pipeline burst, it spilled all over the place. I wish they could fix these kinds of problems in the summertime, because in the wintertime when they start working on them, it is very cold and very cold for the hands when you are trying to repair things with these kinds of problems in the wintertime.

I wish they could get more experienced workers on these kinds of problems instead of unskilled workers. I do not want this kind of operation not to start, especially on the pipelines, but if it was properly made right at the beginning, I guess they would not have any problems like this afterwards. I would like this to be known by DPW. Thank you.

CHAIRMAN (Mr. McLaughlin): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, we are aware of the difficulties in Resolute Bay and in Frobisher Bay about the water supply system and the leaks in those systems. The difficulty is trying to pinpoint the exact location of the leaks. At the present time, our regional DPW in Frobisher Bay are in the process of bringing specialists to both areas so that the exact location of the leaks in the system can be identified. Those people should be there this weekend to see if they can, first of all, find where the leaks occur, and then have them repaired. It is very difficult for us to estimate what the bill for repair will be and to find out where the leaks are but we are aware of the problem and through our regional DPW are attempting to deal with it.

CHAIRMAN (Mr. McLaughlin): Mr. Pudluk.

#### Pipeline Repairs Best Done In The Summertime

MR. PUDLUK: (Translation) Thank you, Mr. Chairman. Even if workers come up to see the problems with the pipes, I know that they will not get them fixed right away. In the summertime when it is warmer, I think they would be able to spot where the leaks are, or where the problems with the pipes are. However, right at this moment, they will try and find out where the leaks are with the pipes but there is a lot of snow. I know that the pipes have been broken not only once but a few times. I would like them to find out more about it this coming summer. However, if they want to go ahead before the summertime, I would not mind at all. Thank you. That is all I have to say on that.

CHAIRMAN (Mr. McLaughlin): Mr. Minister.

HON. ARNOLD McCALLUM: Well, Mr. Chairman, I think it would be incumbent upon us to try to do some kind of emergency repair. When the weather changes and there can be a complete relook at the total system, hopefully it will be done at that time and that will take away the Member's doubting Thomas syndrome. We will see if we cannot get it done.

CHAIRMAN (Mr. McLaughlin): Operations, utilities, \$26,565,000. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, in 1982-83, there was a \$24 million budget revised forecast, and this year we have an additional two million dollars within the budget to take care of the general business of running the government services and houses. With the Minister's statements of putting a program in energy efficiency forward, and the fact that we are getting away more from owning buildings, why would we have such an increase for the maintenance of the buildings; the costs that are related to electricity, water, sewage, garbage service, heating, particularly?

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

#### Alternative Sources Of Energy

HON. ARNOLD McCALLUM: Mr. Chairman, we are attempting to do some conversion in those areas where it is possible to do it, but there is a volume and price increase on electricity and in fuel as well. Of that \$26,330,000, \$24,384,000 goes for electricity, fuel and steam heat. We are trying to increase the percentage of steam heat where we can through arrangements with NCPC. At the present time, electricity accounts for 45 per cent of the total bill of \$24,384,000; about \$11 million of that is electricity. Fuel and electricity are expensive. Fuel amounts to about



35 per cent or nine million dollars, and we have steam heat to about \$4.5 million. What we are trying to do is convert where we can and to utilize NCPC where it is possible. In some areas, we have been able to do that. I indicated some examples earlier where we have been able to do that; the Lac la Martre school for one, and the new complex at Pelly Bay. Those are the two areas I mentioned where we are not using fuel at all. There are other areas in the municipalities where people are trying to use other sources of energy. Some communities are attempting to do other things, to burn materials that can be locally harvested. The reason why there is an increase is quite simple. It is the increase in price, and to some extent an increase in volume, as well, depending upon the climatic conditions.

Total O And M, Operations, Utilities, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. Operations, utilities, \$26,565,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Operations, Accommodation Services, Agreed

CHAIRMAN (Mr. Pudluk): Page 10.07, operations, accommodation services, \$14,498,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

CHAIRMAN (Mr. Pudluk): Page 10.08, highways, marine operations, \$3,065,000. Ms Cournoyea.

MS COURNOYEA: Mr. Chairman, it was the other section that I wanted to ask the question on.

CHAIRMAN (Mr. Pudluk): Ms Cournoyea, do you want to go back, or do you want to go ahead?

MS COURNOYEA: What I had wanted to ask is about the area of turnover to private housing. I just wanted an update on how that is going. What communities are more actively involved in taking over the government housing accommodation? Where are you earmarking that turnover in the next couple of years?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, there are some communities where we have sold government housing. We put it out to government employees. Those communities where we are attempting to do this at the present time are Yellowknife, Fort Smith, basically...

COMMISSIONER PARKER: Hay River.

HON. ARNOLD McCALLUM: ...and Hay River. I am sorry. Hay River as well. As of the present time, I think that we have sold, in two communities, Yellowknife and Smith -- not the present time but maybe a couple of months ago, and I would have to get the figures updated, but there is a possibility of selling anywhere from 14 to 24 units in those communities. We intend to keep pursuing that.

We have been able to get the units assessed in relation to the communities, and I believe that we are getting good value back in terms of those units. These are basically single units. For example, in Fort Smith a couple of months ago we put four of these units up for tender by government employees. Those four units were sold, I think, for an average price of about \$55,000. They were three bedroom, detached units with basement, kitchen, dining room, living room areas. They are some of the older units in town. We have been able to get a better price in Yellowknife for those units sold to our employees; an average price of close to \$80,000. Within the next few months or within the next year we expect to sell another dozen or more units.

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

MS COURNOYEA: In your future plans are you going to be taking in some other communities, earmarking other communities? And if so, the assessments that are done, do they come as a sort of a pre-planning process? Or does it happen the other way around, you decide to sell, then see what comes up and then the assessment comes in at request? What is the normal process that would bring about the offer of privatizing the homes?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

Policy For Government Employees To Provide Own Housing

HON. ARNOLD McCALLUM: Mr. Chairman, this goes under the policy of having our personnel provide their own homes. It basically comes under the Department of Personnel to have this work done. We carry out the process, I guess, but it is a personnel policy that we would hope to have throughout the government. We have identified it as such. The policy has been developed whereby people in certain communities have to provide their own home, their own housing, within a set period of time. We have identified that to occur in communities, if you like, around this lake, by and large: Yellowknife, Hay River, Fort Smith, Pine Point and Fort Simpson. Pine Point, Fort Simpson -- and even Inuvik, where we would hope to see it carried on into that community if it is possible -- the people who are employed in those centres do not have to meet the same deadline to supply their own housing.

The process, obviously, is to identify the number of units we have, to get an indication from the personnel that are employed in those communities, the number of people who want to buy the units they are in or other units that we have identified as being saleable. We have the units assessed in relation to the communities, the cost of providing housing in the community. There is a formula that preference is given to an employee after the employee has been in the employ of the government for a period of time. There is a formula by which we give a preference to that person for every year of service, up to a maximum, I think, of 10 per cent, which means one per cent per year. That is, basically, the means by which we attempt to sell houses to our employees. If none of the employees want the house, it is then put on sale -- up for tender, I guess, at the price -- to anybody in the community.

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

MR. FRASER: Thank you, Mr. Chairman. I would like to ask the Minister -- I do not know if this is the appropriate place. We are on page 10.05?

CHAIRMAN (Mr. Pudluk): Page 10.07.

MR. FRASER: Well, we will give it a shot and see what happens. There is \$50,000 in the Education budget for dismantling the old school in Norman Wells. I would like a commitment from the Minister as to what the plans are for the dismantling of this old school. In speaking to the Education department in Norman Wells and the LEA, they had an interest in it at the start but now they feel that it is only going to be a burden to them, and we could probably save the \$50,000 if we just put it out to tender and let somebody else buy it. I just wondered if the Minister had any plans to go that route or is he still going to use the \$50,000 to dismantle the buildings?

CHAIRMAN (Mr. Pudluk): Mr. Fraser, which...

MR. FRASER: Page 10.05, Mr. Chairman. I thought we were on 10.05.

CHAIRMAN (Mr. Pudluk): Is this House agreed to go back to page 10.05?

HON. DENNIS PATTERSON: Sure.

SOME HON. MEMBERS: Agreed.

CHAIRMAN (Mr. Pudluk): Are there any nays?

---Agreed

Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, when this committee was looking after the budget of the Department of Education, that question came up. The Member asked the question of the Minister of Education. I answered at that time when the question was redirected to me, that we would look at the feasibility of putting it out for tender or, if the LEA wanted the use of that building, that we possibly could make some arrangement. My answer has not changed from the answer I gave the Member during the debate on Education.

Total O And M, Highways, Marine Operations, Agreed

CHAIRMAN (Mr. Pudluk): Thank you. We are already agreed on page 10.05. We also agreed with pages 10.06 and 10.07. Now we go on to page 10.08, highways, marine operations, \$3,065,000. Agreed?

SOME HON. MEMBERS: Agreed.

---Agreed

Total O And M, Highways, Design And Construction

Page 10.09, highways, design and construction, \$894,000. Honourable Member for Mackenzie Liard.

MR. SIBBESTON: Mr. Chairman, generally the public sees government as very slow, cumbersome and sometimes even insensitive. However sometimes little miracles do happen, and I must say that one happened this winter in the Deh Cho area. The three performers were actually Mr. Pilot and some of the Department of Public Works officials, so that would be Mr. Elkin and then Mr. Barber. When they do it, I guess it makes you realize what can be done when the will is there to do something good for the people.

The case that I am referring to is a winter road to Jean Marie River. There had been some work done to clear more or less a winter road and eventually build it up to a fair-weather road a couple of years ago. I requested the government to see what they could do to continue working on that in December and I advised the government that the people of Jean Marie River were really interested in having a bit of work. All during the fall they had not shot any moose so they were really in need of money in the community. The government responded very quickly and within just a few days, it seems, there was a man on the spot from Hay River and work commenced on burning the brush and doing some clearing. The people in Jean Marie River were very delighted and happy and I just wanted to tell people this, because I do think that it was a very good move. The government acted very quickly and did well. It was very heartening, too, that the man the department sent from Hay River was actually a former resident of Simpson and a native person, so everything worked very well, and I wanted to say that. So, in saying this, I look forward to future little miracles...

MR. McLAUGHLIN: Just little ones.

HON. DENNIS PATTERSON: No, that is it!

Northern Names And Signs On Highways

MR. SIBBESTON: Now, getting to another subject about highways, I need a hundred thousand dollars. This is a matter I raised the other day. This is the matter of signs along the highways. I know that the government will likely be setting up some kind of monument or gate or something along the Liard highway at the BC-NWT border. I just hope that the government gets some local advice from the people and builds something that is reflective of the North; maybe whatever structure they build, if there is to be any kind of a little building, it be built out of logs and so forth. As for signs along the highway, I am still very concerned about them. When travelling along the highway you see signs indicating little creeks and rivers or lakes. I think that many of them are given names that are not really northern and the government should take note that there are some people that are concerned about this and they should see what they could do to change the names to more northern, and in some cases, to even the native names that these creeks and rivers are known by. As I said, it would be a good thing, maybe not earth-shattering or anything like that but significant because it would indicate that there is recognition of the original inhabitants of the North. So I am wondering if the government could undertake these concerns seriously and, in fact, do something.

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

HON. ARNOLD McCALLUM: Mr. Chairman, in the discussion on the Economic Development and Tourism budget I thought I responded positively to Mr. Sibbeston's comments, so I take the recommendation and I do not change from the kind of comment I made when we were talking about Economic Development. As long as you would allow me to change highway five to McCallum Thruway, or something like that.

CHAIRMAN (Mr. Pudluk): Thank you. Highways, design and construction, \$894,000. Mr. Wray.

Possibility Of Highways In The East

MR. WRAY: Thank you, Mr. Chairman. When it comes to highways those of us from the East do not say too much because there are no highways in the East. All of them seem to have been put into the West, including ice roads or whatever. I am just wondering why. We need roads too and I know that we would like to see an ice road built from Churchill through the Keewatin up into Baker Lake, hitting all the communities. It would, for one thing, alleviate the high costs that we have with freighting our goods in. We could be bringing buildings in in the springtime instead



of waiting for sealift. We could be providing a lot of employment to the communities all along the coast and yet this department has never appeared to give the East much consideration when it comes to highways. It appears that the only consideration, when it comes to highways, is for what we call the western part of the Northwest Territories.

I am just wondering, why does it appear that so much emphasis is put on the West? Is it because you have bigger communities or you want to promote tourism or what? It rather bothers me that when we see all these maps produced for the Northwest Territories there always is one section that shows just the West and all the little roads that run all over the place. You pour millions upon millions of dollars into the maintenance of ice roads and highways and yet the honourable Member from Igloolik has to beg the Department of Local Government for \$5000 to get a little road built in Igloolik. I wonder if you could just clarify what this division is for? Is it a western highways division and if it is that, would you call it that? Or is this division supposedly responsible for all of the Northwest Territories?

CHAIRMAN (Mr. Pudluk): Good question. Mr. Minister.

HON. ARNOLD McCALLUM: We have a road, as you well know, from Arctic Bay to Nanisivik.

CHAIRMAN (Mr. Pudluk): It is very poor.

HON. ARNOLD McCALLUM: Certainly if there were to be a road to Baker Lake, it would be great to open up all that interior. There could be all kinds of things go on with development in there if we could get uranium people in to deal with those things and there could be a lot of good things go through it. There would be all kinds of things. I think the highway system that we have is tied, at the present time, to the highway system that is on the outside. We have had very little input into highways in the past and it is one of the things, as I said at the beginning, that we are trying to do more and more. Nothing would please me more than to have all kinds of roads. I have been living in a part of the Territories where we have been trying to get a road south to very little avail over the last number of years, because of constraints raised by other interested groups. It is very pleasing to me, and I am sure to others, to hear that there is some concern now from the Central Arctic or the Keewatin area to try to put highways in. The highways division is a territorial division of highways; it is not a western department of highways until division comes about.

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

MS COURNOYEA: Yes, Mr. Chairman, I wonder if the Minister could state if there has ever been any planning or any indication -- I realize your answer to Mr. Wray seemed to be off the subject. It would be very interesting to me to know what the possibilities are or whether any of those possibilities were ever explored in the past and, if they have been, what was the decision on them? Was it just never approached? Was it something that was just never brought up?

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I think highways to the Northwest Territories were first proposed by the late Mr. Diefenbaker -- the Road to Resources program. Unfortunately he was not around long enough, I guess, to get a lot of his ideas put forward. In a way that is a shame but then there are other aspects to that as well. I am not sure what has progressed over the years from that time but certainly the Road to Resources that Mr. Diefenbaker envisaged back in the 1950s and possibly the 1960s were things that we would have liked to come around to.

#### Building And Maintenance Costs Prohibitive

The cost of providing and building roads and the maintenance of those is very prohibitive. We are talking about, in highways, design and construction in this coming year. In the southern part of the western section of the Territories we are talking about doing something about highways. We are going to be able, with the funding we get from the federal government, to do about 10 miles at a cost of about two and a half million dollars. The cost of providing roads and highways throughout the Territories is very, very prohibitive. At the present time the view is held that these are not economically possible at this time -- not to say that they may never become economically feasible but at the present time there is not that feasibility to set up and open up other areas in the North on the highways.

As well, there has been some concern raised by certain communities in the North over the past number of years that they do not want highways to their communities. Some of those communities have now changed around and want the highways in and we are attempting to respond. Highway design and construction is a problem that we are wrestling now with the federal government to make sure that we have a greater input into this whole area. It is one that I think we have been pressing and we will want to ensure that we will get more of a say on where the highways are to go, how they are to be constructed and all the other aspects to highway construction and planning.

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

MS COURNOYEA: Mr. Chairman, I appreciate the comments from the Minister, but to my knowledge I have never heard anything about there ever being a proposal or a discussion on a highway into other areas in the Western Arctic. I was more interested in past discussions or past proposals, if there were any in regard to other areas in the Western Arctic. I am extremely interested in that because it does not matter where you build a highway, whether it is in the West or the East, it is expensive. We all know the surmounting costs on the Dempster Highway, but at the same time, it would be informative for me if there was at any time such a proposal or such an indication that any one was even exploring a highway into other regions other than the West.

CHAIRMAN (Mr. Pudluk): Mr. Commissioner.

COMMISSIONER PARKER: Mr. Chairman, perhaps you would permit me just to make a couple of remarks in this area, simply from the standpoint of long association with the question of development of roads. First of all, as the Minister has indicated -- and I think it needs to be underlined -- the federal government has not seen fit to turn over responsibility for new roads to the territorial government. We have only a marginal say in the planning and location of new roads. The territorial government has been a proponent of a road, for instance, from Inuvik to Tuktoyaktuk, and that has been one of our priorities and I believe it has been a priority of the Legislature. We have pressed this forward for years indicating that it would be a very valuable road and I think that there is perhaps some chance of success in this area because there seems to be an indication that in this coming fiscal year the federal government will be spending some of their new roads budget in studying this route. With regard to roads into other areas, roads are built for a variety of purposes but principally for economic reasons -- to provide communication between communities or to provide for the movement of goods from the South to the North and vice versa.

#### Not Competitive With Sealift

We looked very carefully, three or four years ago, into the cost of a winter road from Churchill into the Keewatin. We looked at that very carefully; we put all the figures together and the conclusion that we came to was that such a road simply was not competitive with sealift. The federal government has indicated quite clearly that it cannot afford both means of transportation. The sealift into the Keewatin, at the present time, requires a substantial federal subsidy to even maintain the present prices and the cost of having another supply route, that is, a winter road into that area, would simply be prohibitive. Obviously, there could be some savings. The savings would be in reduced inventory and, as the Member so well pointed out, providing the ability to get to work on housing construction and so forth earlier in the season. Unfortunately, those benefits do not account for enough of a saving to make it worth while. In other words it is still cheaper to stay with the sealift.

I think that it is appropriate that the government keep an eye on those costs and review them at least every two or three years in order to make sure that we are not missing anything. At the present time, we have definitely looked into the provision of roads into other areas and so far have found them not to be economically viable. Thank you.

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

#### Feasibility Of Road To Fort Franklin

MR. FRASER: Thank you, Mr. Chairman. I first of all would like to congratulate DPW or whoever was in charge of building that winter road into Fort Franklin, Fort Norman, Norman Wells this year. They had mostly northern contractors doing the work and they did a very good job with the exception of one section which was a firm out of Hay River because the other contractors had too much work. It went in in record time. Everybody seems pleased with the progress and the speed that it went in.

I would just like to ask the Minister if he could provide for me -- not right now but I would like to get it in writing -- the difference in cost between last year when DPW was doing the work and this year with the local contractors doing the work. As I said, I do not think he will supply the answer right now, but I would like to get an answer in writing.

Another thing, while we are still on highways, I would like to find out if the Minister has any plans, or maybe the Commissioner might know, for running the highway from Bennett Field into Fort Franklin -- an all-weather road is presently there and most of it is gravel -- maybe use water transportation to Bennett Field and then run the highway from Bennett Field into Franklin Landing. Regarding the cost of maintenance and the cost of hauling freight in on the winter road, I think that would be cheaper if they used water transportation up to the Bennett Field, which is no problem as the low water is up above the rapids, and then open that all-weather road. Maybe Hire North, if they have finished over there, can go down, or use the local contractors like Eddy McPherson and Rod Norwegian who would probably do the job just as well. I wonder if you have any plans for that in the next year or two? I see I have got them all talking there, anyway, Mr. Chairman.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, first of all I would like to thank him for the comments, and whether we did it or not, we will take the credit. Secondly, the answer to the second question is, yes, and we will provide the information about the comparative costs. The third one is no, we do not have any plans because at the present time, it is not viable.

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

MR. FRASER: Pretty rough answers there -- yes, no, yes, no and I asked about three questions, but anyway...

---Laughter

...the feasibility of opening the Franklin road, I believe you said no. Are you not even going to look into the possibility that it could be cheaper than hauling your stuff in by winter road right now?

CHAIRMAN (Mr. Pudluk): Thank you.

HON. ARNOLD McCALLUM: Mr. Chairman, the Member's third question, if we would look into it, if at the present time we thought it was viable; in the first instance he did not ask whether we would look into it. So I said no, it is not viable at the present time, but, yes, since he changed the question or modified it, yes, we will look into it. I do not know what other kind of answer he would expect me to give to the second question, whether in fact I would provide the information on comparative costs. Obviously, the answer to that is yes, we would. If I had said no, we would not, he would have taken umbrage at that. So I simply want to be a good guy as far as the Member is concerned -- we will provide the information. At the present time, it looks as though the comparative costs are about equal, but we are not going to hide anything; if he wants the information, we can give it.

CHAIRMAN (Mr. Pudluk): Thank you. Honourable Member for Deh Cho.

MR. SIBBESTON: You have made my day. Mr. Chairman, I heard a terrible, terrible rumour recently about the possibility of the highway in this area being paved. I could not imagine it being true, but is there actually any talk of paving the Rae-Yellowknife stretch of the highway this coming summer? Because I certainly have ideas as to other parts of the North that are more, much more important than the Yellowknife area, to have pavement.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

#### Hard-Surfacing Of Roads

HON. ARNOLD McCALLUM: Mr. Chairman. At the present time, what is being contemplated for the coming year is to hard-surface a section of the main highway from the border into Enterprise. We are not going to be able to do it all this year. I indicated that the work that had to be done would cost roughly \$2.5 million, and that is for about 16 or 18 kilometres.



I just forget the number of kilometres in it, but it is for there. There is a proposal and we hope to be able to hard-surface the road from the community of Rae to the main highway because of the dust problems that are experienced in that area.

We have, as well, over the last year or two experimented with chip-seal treatment in various parts of the highway systems, so that we can better estimate what should be done to get rid of a dust problem on the highway. That has been done, as I said, in a couple of areas. The ultimate goal, obviously, would be to make all our roads dustproof, and it is not paving in the sense that the Member may be thinking. We are not laying three to four inches of tar or cement on it. It is a chip-seal treatment. We have particular instances where it has been a success. That would be the ultimate goal so that we would cut down on the number of accidents and deaths that occur because of dust. We use other controls for dust; we use calcium chloride in places, as well.

Mr. Chairman, the Member asked if it is actually pavement. It is a hard surface and all I know is it is called chip-seal treatment. There is a hard surface on it but it is not three or four inches of what we would know as pavement. It is a hard surface and we have experimented in certain areas with that already, so that we have some knowledge. We would hopefully be able to continue to do that because of the haul back and forth over our highways as development occurs. When you have large transport trucks coming in over dusty highways, it makes it rather dangerous, and so we have been experimenting in certain areas with dust control methods. If this treatment that we have done holds up, that is the goal that we would have.

CHAIRMAN (Mr. Pudluk): Thank you. Honourable Member for Deh Cho.

MR. SIBBESTON: Last question. It seems there is some truth in this terrible rumour we have been hearing and maybe all of us Members that are not from Yellowknife should band together and change the priorities of the government. You just heard that the Keewatin are interested in a few roads. Certainly in the Deh Cho area we would be interested in a road to Jean Marie River and, of course, to Wrigley. So where are the government priorities? It seems they should be spending the money on these remoter parts of the North instead of improving what is already a very, very good road between Edzo and Yellowknife.

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

#### Highway To Yellowknife Not Being Paved

HON. ARNOLD McCALLUM: Mr. Chairman, let me dispel the rumour. I did not contribute to that terrible rumour that is going around that we are going to pave the highway to Yellowknife. I did not say anything about Yellowknife, or paving the highway to Yellowknife, at all, in the response. I said that we are going to hard-surface the road from Fort Rae to the main highway. We are going to do something on the reconstruction side of the program from the border for a matter of 14 to 16 kilometres, as a beginning. The Member will be pleased to note that we have a proposal for his constituency -- because we like to look forward to things and make sure that we get these things going -- that we are going to deal with a road from Fort Simpson to Fort Wrigley and that will be going ahead. That will be dusty after it gets built and the Member then would likely want some hard surface, but that is down the road too. As well, Mr. Chairman, we are spending about \$2.5 to \$2.8 million to finish the Liard road. So the Member is well looked after.

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

MR. WRAY: Thank you, Mr. Chairman. Seeing as how I cannot get my ice road, I am very glad to hear the subject of paving brought up, because...

HON. ARNOLD McCALLUM: A point of privilege.

CHAIRMAN (Mr. Pudluk): A point of privilege. Okay, Mr. Minister.

#### Hard Surface For Road Safety

HON. ARNOLD McCALLUM: Mr. Chairman, a point of privilege. I have tried to dispel this idea that the two Members here have. We are not paving the road, we are putting a hard surface on. There is a difference; so I have got to dispel the viewpoint that they have in their minds that it is going to be a great big paved highway. It is not. It is a hard surface to combat a dangerous situation with dust on our highways. Maybe Mr. Wray does not know, but certainly Mr. Sibbeston should know that over the last years there have been numerous deaths on our highways caused by dust conditions. What we are trying to do is make it safer to travel the highways where we do have them. If that is wrong then somebody has his priorities turned around the wrong way. However, it is not paving, as such.



CHAIRMAN (Mr. Pudluk): I do not think that was a point of privilege.

---Laughter

HON. ARNOLD McCALLUM: It was a point of privilege. I have got to dispel the rumours or the ideas that they have in their minds.

CHAIRMAN (Mr. Pudluk): Mr. Wray, you have the floor.

MR. WRAY: Thank you, Mr. Chairman. Seeing as how the Minister has a sensitive spot about paving, I will refer to it as hard surface from now on. I am glad he brought up the subject of dust because we have quite a few roads in the Eastern Arctic that would like a hard surface.

HON. ARNOLD McCALLUM: Where? Who built them?

MR. WRAY: I do not know if any of the Members in the House have been to Baker Lake in the summertime, but when you get off the plane, all you can see is a red cloud of dust surrounding the community. The gravel that we have there is a red sandstone type of gravel which basically crushes when you drive over it and turns to powder, and the community is enveloped in a cloud of dust for two months of the year. Visibility within the community is actually cut to about 25 or 50 feet during the day and we have had numerous very near-accidents with heavy equipment and small children.

This issue was raised as long ago as 1976, not only from a safety aspect but from a health aspect. It causes a wide variety of respiratory problems within the community and we have asked time and time again for hard-surfacing -- actually we have asked for paving, but as they will not give us paving, we will ask for hard-surfacing. Part of the problem in this whole area of highways is that there appear to be two departments responsible for roads within the hamlets in the East. One is the Department of Local Government and the other is the division of highways. Now sometimes Local Government provides the funds and highways provides the personnel. Sometimes highways provides the funds and Local Government provides the personnel; and sometimes they get it right and highways provides the funds and the personnel. It always causes confusion as to who is actually responsible for the design and construction, and provision of maintenance funds for those roads. Local Government does provide some funds; highways provides some funds. We really do not know who to go to at times in terms of trying to fix the road up. If you go to the East, in most of the communities you will see that the roads are in terrible shape.

Motion To Clarify Responsibility Of Department Of Public Works, Highways Division, For Roads And Highways

As such I would move a motion that this Assembly recommends to the Executive Committee that the department of highways develop a policy which will clarify that the Department of Public Works, highways division has the responsibility for the design, construction and provision of maintenance funds for all highways and roads within the Northwest Territories presently funded by the Department of Local Government. I think for once and for all we have to put the roads into the proper department. We have to have the proper personnel design those roads, we have to have the proper support staff helping the hamlets maintain those roads, because we literally spend millions of dollars...

CHAIRMAN (Mr. Pudluk): Mr. Wray, can I examine that motion first and then you can speak to it after? Thank you. Your motion is in order. To the motion.

MR. WRAY: Thank you, Mr. Chairman. We have a very complicated situation in the East. I want to explain just what goes on because for the people of the West you have your nice paved and hard-surfaced highways. Sometimes those do not mean too much to you because you use them every day, but when you have a truck that loses an axle every two weeks because of potholes in the roads, then you might begin to worry about it. Within the community of Baker Lake alone right now, we have the Ministry of Transport who are going to spend upwards of three quarters of a million dollars to build a road from the community to the airport. We have the department of highways which has built roads to the sewage lagoon, roads to the garbage dump and we have the Department of Local Government which provides funds for the maintenance of other roads within the community and it is very, very confusing as to who is responsible for those roads.

We asked the Department of Local Government in 1977 if they would please figure out a way to solve our dust problem within our community and we got nowhere, so what I would like to do is ask the department of highways if they would solve the dust problem, and the only way that I can see of doing it is to take the responsibility of road maintenance and construction from Local Government and put it into highways where the experts reside. Thank you.

CHAIRMAN (Mr. Pudluk): To the motion. Mrs. Sorensen.

MRS. SORENSEN: Mr. Chairman, I would like some indication from the Minister and the department how they feel about such a transfer and the rationale behind why highways is where it is right now.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, perhaps we had better get it straight. The Department of Public Works is not responsible for roads in the communities or the hamlets; that is the responsibility of the Department of Local Government. The Department of Public Works does not provide the funding for those; that is provided by the Department of Local Government. The Department of Public Works may well do the work for the Department of Local Government, as we do the work for other departments, but Public Works is not responsible for community streets, roads, etc., within the communities. We may well do the work but we do not put the funds up for it; it is the client department. If there is a need to do something in terms of dust control in the community, either hard-surfacing or calcium chloride, I am sure that could be done within the Department of Local Government.

As to whose responsibility it should be, the division of highways in the Department of Public Works is responsible for the highways. It is not responsible for the work within the community; that is Local Government's responsibility. We may very well do the work, as I say, but we do not provide the funds and in my estimation that is where it should stay. Local Government is involved with the communities and municipalities, the hamlets.

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

#### Definition Of Highway

MR. WRAY: I just wonder whether the Minister could give us a definition of a highway vis-a-vis a road.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: I will give it a shot. I consider a highway a road that connects communities. For example, the road between Arctic Bay and Nanisivik or, if you like, the Mackenzie Highway.

MRS. SORENSEN: Ingraham Trail.

HON. ARNOLD McCALLUM: All right, Ingraham Trail, or whatever. I guess in the same way I could consider that a road. I consider the streets within a community altogether different. Whether you want to call a street in a community a trail or a road, as some communities do, that is a difference in just names. In the city of Calgary there are certain trails that are within the responsibility of that community; the same way in the Northwest Territories.

MR. FRASER: Agreed.

---Laughter

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

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. I really do not understand so I would like the motion to be read again. Can you read it again, please?

CLERK ASSISTANT (Mrs. Baldwin): I move that this Assembly recommend to the Executive Committee that the department of highways develop a policy which will clarify that the Department of Public Works, highways, has the responsibility for the design, construction and provision of maintenance funds for all highways and roads within the Northwest Territories presently funded by the Department of Local Government.

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

MR. APPAQAQ: (Translation) Thank you, Mr. Chairman. I think I will be in support of this motion. In our home town there were some difficulties with the dust from the road and also with the dust that came from the soapstone for carvings. There are some difficulties with dust in those areas. The dust from the road is one of the main problems in the community when the dust would go into a building and it was stated by a doctor that it causes the same illness. The dust that arises in the communities from the roads is being inhaled by any person, so we would have to support the motion. It is not just going to be regarding the roads, so that is one of my concerns.

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

Municipal Or Territorial Responsibility

MS COURNOYEA: Yes, Mr. Chairman. I realize that the Minister did try to give an explanation of when is a highway a highway and when funding comes from the Department of Public Works through the highways division. I believe that there are categories of roads that can be part of the highway within a community and I think it would be useful to really know when a road within a community or a by-pass could be funded as a highway or receive highway funds. Then there are some other criteria whereby if, within a municipal boundary, a road is being constructed, that that becomes a responsibility within the territorial jurisdiction. I think that kind of explanation is really what was being asked by Mr. Wray.

CHAIRMAN (Mr. Pudluk): Mr. Minister.

HON. ARNOLD McCALLUM: Mr. Chairman, I will have to use references that I am familiar with, and that may indicate a real ignorance in terms of roads or highways or whatever in other communities, but let me give you some examples. There is a highway that connects Hay River and Pine Point. It goes just outside the town proper, but I think it is well within some of the greater area of Pine Point, for example. I do not know about the land but it is close enough to it. The highway by-passes Pine Point. There is a turn-off on the road to go into Pine Point but the road continues on to Fort Resolution.

There is a highway that by-passes the town of Fort Smith. That is a highway. There are the streets and whatnot within the community. In Frobisher Bay, the highway -- if you like, the road -- connects Frobisher Bay and Apex. The highway in Inuvik goes around the outside as you come in from the airport. In some communities, the highway may run directly through the community, leading on to some other community.

So there are times when a highway may be part of a street within a particular community. I do not know whether that helps or not. I was not trying to be facetious in an answer in terms of it. Highways to my mind connect communities. They may go through the community, they may go around the community. There are communities that have paved streets, not hard-surfaced but paved streets. The community, however, did the paving, for example the community of Frobisher Bay. I do not want the Department of Public Works to be involved with that. We may help in the design, we may help in the construction, but not in the maintenance of it. That is for the community; that is their arena.

There are other communities that have pavement within the community itself. That is either done by the community through extra taxation or by the application of debenture funds for that particular purpose. There are a number of communities that have that. We as a government help in terms of the debentures. I see a very distinct difference between the streets in the community -- whether they are called roads or not -- and a highway. Highways, to my mind, connect communities and, as I say, they may run through the community or around it.

CHAIRMAN (Mr. Pudluk): Now the time is 1:00 p.m. I wish to report progress.

HON. JAMES WAH-SHEE: Mr. Chairman, a point of privilege.

CHAIRMAN (Mr. Pudluk): I have no alternative after 1:00 o'clock.

MR. DEPUTY SPEAKER: Mr. Pudluk.



REPORT OF THE COMMITTEE OF THE WHOLE OF BILL 1-83(1), APPROPRIATION ORDINANCE, 1983-84

MR. PUDLUK: Thank you, Mr. Speaker. Your committee has been considering Bill 1-83(1), Appropriation Ordinance, 1983-84, and wish to report progress.

MR. DEPUTY SPEAKER: Any announcements from the floor? Mr. McLaughlin.

MR. McLAUGHLIN: Mr. Speaker, do you think it would be appropriate at this time if you could maybe consider polling the Members who are present to make sure we are going to have a quorum here on Monday afternoon?

MR. DEPUTY SPEAKER: Mr. Sibbeston.

Motion To Adjourn Until Tuesday, March 1st, Carried

MR. SIBBESTON: Mr. Speaker, I would like to make a motion that this Assembly be adjourned until 1:00 p.m. on Tuesday, March 1st.

MR. DEPUTY SPEAKER: Seconder, Mr. McLaughlin. To the motion. Mr. Sibbeston.

MR. SIBBESTON: Mr. Speaker, it does appear that there will be quite a number of Members away from Yellowknife and the Assembly on Monday and I think it is better to have an indication now as to whether there will be anybody here on Monday, as opposed to people coming here on Monday and finding out that there is not a quorum. I know I myself will be gone on Monday for a very important matter of making representation to the boundaries commission in Fort Simpson, and I know that many of the Executive Committee Members will be in Ottawa on, again, very important business, so it may well be that there may not be a quorum on Monday. So it is with this in mind that I am making this motion, not to in any way inconvenience the Eastern Arctic Members if they are anxious to do business in our absence.

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

MR. APPAQAQ: (Translation) Thank you, Mr. Speaker. Personally, I will not be here on Monday. I will be absent on Monday but I will be here on Tuesday, March 1st.

MR. DEPUTY SPEAKER: Thank you. To the motion. Do I hear question?

HON. TOM BUTTERS: Question.

MR. DEPUTY SPEAKER: All those in favour? Down. Opposed?

CLERK OF THE HOUSE (Mr. Hamilton): A tied vote.

MR. DEPUTY SPEAKER: We do not sit Monday. I vote in favour of the motion, yes. It is my motion of yesterday, and I was defeated.

---Laughter

The motion is carried.

---Carried

Any further announcements from the floor? Mr. Clerk, announcements and orders of the day.

CLERK OF THE HOUSE (Mr. Hamilton): Announcements, Mr. Speaker. There will be a caucus meeting on Tuesday, March 1st, at 9:30 a.m. There will also be a meeting of the Members' Services Board on Tuesday, March 1st, at 11:30 in room 211.

ITEM NO. 16: ORDERS OF THE DAY

Orders of the day, Tuesday, March 1st, 1983, 1:00 p.m.

1. Prayer
2. Members' Replies
3. Oral Questions



4. Written Questions.
5. Returns
6. Ministers' Statements
7. Petitions
8. Reports of Standing and Special Committees
9. Tabling of Documents
10. Notices of Motion
11. Notices of Motion for First Reading of Bills
12. Motions
13. First Reading of Bills
14. Second Reading of Bills
15. Consideration in Committee of the Whole of Bills, Recommendations to the Legislature and Other Matters: Bills 1-83(1), 6-83(1), 7-83(1), 8-83(1), 9-83(1), 10-83(1), 11-83(1), 12-83(1), 13-83(1), 14-83(1), 15-83(1), 16-83(1), 17-83(1), 18-83(1), 20-83(1)
16. Orders of the Day

MR. DEPUTY SPEAKER: This House stands adjourned until Tuesday, March 1st.

---ADJOURNMENT

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