



COUNCIL OF THE NORTHWEST TERRITORIES DEBATES

58th Session

8th Council

Official Report

WEDNESDAY, FEBRUARY 4, 1976

Speaker David H. Searle, Q.C.

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YELLOWKNIFE NORTHWEST TERRITORIES

WEDNESDAY, FEBRUARY 4, 1976

MEMBERS PRESENT

Mr. Steen, Mr. Stewart, Mr. Lafferty, Mr. Butters, Mr. Wah-Shee, Mr. Barnaby, Mr. McCallum, Mr. Evaluarjuk, Mr. Ernerk, Mr. Pearson, Mr. Kilabuk, Mr. Pudluk, Mr. Searle, Mr. Nickerson

ITEM. NO. 1: PRAYER

---Prayer

THE SPEAKER (Mr. Searle): Members of Council, looking at the orders of the day, Item 2, questions and returns.

ITEM NO. 2: QUESTIONS AND RETURNS

Are there any written questions. Mr. Nickerson.

Question W36-58: Sewerage Treatment Facilities At Yellowknife

MR. NICKERSON: Mr. Speaker, I have a question concerning the sewerage treatment facilities at Yellowknife. Could the administration please outline what they know of any sewerage treatment facilities which might be constructed to replace the seriously overloaded Niven Lake lagoon in Yellowknife? Has the question of using Kam Lake as a lagoon finally been resolved?

MR. SPEAKER: Are there any further written questions? Mr. Stewart.

Question W37-58: Municipal Grants

MR. STEWART: Mr. Speaker, could I be advised whether the territorial government will be paying the unconditional municipal grant and the recreational grant to municipalities on their updated census figures for the fiscal year of 1975? I have also a second question, Mr. Speaker.

MR. SPEAKER: Mr. Parker.

Return To Question W37-58: Municipal Grants

DEPUTY COMMISSIONER PARKER: Mr. Speaker, the answer is yes.

MR. SPEAKER: Mr. Stewart.

Question W41-58: Task Force On Great Slave Lake Fisheries

MR. STEWART: This question, Mr. Speaker, is a little different than most in that it is not directed at the administration. When the paper on the Task Force on the Great Slave Lake Fisheries is reviewed by this Council, is it the pleasure of this house to call on expert witnesses, Mr. Moss of the Freshwater Fish Marketing Board and a representative from the Fishermen's Federation at Hay River?

MR. SPEAKER: I am not quite sure how that can be answered if it is not directed at the administration, Mr. Stewart. The item you are concerned with does come up in committee of the whole, I take it.

MR. STEWART: Mr. Speaker, I have tried to find a place to get this question answered without too much success in the estimates, and that is the reason I have taken this route.

MR. SPEAKER: Any further written questions? Mr. Nickerson.

Question W38-58: Revocation Of Commissions To Administer Oaths.

MR. NICKERSON: Mr. Speaker, I have a question concerning the revocation of commissions to administer oaths. Why were at least four commissions to administer oaths revoked during the last year. Since such commissions are only granted for a period of two years is there any significance to the fact that the above mentioned commissions were revoked and not just allowed to expire?

MR. SPEAKER: Mr. Commissioner.

THE COMMISSIONER (Mr. Hodgson): Mr. Speaker, the Member would have to give us the names. It is a matter of routine. The recommendations come from the department concerned and are seldom really questioned. So, I would have to have the names and then we would check into it. They can be given privately or publicly, whichever the Member wishes.

MR. SPEAKER: Do you wish to provide particulars, Mr. Nickerson?

MR. NICKERSON: Mr. Speaker, not really. I do not think it is proper really that the various names should be read out in Council. I would not assume that any of these revocations are on account of serious offences having been committed or anything of that nature, I was just worried about whether or not there was an over-all reason why this was done because I know that commissions normally last for two years and then expire. I wonder if anything special had happened in these particular circumstances.

THE COMMISSIONER: If you could give me the names privately I will endeavour to find out.

MR. SPEAKER: If you do not want to provide the names publicly, I take it you will do it privately, in accordance with the Commissioner's suggestion?

MR. NICKERSON: Yes.

MR. SPEAKER: Any further written questions? Mr. Stewart.

Question W39-58: Justices' Of The Peace Conference

MR. STEWART: Mr. Speaker, I understand that due to lack of funds no Justices' of the Peace conference was held last year. Will there be a Justices' of the Peace conference this year.

MR. SPEAKER: Mr. Commissioner.

THE COMMISSIONER: I will take the question as notice, Mr. Speaker.

MR. SPEAKER: Any further written questions? Mr. Lafferty.

Question W40-58: Continuation Of Hire North Project

MR. LAFFERTY: Mr. Speaker, because of the great cutback in our work activities in the North, particularly down in the Mackenzie corridor and in the Simpson region, Hire North and the Mackenzie highway project was very important to the economy of that region, and I am presently wondering whether the administration is seeking any way to keep the Hire North project continuing?

MR. SPEAKER: Mr. Parker.

Return To Question W40-58: Continuation Of Hire North Project

DEPUTY COMMISSIONER PARKER: Mr. Speaker, the Hire North project is scheduled to continue for at least a minimum of three years, however, on a somewhat reduced scale, that is, reduced from previous years, because the task of clearing the right of way has been completed and there is less work of that nature available. However, the project will be continued and a total of approximately 50 people will be employed for most parts of the year.

MR. SPEAKER: Are there any further written questions? Are there any returns? Mr. McCallum.

Return To Question W24-58: McPherson Settlement's Council Letter Re Hostel

MR. McCALLUM: Mr. Speaker, on January 30th, 1976, Councillor Steen asked Question W24-58 concerning the future of the Fort McPherson hostel and I have the following reply.

On November 20, 1975, the Fort McPherson settlement council sent a letter to the regional director's office in Inuvik concerning the high cost of operating and maintaining Fleming Hall. This letter evoked a visit to the settlement by the assistant regional director. The assistant regional director passed to the Executive and the Department of Education his assessment of the situation. The Executive then asked the Department of Education for a recommendation and comments.

On January 6 the settlement council sent a follow-up letter on the situation. At an Executive meeting held January 9th, a recommendation was made on behalf of the Department of Education to (a) tear down the hostel, Fleming Hall, and (b) save the material for community projects and (c) pay for private lodging in the settlement for any student requiring such lodging.

The Executive concurred with the recommendations with the following provisions: (a) that the washroom facilities and the space provided Northern Canada Power Commission were to be retained, (b) that inquiries be made as to how the demolition was to be carried out.

Subsequently the Deputy Commissioner requested the regional director to review a report on future requirements for community buildings in Fort McPherson, bearing in mind that the old school building will soon be surplus and what interest there might be in the Delta area in persons or groups seeking demolition contracts. The Commissioner agreed to the proposal and a letter was sent to the regional director at Inuvik informing him of the Executive decision.

Further communication was received by the Commissioner from the regional director at Inuvik requesting that a member of the Executive make public the decision at a community meeting. Since Council is in session, time has not allowed this to occur as yet.

MR. SPEAKER: Mr. Parker, any further returns?

Return To Question W23-58: Causes Of Termination Of Fort Resolution Air Services

DEPUTY COMMISSIONER PARKER: Mr. Speaker, on January 30th, Mr. Wah-Shee asked Question W23-58, concerning termination by Pacific Western Airlines of their air services into the community of Fort Resolution. On January 20, 1976, the Commissioner wrote to Mr. Don Watson, president of Pacific Western Airlines concerning this matter. He advised Mr. Watson that the Government of the Northwest Territories supported the concept of a transfer of operating authorities from Pacific Western Airlines to a carrier willing to provide air service which would meet the requirements of the residents of Fort Resolution. This transfer of operating authorities would be subject to the approval of the Canadian Transport Commission. No reply has yet been received to this letter, but the administration would be pleased to make available to Councillor Wah-Shee the contents of the reply when it has been received.

MR. SPEAKER: That is almost a non-return, is it not? Mr. McCallum.

Return To Question W14-58: Sir John Franklin School

MR. McCALLUM: Mr. Speaker, on the 29th of January, 1976, Councillor Nickerson asked Question W14-58 and I have the following reply.

At present, discussions are being held between interested parents and members of the school staff committee with a view to establishing an advisory group for Sir John Franklin school. All parents of students attending Sir John Franklin school will be informed by letter prior to the next parent-teacher conference day on the results of this investigation and of a possible date for a further meeting.

MR. SPEAKER: Are those all the returns?

Turning back to the order paper and moving on to Item 3, oral questions.

Item 4, presenting petitions.

Item 5, reports of standing and special committees. Mr. Nickerson.

ITEM NO. 5: REPORTS OF STANDING AND SPECIAL COMMITTEES

Standing Committee On Legislation

MR. NICKERSON: Mr. Speaker, the standing committee on legislation met on the 2nd of February, 1976, and has now completed its deliberations concerning Bill 13-58, The Strathcona Sound Loan Agreement Ordinance, 1976-77.

MR. SPEAKER: Any further reports of standing or special committees?

Item 6, notices of motions. Mr. McCallum.

ITEM NO. 6: NOTICES OF MOTIONS

Notice Of Motion To Introduce Bill 3-58, Supplementary Appropriations Ordinance No. 2, 1975-76 For First Reading

MR. McCALLUM: Mr. Speaker, I give notice that on Thursday, February 5, 1976, I shall move that Bill 3-58, An Ordinance Respecting Additional Expenditures for the Public Service of the Northwest Territories for the Financial Year Ending the 31st Day of March, 1976, be read for the first time.

MR. SPEAKER: Mr. Lafferty.

Notice Of Motion 8-58: Recreation Centre, Fort Simpson.

MR. LAFFERTY: Mr. Speaker, on Friday, February 6, 1976, I shall move the following motion:

WHEREAS Fort Simpson, being an important regional centre has been and will continue to be one of the fastest growing communities in the Northwest Territories;

AND WHEREAS the present recreational facilities in Fort Simpson are completely inadequate;

NOW THEREFORE, I move that it be a recommendation of this Council that:

- I. The Government of the Northwest Territories cause a study to be made to assess the immediate and long range needs for a recreational complex in the village of Fort Simpson; or
- II. The Government of the Northwest Territories provide funds to the village of Fort Simpson so that it may cause such a study to be made.

MR. SPEAKER: Mr. Stewart.

Notice of Motion 7-58: Extension of Sitting Hours

MR. STEWART: Mr. Speaker, I would like to give notice of the following motion:

WHEREAS a considerable amount of business remains to be completed in order to conclude this session of Council on February 13th;

NOW THEREFORE, I move that the Speaker be authorized to alter the regular hours of sitting to permit, if required, Tuesday and Thursday morning sittings and evening sittings.

In view of the urgency of this motion I would request, Mr. Speaker, that you seek unanimous consent that I may present this motion this morning.

MR. SPEAKER: When we get to Item 7, I will do that, Mr. Stewart.

Are there further notices of motions?

Turning to the order paper, moving on, Item 7, motions. Mr. Stewart.

ITEM NO. 7: MOTIONS

Gentlemen, is there unanimous consent for Mr. Stewart to move the motion which he just gave you notice of? Mr. Butters.

MR. BUTTERS: Mr. Speaker, would the Honourable Member read his motion again? I am afraid I was not paying attention.

MR. SPEAKER: Before we ask for unanimous consent, Mr. Stewart, would you read your motion again?

Motion 7-58 Repeated

MR. STEWART:

WHEREAS a considerable amount of business remains to be completed in order to conclude this session of Council on February the 13th;

NOW THEREFORE, I move that the Speaker be authorized to alter the regular hours of sitting to permit, if required, Tuesday and Thursday morning sittings and evening sittings.

MR. SPEAKER: May Mr. Stewart have unanimous consent to move that motion this morning? Agreed?

---Agreed

Is there anyone who does not agree? No? Proceed, Mr. Stewart.

Motion 7-58: Extension Of Sitting Hours

MR. STEWART: Although this will be repetition, Mr. Speaker, I hereby move:

WHEREAS a considerable amount of business remains to be completed in order to conclude this session of Council on February the 13th;

NOW THEREFORE, I move that the Speaker be authorized to alter the regular hours of sitting to permit, if required, Tuesday and Thursday morning sittings and evening sittings.

MR. SPEAKER: Is there a seconder? Mr. Butters. Is there any discussion? Are you ready for the question? Mr. Barnaby.

MR. BARNABY: It looks like we are going to approve everything in this budget, but I think discussion always gets into the programs. I mean we seem to get away from talking about the money and end up talking about the programs. I wonder if we could just approve the whole thing which we are going to do anyway, instead of talking about the money and just talk about the programs?

Motion 7-58 Carried

MR. SPEAKER: Mr. Barnaby, you may wish to raise that point when we get into committee of the whole again on the budget but that is not what Mr. Stewart's motion is about right now. Is there any further discussion? Question? All in favour? Contrary?

---Carried

There is one other motion, but the mover is not here this morning, so we will let that stand over.

Turning to the orders of the day, Item 8, tabling of documents. Mr. McCallum.

ITEM NO. 8: TABLING OF DOCUMENTS

MR. McCALLUM: Mr. Speaker, I wish to table the following document, Tabled Document 17-58, Northwest Territories Housing Corporation Estimate Detail for 1976-77.

MR. SPEAKER: Further documents to be tabled?

Item 9, consideration in committee of the whole of bills and other matters.

ITEM NO. 9: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

I assume it is the wish of the Executive to continue with Bill 4-58, is it?

DEPUTY COMMISSIONER PARKER: Yes.

MR. SPEAKER: Mr. Stewart, will you take the chair again -- no, we have not completed Social Development. Who should we have as chairman? Mr. Butters?

MR. STEWART: Mr. Speaker, I suggest that Mr. Butters complete the section.

MR. SPEAKER: Are you prepared to continue, Mr. Butters, to continue Social Development?

MR. BUTTERS: Yes.

MR. SPEAKER: Council will resolve into committee of the whole for continued consideration of Bill 4-58, the Appropriations Ordinance, with Mr. Butters in the chair.

---Council resolved into Committee of the Whole for consideration of Bill 4-58, Appropriations Ordinance, 1976-77, with Mr. Butters in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 4-58, APPROPRIATIONS ORDINANCE, 1976-77

THE CHAIRMAN (Mr. Butters): The committee will come to order. We are considering on page 9.07, activity 4041, corrections.

Social Development, Activity Memorandum - Activity 4041, Corrections.

Before we begin examination of this section, may I remind Members of the committee that as chairman I would in no way attempt to cut off the Members in their discussion of their constituency concerns. However, I would suggest that possibly the committee is not using the mechanism of the motion to consolidate an idea that is under discussion, that has apparently received a consensus of Members' expressions of opinion and so use that motion to direct the Executive and the Executive Committee in the direction that we wish them to go.

When we closed yesterday evening, following a rather extended discussion on corrections, there was a motion or a half motion that was suggested by Mr. Pearson relevant to referring the matter of diversion of sentencing in this area of alcohol related offences and the possibility of re-establishing the probation service in the Northwest Territories.

Mr. Pearson, did you have a motion this morning on that matter?

MR. PEARSON: I just happened to find one on my desk, Mr. Chairman. If the house will forgive me, I had a rough night. Again, just to repeat very quickly what took place yesterday, I think there is a need for measures of this sort. There is no probation service in the Northwest Territories and I think before any of the programs that we would like to see implemented can be implemented, we will have to have a probation service.

Motion That Concept Of Diversion And Probation Service Be Referred To The Justice And Corrections Committee

I move that matters of sentencing in the Northwest Territories and the concept of diversion and the need to re-establish the territorial probation service be referred to the justice and corrections committee for advice to this Council.

THE CHAIRMAN (Mr. Butters): Do the Members understand the motion? It would appear to summarize the debate that was carried forward yesterday.

Motion Carried

If so, is there any discussion on the motion? There being no discussion on the motion, all those in favour? Thank you. Contrary? The motion is carried.

---Carried

I will report this back to the Speaker. Further discussion on activity 4041, corrections? I have two names on my list, Mr. Barnaby and Mr. Lafferty. Do you still have comments? I have your names still left on my list from yesterday as not having spoken to this. Do you remember? It was probably so long ago that you forget it. Are there any further comments on this section?

Activity Memorandum - Activity 4041, Corrections Agreed_

May I then have approval of the activity \$1,957,300? Agreed?

---Agreed

Activity Memorandum - Activity 4043, Child Welfare Services

Activity 4043, child welfare services. The supportive finance pages are found on 9.17 and 9.17A. Mr. Ernerk wished to introduce each individual section before we entered into discussion on the matter. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, if I could just make some general comments with respect to activity 4043, child welfare services. The departmental field staff provide a range of counselling, treatment and referral services to parents and children and special services can be made available on a volunteer basis through agreement with the parents and the superintendent of child welfare. Pursuant to the authority of the Child Welfare Ordinance, the department provides services to children found to be in need of protection by the court, residential and short-term facilities are available in a number of locations throughout the Northwest Territories, foster home and adoption services are also provided. The department provides probation supervision and counselling services to children in conflict with the law as well as undertaking care and custody of those committed to the superintendent of child welfare under the Juvenile Delinquents Act.

I would also like to comment briefly on the costs covered in activity 4043. The expenditures in this program include cost of ward care, that is, children in our care by court order and non-ward care, that is, children in our care under agreement with the child's parents. Funds are also required for payments on behalf of children to foster parents and specialized institutions, if required.

The allotment includes the operating and personnel costs for short-term care in departmental receiving homes which are located at Fort Smith, Hay River, Yellowknife, Inuvik and Frobisher Bay. Group home services are contracted with live-in group home parents. We have two group homes in Fort Smith and two in Inuvik. Single units are present in Yellowknife and Frobisher Bay. Included also in this activity are the operating costs of the Fort Smith centre, residential treatment centre for boys and girls aged 12 to 16. That is all, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Are there any questions regarding the program you have just heard outlined? Do any Members have questions? Mr. Lafferty.

Group Homes In Fort Smith And Inuvik

MR. LAFFERTY: My question is directed at the Minister. I am wondering, why do we have two group homes in these two communities, one at Fort Smith and -- two at Fort Smith and two in Inuvik, when there are other communities that are in drastic need of such group homes?

MR. ERNERK: Mr. Chairman, to answer Mr. Lafferty's question, this depends on the number of children who require such services in the case of Fort Smith and Inuvik.

THE CHAIRMAN (Mr. Butters): Are there any other questions relative to this section on child welfare services? Mr. Pearson.

MR. PEARSON: Just a question of the Minister. Does the Minister feel himself that age 16 is a correct age? That is a white man's view that the age of 16 is it, and people over the age of 16 should go to jail and those under 16 should be held in these establishments or group homes. Does the Minister have that same view himself? Is that a native approach, as it were, to that problem?

MR. ERNERK: Mr. Chairman, in about two months time, or three months time I will be in a better position to say exactly what I feel. Certainly I was brought up in such a society where native customs, traditional customs were followed with respect to very, very many situations of this type and some of the related problems, and so forth. I really do not want to answer Mr. Pearson's question as it is directed to me personally. This is the ordinance as it stands at the present time and as I go along looking back to my own customs and traditional ways of life, I will be in a better position, I am sure, to answer Mr. Pearson at the next session, perhaps, if he so wishes.

THE CHAIRMAN (Mr. Butters): Thank you. Mr. Nickerson.

MR. NICKERSON: Mr. Chairman, I have a series of questions concerning the actual budget for child welfare and these are not questions of a general nature as they are specifically related to dollars and cents and with your permission, sir, I would like to ask them now so that possibly the Minister and his staff could get the answers ready for a later time.

THE CHAIRMAN (Mr. Butters): Proceed, Mr. Nickerson.

Questions On Increases In Estimates

MR. NICKERSON: Under the heading continuing salaries on page 9.17 we have an estimate for 1976-77 of just less than \$1 million, whereas last year the actual amount spent was just over half a million dollars. Could we please be told why we have this very substantial increase?

The second question is that under the heading professional and special services, the proposed figure for the next fiscal year is approximately half a million dollars, whereas the actual in 1974-75 was \$164,221. Again could we have an explanation for this very large increase, and could we also have some breakdown as to what these professional and special services actually are?

My third question, sir, is under the heading grants. Approximately three-quarters of a million. I wonder if again we could have some sort of breakdown as to where these grants are actually going. Also under this title I have an observation to make, that no grants were approved by Council for 1975-76 and I wonder whether any grants were made this year because in the 1974-75 fiscal year they amounted to some half a million dollars.

THE CHAIRMAN (Mr. Butters): Mr. Minister, can that information be made available shortly?

Explanation Of Increases

MR. ERNERK: Mr. Chairman, we have not got the actual breakdown in terms of costs but with respect to those two questions under professional and special services, under this item comes costs for medical, dental and optical services, contracts with group home parents and legal fees.

Also under grants is included payments to foster parents; payments to institutions for treatment services; payments to school hostels on behalf of children who are placed there for welfare reasons; payments for special allowances, for example, would be the equivalent of family allowance to foster parents in institutions on behalf of children who are in our care -- 100 per cent of this special allowance comes back to us from Health and Welfare Canada.

THE CHAIRMAN (Mr. Butters): You will be providing the committee with written replies to Mr. Nickerson's very specific questions and the breakdown of the grants in the amount of \$759,700. Can that be broken down and provided to this committee, Mr. Minister?

MR. ERNERK: Yes, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Thank you. Mr. Nickerson.

Use Of The Term "Grants"

MR. NICKERSON: The Honourable Minister's reply prompted one other question from me, or I should say the Honourable Minister's partial reply, and that is under the heading grants, he has included payments to foster parents, payments to various institutions, payments to school hostels for looking after wards of the court, presumably, and children in similar predicaments. It would be my contention that these are really not grants, they are payments for services rendered to the department and it would seem rather unusual that this type of expenditure would be listed under the heading grants as they are not really "grants" at all, they are payments for services.

THE CHAIRMAN (Mr. Butters): Are there any further questions? Possibly that point might be clarified when the other information is returned. Obviously we will not be able to conclude activity 4043 at this moment and will be coming back to it. I will keep it open but will take other questions that relate. Mr. Stewart.

Large Numbers Of Children Requiring Child Welfare Services.

MR. STEWART: Mr. Chairman, I do not oppose this vote, as such, but I am deeply concerned with the amount of money involved. This would indicate to me that the social fibre of the Northwest Territories is in a pretty bad way. If we relate to population figures and a population of 40,000 people requiring almost \$2.75 million to look after a children ratio, I would assume by rule of thumb that would be somewhere between 10,000 and 15,000 children in the Northwest Territories. It would appear to me on a per capita base to be probably the highest in Canada. Because this is an assumption, I would like to have the figures on a comparison ratio with the other provinces in Canada on a per capita base. I would like to know what is being done to try and rectify the situation that appears to be completely out of hand, for the strength of any section of Canada certainly must lie in the hands of the young people. If we find ourselves in a position on child welfare services that we have to spend \$2.75 million to look after 10,000 to 15,000 children, something is seriously wrong in our country.

MR. PEARSON: Whose?

THE CHAIRMAN (Mr. Butters): Could those comparisons be provided, Mr. Minister?

MR. STEWART: Mr. Chairman, I do not require an immediate answer. This is for information on my part and I do not require this information before I am prepared to vote on the actual amount of money. It is just for information I would like this.

THE CHAIRMAN (Mr. Butters): That was my understanding, Mr. Stewart. Mr. Minister, can this information be provided?

MR. ERNERK: Mr. Chairman, we will do our best to see that that information is made available before this session is over.

THE CHAIRMAN (Mr. Butters): Mr. McCallum.

MR. MCCALLUM: Just one question, Mr. Chairman. This particular vote, activity 4043, does this vote include receiving homes, group homes for boys, group homes for girls and juvenile treatment centres?

THE CHAIRMAN (Mr. Butters): Mr. Minister?

MR. ERNERK: Mr. Chairman, that is correct.

THE CHAIRMAN (Mr. Butters): Are there any further questions on this item? Mr. Lafferty.

MR. LAFFERTY: Mr. Chairman, although I am of mixed thoughts here, I think we are actually talking of moneys that have already been spent but from the remarks that I hear I think I should give a caution toward the direction that may be taken in future.

When I look at the communities through which I travel extensively, going from community to community, and see this kind of figure for that number of children, I am rather appalled at the figure. Most of these children for whom such services are reflected in the budget are native children and, as Mr. Stewart brought out, it is a fantastic cost on a per capita basis. With that thought there arises in my mind the question if some of these children for whom we provide services -- is there any control on the money that is granted, or on the money that is provided for these children in group homes? How are they functioning? Are they a society unto themselves or governmental departments and, if so, in that event, in the cases of those children who are detained and undergoing treatment under corrections, what happens to their family allowances and so on? Is that kept by their parents or is it recovered by these institutions?

Suggestion That Department Of Social Development Should Have A Complete Review

There are many questions. So many that I am afraid to begin on it. Knowing very well this money has already been spent, except for a very small amount, perhaps we should look at the whole question in a committee meeting. I am not suggesting setting up a committee to do this, we can committee ourselves to death, but it should be considered either in committee, or caucus, and give this department a complete review.

THE CHAIRMAN (Mr. Butters): Mr. Lafferty, it may be more accurate to say money has been committed in the projected sense. This money has been committed for next year. Mr. Minister, have you any comment to make on Mr. Lafferty's general statement?

MR. ERNERK: Mr. Chairman, I could only answer to say that with respect to the money, with respect to the family allowances, I find it at the moment to be a rather complicated matter and I would have to go back and provide Mr. Lafferty with an answer later on. With respect to the other question, the couples are contracted by the department to operate the group homes.

THE CHAIRMAN (Mr. Butters): Thank you. I anticipate Mr. Lafferty would probably be satisfied. This will come up in his own committee, the finance committee and we will see this thing worked over there. Is that right, Mr. Lafferty?

MR. LAFFERTY: Yes.

THE CHAIRMAN (Mr. Butters): Any further comments on this section? We will be coming back to it, so if I may have your approval to move on to activity 4044 and return to this one for your approval of the amount of money when Mr. Nickerson's questions have been returned. Is that agreed? Mr. Stewart.

MR. STEWART: I wonder if we could ask Mr. Nickerson -- he is in the same position I am in and he is looking for information of a general nature and may be prepared to vote on this at this time and put the appropriation through as long as we are sure we can get the answers. We are not going to change this thing anyway, so why do we not try and get the votes through as long as we are assured we will have the information requested?

THE CHAIRMAN (Mr. Butters): That sounds like a very excellent idea, sir.

MR. STEWART: I would like my friend to accede to this request.

MR. NICKERSON: I do not know if it is in the tradition of this committee to give conditional votes.

THE CHAIRMAN (Mr. Butters): You stick to your rules. We will come back to it, Mr. Nickerson

MR. NICKERSON: I do not mind.

Activity Memorandum - Activity 4043, Child Welfare Services

THE CHAIRMAN (Mr. Butters): I understand Mr. Nickerson does not mind. May I have the concurrence of the committee to agree to approve activity 4043 for \$2,756,600? The department will be returning information requested by Members.

---Agreed

Activity Memorandum - Activity 4044, Medical Social Services And Special Care

Activity 4044, medical social services and special care. Mr. Ernerk, do you wish to introduce this section?

MR. ERNERK: Mr. Chairman, under activity 4044, medical social services and special care, this program provides a range of services related to the medical needs of territorial residents. Included in the allotment are the costs of repatriating and providing in-transit accommodations for Eskimos and others who can not meet the costs of transportation from a medical centre to their home communities and similar costs for Indians are met by Health and Welfare Canada under a long-standing arrangement. Transient centres at Akudlik and Cambridge Bay are funded through this program, as are private boarding homes in several communities. The program provides for the cost of purchasing nursing care for the chronically ill in specialized settings such as St. Anne's hospital and Chesterfield Inlet hospital. That is all, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Any questions on this item? Mr. Nickerson.

Transportation Costs Covered According To Racial Origin

MR. NICKERSON: Mr. Chairman, as I understand it the whole matter of transporting incapacitated people is, to put it kindly, in one hell of a mess. As far as I understand it, if the person involved is a treaty Indian, the federal government will pay for the transportation both from his place of residence to, say, Edmonton and back again. If the gentleman, or lady is an Eskimo, the federal government will pay the one-way trip and we are stuck with the bill going back. If the person is an "other", he would normally be required to pay for these services himself or herself and if it is not possible for the person to do that, then I guess under those circumstances we are stuck with the bill both ways. On many occasions this Council has said that social services of this nature should be provided on a basis that has nothing to do with the race or ethnic origin of the people involved. Is your department or is the department, Mr. Chairman, conducting negotiations or doing anything so that in future the system will not be operated along racial lines as it is at present?

MR. ERNERK: Mr. Chairman, that is correct. The answer is yes.

MR. NICKERSON: Thank you very much.

THE CHAIRMAN (Mr. Butters): Are there any further questions on this point? Mr. Steen.

Senior Citizens' Home In Aklavik

MR. STEEN: I am wondering on the senior citizens' home in Aklavik. I have been told that the senior citizens' home there is made up from an old barracks that the Department of Public Works -- not the Department of Public Works, but the air radio people abandoned a long time ago in Aklavik and the floor is very cold in the building and the people, the old people who are staying in there are beginning to complain about it. I understand also that the building has been condemned twice by the fire marshal and I am wondering is there any plan to have this building replaced?

THE CHAIRMAN (Mr. Butters): Mr. Minister?

MR. ERNERK: Mr. Chairman, in answer to Mr. Steen's questions, the answer is yes.

THE CHAIRMAN (Mr. Butters): Further questions on this activity 4044, medical social services and special care? Mr. Nickerson.

Grants And Professional And Special Services

MR. NICKERSON: A question relating to the actual budgetary items. I notice that under the heading professional and special services, the sum of money proposed to be spent during 1976-77 is approximately \$450,000 less than was approved during the last fiscal year. Would I be correct in assuming, Mr. Chairman, that this money under this heading is now appearing on page 9.17 in the rather substantial increase for professional and special services listed on that page? Also, under the heading, "grants", there is approximately \$0.5 million. I wonder when the Honourable Minister gives the breakdown for grants on page 9.17 if he could also give a breakdown of the grants on page 9.18? Again perhaps he could explain why no grants were approved during 1975-76 by the Council and perhaps he would tell us whether any grants were actually made during that fiscal year.

THE CHAIRMAN (Mr. Butters): Will the Minister see that his department provides that information?

MR. ERNERK: Yes, Mr. Chairman, yes.

THE CHAIRMAN (Mr. Butters): The pages referred to by Mr. Nickerson were 9.18 and 9.18A that related to activity 4044. I have a question from the chair, if I may put it at this time, and this relates to repatriation of individuals who come in from outside destitute, who are vagrant, without money, who have to be repatriated back to their home province. About how many individuals each year fall into this category and about how much does the department spend on this item? In the event that a pipeline were built in the near future, does the administration foresee a rapid increase in this type of expenditure?

MR. ERNERK: Mr. Chairman, we will look for that information and provide you with an answer later on today.

Activity Memorandum - Activity 4044, Medical Social Services And Special Care Agreed.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Any other questions on this activity 4044, for \$1,132,800. Do Members approve this item? Agreed?

---Agreed

Activity Memorandum - Activity 4045, Alcohol And Drug Program

Thank you. We will move on to activity 4045, alcohol and drug program. A great deal of discussion has already been taken on this matter under the capital item, but, Mr. Minister, would you like to introduce the item?

MR. ERNERK: Mr. Chairman, under the alcohol and drug program, activity 4045, the departmental personnel are available to provide advice and resources on alcohol and drug misuse, prevention and treatment. Community programs are administered by the Northwest Territories Alcohol and Drug Co-ordinating Council. A principal responsibility of the council is the administration of grants to community groups to enable them to develop relevant preventative and remedial services. This allotment includes the costs of two headquarters personnel, one of whom is Mr. Don Bruce who appeared before us two days ago, and travel expenses are associated with the costs of meetings of the co-ordinating council. The proposed method of funding for 1976 and 1977 is for grants to be administered by the council, \$460,000 in "A" level and an additional \$100,000 in "B" level programs. We believe the council's approach for encouraging groups to assess alcohol problems on a local basis and funding community-based services has a great deal of promise. That is all, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Thank you. Any questions from Members? Mr. Nickerson.

Accountability For Grants And Contributions

MR. NICKERSON: Under the heading grants and contributions, \$460,000. I have already expressed my favour in giving money to volunteer groups and people of that type to carry out alcohol and drug programs. I think that these volunteer local groups can do a lot more a lot better than probably government personnel can. This committee has had explained to it that the difference between grants and contributions is the degree of accountability. When we give a grant to somebody we just hand over the money and do not expect them to account for it in any way, really, whereas with a contribution we expect them to let us know what they are actually doing with the money. For this reason, I would prefer that moneys given to volunteer groups and groups of that nature should be by way of contribution rather than as an outright grant. It is the taxpayers' money, and the taxpayer should have the right to know how this particular money was spent.

MR. ERNERK: Mr. Chairman, these groups which the money is given to must account, must say how the money is being spent.

THE CHAIRMAN (Mr. Butters): Any further questions on this item? Mr. Pearson.

MR. PEARSON: Well, Mr. Chairman, in keeping with the tenor of that comment of Mr. Nickerson's, accountability for money, how about accountability for the success of the program? Giving people money is one thing, but having them produce something with it is another. I wonder how much co-ordination there is between this department and the organizations to whom they lend the money, and whether a tab is kept on them and whether a measure of success or failure is taken?

THE CHAIRMAN (Mr. Butters): Mr. Minister, can you provide Mr. Pearson with that assurance?

MR. ERNERK: Mr. Chairman, one of the conditions which we follow is that it will be evaluated.

THE CHAIRMAN (Mr. Butters): Mr. Pearson.

MR. PEARSON: Evaluated by whom and when and how many such volunteer organizations are there?

MR. ERNERK: Mr. Chairman, across the Northwest Territories there are ten organizations who are presently receiving funding through the council.

THE CHAIRMAN (Mr. Butters): Evaluated by whom I think was the question.

MR. ERNERK: Mr. Chairman, this will be evaluated by qualified personnel who will be hired by the administration.

THE CHAIRMAN (Mr. Butters): Mr. Nickerson.

MR. NICKERSON: Getting back to the difference between grants and contributions, it seems that I have had two different explanations as to the difference between these items. I would doubt very much whether the Department of Local Government would have a different definition of grants and contributions than does the Department of Social Development. For my own interest and for the interest of other new Members not particularly familiar with finance matters, I wonder if perhaps the Deputy Commissioner would care to expand on this and give us a proper definition of the difference between the two.

THE CHAIRMAN (Mr. Butters): Mr. Deputy Commissioner, can you assist?

Definition Of Grants And Contributions

DEPUTY COMMISSIONER PARKER: Yes, Mr. Chairman. I would like to refer you again to the explanatory budget paper, which was placed in the front of your books. On table II, page 2 and page 3, you will find the standard descriptions that we use. You will note that our definition of "contribution" on page 3 reads as follows: "This object includes the territorial government contribution to various activities and projects. These contributions would include: payments to organizations, hamlets, councils, etc., which are subject to audit by a representative of the government."

The principal difference between grants and contributions is the question of accountability. When we make a grant we do not necessarily require accountability. We have obviously decided that the grant is necessary and that the receiving organization is going to put it to the use for which it was intended, and therefore, when we do make a grant, it is generally considered to have no strings attached, that is, it is simply made as a grant and we do not ask that organization to come back to us and explain what use was made of the money.

When we make a contribution, we make it on the basis that we expect to receive a report, or a breakdown of the expenditures, or even to the extent of an audited statement as to the use that was made of the money, and very often a contribution is made as a partial payment for an activity, the remaining money being perhaps raised by the organization itself.

MR. NICKERSON: Thank you very much for that explanation, Mr. Chairman. Perhaps I can take it then that with all due respect what the Honourable Minister told me is not exactly correct. I presume that the Deputy Commissioner's explanation is the correct one and that the Honourable Minister might not have been quite aware of this when he was replying to my earlier question.

THE CHAIRMAN (Mr. Butters): You are referring to the accountability factor of the grants?

MR. NICKERSON: Yes.

THE CHAIRMAN (Mr. Butters): Mr. Deputy Commissioner.

More Standard Approach On Grants And Contributions Needed

DEPUTY COMMISSIONER PARKER: Mr. Chairman, there may be confusion in Mr. Ernerk's mind, and if so it is no more than the confusion in all the rest of our minds because we, within the administration, must admit that we do have a bit of a problem with these two definitions and I am rather embarrassed to say that from year to year we have been known to swing from one to the other in making payments to certain organizations. So, unfortunately, it has not been as clearcut as it should be. This is now becoming very obvious to us and I would think that since we are aware of our difficulties in this area, in another year we would hope to be much more standard in our approach as to what we are calling things. Obviously, in the past, we have made grants which perhaps should have been called contributions and for which we did in fact require accountability. So, I am sorry I must admit that there is confusion here.

THE CHAIRMAN (Mr. Butters): Mr. Nickerson, one thing I wish to make clear is that if it is your concern that all public moneys should be accounted for, or is it just a matter of getting the disposition of money in the right category, grants, contributions or whatever? Are you suggesting that all public moneys should be saddled with an accountability factor?

MR. NICKERSON: Mr. Chairman, not all moneys. I think there are occasions where it is quite right and proper for us to give organizations or institutions a grant proper, but when sizeable sums of money are given to various groups, say \$100,000 or so, I think there should be some requirement of accountability.

MR. PEARSON: Hear, hear!

THE CHAIRMAN (Mr. Butters): Thank you. Are there any further comments on activity 4045, alcohol and drug program? Mr. Stewart and Mr. Lafferty.

High Expenditure On Alcohol And Drug Programs.

MR. STEWART: Mr. Chairman, if my mathematics is correct it would appear that we are spending on the Social Development budget less than three per cent of the budget on what has been generally agreed, as I understand it, that alcohol and the drug problem in the Northwest Territories is basically the cause for the high expenditure in this and other related fields. I would like to know whether or not this type of percentage, is deemed to be sufficient, question one. Secondly, how does it compare with that of the rest of Canada? Again, Mr. Chairman, I do not require this answer this morning. I am quite prepared to wait for the answer.

THE CHAIRMAN (Mr. Butters): Mr. Minister.

MR. ERNERK: I understand that we are number one, the territories.

THE CHAIRMAN (Mr. Butters): This expenditure ...

MR. ERNERK: Mr. Chairman, we are the highest on a per capita basis, the Northwest Territories.

THE CHAIRMAN (Mr. Butters): The Northwest Territories is spending the greatest amount of money in this area on alcohol and drug programming or what you might call preventive programs are we?

MR. ERNERK: Mr. Chairman, that is correct.

THE CHAIRMAN (Mr. Butters): Thank you very much. Mr. Lafferty.

MR. LAFFERTY: Mr. Chairman, due to the misunderstanding of funded projects such as grants and -- and what was the other one again?

THE CHAIRMAN (Mr. Butters): Contributions.

More Control Over Money Advocated.

MR. LAFFERTY: ... Contributions. I think there should be more control and accountability for public funds, such as in the area of Social Development. Alcohol or drugs, or drugs in total, as alcohol is a drug, since they are not only a social problem, but since it affects all life, I think there should be accountability for the amount of money, especially now with the escalating cost of everything. There is no guarantee that we will continue to receive the money we ask for from the federal government. I think that the Department of Social Development should take more control and much of this money does not have to be granted outright, but perhaps we could make money available to groups of interested parties, or groups of interested people, who are willing to volunteer their services in the system in that area.

To give an outright grant sometimes is not the answer. I believe that the Council's job as a whole is to think in terms of territorial-wide programs. If this is the case, then our departments to which we appropriate money must be accountable for what happens with funds. In that sense I feel that there should be controls.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Lafferty. Mr. Nickerson.

Accountability Through Organization's Financial Statements.

MR. NICKERSON: Mr. Chairman, when I am talking about accountability, what I really mean is not that the department will actually control in every little detail what these various organizations are doing. What I am thinking of is once a year the department should receive an audited balance sheet and statement of revenues and expenditures. Any organization spending more than a few thousand dollars a year will automatically have this done. It will not be an impediment to them. They will have to do this for their own use anyway and my opinion is they should send a copy of the balance sheet and various financial statements to the department and it can be looked at and presumably 99 times out of 100 that is all that will happen to it because these things are usually very well looked after.

There is no way that I want a government inspector going around to the various detoxication centres, you know, every week to find out what they are doing. It is just a matter that we have on record how these funds are being spent and what has been paid out in the way of salaries and this type of thing.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Nickerson. Mr. Pearson.

Progress Reports On Success Of Alcohol And Drug Programs.

MR. PEARSON: Mr. Chairman, we asked the question earlier of the Minister and I did not get a satisfactory answer when it was suggested that there be follow-up on the grants that are made, follow-up on the organizations to see what success or measure of success they were having. The Minister did not answer that aspect of the question. He did say that there will be greater scrutiny, if you like, of the organizations, but we have been funding these organizations for a long time, admittedly not that much money, but last year it was a similar amount. Surely there must be some way of getting feedback from the communities that have these alcohol advisory committees, or whatever they are called, so that we can see just how this thing is going because there is no point in keeping pouring money in if it is not being used effectively. There may be other more effective ways of dealing -- I am speaking too fast. There may be more effective ways of dealing with these problems than the method that we are currently using.

THE CHAIRMAN (Mr. Butters): You are suggesting progress reports?

MR. PEARSON: Yes.

THE CHAIRMAN (Mr. Butters): Mr. Minister, is that being done now or could some method like that be implemented?

MR. ERNERK: Mr. Chairman, I would like to refer Mr. Pearson to page 14 of the estimates under "B" level programs which, in fact, says "The Northwest Territories Alcohol and Drug Co-ordinating Council has approved funding for a variety of community-conceived projects, ranging from community education programs to detoxification facilities. The Yellowknife Detox Program is currently being evaluated and, depending on the result, the co-ordinating council may be willing to consider requests from other communities who wish to establish detox programs."

I wonder if that is a sufficient answer to Mr. Pearson's question?

THE CHAIRMAN (Mr. Butters): I thought his question was more general, referring to all the grants. Mr. Pearson would appear to be satisfied if he could be assured the department was getting progress reports or some indication of what is occurring and if in fact these could be passed on and made available to Members of Council, if they are interested.

MR. ERNERK: Yes, Mr. Chairman.

Activity Memorandum - Activity 4045, Alcohol And Drug Program Agreed.

THE CHAIRMAN (Mr. Butters): Any further questions on activity 4045 on the specific detail, on the financial details of page 9.19? Activity 4045, agreed?

---Agreed

Activity Memorandum - Activity 4046, Social Assistance

If all Members agree, may we move on to activity 4046, social assistance, an item of \$5 million plus? It is \$5,663,500. Mr. Minister, do you wish to introduce this item?

MR. ERNERK: Mr. Chairman, under social assistance, activity 4046, this allotment covers payments of social assistance to eligible applicants on the basis of the means test. The applicant's monthly requirements are computed on the basis of rates set down in regulations for each item, for example, food, clothing and shelter. His monthly income is deducted from this figure and then the difference, if any, is the amount granted him. Payments are made by cheque payable to the recipient alone, in which case it can be cashed at the bank, or by cheque payable to both the recipient and the vendor of the goods required, in which case the recipient may not receive cash.

The latter method of issuing is used when the social welfare officer feels the recipient can not handle cash or where abuse is suspected. Assistance may be issued either monthly

or on some proportion of the month, depending on the applicant's ability to manage his or her finances. Social assistance is administered by departmental personnel, departmental staff, which is covered in administration, regional staff, or others who have been appointed as social welfare officers under the Social Assistance Ordinance. Most communities have resident social welfare officers, but some are served by staff travelling in from the nearest office of size.

Briefly, to touch down on Mr. Nickerson's questions of two days ago, the departmental staff involved frequently have other duties in addition to the administration of social assistance, and for this reason it is not possible for us to calculate the precise cost of administering social assistance.

Our proposed expenditures for social assistance for 1976 and 1977 are \$5,663,500, which is on page 9.20, which will be paid out as social assistance payments to individuals and family heads. Of this amount about 50 per cent will be recovered from Health and Welfare Canada under terms of a Canada Assistance Plan Agreement which is on page 9.11.

THE CHAIRMAN (Mr. Butters): Thank you. Are there any questions? Mr. Nickerson.

Amount Paid In Welfare Cheques And Administration Costs

MR. NICKERSON: I was just wondering whether the Minister had a reply to the question I asked previously on activity 4046, the amount that is actually handed out by way of welfare cheques and how much it costs us to hand out these cheques?

MR. ERNERK: Mr. Chairman, the actual amount is \$5,663,500 and there is no staff cost.

THE CHAIRMAN (Mr. Butters): Mr. Nickerson seems to be surprised at that cost.

MR. ERNERK: Pardon me, Mr. Chairman. Staff costs are included in this administration.

MR. NICKERSON: Mr. Chairman, what I am trying to find out here is one, how much money is handed out by way of cheque? Is it the \$5.5 million or is it part of this money for the administration of the program and the officers that are involved and the stationery and everything else? There has got to be a cost of administering this program and I have asked several times now and so far I have not got anything approximating an answer. One, what is the sum value of the cheques issued and two, how much does it cost us to administer this program?

MR. STEWART: Mr. Chairman, I wonder, while this answer is being sought, could we break for coffee?

THE CHAIRMAN (Mr. Butters): Mr. Stewart, I do not know if coffee is ready. There has been a suggestion that we break for coffee while the answer is being sought. Coffee is ready, I understand. Do we have the concurrence of Members? Would you like to break for coffee?

---Agreed

We will recess for 15 minutes this time. Let us get at it. Let us get moving, eh?

---SHORT RECESS

THE CHAIRMAN (Mr. Butters): The committee will continue its examination of activity 4046, social assistance and a question was asked by Mr. Stewart as to whether there has been ...

MR. PEARSON: We are missing an important element.

MR. McCALLUM: We can not discuss anything.

MR. PEARSON: We do not have a Minister at the moment.

MR. SEARLE: Activity 4046, agreed.

THE CHAIRMAN (Mr. Butters): We have one Member who is in agreement.

MR. SEARLE: Could the Sergeant-at-Arms bring in the Minister?

THE CHAIRMAN (Mr. Butters): Is the Minister in the house or nearby?

MR. PEARSON: Here is the Minister now, Mr. Chairman. Let us give him a big hand.

THE CHAIRMAN (Mr. Butters): The question had been asked of you prior to coffee break and do you have a reply?

Social Assistance Payments

MR. ERNERK: Mr. Chairman, let me try again first of all to explain the situation, or to attempt to explain the situation again.

The information I have here, before I get into the cost, is the expenditures for social assistance for 1976-77, and it is \$5,663,500, which will be paid out as assistance payments to individuals or family heads. Out of this amount at least 50 per cent will be recovered from Health and Welfare Canada.

Now, I said earlier that cheques which we expect to pay to recipients this year are \$5.5 million and staff time would be about 25 per cent of the administration which is about, or is roughly, \$600,000. Mr. Chairman, is that sufficient?

THE CHAIRMAN (Mr. Butters): Mr. Nickerson.

MR. NICKERSON: I would like to thank the Minister for that partial reply. I understand it cost \$600,000 in peoples' time to hand out these cheques. I would therefore presume that the over-all cost would be about double that after you take into account buildings, utilities, a portion for transportation, communications and that type of thing. So, in effect, what the Minister is saying that to hand out \$5,500,000 it probably costs us somewhere in the region of \$1.25 million altogether. In addition to this there will be some expenses incurred by the federal government, so the over-all figure for both the territorial and federal governments would probably be in the region of about say \$1.5 million in administration and allied costs to hand out the \$5.5 million.

MR. ERNERK: That is not correct, Mr. Chairman. Mr. Chairman, we are using 25 per cent of the total administration cost. Further, the only cost that is not included in this is the rent of the office buildings.

THE CHAIRMAN (Mr. Butters): I understood you to say that the \$600,000 is 25 per cent of the personnel aspect of your budget. Is that not so?

MR. PEARSON: Administration.

MR. ERNERK: Mr. Chairman, could I refer the committee back to page 9.07, activity 4040? Approximately 25 per cent of \$2,652,300 is roughly \$663,000. The only thing that is not included is rent.

THE CHAIRMAN (Mr. Butters): Mr. Nickerson, do you have anything further?

MR. NICKERSON: No.

THE CHAIRMAN (Mr. Butters): Mr. Stewart, has your question been answered yet or are you still waiting?

MR. STEWART: Mr. Chairman, basically the questions I want I will see Mr. Ernerk on and get answers.

THE CHAIRMAN (Mr. Butters): Are there any further questions or comments on activity 4046, social assistance in the amount of \$5,663,500? Mr. Pearson.

MR. PEARSON: Everyone seems to be agreeing that I should speak next.

THE CHAIRMAN (Mr. Butters): Mr. Pearson, you have the floor.

MR. PEARSON: They are all dying to hear from me. This amount is an incredible amount of money, it is a staggering amount of money when one considers the population of the Northwest Territories. I gather that there is also money in the budget, in the supplementaries for this particular item. We have recently voted more money for social assistance in the supplements, and that will be added to this in the next couple of days.

Now, I do not have the figures with me, but I think that the amount of total social assistance paid in the Northwest Territories comes to something like \$140 per head per annum, of the total population, an incredible amount, and it is all part of this do-nothing-stay-in-bed syndrome that seems to be developing across, not only the Northwest Territories, but this country. It is possible for people nowadays to stay home in bed for the rest of their lives and have the government come to them with money and food and succor and housing and everything else. I do not know if they have got down to vacations yet but I would not be surprised if that comes next, everyone is entitled to not only an annual income but a holiday too.

MR. SEARLE: A universe of hospital patients.

No Incentive To Stay Off Welfare

MR. PEARSON: As Councillor Searle said in his address a universe of hospital patients etc., etc. Now, surely we have to look at this in a different light. We can not sit here year after year encouraging this kind of thing. We can not sit here year after year encouraging this kind of thing, we can not sit here year after year insisting that people be given social assistance. I mean, what happened ten years ago? The population has not increased that much. What happened five years ago? This budget has grown in alarming proportions over the last few years. Of course on top of this we forget the contribution that the Liberal government is making to this country in its free handouts every week. The incentives we are offering people to stay off welfare are really not that great. A person earning \$140 a week working is in fact working for about \$20 a week because he can stay home and get \$120 for nothing. So, if he goes to work he gets an additional \$20, for busting his butt.

So, if we consider that we are now beginning to get involved in this sort of thing ourselves, we in the Northwest Territories are beginning to hand out vast sums of money, \$5.5 million, or \$140 per head per year per person right across the board in the Northwest Territories.

Again, this cost can be directly related in many, many cases to the abuse of alcohol. The cost of child welfare can be attributed to the abuses of alcohol. The cost of the corrections' program can be attributed to the abuse of alcohol. So, I really could not possibly vote for this amount of money for social assistance because I know that a lot of that money is paid unnecessarily, is given to un-needy people. There are instances, and there are no questions about it, of people who do require assistance and of course the administration always has the assurance that a lot of this money goes back to them anyway in liquor profits. It is just a chain reaction and a lot of the welfare money is going into liquor, into the liquor stores and we know it. We who live in the constituencies, we who live close to the people out there in "people land" know where a lot of this social welfare money is going and also where unemployment insurance money is going and it is all going back into the big pot. The only thing is, in the chain reaction, is that it leaves behind a trail of dead bodies and very unhappy people. That is the sad part of it. So, I can not and will not vote for this.

I hope that we, this Council, the people who make the laws of the Northwest Territories can re-examine the direction that we are steering this administration in because we are the steerers, we are the helmsmen of this government. Now, we must stop somewhere fellows and have a look and reassess which way we are going. We are just another part of the big giveaway program, and this must be the biggest giveaway program the world has ever seen. It makes pick-a-box look sick.

THE CHAIRMAN (Mr. Butters): Mr. Ernerk.

Social Assistance Related To Weaknesses In Economy

MR. ERNERK: Thank you, Mr. Chairman. I wonder, before I attempt to answer to Mr. Pearson's remarks if I could say the social assistance costs are strongly related to weaknesses in the economy of the Northwest Territories? There are simply not enough jobs, not enough jobs available for the population of the Northwest Territories. To try and illustrate this, in 1974 and 1975 at least 41 per cent of the amount paid to unemployed employables, and most of it in the peak unemployment months of December, January and February. If I could go on for a few moments, it is true in some ways that the money which is paid out to the recipients is abused, quite true, but only because one or two individuals, maybe three in some places in the Eastern Arctic, abuse this type of situation, but we do not have to refer to all of the communities in the Northwest Territories. It is in fact true that Mr. Marc Lalonde supports the idea of having every Canadian have good health. Is Mr. Pearson in fact going against the philosophy that Monsieur Lalonde follows?

Conditions In Baker Lake

The reality of life is that in some places in the Northwest Territories where I have visited, in my own constituency for example, in Baker Lake, life is very, very difficult in Baker Lake. There are not enough jobs in Baker Lake, the population is increasing, there is no seal hunting, there are no whales, there are no walrus, whereas in some of the other communities down the coast you could occasionally find some seals, walrus and whales, but the people of Baker Lake -- and I mentioned this during my reply to the Commissioner's Opening Address -- that we had to increase grocery allowances at Baker Lake in 1975 because again -- and I repeat -- the population is increasing quite rapidly. It is an increasing community and sometimes the hunting gets very, very difficult. In 1974 when I lived in Baker Lake I had to travel, personally, at least 75 to 100 miles before I saw a caribou. Surely we can look at the reality end of life and although it is very easy to say that this money is spent on liquor, but really only one or two communities, or three or four, are doing this type of thing and we do not have to blame every community in the Arctic because it is simply not true. Now, I underline "not true". Thank you, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Mr. Pudluk and then Mr. Searle.

MR. PUDLUK: I am really concerned about this \$5,663,500 and I would like to make a little comment on what the Minister was saying. It is true it is very difficult to live in the Northwest Territories because there are no animals and less money and he was also saying there are not enough jobs in the Northwest Territories. If they are unemployed, if people are qualified to take those jobs, but they are not. We are having a very difficult time right now getting a job or getting food. Thank you.

THE CHAIRMAN (Mr. Butters): I have four speakers on the list, Mr. Searle, Mr. Lafferty, Mr. Steen and Mr. Evaluarjuk. Mr. Searle.

Increase Caused By Applying The Cost Of Living Scale

MR. SEARLE: The amount of \$5.6 million for social assistance is no doubt a very sizeable sum and it is the sort of growth in expenditure which does not suggest to me that we are going forward. It does not suggest to me that our goal as set out in our social development paper of a proud race of independent, self-sufficient people is anywhere near being achieved or even capable of being achieved. It is indeed appalling, an appallingly large sum for a population of 40,000 people, appreciating that I suppose approximately 10,000 at least would be in our school system and would be fully funded 100 per cent under the education allotment. There is no doubt that part of the increase is due, however, to the fact that this Council has over the years insisted that there be a cost of living scale which is applied throughout the North. In other words, in areas, for example, like Frobisher Bay, my understanding is that you get slightly more in social assistance than you would, say, in Hay River.

There is no doubt that for those people who absolutely need assistance, widows with children, separated women with children, unmarried women with children, disabled persons, whether they be men or women, I do not think anybody quarrels with them receiving from the government a sum of money which enables them to live, not a life of total ease, but without being deprived. You should not have to eat oatmeal every day, in other words, but what disturbs me is this suggestion that there are 41 per cent of the people receiving assistance in the months of December, January and February who are unemployed employables. I think that was the term used. Is that not correct?

MR. PEARSON: Yes.

MR. SEARLE: Mr. Torrance is shaking his head. I want to make sure of that figure.

Amount Of Social Assistance Paid To Unemployed Employables.

MR. ERNERK: Mr. Chairman, when I read the information here, it was that in 1974 and 1975 approximately 41 per cent of the amount paid to unemployed employables was issued in the peak unemployment months of December, January and February.

MR. SEARLE: Well, okay. Let us go back at it, Mr. Chairman, the other way. How much, I do not mean dollars, but what percentage approximately of the funds spent in, I think you were using the figure 1974-75, of the total amount would be paid out to unemployed employables? In other words, people who were fit and not disabled.

MR. ERNERK: Mr. Chairman, we are seeking some answer to that question. Mr. Chairman, based in our experience on 1973 and 1974 and 1974-75, we anticipate the reasons for people requiring assistance will be ill health, including old age, which is 25 per cent; mothers with dependent children, 22 percent; supplement to income from other sources, 15 per cent; unemployed employables, 29 per cent and other reasons include 9 per cent.

Minimum Payments For Housing

MR. SEARLE: The figure then appears to be 29 per cent, I take it, of that total sum of \$5.6 million. Though I am no great mathematician, that is obviously something in excess of \$1.5 million which is paid out to people who are employable but for some reason unemployed. The difficulty I have in understanding why that situation exists is because you will see under allotment, when we get into the northern rental housing program, and in settlements almost 100 per cent of the housing -- let us say 100 per cent of the housing is either used by government employees or the people, but it is provided in either case by the taxpayers of Canada. Therefore, you have people living in those homes paying a minimum, and they have gone up but the last I heard was about \$6.50 a month which pays their rent, their heat, their light and their water and other services. For the most part, speaking of the native people in the Mackenzie, I think they are fish and caribou eaters. If you have an able-bodied man who is provided with a home like that and if his only other requirements are a few clothes, some fish and some meat, the fish being able to be obtained readily from the lakes and the meat from the land, why he would be considered for welfare I do not know. Why do you not just tell him to get on the land, to set a net in a nearby river? Why is he given welfare?

Suggestion That Social Assistant Recipients Should Fish And Hunt.

Mr. Nickerson tells me that he knows someone who fishes and goes and sells the fish to the social assistance recipients at Rae. Why are not these social assistance recipients in this category, at least at Rae, setting their own nets, pulling out their own fish? The answer -- because it is easier to get welfare and buy fish than to go and set your own net and pull it out. What would happen, for instance, Mr. Chairman, if you just told those 29 per cent, "Sorry, but you are already provided with a house that gives you four walls, heat, light and water. You are ineligible. Get out and fish and hunt". Would we not save \$1.5 million? What is wrong with that philosophy, Mr. Ernerk?

THE CHAIRMAN (Mr. Butters): Before I call on the Minister, in view of the rule that we recognize the Commissioner or the Deputy Commissioner, Mr. Parker had a point to make, I think. Do you wish to speak at this juncture, Mr. Parker?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I really did not mean to interrupt the flow, but the point or two I have to make I think perhaps are appropriate to the discussion. First of all, it must be borne in mind that it was this Council which pressed the administration very, very strongly to raise the rates being paid to welfare recipients, to social assistance recipients. We resisted that raise for approximately two years, first of all for the very good reason that we did not have the money and, secondly, because we felt that we would rather hold back a bit if we could. However, the Council wanted us to and insisted that we raise the rates because they were in fact completely out of whack. What we were paying previously was not the amounts of money that people could live on who had no other source of income and the amounts per person had certainly not kept in step with inflation. It is this very inflationary factor that you must at all times keep in mind. When we speak of a \$5 million expenditure today which is indeed horrendous, you must bear in mind that with the rates of inflation that we have been suffering, that figure was half that size as little as three years ago, so you have to bear in mind the spending power of that dollar.

Increase In Social Assistance Budget Due To Inflation

The other thing I would like to draw your attention to is that in this social assistance vote we show last years main estimates figure of \$3,917,000. As the Members of the standing committee on finance know, we considered yesterday in that committee a supplementary estimate and we will be placing before you a supplementary in this area of approximately \$1,300,000. Now this is related to inflation. So the last years figure comparable to this years estimate is about \$5.2 million and that represents an increase between the two years, a real increase between the two years, of just a little less than 8 per cent. Now, that is even less than

the federal guidelines and if you are talking about statistics you really must bear that in mind, that we are not asking for the difference between \$3.9 million and \$5.6 million. We are talking about the difference between \$5.2 million and \$5.6 million, and that is a very substantially different view, especially when I must underline the fact that that is an increase of less than eight per cent.

The problems that this group turns itself to lie in two areas, as has been very well outlined by Mr. Ernerk, and the first is lack of employment. So it is said to us "Well, get out and do something else" and it is just a bit of a facetious comment, but the people who are saying "Go out and do something else" are the ones who happen to have good, well paid and secure jobs.

The other side is that we are told to do something about alcoholism as that is what is driving up the cost of corrections, driving up the cost of every phase of social welfare, social assistance. We can not argue with that, and the only thing we can say is that this is a world wide problem, which is cold comfort, but it is something that we are all working on, but we do not have the solutions.

In all honesty, this Council has not produced any solutions either and I do not blame you, because for a problem so deep and so broad as that, there are no easy solutions around, there just are none. We would be delighted if we could come up with some solutions.

Community And Individual Level Of Concern Must Be Raised

The tack that Mr. Ernerk and Mr. Torrance have taken is that they are trying their level best to raise the level of understanding and concern at the community level for such things as the use of social assistance and the misuse of alcohol. Until such time as each community and each individual faces up to this problem, we could legislate until we are blue in the face and we will not cure it. As far as we can see, this is really the only major solution, and that is raising the level of concern on a community and on an individual basis. Thank you.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Deputy Commissioner. Mr. Ernerk, do you wish to respond to any of the comments raised by Mr. Searle earlier?

MR. ERNERK: Mr. Chairman, I want to have the last word or so before this particular item is voted. I can only say that this 41 per cent which is shown under this particular activity was paid out to the recipients during the winter months when there was no work. However, I would also like to add the fact that as a result of the social development paper tabled during our last session in September, the departmental officials, including Mr. Torrance, Mr. Britton, Mr. Stangier and Mr. Vojacek and including myself, have been making some attempt to make some changes to the present social assistance regulations. We should be able to come out with some amendments to the present regulations in the not too distant future, before perhaps the end of this year.

Changes To Social Assistance Policy Under Review

We are looking at some of the things which we feel are very important. The officials of my department have put in many long hours and have participated in these sessions to try and gain every opportunity to get the recipients to work, if there is employment in the community. I do not have to go back to my comments which I stated earlier, but I hope that with respect to my comments, a good home, good food, good health, which is the main philosophy that the Minister of Health and Welfare of Canada is following, this department, I assure you, is following the same lines as that of the Minister. When we do come out with some more acceptable policies with respect to social assistance policies, we hope in our department that this will be acceptable to the people of the communities and to the Northwest Territories Council. I really do hope so. Thank you.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Mr. Searle.

MR. SEARLE: I am very frustrated in this debate because I have not the feeling I am talking about the same thing that Mr. Ernerk and Mr. Parker are talking about. Somehow it is like ships in the night, we are passing and not seeing each other.

I am not saying with respect to the 29 per cent who are unemployed and receiving welfare, appreciating that there are no jobs and that is why they are unemployed, I am not saying "Go out and get a job" as it does not make sense because if there are no jobs, they are unemployed because there are not any jobs. The answer is not to tell them to go and get jobs. To suggest that I am saying that is infantile.

People In Mackenzie Region Could Be Self-Reliant

I am saying, however, in the places I am familiar with, in the Mackenzie where there are trees, where there are fish, where there is game, where there is fur, where they receive houses fully heated, lighted and their water and sewers, where they are primarily fish eaters with a bit of bannock, if they can not get jobs with the government, the largest employer in all of these areas, which, as far as I am concerned is the most debilitating thing they could be doing in any case...

MR. PEARSON: Hear, hear!

MR. SEARLE: ... I would hope there would not be any jobs because the purpose is not to have them in the settlements servicing themselves, but to be on the land being proud, independent, self-reliant, productive people.

MR. PEARSON: Hear, hear!

MR. SEARLE: What I am suggesting is why are they not being told to set a net, why are they not being told to pick up their cartridges from Mr. Kelly sitting over there and get their fish nets from him and to go out and do the things they are supposed to be doing with them? To be told that 41 per cent of the people receiving welfare in the months of December, January and February are able-bodied men, when the fur is at its prime, and I am no hunter but I understand that if you catch fur when it is the coldest time of the year, the fur is the thickest and the best fur. So why are they not setting traps? We are creating a universe of hospital patients in this territory. Mr. Pearson talks about paid holidays, and there they are, December, January and February when I would like to have paid holidays too, but I am too damned proud. Now I am not talking about jobs where jobs are not available. I am talking about just getting out and setting that net, cutting some wood, doing a bit of hunting and what is wrong with that?

THE CHAIRMAN (Mr. Butters): Thank you very much, Mr. Searle. I have four other speakers; Mr. Lafferty, Mr. Pearson, Mr. Steen and Mr. Nickerson. I will turn to Mr. Lafferty and remind Members that time flies. I do not wish to restrict debate or diminish the conversation, but time is moving along.

MR. NICKERSON: Mr. Chairman, on a point of order.

THE CHAIRMAN (Mr. Butters): Mr. Nickerson has a point of order. Proceed, sir.

MR. NICKERSON: I wish to make a motion to the committee and I believe that the other Honourable Members who indicated their wish to speak would probably be speaking along the lines of this motion which I have. So might it be possible for me to put this to the committee and then the debate can continue from there?

THE CHAIRMAN (Mr. Butters): Would the Members agree to giving the floor to Mr. Nickerson to put his motion? Are we agreed?

MR. PEARSON: With all due respect, could he not make the motion at the end of the discussion? He may learn something from the views of other Members.

MR. SEARLE: Besides that, we can discuss it twice.

THE CHAIRMAN (Mr. Butters): I am afraid, Mr. Nickerson, we should follow the order I have. Mr. Lafferty.

Destruction Of A Proud People

MR. LAFFERTY: Thank you very much, Mr. Chairman and Mr. Pearson. I think there is a very important thing in the discussion here, because this is something that has always been needed, to throw light publicly on the issues that are affecting many people, the destruction of a proud people.

MR. PEARSON: Hear, hear!

MR. LAFFERTY: We are programming people to death. We know that it is inevitable, but we are hastening it. I do not buy Mr. Ernerk, the Honourable Member and Minister, saying that there are insufficient jobs and this is the reason for welfare. I believe that a man who is in such a responsible position as the Minister's, leading the civil service has to answer and understand and study the regional differences in the whole of the Northwest Territories. We have in some instances places which are incapable of providing a livelihood to people, even to one single family, and we have areas in the Northwest Territories which are capable of providing the necessary foodstuffs for all of the Northwest Territories and export some of these foodstuffs into the South. Unfortunately, the concentration of people or population and the concentration of the native population are in the potentially productive areas. We have a large tract of land south of us in the Mackenzie region of which area I am the representative, where, if you look at your own statistics, you will find probably the highest welfare rolls and these are primarily native Indian and Metis people. Of course, the Metis because of their social status or legal status reflect a small percentage of whites who are deemed to be on welfare, but really in reality they are not. There may be a woman or two in the community, but I am not talking about a woman or two in the community; I am talking about a population in a region.

Corruption In Social Assistance Programs

Sometimes I have found abuse of the provisions in the social development area and in this case it is not always in the form of a cheque. I have personally observed people buying groceries on a voucher who have hungry children at home and selling it, or attempting to sell it to my person an hour or so later. This happened in the community of Hay River. I am sorry, honourable colleague, but this is a fact. I have seen it happen in Fort Simpson where a man receives social assistance and then the following day his children came looking for something to eat and these were Indian people. I have observed people who receive social assistance and are also receiving a subsidy to go trapping. As you know, there is not one of you who can deny it here because I have gone to the length of finding out much of the activity, trappers are subsidized and these trappers are also drawing social assistance, some of them. These people are very capable people but when you examine the net activity relative to money and work, you will find that this is a very small percentage of people in the native community who have somehow developed con-artistry. There is corruption in our midst and the time has come when we must examine it and look at it. There are fish, millions of tons of fish in the region that I live in and there are no fishermen.

MR. SEARLE: Hear, hear!

MR. LAFFERTY: It is cheaper for us to buy imported Japanese fish than it is to buy fish from our neighbouring community of Hay River. It is cheaper for us to buy fish from the marketing board at their price than it is for us to fish 50 miles away from our home village and I do not blame the Indians for this or I do not blame the Metis people for this. I blame vested interests, whatever that is.

Indian And Metis People Want Work

The fact remains that these Indian people and the Metis people in my riding want jobs. They want to work and they are seeking ways and means to find ways by which they can earn a meaningful life, or a meaningful livelihood and some measure of contentment in their adjustment in the fast changing society that we find ourselves in. Sitting here through the morning I totally disagree with the ideas that are being expressed in some instances where we must measure our social conditions and problems, whether this be economic by the devices designed for the economics and society of Toronto or major urban areas, and for that matter we can not use their comparative statistics as to their problems to measure our own. We must find ways and means and the job of the Council is to do that.

I do not think that a southern Indian expert in the urban area of Edmonton, or Toronto, or Winnipeg, or Vancouver, is an expert on the social problems of Fort Simpson. He should stay back in Vancouver and leave his recommendations for his own problems. By the same token, I do not think that an engineer from Vancouver Island, in Victoria, understands the problems of Inuvik. The responsibility of the government administration for which we have to vote the budget, and that money is already spent -- sorry, Mr. Pearson -- is to find ways and means to provide the best local services for the dollar that is charged them and the Indians have sold out their country by welfare. We owe southern society billions and billions and billions of dollars and we are still arguing about a claim of \$5 million.

Southern Philosophy Not Relevant.

As I have said on many Council sessions, I do not take sides and I mean it. I am not a representative of a native group or a native organization or chambers of commerce; I am a representative of all people living in my constituency and they are all separate. They are all suffering subsequent to the kind of problems we have created in our communities simply because of the importation of southern philosophy which is not relevant to our own.

MR. PEARSON: That is right.

MR. LAFFERTY: I think in some cases that those people who receive social assistance, Mr. Ernerk and his department will have to learn to say no.

MR. SEARLE: Hear, hear!

MR. LAFFERTY: A guy talked me out of my last \$20 yesterday in front of the Yellowknife Inn and I should have known better. I sympathized with him and this morning I learned, because he phoned me back, he was sitting in jail, asking me if I could bail him out of jail and I had no money. It is as simple as that. I have hurt a man by helping him and I did it because he was Indian. Somehow we must convince the federal government and the southern public that they must remain out of our internal problems in the Northwest Territories. It may create a lot of smiles across the country and we can make the excuse of saying "Well, they are the people who feed us", but let us examine one thing. The native people in the Northwest Territories presently, including the Eskimo people, are saying they do not want any development and at the same time we are expressing concern to assist them, subsidize them and aid them by means of the social development programs.

Social Assistance Aiding In The Destruction Of People

I do not know which way to vote on a budget like this when it is publicly announced across the country and the whole public is supporting, supposedly, the land claims issues of the Northwest Territories. I am not concerned about the land claims. I am concerned to the extent that the Indians must be assisted. They are my people and they need help, but let us not cheat them. Let us not destroy them. We are more concerned about preserving the cranes and the buffalo and the musk-ox way up in the Arctic and the animals than we are about a people who are right in our midst who are dying out of the face of the earth forever. We are doing this by assisting when not necessary to his destruction. We robbed him of his dignity, his sense of self-worth, his pride to a point where he is picking up garbage on the cafe floors and we are still giving him more welfare cheques.

MR. PEARSON: Hear, hear!

Education Is The Key

MR. LAFFERTY: I am saying that, as I said the other day, I will not hang my head in spite of the conditions I find my people in when I see them crawling. I do not think money is the question. The federal government owes this country a hell of a lot more than what they give, but what they must provide is the educational means by which these people can come and take their proper place in northern society, as I said earlier. I would like to see an Indian person the Commissioner of the Northwest Territories, or an Eskimo, or a Metis. I would like to see him pilot a Pacific Western Airlines jet aircraft. I would like to see some of you people go up in front of an Indian and say, "Listen, I got a gut problem here," and see what they can do about it, instead of coming to see people and saying, "How much can you give me in a welfare cheque?" The problem is too deep to get hung up on the few dollars that we have that we can do nothing about. We should take these things into consideration instead of sitting here fighting over money that is already gone.

Government Economy Rather Than People Economy

Again I was looking at the philosophy of the social development policy and that is the attempt to rehabilitate people into their own societies and, if this is the case, then I would listen to Mr. Searle's suggestion. Why are we not helping these people to go back to the land by saying, "You go fishing, you go hunting," instead of giving them piecemeal and providing them with a welfare cheque they will spend after only one meal in a bar, or cocktail lounge, or someplace? I have no fights or recommendations as to how much money should be spent. The mere fact is the money being spent reflects the destruction of a way of life that is uniquely northern. I think in that regard I could say it reflects on the total northern society and I think of it as northerners. I do not care what a person is, if he is black, green or yellow; if he lives here, he is a northerner. Some of us have jobs perhaps but these jobs are government. The government somehow became the economy of the Northwest Territories, rather than people economy.

The control of economic development in the North is all in the hands of the government. A local businessman has not got a chance, at least not much anyway, a small businessman. How in hell do we expect a bunch of native people who know nothing about business, who do not know a hell of a lot about technology or its advancement, to provide for themselves, because in the system we must send them back to the land and that means we must say "no" where necessary. Thank you, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): The next speakers are Mr. Pearson, Mr. Steen and then Mr. Nickerson. Mr. Pearson.

MR. PEARSON: Well, Mr. Chairman, I guess I opened a can of worms when I started off a couple of hours ago. I did not realize that this would lead to such a lengthy debate, so I will keep my remarks very limited.

THE CHAIRMAN (Mr. Butters): I thought you were going to give up your place.

Work Projects Instead Of Welfare

MR. PEARSON: No, no, I do not want to go completely mad. After listening to the tirade of Mr. Lafferty which I agree with, although it was 20 minutes long, I thought it was a pretty worthwhile effort, as I read in his remarks some very worthwhile comments. However, I would like to point out to the Minister that there was an alternative proposed in this very Council to welfare payments or welfare assistance, and that proposal was made by one former councillor, Lena Pedersen. She proposed a work project in the community of Cambridge Bay, I seem to recall, and the money that was normally allocated for welfare was put into a fund so that people actually had jobs to do and earned money doing it. Now, I understand this may still function and I understand there is a similar one in Fort Smith, and I think these are the kinds of things we should be looking at. As I said, I believe that Councillor Lyall, who is also absent along with a few other people today, perhaps we should have a roll call of Council with "Here, sir" or "Absent", but Councillor Lyall is involved in that project and it still functions, and I think that is the kind of thing we should be after. I think with \$5,663,500 we could probably buy every person who is currently on welfare a brand new super duper snowmobile, equip him with hunting equipment, a rifle and ammunition, and I am sure with that money we could do that.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Pearson. As you mentioned ...

MR. PEARSON: I have finished.

THE CHAIRMAN (Mr. Butters): I believe that program of work instead of welfare is still being carried out by the department. I had a question too which I will direct on top of yours, which is that I hope that the department might circulate the details of that program to all the communities so that they know it is in existence and that it is available to them to take advantage of. Mr. Minister.

MR. ERNERK: Mr. Chairman, with respect to the comments by the Honourable Member for South Baffin, the employment department, this particular item will come up during the discussion of the employment division of Economic Development later on.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Mr. Steen.

Bootlegging Of Liquor

MR. STEEN: Thank you, Mr. Chairman. I have never been a very long speaker in my life and I do not propose to be one now. Anyway, I disagree to some extent with the Honourable Minister of Social Development. I do not feel that his department is carrying out social welfare to the best of its ability. However, some Members have mentioned that alcohol was the root of most of the problems in the communities and a lot of people, especially in the Western Arctic are taking advantage of people by bootlegging liquor. I feel that something should be done about this, some way of tagging the bottle with a serial number must be found, even though it has a serial number on it now, but this serial number can be removed. They can send people to the moon but they can not do anything, and there must be a way of imprinting a serial number on the bottle thereby making it easier to find out who bought the bottle, even though it took extra staff in the liquor stores to keep track of who bought such and such a bottle.

Another observation is that I have noticed, or have even had experience with the fact that the Social Development workers do not communicate with employers. Some people are abusing welfare payment schemes by refusing to work, some employers offer work to people but they turn it down and these employers should be able to furnish this information to the welfare worker. The welfare workers never go to community council meetings, they never see one, they do not know what type of jobs are available in the community. So, it is easier for them to hand out cheques. I feel that sometimes we should be supporting cost of living projects also because I have found out there are places where you have to keep continuous surveillance on the cost of some foods. Where the store may save money in one way of shipping they will not pass it on to the consumer. Anyway, those are the extent of my comments.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Steen. Mr. Nickerson, Mr. McCallum and Mr. Evaluarjuk.

People Will Solve Their Own Problems

MR. NICKERSON: I applaud the comments of my honourable colleagues, Mr. Searle, Mr. Lafferty and other people who have spoken in the same vein. In my opinion the people of the Northwest Territories are a capable and innovative people. They will find their own solutions to their own problems if the government would only cease doling out money, thereby killing any incentive to work and look after themselves.

MR. PEARSON: Hear, hear!

MR. NICKERSON: I find this is very much the consensus of opinion which has been expressed here today.

Motion That Welfare Payments Be Reviewed By The Department Of Social Development

Therefore, Mr. Chairman, I would like to move the following motion. I move that the practice of making welfare payments to able-bodied individuals capable of providing for themselves and their dependants be seriously reviewed by the Department of Social Development. This, Mr. Chairman, is an area that involves money and therefore presumably it has to come as a recommendation rather than as a direction.

THE CHAIRMAN (Mr. Butters): We have Mr. Nickerson's motion before us: "I move that the practice of making welfare payments to able-bodied individuals capable of providing for themselves and their dependants be seriously reviewed by the Department of Social Development." Mr. McCallum speaking to the motion.

MR. MCCALLUM: Mr. Chairman, I think that the motion is good, and is a motion that I believe Mr. Ernerk was attempting to say, and I took it from what he did say that this is in fact what he was going to do. I also agree with the author of this debate when he starts up a discussion it certainly provokes comment. I believe that the Minister and his department are working towards a refinement of this particular program, and with all due respect, Mr. Speaker, I believe Mr. Ernerk and his department know of the concern, and obviously know of the direction in which this Council wants to move. He has indicated that not only is he going to suggest changes but that he will bring these changes back to this Council, and he will take the direction from Council's paper on social development that was tabled in the fall session.

More Community Responsibility Should Help

I believe that in our next budget preparation he said, to my knowledge, the way I interpret it, that he will argue these points. Also, I think every other Member, especially the Council's two standing committees will also be looking and giving him, or taking this direction as well. There is abuse, possibly there is misuse in welfare assistance. He acknowledges that but there are programs which are now established in communities, they have been referred to by other speakers, that do attempt to help restore some of the dignity to people. It may only be that these people are working for municipal governments, but these people then do work, and from my own experience I know they are successful. We have agreed that we should be passing more responsibility and authority to the community. That has been put forward by the Commissioner, and we as a Council have agreed. I believe that people in the community know who can work, who requires assistance, and they will make every effort in being able to put across and assist those who really need it.

Government Programs Offer Alternatives

By the same token, Mr. Chairman, we as a government are tied to some of the legislation of the federal government as with regards to social assistance. So, we will still have to pay some of the funds of this social assistance to people and I know that everyone will agree that there are certain areas where this will have to remain. It is my belief that a number of the programs that the government is attempting, the community work program, the outpost program, the job training programs, the cultural inclusion programs are attempts to help people regain the dignity that other Councillors have referred to, or at least give alternatives so that people in the community, or in the North, will be able to pursue a good life, whatever that good life will be.

The present budget that we are debating reflects past Councils' direction to assist people. Now we have a new Council and we have indicated in the social development paper, as well as the comments that have been made here, as to the direction in which the administration should be moving. I have complete faith in the personnel and in this Council that they will direct the administration to move that way, so I would be prepared to go along with the motion, knowing full well that the Minister and his department are in fact now looking at these changes and that they will pay not just lip service, but will lend credence to the effect, if you like, of the motion and the comments that we have heard.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Mr. Evaluarjuk.

People Unhappy With Welfare System

MR. EVALUARJUK: Mr. Chairman, I would like to make a comment. For two days we have been hearing about the current welfare system and this problem about getting work. The welfare system has been of assistance to many northern communities. It is known to the people that there has been welfare and I have noticed that the welfare officers give help but the welfare people do not know anything about the welfare system. When the government tells people what to do, or not to do, it comes back to the welfare system.

Also we have pride. The people who are poor get \$230 a month from the welfare, but the people are not happy with the welfare system. People were encouraged to move into the communities and were told that their children had to go to school. That is welfare assistance and the people are discussing about what is happening here this morning. I know there are no jobs in some of these communities also. People from the schools in the Northwest Territories want to get a job, but where can they go? I would like to get an answer.

These people have pride. They need hunting and fishing equipment. People do not have enough money to do what they want without being paid for work they have done. This is not helping people to go hunting, polar bear hunting, to buy snowshoes or equipment at the store. Welfare assistance was spoken about at Baker Lake where people could no longer find game. They have no money and no jobs. Last summer a whale was harpooned and it was enough for all the people. We can not ask people in the community to feed other people. In the settlements probably some people in the communities just want to get liquor. That is all I have to say, thank you.

THE CHAIRMAN (Mr. Butters): Mr. Ernerk and Mr. Lafferty, I will caution you, I will keep you strictly to the motion, that is to Mr. Nickerson's motion. Mr. Ernerk.

MR. ERNERK: Mr. Chairman, on the motion, I said earlier, during my earlier remarks that the officials of the Department of Social Development are presently looking at making some changes to the present social assistance policies.

Aim Of The Department's Review Of The Social Assistance Policy

I do not want to let this opportunity go by without saying the fact that I find the comments very, very interesting and very, very worthwhile. Within this social assistance policy that we are looking at at the present time, we are trying to make sure that unemployed employables should take jobs if there are some jobs available in the communities across the Northwest Territories. Every effort will be made by this department to see that an applicant does what he can do for himself or for herself. This is the direction which we are looking in at the moment within the Department of Social Development.

I really can not tell you at the moment when the policy will become effective. Certainly after it is finalized by the officials of this department, it will be presented to the Executive for our consideration but, Mr. Chairman and Members of the committee, I assure you we will do everything possible to make sure that the applicants who are the recipients on the part of the department will be looked at very carefully with respect to every detail of what is contained in the policy after it has been finalized. That is all, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Thank you, Mr. Minister. Mr. Lafferty, to the motion, and if there are no further speakers after Mr. Lafferty, I will put Mr. Nickerson's motion forward for approval or rejection. Mr. Lafferty.

Amendment To The Motion Suggested

MR. LAFFERTY: Mr. Chairman, speaking to the motion, I am not about to request an amendment to the motion. I like the motion and I support it, but I think it should go a little deeper than that and since the Honourable Minister has pointed out the difficulties that these people are having up in that area, there is no doubt there are other areas in the Northwest Territories up in the Central Arctic and many other places where there are some people who can not become self-sufficient as rapidly as perhaps in the Mackenzie region. With that in view, I wonder if it would be possible for the mover of the motion to make an addition to include that these studies be regional?

THE CHAIRMAN (Mr. Butters): I would suggest, Mr. Lafferty, this discussion is on the record and, as the Minister pointed out, his department officials will be examining the whole debate, not just specific motions, and will take your request into consideration at that time without you altering the motion. Is that correct, Mr. Minister?

MR. ERNERK: Mr. Chairman, what I am saying is that we have been looking at the policies with respect to social assistance and these have been going on for at least three months now, I think, three or four months, and we should be coming out with the policy along with the amendments in the not too distant future and from there we will present it to the Executive.

THE CHAIRMAN (Mr. Butters): I am sorry. Do you wish to amend the motion or do you wish to let it stand as it is?

Department To Consider The Regions During Review

MR. LAFFERTY: I really do not want to amend the motion, but it is too general. I see a slight danger in that motion in that we could devise some mechanics by which we could arrive at a social development policy which came across the territories. I think we should be more or less looking at the regions which are naturally endowed with the type of land that can be used toward self-sufficiency.

THE CHAIRMAN (Mr. Butters): Mr. Minister, I would ask you and your department to take that statement into consideration when you are making up your policy and so to save making an amendment to the motion and permit us to move a little more quickly than we have been. Would you agree?

MR. ERNERK: I agree, we will.

THE CHAIRMAN (Mr. Butters): One speaker, Mr. Pudluk, to the motion.

MR. PUDLUK: Mr. Chairman, before we vote on the motion, would you kindly repeat it so that it is better understandable?

THE CHAIRMAN (Mr. Butters): If, simply, Mr. Nickerson could rephrase the motion and break it down into smaller words -- I could try it, but you know what you have in your mind better than I. It would appear that Mr. Pudluk would like to have the concept of the motion broken down.

Essence Of Motion Explained

MR. NICKERSON: Mr. Chairman, I am not very good with small words, I am afraid. What it says here, in effect, Mr. Pudluk, is that the Department of Social Development should reassess -- should look again at its policy. They should not hand out welfare cheques to people who can work or hunt or trap or who can look after themselves. I think that is the essence of what the motion says.

MR. PUDLUK: I understand it a little better now but I wonder if I could make a comment?

THE CHAIRMAN (Mr. Butters): Go ahead, please.

Welfare More Necessary In Wintertime

MR. PUDLUK: I see the reason for giving welfare assistance to people, which is definitely needed sometimes, but most of the time I think they really need it in the wintertime, especially in the High Arctic. I would like you people to come up and see it in the wintertime. I would like you to come up and do hunting and see what happens. You see, in that season there is no light for two months and you can not work and there are, of course, less jobs in the wintertime but, of course, in the summer there are a lot more. Now, there is hardly any booze in there.

MR. PEARSON: There is hardly any welfare in Grise Fiord either.

MR. PUDLUK: Perhaps there are only one or two people on welfare there and that is out of what, say, 110? I think I can say myself there are only two people on welfare in Grise Fiord. I do not know how many there are in Resolute. There are perhaps a few more. However, the time they need it is mostly in the wintertime, rather than in summer and spring and I do not know what we will do with this motion, but I will go along with the wish of the committee.

Motion That Welfare Payments Be Reviewed By The Department Of Social Development Carried

THE CHAIRMAN (Mr. Butters): Thank you very much. May I put the question to the motion? I will read the motion again.

MR. PEARSON: We have heard it.

THE CHAIRMAN (Mr. Butters): All in favour please raise your hands. Contrary? No one against?

--- Carried

May we then approve this section?

MR. PEARSON: On a point of order. I wonder if the chairman of the committees and the Speaker could, when the issue of a vote comes up, when they call the vote to the question, I wonder if they would pause sufficiently long enough for the thing to be translated so that the Members who are on translator plug-ins can have sufficient time to hear the translation of the question first?

Vote On Motion To Be Called Again

THE CHAIRMAN (Mr. Butters): An excellent point and I stand corrected and apologize to Members. Do you wish to vote that again? No?

MR. PEARSON: Agreed.

THE CHAIRMAN (Mr. Butters): Do you wish the vote put again?

MR. PEARSON: Call the question again, Mr. Chairman.

THE CHAIRMAN (Mr. Butters): Mr. Kilabuk.

MR. KILABUK: Mr. Chairman, I do not think this motion should go through at this moment because it may just cut off everyone who gets welfare. Now, this is true because there are only about two or three months where they are on welfare in the communities. The only people who get it regularly are the people who are unmarried, say who are unwed mothers, and they are the only ones who get social assistance once a month. Most of the people do not get welfare every month and there are only a few months where we need this from social assistance. I know that I do not have a job myself and I have gone to welfare for assistance. Now, it has been said that there is a group of us going once a month but this is not true because we only go during the few months and those are the times when we can not go out hunting. Thank you very much.

THE CHAIRMAN (Mr. Butters): Thank you very much. I am afraid I will have to put the motion but would just point out that the motion requests the department to re-examine, or look again, at the policy and does not reduce anything or cut anyone off, it is just to look again at the policy. Mr. Lafferty, in commenting said, if I recollect correctly, that the department in looking at the policy should look at the regional aspects. Certainly what is going on in the High Arctic might not apply to what is going on in his region and he has asked the department to look at the various situations within the regions. So, I do not think that by voting for this motion you are restricting anybody or cutting anybody off from what is their just entitlement.

Motion Carried

I will put the motion again. I apologize for moving too quickly and would those in favour of the motion, which is having the department re-examine its policies, raise their hands please? Contrary? The motion is carried.

---Carried

Activity Memorandum - Activity 4046, Social Assistance Carried

May I ask for approval of activity 4046, social assistance, in the amount of \$5,663,500? Is it agreed?

---Agreed

MR. PEARSON: Nay.

THE CHAIRMAN (Mr. Butters): I hear a nay. The item is passed.

Activity Memorandum - Activity 4047, Community Social Services

Activity 4047, this is the last item in the amount of \$225,100. I would be most grateful to the committee if we could complete this Social Development budget before lunch. I do not wish to restrict anybody's debate or discussion but Mr. Evaluarjuk we have listened for two days to Social Development matters. Mr. Minister

MR. ERNERK: Mr. Chairman, I would briefly like to give some explanation of activity 4047, community social services. This program enables the department to encourage community organizations in the development of social service activities. Through this activity the department participates in financing such services as day care and home care services. The funding for the 1976-77 year includes \$225,100 of "A" level funding and an additional \$220,000 of "B" level. This allotment will leave us in a somewhat better position to respond to additional groups wishing to establish day care centres or day care services.

THE CHAIRMAN (Mr. Butters): Thank you very much, Mr. Minister. Are there any comments on this vote? It would seem to be in keeping with the general direction and requests of Members of this Council ...

SOME HONOURABLE MEMBERS: The question.

Activity Memorandum - Activity 4047, Social Services Agreed

THE CHAIRMAN (Mr. Butters): May I have "agreed" from Members on this item and no comments?

---Agreed

May I then report? Mr. Nickerson.

MR. NICKERSON: Mr. Chairman, on activity 4043 I gave a conditional vote.

THE CHAIRMAN (Mr. Butters): I beg your pardon.

MR. NICKERSON: I have not yet received the answers to my questions on that allocation.

THE CHAIRMAN (Mr. Butters): You are absolutely correct, Mr. Nickerson, I am sorry. Mr. Minister, I had given my assurance to Mr. Nickerson when he provided conditional acceptance that the information he required would be before him before the budget debate closed on Social Development. Is that material now ready for circulation?

MR. ERNERK: Mr. Chairman, I will have it for Mr. Nickerson this afternoon.

THE CHAIRMAN (Mr. Butters): I can then report progress with the indulgence of Mr. Nickerson on the assurance that it will be ready for him this afternoon. I trust you may have subsequent questions when you receive that?

MR. NICKERSON: I do not think it will affect my vote on this particular item, but I certainly would like to make sure that I do get the information and if any other questions come up as a result of that information, that we will have time to discuss them. Mr. Chairman, if I might be so bold, you could report progress now and say that the debate on the Social Development section of the budget has now been completed and I think the Honourable Minister can be relied on to provide that information. I have no strong objection to you reporting progress along those lines.

THE CHAIRMAN (Mr. Butters): If I report progress, that means I must come back and I would rather report that the item has been completed with information materials to be circulated to Council but to complete it, rather than leave it to be opened again.

MR. NICKERSON: I will leave it completely up to your discretion.

THE CHAIRMAN (Mr. Butters): Would the Members wish me to report progress, to report the item completed with the exception of that information to be circulated? Agreed?

---Agreed

Thank you. I will report the section complete to the Speaker.

MR. SPEAKER: Council will come to order. Mr. Butters.

Report of the Committee of the Whole of Bill 4-58, Appropriations Ordinance, 1976-77

MR. BUTTERS: Mr. Speaker, your committee has considered the budget of the Department of Social Development and has approved the same with the one condition that there are certain outstanding bits of information that are required to be returned to Members of Council as soon as these can be provided.

Before I complete my report, your committee, sir, had the assistance of the expert witnesses Mr. Bruce and Mr. Britton, for which we were most grateful and we extend our gratitude to the director of the department, Mr. Torrance for assisting our deliberations. Out of the debate there came the formation of a committee which is an ad hoc committee to look into liquor problems in the Northwest Territories. The names of the Members of this committee are Mr. Pearson, Mr. Lafferty, Mr. Pudluk, Mr. Kilabuk, Mr. McCallum, Mr. Evaluarjuk, Mr. Ernerk, Mr. Wah-Shee, Mr. Steen and Mr. Stewart.

Two motions were approved by your committee, sir, one, "I move that matters of sentencing in the Northwest Territories and the concept of diversion and the need to re-establish a probation service in the Northwest Territories be referred to the justice and corrections advisory committee for consideration and advice to Council."

The second motion, "I move that the practice of making welfare payments to able-bodied individuals capable of providing for themselves and their dependants be seriously reviewed by the Department of Social Development."

Thank you, sir.

MR. SPEAKER: The committee sounds almost like a committee of the whole. I would like to suggest that perhaps we go back into committee of the whole with Mr. Stewart in the chair to consider Economic Development and then maybe he could adjourn for lunch immediately in that it is ten minutes to one. It does not seem to me that we should start a new department in view of the hour, should we? Do you agree?

---Agreed

Do you want to come back a little earlier to start at, say, 2:00 o'clock? Is it agreed?

---Agreed

Does that give you some problem, Mr. McCallum? If someone has made a commitment ...?

MR. ERNERK: Mr. Speaker, I do not expect to be back until 2:30 p.m. this afternoon as I have a meeting coming up at 1:15 p.m. and I would expect that to last up until at least 2:15 p.m. this afternoon, sir.

MR. SPEAKER: And you are inconvenienced as well, I take it, Mr. McCallum?

MR. McCALLUM: Yes. However, I think I could be here at roughly 2:00 or 2:15 p.m.

MR. SPEAKER: I do not like to start a whole debate on when we should come back, but could we compromise and come back at 2:15 p.m. then? Is it agreed?

---Agreed

All right, Council will resolve into committee of the whole to continue consideration of Bill 4-58 with Mr. Stewart in the chair.

---Council resolved into Committee of the Whole for consideration of Bill 4-58, Appropriations Ordinance, 1976-77 with Mr. Stewart in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 4-58, APPROPRIATIONS ORDINANCE, 1976-77

THE CHAIRMAN (Mr. Stewart): The committee will come to order. This committee will stand recessed until 2:15 p.m.

---LUNCHEON ADJOURNMENT

Economic Development, Activity Memorandum - Activity 6060, Administration

THE CHAIRMAN (Mr. Stewart): The Chair recognizes a quorum and I call the committee to order. I direct your attention to the estimates for Economic Development. The Chair will now receive general comments on page 11.01, objectives and sub-objectives. There is no indication of general comments at this time and I will direct your attention to page 11.05, activity 6060, administration, the provision of the headquarters direction, planning and support services for the entire program in the amount of \$1,140,100.

MR. PEARSON: What was the page again?

THE CHAIRMAN (Mr. Stewart): Page 11.05. Mr. Pearson.

MR. PEARSON: Mr. Chairman, as we do not have a minister to speak for this group, can we get a general sort of comment from the head of the department as to what they have been able to accomplish in the past year, sort of a rundown of the operation? I know that my colleagues prefer not to have witnesses, but I do not know how else we are going to do it.

THE CHAIRMAN (Mr. Stewart): I have a request to call the director of this department for general comments; is this agreed?

---Agreed

Could we have the director, Dr. Espie.

DR. ESPIE: Mr. Chairman, I would ask for some indulgence, I was not prepared for this request. I would say in the first instance that during the past year, the department has gained much from an over-all restructuring inside the government. We have lost, as a department, with regret, our previous functions in the area of game and wildlife. However, this has, I think, proved a useful development in many respects, in so far as we have been able to concentrate our programming on what has been for many years our central thrust, and that is economic development, the maximization, in so far as we are capable of providing such maximization, of employment and incomes inside the territories.

The Field Of Employment

By the same restructuring we have gained a capacity in the field of employment. This function previously was lodged in other departments and the fact that we are now able to look at the full scope of employment generation raising incomes and raising the level of employment is a plus for the department. The same restructuring has brought us an involvement in one of the most significant employment generating opportunities in the territories. I refer to Hire North. The operation of the department is concerned with seeking out business opportunities and employment opportunities where they may exist with the provision of investment capital to individuals and groups who wish to take advantage of those opportunities and in the provision of training for northerners and in particular native people, who without that training would be unable to take on employment in the jobs thus created.

We, as all Canada, during the past year, have been subject to an over-all business downturn. I think it is clearly recognized that of all parts of Canada, perhaps the least amenable to easy or immediate economic development is the Northwest Territories, except of course in the extractive industries. The fact that our population is so slender is a simple index, that this part of Canada does not represent the most obvious place for the generation of employment. At the same time, as I say, we have been subject to the effects of inflation and the general downturn in business. In spite of that, during the past year -- I am sorry, Mr. Pearson, is that not slow enough -- during the past year we have, I think, moved well in the directions we have charted for ourselves. As I have said we have spent a great deal of attention on enhancing our ability to provide investment capital to those who are in a position to take advantage of it.

Department Of Regional Economic Expansion

I would like to make mention of what has been to my mind a significant role played by our research and evaluation division in supporting Mr. Parker in his attempts to bring the programs of the Department of Regional Economic Expansion to the territories. The programs of this federal department were originally targeted at the eradication of economic disparities between the various parts of Canada. It would seem to me that possibly the most obvious economic disparity existing in Canada today is that which exists between the Northwest Territories and the southern provinces. It was to our way of thinking a continuing anomaly, that the programs of the Department of Regional Economic Expansion were not applied to the Northwest Territories. However, during the past year we have come a long way to moving the position of the federal government on this issue and there seems to be every expectation that within the next few months that the programs of DREE, as it is called, will be available here.

Now, I would add a caveat here, that because of the economic downturn and the general austerity pertaining in Ottawa the immediate flow of capital will not be too dramatic. However, the pipeline may soon be established and I think this will prove a very useful source of capital to industry and to employment generally in the territories.

I would also like to call the attention of the Members of Council to the current activities of our project operations which during the past year has, by a process of reorganization and streamlining, brought our mini-conglomerate of 30 government projects into a more unified structure. All projects have gained by this and during the course of this year, and I would expect during the course of next year, this improved organization will be paying dividends in terms of increased employment in the communities where unemployment exists, in increased flows of income into those communities and also in increased revenues coming toward government.

Concerning The Department Staff

Our constant attempt within the department is to maximize the efficiency, the productivity of the members of the department's staff to increase revenues without increasing the number of our employees. I think, as Members no doubt have noted, we project during the coming year, no net increase in the staff of the department, to hold steady at 25. Nevertheless, we hope to increase revenues to the government by a half a million dollars. If we can produce this half a million dollars worth of additional revenue without increasing the number of staff inside the department, it would seem to me that we are projecting and expecting enhanced productivity from all the staff of the department.

We would like to do very much more. We could do very much more if we had more money and this of course, has been a theme that the Deputy Commissioner has to my knowledge brought to Council's attention on many occasions. However, what we can do is restricted by funds available. All we can do, as I have just said, is try and use those funds available to us in the most effective means we can.

One last thought before I close. I would like to draw Members' attention to an increased sensitivity to people problems that the department has gained from the addition of the employment division. The addition of the employment division to the over-all structure of the department has had an extremely beneficial effect upon the thrust of our programming. Our programming now is increasingly focused on the employment effect, and this is a gain.

I appologize, Mr. Speaker, for presenting such a cursory overview of the department's programming, but I hope what I have said will go some way to explaining the kind of thing we are trying to do. Thank you, Mr. Speaker, very much.

THE CHAIRMAN (Mr. Stewart): Thank you, Dr. Espie. Are there any further comments of a general nature?

MR. NICKERSON: Mr. Chairman, I was very pleased to hear that we are now going to get some DREE money. However, I would like to know what we are going to do with it. Dr. Espie and other people have spoken about all the big projects going into the various communities in the Northwest Territories and, for the life of me, I just can not come up with an idea that would be economic in a lot of these communities. The marketing problems are fantastic. If you wanted to build a shoe factory, it makes good sense to build it in Edmonton or Vancouver, but why would anybody want to build a shoe factory, even in Hay River, for instance? It is very nice to say that we have a lot of money to invest, but where can we invest that money economically? What can we do in the Northwest Territories on a large scale?

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner?

The Decision Lies With The Federal Cabinet.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I would like to make certain there is no misunderstanding. The approach that we have taken toward attempting to have the Department of Regional Economic Expansion, either active in the North or to have their funds and expertise available has been because we feel very strongly that this kind of effort should be available in the North as it is available in the rest of the country. We have had a great number of talks to that effect but the decision has not yet been made, and I would not like it reported or understood that that decision had been taken. The decision lies with the federal cabinet and it has not yet been taken.

Should the federal cabinet decide that DREE will take a position in the North as a result of our negotiations, it would be a very, very preliminary approach and we would gain from their planning expertise. They have highly trained and very able and experienced planning staff. We would not see any great infusion of dollars but we would see a capability being established and the possibility of drawing on funds should developmental options become open to us.

I agree, Mr. Chairman, with Mr. Nickerson, that there are no opportunities for manufacturing processes and so forth, simply lying around to be taken up and we have no intention of trying to press for the development of industries that obviously would not be viable. However, there are a number of things, and I think these will come out in discussion, whereby new approaches and the possibility of new funds would make them very interesting and worth following up on. Mr. Chairman, at this point the Commissioner has a point he would like to raise with the committee, if I could beg your indulgence.

THE CHAIRMAN (Mr. Stewart): Thank you. Mr. Commissioner?

Resource Development

THE COMMISSIONER: Mr. Chairman and Members of the committee, while we are talking and thinking about economic development there is another aspect that you might like to give some thought to and give me some advice on. As you know, resource development for oil, gas, minerals, hydro electricity, forestry, commercial fisheries and things like that, the responsibility is still vested with the Government of Canada in Ottawa. This responsibility has not been transferred to the Northwest Territories government. Consequently I, as your Commissioner, have no influence in this regard, other than if I am asked for advice. You are in the same position.

I am a federal civil servant, having been appointed as Commissioner on March 2, 1967. Several years later the decision was made to form a consortium of companies to undertake oil and gas exploration in the Arctic islands. The Government of Canada owns 45 per cent of those shares and it is their intention to, if possible, continue that split between private industry and the government. Now, the industry is largely made up of smaller companies, with the exception of Cominco and one or two others, but generally one or two of the small companies own the other 55 per cent.

In previous years the government has, in nominating their representatives to the board of directors of Panarctic, selected people at the deputy minister level. Deputy Minister John McDonald, when he was Deputy Minister of the Department of Indian Affairs and Northern Development was a member. He is still a member but is chairman of the board of the Canada Development Corporation. Mr. Digby Hunt was a member. Mr. Jack Austin, the Deputy Minister of Energy Mines and Resources and Mr. Basil Robinson was on the board of directors. When Mr. Arthur Kroeger became the Deputy Minister the Government of Canada decided that perhaps they should put a government representative, and I repeat, a Canadian government representative who is a Canadian federal civil servant, on the board of directors, and I was nominated to the board on February of last year.

Unfortunately I was too busy to attend any of the meetings until October last year -- October 22nd, when I attended a meeting in Toronto and one on December 4th, in Calgary. While I never spoke at either of the meetings, I found them both interesting and informative. It occurs to me that where there are pros and cons about holding membership on a board of directors, perhaps it would be best if, because of my close association with you, the territorial Council, and as head of the Northwest Territories public servants and government, that I should seek your advice as to whether I should continue on in that capacity.

On the pro side it does allow, if it is your wish, to not only put the position of the government of Canada at the board meeting, but also the views of the territorial Council, the territorial government and the people of the territories as I receive their views through regular visitations to the communities. It gives me the opportunity to come back and report to you on any aspect that will be of interest to you. There are a number of other considerations, but I think that they are the principal ones.

Concerning The Negative Aspects

On the negative side, it could be misunderstood that I was a supporter of pipelines and I just might be or that I represented Panarctic. As you can appreciate, there is the board of directors and then the executive committee, it is like a co-operative. There are the members of the executive, the members, and the manager who is the one with the responsibility to carry out any of the decisions. I am not a member of the executive committee. The misunderstanding could be that if a final decision is to build an oil line across Bathurst Island, as was suggested in December, or bring oil tankers to take the oil to market, or to build a pipeline from the Arctic islands to the South, that in some way or another it would associate this Council or the territorial government, through my membership on there and that is one of the negative aspects of it.

So I think perhaps you might like to think about it this afternoon and if you wish to question me on any aspect of it, I would be happy to answer you. If you wish, I will withdraw from the chamber, if you wish to discuss it and I am prepared to accept your decision as to whether I should remain as a member of the board of directors of Panarctic. The Minister's Special Assistant is aware that I am going to put this question to you and feels that it is proper to seek your advice.

Company Shares

Finally, there is no question of money involved in it. I have never claimed any money nor have I ever been paid any for my attendance at board meetings. The 20 shares that I hold in the name of the Government of Canada have been reported to the conflict of interest committee, the group that is responsible for the policing of the federal guidelines on conflict of interest, as agreed in Ottawa a year and a half ago. So the shares I hold are shares held in trust for the Government of Canada. I am also a trustee for the Canadian Arctic Producers and hold 50 per cent of the shares of Canadian Arctic Producers in the name of the Government of Canada which, hopefully, before too long, of course, will be turned over to the people of the Northwest Territories who are at the present moment in the process of buying Canadian Arctic Producers. Thank you.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Commissioner. The Chair recognizes Councillor Searle.

MR. SEARLE: Mr. Chairman, I have no objection to the Commissioner staying while we discuss this matter because I think what we all say will be as a matter of principle and I think we are all able to be objective enough so that that can happen. However, before I begin, I wonder if you might seek the Council's feeling on that point so that we know.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Searle. The request was directed to the Chair to seek this committee's feelings with regard to whether or not the Commissioner should remain in the chamber while this matter is discussed. Those in favour of the Commissioner remaining, please signify by a show of hands. Seven. Against?

MR. PEARSON: Mr. Chairman, on a point of order, could you slow down the question again as I asked Chairman Butters this morning, so that everyone hears the question?

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Pearson. My knuckles are red again. I will restate the question and the question is: Does anyone have any objection to the Commissioner remaining in the chamber while this matter is discussed? Now, by a show of hands those who wish the Commissioner to stay in the chamber -- seven. Opposed? It is evidently the wish of this committee meeting that the Commissioner remains.

Civil Servants On Company Boards

MR. SEARLE: Mr. Chairman, may I start out by saying that I notice that in the case of this corporation, it is owned 45 per cent by the Government of Canada and 55 per cent by corporate entities which are already part of the oil and gas industry. I am associated with a company, of which I am a director, and that company is owned 99.99 per cent by a government. In that particular company, one of the very important considerations that was made, and which has been held firm to, both by the government that bought and by the directors, is that there be no, absolutely none, never, any interference by government and that there not be at any time any civil servant of that particular government on the board.

I happen to think that that was the correct decision to take and I happen to think that it is the correct decision to maintain if you plan to run the company in the best interests of the company, using the normal guidelines of corporate profitability as your goal and that company is, as I said, owned 100 per cent almost by the government in question. I have always disagreed with the set-up of Panarctic with a whole pile of deputy ministers on their board, none of whom are guided by the profit motive, all of whom live in a world where they are ranked in accordance with the amount of money they spend. That deputy minister who spends the most money is the biggest cat on the block. I do not think personally that those are the sorts of talents which are required to run a corporate entity, unless you want to run it into the ground. I am speaking in principle. My personal view is that, if the Government of Canada wants to be adequately represented, the Government of Canada should go out and find reputable Canadians in the business and private sector who are prepared to act on behalf of Canada and use the business experience and talents which they have acquired and apply them to this company.

MR. PEARSON: Hear, hear!

In The Interest Of Canada

MR. SEARLE: And there are examples of that as well. So, in this case the province of Alberta could come up with a dozen people who would act in the public interest and the interests of Albertans and the public generally. It seems to me that the Government of Canada, having a much wider base to draw upon, should be able to come up similarly with Canadians who are prepared to act in the interests of Canada and sit on Panarctic's board.

The problem that I have, however, is that I do not think it helps the situation any to simply suggest that the Commissioner resign. He is only one of them. My suggestion is that all of the federal deputy ministers, assistant deputy ministers and the whole lot -- there are a half dozen or so of them -- resign and that the Government of Canada in their place appoint Canadian industrial and business leaders to act in the interests of Canada. It seems to me that if representation of the Northwest Territories is needed, that there should be no trouble finding someone in the territories, although it is difficult to find a leader in industry in that there is precious little industry. Dr. Espie, notwithstanding the budget of this department every year, but it should be no problem to search out and find someone knowledgeable in things north of 60 who could act in the interests of Canada and yet be outside of government.

On the point, Mr. Chairman, that the Commissioner does not get paid anything for being a director, then possibly Panarctic is getting what they pay for. I do not mean that personally, but I do mean, I think, that if you do not pay someone to perform a task, you run the serious risk of him not doing very much for you and I think that if you are on a board like that you should get paid for it. If you get paid for it, particularly if your pay is in relation partly to the number of meetings you attend and you get paid per meeting, then your attendance, I have noticed on the board I am on, tends to be much higher than if it were not related to the meetings you attend. Certainly that is the case of the corporation I am familiar with.

The Commissioner Should Resign

So my feelings on it, for what they are worth, are that yes, the Commissioner should resign, not because it is the Commissioner, but because I believe personally that it is a wrong principle to have public servants attempting to walk the other side of the fence, so to speak, and concern themselves in showing profitability, whereas that is not something they are familiar with or used to doing in government.

MR. PEARSON: Hear, hear!

MR. SEARLE: That is my view, Mr. Chairman.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Searle. Councillor Nickerson.

MR. NICKERSON: Mr. Chairman, in order to be able to make up my mind on this question, I wonder if it might be possible to ask two things of the Commissioner? The first, Mr. Chairman, is: If the Commissioner does not go on the board of directors of Panarctic, who is likely to go there in his place? Is it likely to be another deputy minister or is it likely to be somebody from private industry? The second question is: Does the Commissioner really have time to attend to his duties on the board of directors?

I notice that in his preamble he said that he had been appointed to the board early in 1975 and never had the opportunity to attend a meeting until very late that same year, so I am wondering does he really have time to bring his expertise and knowledge of the territories and its people to the board?

THE CHAIRMAN (Mr. Stewart): Mr. Commissioner?

THE COMMISSIONER: Mr. Chairman and Council Members, I have no idea who the Government of Canada would appoint. I think that their intention of appointing me was an honourable intention and I think the Deputy Minister felt that, as the Assistant Deputy Minister, Mr. Hunt was a member, that perhaps it would be a good idea if I went on as a representative so I think that that was a very honourable decision on his part. I think the Minister's approval was an honourable decision on his part also. Having said that, I have no idea who the Government of Canada would appoint. I do not really know how they arrive at these appointments. I know somebody nominates them and I guess they must go to cabinet.

A Well Planned Schedule

In regard to the second question, the reason I did not have time before is that I do not say this to complain about it, but my schedule is pretty well planned a year in advance except for about 25 days this year. Every day has now been planned up until December 10th, so that is why I could not really move that fast, because there were commitments that were made and I felt that the commitments that I had made, even if it was just to visit a small community, was a commitment made and should be honoured, so until it could be fitted in by the Executive and ourselves, it just had to wait. I could not make it until October 22nd and December 4th. That is the reason. It is not that I was not interested or did not want to go but I just could not.

THE CHAIRMAN (Mr. Stewart): Thank you. Are you finished, Councillor Nickerson?

MR. NICKERSON: For the time being, Mr. Chairman.

THE CHAIRMAN (Mr. Stewart): Councillor Butters.

Recommendation That The Commissioner Retain His Seat

MR. BUTTERS: Mr. Chairman, my recommendation would be that the Commissioner retain his seat on the Panarctic board and my recommendation is based on two conditions: The situation as described by my colleague Councillor Searle with regard to membership on a corporation or a board is, as I understand it, that your first loyalty is to that board and you can not be all things to all men. If that is the case, I would then have to reverse my decision, but I did hear the Commissioner say that in his estimation he would present at the Panarctic board meetings and hearings his knowledge of the wishes and desires of the people of the North and that in reverse he would report back to this Council and to the people of the North the directions that Panarctic Oil would appear to be going.

If Mr. Searle's supposition is correct and the Commissioner is bound into a profit motive situation and is unable to represent our feelings, then I agree he should resign his position, but if he can, as he indicated to us, report back and represent us, then I think he should be on it. The reason I think this is that although one would not realize it from the talking in this Council, we are at an economic crisis in our development, no matter what the native groups say about no development before settlement. That decision with regard to economic development is right here and now. It is not awaiting for land claims. I think that we have in the Commissioner a man knowledgeable about the territories, a man knowledgeable in the development potential of these territories and a man knowledgeable in the development aspirations of these territories. I think it is especially important in view of the fact that he is sitting on the Panarctic Oil board.

Two years ago I pointed out that I felt the Canadian Arctic Gas project was in a situation of diminishing returns, that is, the chance of its approval being granted was decreasing. I think this is very, very true. I think that as the Canadian Arctic Gas position diminishes and the chances of that line decrease it becomes more and more a real possibility that it will be Panarctic Oil that builds that first pipeline across northern Canada or develops a tanker fleet to remove the refrigerated gas from the Arctic islands. I think in view of that possibility we, the people of the North, need a man or a representative where this action is. I think it is unfair to ask a member of the business community of the North to step in and assume this responsibility at this time. I do not think anybody can replace a representative such as the Commissioner at this critical time in our economic development.

As I say, if the Commissioner can not report back to us and serve us as a representative, then he should resign, but if he can do this, then I think he should be there, especially now, especially this year and next year.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Butters. Councillor Pearson.

Government Should Stay Out Of The Affairs Of Private Business

MR. PEARSON: Mr. Chairman, I would concur with Mr. Searle's remarks entirely. Unfortunately, in this day and age, particularly in this country it seems that the government is continually sticking its nose into the affairs of private business and is bringing about great unhappiness, great unrest and a lack of confidence in the economy of this country by customers we deal with. I personally feel that Mr. Hodgson would be a great representative on that board of Panarctic if he were not a civil servant and if he were not the Commissioner of the Northwest Territories. In fact I could not think of anybody more knowledgeable about the North than he is. However, I think also that the fact that the Commissioner has been appointed to the board is a step in the right direction because Ottawa is really making big strides when they invite anybody from the Northwest Territories to participate in any of their funny shenanigans and funny dealings that they are having in the Northwest Territories. I think that is a great step forward and a great breakthrough, but it is almost at the top of the hill but not quite at the top. We have to give it a little additional push to get real representation and I think real representation would be someone from the business world of the Northwest Territories.

Now, if the Commissioner was to resign his seat on the board, and the Minister, in all his wisdom, appointed somebody from southern Canada in his stead, then we would have lost a tremendous amount of ground. So, what I suggest we do is that we discuss this with the Minister when he comes here. I understand he is coming, at a very inconvenient time, next Friday, and put the question to him because if there is any danger that we would lose northern representation altogether then it would be a backwards step, and it would be to our advantage to keep the Commissioner. However, if the Minister would agree to appointing somebody from the northern business scene then we would have made a great inroad into this area.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Pearson. Councillor Pudluk.

MR. PUDLUK: Mr. Chairman, I would also like to make a comment about the Commissioner's position. We all know that the Commissioner has a lot of work to do, but we all know that, and I feel myself about him being on the board of Panarctic, I would rather see him in the communities than attending the Panarctic meetings. Myself, I would rather let him make his own choice and if he does not want to we can find someone else, because his workload is very heavy. That is it. Thank you.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Pudluk. Councillor McCallum.

Representation Of The North

MR. MCCALLUM: Mr. Chairman, I have very grave doubts about the wisdom of the Commissioner moving out of it. I have no doubts about his wisdom, I have doubts about his leaving this particular company, and I want to make that clear before I am misquoted somewhere. I would tend to agree with Councillor Pearson in that we have, or we will have an opportunity to speak with the Minister about this when he does come to the Council and meet with us. I have grave reservations about not having the North represented on the board of directors of Panarctic. I for one would rather see somebody such as the Commissioner represent the people of the North on the board of directors. So, if it does come down to any kind of a consensus I would go along with Councillor Pearson and his suggestion.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor McCallum. Are there any further speakers on the question at hand? Councillor Steen.

MR. STEEN: Thank you, Mr. Chairman. Naturally I feel, as some Members have stated, that governments should not have their finger in any kind of private enterprise in the Northwest Territories, or anywhere in Canada as a matter of fact. At the same time, having known the Commissioner for years, I am undecided as to whether or not he should be on the board. The last suggestion, which I think I will go along with, is the suggestion that Mr. Pearson has made that we take it to the Minister when he arrives next Friday. I also agree with Mr. Pudluk, that the Commissioner should be doing his job in the Northwest Territories rather than hopping all over the country. Thank you.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Steen. Councillor Searle.

MR. SEARLE: I think that Mr. Pearson's suggestion, Mr. Chairman, is an excellent one. The consensus I am getting is the feeling that in principle, assuming we could get a northerner with some competence, that it would be a good thing not to have the Commissioner on the board. However, on the other hand, if the Minister were going to appoint someone from outside the territories, someone from southern Canada to replace the Commissioner, then we would sooner have the Commissioner there, most definitely rather than a southerner. That is the kind of consensus I am getting from the discussion. So, I think if we were to suggest to the Minister that if he would replace the Commissioner by a northerner, then we think that would be the best thing to do.

Concerning Other Crown Corporations.

However, while I do have the floor, I do think this discussion is an important one and could be extended to include other boards and agencies as well. I think we have made a good start, Mr. Chairman, with the Northern Canada Power Commission appointing someone from this Council on to that board. That is only one of them. You know, we have Northern Transportation Company Limited as well around here and the Deputy Commissioner, I believe, is on that board. It seems to me if we are going to get into a kind of review of various crown corporations that are doing their thing in the North and have some form of representation on them, it might not be a bad idea to see if we can make sure we have a list of all of them, and we know who presently is on the various boards, what government people there are and what private sector people there are. If we think in principle it is a good idea to have the northern private sector represented as opposed to northern governmental representation, then it seems to me that that should be the sort of recommendation that goes forward on a matter of principle, instead of dealing with them one by one as they happen to appear.

I might just say that I, in thinking about it lately, thought that if they ever got around to appointing a northern senator that one of the things he might do is serve on various northern boards, or crown corporation boards. That is the sort of thing that senators have traditionally done, it is the sort of thing which gives them added income, and badly needed added income I might add. It enables them to bring their experience of the North to and on those boards as they are not part of any government executive.

However, since we do not have that and heaven only knows when we will, I suppose the next thing, having independent representation, is to get someone from the private sector. The problem I see in having government people on these boards is how can they really act, either in the interest of the corporate entity, which is a separate entity, or the interests of the public at large, if they work directly for and are under the direct instructions of that very same minister? That is the problem I have. Now, admittedly I suppose that point of conflict does not often arise, but if it did, how would it be resolved, in favour of the public at large, or in favour of the corporate entity, or in favour of keeping your job?

THE CHAIRMAN (Mr. Stewart): Thank you. Councillor Butters.

Corporate Entity And Loyalty

MR. BUTTERS: The Councillor raised a point again which intrigues me and which I questioned and that is the matter of corporate entity and corporate loyalty. The Councillor included in his remarks the appointment of Members of this body, such as yourself, sir, to various boards. I just wonder, because the same criterion reflects upon appointees from this Council to boards or corporations as we are presently discussing in this debate. If that appointed individual's first loyalty is to the corporate entity, then I think we should question whether or not we can, in principle, recommend appointments from this Council to those boards. The principle seems to be the same one we are discussing, both in the case of the Commissioner and in the case of Members of this Council.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Butters. Mr. Commissioner.

THE COMMISSIONER: Mr. Chairman and Council Members, I do not want you to get carried away with yourselves and look at everybody's membership on boards, whether they be crown corporations or anything else. I am quite happy with what your decision is one way or the other. If you feel you would like to discuss this with the Minister I am sure he would be happy to do this, and that is completely satisfactory to me. As my good wife says, I am handy-pandy and it makes no difference to me which way you go. So, if you would like to do that I am sure we could raise it with the Minister and then, based upon what he says, you can make your decision and I am happy to abide by it.

MR. BUTTERS: Agreed

THE CHAIRMAN (Mr. Stewart): Councillor Nickerson.

MR. NICKERSON: I was just going to move that formally, but if there is general agreement by everyone perhaps it is not necessary.

To Be Discussed With The Minister

THE CHAIRMAN (Mr. Stewart): That is the feeling I have, that it is generally agreed that it will be discussed with the Minister and relative to the answers we receive from him and a decision will be made. Is that agreed?

---Agreed

Thank you. Then, we will get back to the work at hand and I direct your attention to page 11.02, the administration. Mr. Butters.

Economic Development

MR. BUTTERS: I have a general matter, sir. This morning I think Councillor Lafferty put into a few words the feelings of this Council and past Councils, on the frustration of how often outsiders, experts from various provinces and other parts of the world affect and change our lives, affect and have a direct influence on how we live, how we make our living, and on the environment in which we live. Relative to economic development, as I said earlier, I feel that there are so many outside experts who have determined, decreed and are recommending to the Berger Inquiry, or to the National Energy Board that there will not be a pipeline, or at least there will not be a Canadian Arctic Gas pipeline, that in fact it has become extremely difficult in Canada to find anybody who is for the project. As Mr. Lafferty also pointed out too, about the economic situation in his community, waiting for development, is the economic situation in my community, and I think, sir, the economic situation in your community. It alarms me that so many of these outsiders, these experts, are being listened to and are directing that there shall be no development. I can understand the native organizations' position. They expect development to happen, they expect development to happen the way the sun will rise tomorrow. They see an opportunity to use this development as a lever against the federal government to pry out of them a land claims settlement or a claims settlement which they feel will give their people the economic base upon which to build a new future.

I have heard the Indian Brotherhood; I have heard Mr. George Erasmus say they have nothing against development and they are for development. In fact, it is very difficult to find anyone against development, but what they are against is a lot of inaction in the whole land claims area. However, while they are negotiating this, these outsiders are telling Berger, telling the National Energy Board that we do not want a pipeline. They do not want development and we are going to lose it.

Alaskan Pipeline

I was over in Alaska last month and the Alaskans want that line. They want that gas line, the governor of Alaska who is an environmentalist, wants that line, Valdez wants that line. They need the money and know that what that development is bringing them now is going to bring them in the future. The Alaskan Federation of Natives who has a fantastic lobby already in place in the United States has said that they are going to use that lobby to get that gas line just as they got a land claim settlement in 1971. Senator Ted Stevens, by a bill on December 12, 1975, placed before the senate a bill to require that "any pipeline constructed to transport natural gas from Alaska's Prudhoe Bay area be entirely within such state and to require the federal power commission to establish certain allocations and priorities with respect to the use of such gas." The Americans want it and we are going to lose it.

I say that the plans Dr. Espie and his department are making for development may be better put toward non-development because, if we do not get development, the 5000 to 7000 people in this territory who can not go back to the land are going to have to migrate or accept welfare and I do not think people want to accept welfare. Migration is not a happy thought, not a happy alternative, not a happy option for the people of the North, but it may be an option that we will have to consider. I mention this under the general statement because I think it is critical to us, important to us that we consider the reality of the alternatives that face us. It is pretty grim.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Butters. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, while we are still speaking on matters of a general nature, I have great pleasure to advise that just late yesterday or this morning we received information that the Northwest Territories was being awarded full voting membership on the Mackenzie Basin Interdepartment Liaison Committee.

---Applause

MR. BUTTERS: Good for us!

DEPUTY COMMISSIONER PARKER: Having said that, I am not sure we are exactly in the position of reversing the flow of the Mackenzie River or anything like that or reducing the theft of water by the provinces. Just for your information, the members of this committee are senior officials from the federal government, that is, the Departments of Environment and Indian Affairs and from the provinces of Alberta, Saskatchewan, British Columbia and now the Northwest Territories.

THE CHAIRMAN (Mr. Stewart): Thank you very much. Any further comments of a general nature?

MR. PEARSON: On what subject?

THE CHAIRMAN (Mr. Stewart): It appears under Economic Development you can almost say anything, Mr. Pearson, and I do not know any way of stopping you. Do you have anything to say?

Vehicles And Equipment

MR. PEARSON: To get down to the nitty-gritty to one of my favourite subjects, on page 11.02, halfway down the page the item of 90,000 smackeroos -- dollars to you -- for the replacement of vehicles.

MR. SEARLE: Mr. Chairman, can we not deem that Mr. Pearson's previous comments about replacement of vehicles shall apply?

SOME HONOURABLE MEMBERS: Agreed. (laughter)

THE CHAIRMAN (Mr. Stewart): It appears we have your message, Mr. Pearson.

MR. PEARSON: I think we are just playing into their hands with this kind of approach. If nobody wants to kick at the cat, but what is \$90,000 for vehicles? Mr. Chairman, in spite of Mr. Searle's funny comments, what is with the vehicles? What do they do with them?

THE CHAIRMAN (Mr. Stewart): I will see if I can ...

MR. PEARSON: Sit outside the W.G. Brown building in Frobisher Bay for months on end? I understand it is the same question. I just wondered if there may be a different answer this time?

THE CHAIRMAN (Mr. Stewart): We will see if there is a different answer. Deputy Commissioner.

Allocation Of Vehicles

DEPUTY COMMISSIONER PARKER: Mr. Chairman, you will recall that I suggested that a subcommittee might look in an indepth fashion at vehicles and that offer still stands. With regard to the equipment that we are discussing here, it is as follows: The replacement of one window van to sit outside the W.G. Brown building (laughter). Its tires have gone flat from misuse and the licence is out of date. Second, a stake truck for Rankin Inlet for a projects operation concerned with the cannery, and so forth. Next, two half-ton pickup trucks for tourism for use on the highway to patrol the camp grounds. Please bear in mind that these are all replacement vehicles and they are being replaced because they have reached a certain number of miles and so on. We have a fairly good formula for this sort of thing.

The next group is for outboard motors, we replace a number of outboard motors that are used on fishery projects. Replacement of ten skidoos which are used for collecting soapstone and related operations and minor amounts of hauling fish. We have a sum of approximately \$21,000 which in this vote would remain uncommitted but available to meet unforeseen needs, that is, unforeseen at this time.

THE CHAIRMAN (Mr. Stewart): Thank you. Councillor Pearson.

MR. PEARSON: In rebuttal to that, what is the ten skidoos to collect soapstone? Where, may I ask, are they going to go and collect soapstone and why do they have to buy 10,000 bucks worth of skidoos to collect \$5000 worth of stone?

DEPUTY COMMISSIONER PARKER: It is hardly \$5000 worth of stone and it is not only for collecting stone, but it is also for a variety of other operations concerned with project operations; the fish, stone, the whole works.

MR. PEARSON: Mr. Chairman, I think that blow in the microphone was a deliberate attempt on the part of the administration to mess up my hearing aid so I would not be able to hear those feeble replies to the questions.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, would you require ...

Grass Roots Level

MR. PEARSON: Mr. Chairman, surely we do not have to repeat the message we gave the other day when we said why not rent the equipment from people in the communities? I mean, one can go to communities such as Broughton Island and see two or three machines outside people's homes. Here we are complaining this morning about there being a lack of employment and things for people to do and we pay out \$5.5 million in social assistance when we still are pulling these kinds of tricks. The co-op in Frobisher Bay, and I realize that it does not come under this department entirely, but the co-op in Frobisher Bay forgot to buy soapstone last year. The sculpture industry in Frobisher is really extensive and provides a lot of employment for people, a lot of cash and the co-op has bought a new truck, of course, but it forgot to buy the stone. Surely your Department of Economic Development should be on top of these kinds of things. It should be getting down to the grass roots. That is the problem with this department, as it is with all the other departments -- it is not down at the grass roots level. It is not down there with the folks. I really feel that you could get by without ten new skidoos and use local people and hire local people to get them and gather stone, surely.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Pearson. Councillor Nickerson.

Tangible Results Of The Department

MR. NICKERSON: To return to the discussion of the Department of Economic Development in more general terms, when we think of government departments, the majority of them, such as Social Development and Education, we have to admit that we put money into these things and there is no tangible result comes out of it. Obviously the children get educated or people are better off, but we can not account for it in dollars and cents. The Department of Economic Development is different in that with this particular department we should be able to draw up a balance sheet and say, over a period of a few years or five years or so, how much money we have invested in the Department of Economic Development and how much money is benefited from that. I think that a department such as this, if over a suitable period of time, if they can not justify that money they have spent, results in an even greater amount of money coming back, not necessarily to the government, but coming back to the people as a whole, I do not think they can merely justify their existence. I wonder if it might be possible to have this type of balance sheet drawn up and presented to Council just to find out what we are actually getting for the money that we have spent?

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, we are certainly prepared to discuss the department on that basis. We could do that now or we could do it as we get to operations and maintenance. The only reason I suggest that possibility is that when we do get to operations and maintenance which is laid out on one or two pages, you can pretty well see the full range of activities of the department, so whichever way you wish to handle it.

THE CHAIRMAN (Mr. Stewart): Councillor Nickerson, would it be satisfactory for you to wait until operations and maintenance?

MR. NICKERSON: Yes, thank you.

THE CHAIRMAN (Mr. Stewart): Councillor Butters?

Miscellaneous Projects

MR. BUTTERS: Mr. Chairman, the Deputy Commissioner read a list of the equipment to be purchased. Did he read a list of the items required for miscellaneous projects in the amount of \$90,000, or does he have that list available?

THE CHAIRMAN (Mr. Stewart): The list has not been read yet. You will have that information.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I am afraid Members are following the wrong column. We are being hung for the wrong thing for a change. We are only talking about \$70,000. We have heeded your advice and reduced our requirement from \$191,000 last year to \$70,000 this year. The right hand column indicated \$70,000 total.

THE CHAIRMAN (Mr. Stewart): Thank you. That was a real switcheroo in changing these columns. Was that intentional or was it by accident? Councillor Pearson.

MR. PEARSON: I suspect there is some skulduggery afoot here. They are trying to confuse us with the facts.

THE CHAIRMAN (Mr. Stewart): There is no doubt that some Members would be confused by the facts, Mr. Pearson. Councillor Searle.

MR. SEARLE: Mr. Chairman, as the late Mr. Peter Baker used to say there is obviously some misadministration here.

Capital - Activity 6060, Administration Agreed

THE CHAIRMAN (Mr. Stewart): \$70,000 on page 11.02, is it agreed?

MR. PEARSON: Nay.

THE CHAIRMAN (Mr. Stewart): One negative reported. Is it agreed?

---Agreed

Capital - Activity 6061, Tourism

Page 11.03, tourism, activity 6061 in the amount of \$265,000. I was hoping you were just clearing your throat, Councillor Pearson.

MR. PEARSON: Again Mr. Nickerson asked a question earlier identical to the question I asked I think last budget time around. I estimated that this department, since I had been on Council, had spent approximately \$35 million and my observation at that time was "What have we got to show for it?" Now, I have always felt that the Department of Economic Development is a paradoxical one. Here we are criticizing it for doing a poor job, or at least that has been the trend over the past few years and then, at the same time we see the budget for the entire department being really miniscule in terms of budgets for other departments. If one considers that this department is important, that business and economy should be developed in the Northwest Territories, it has one of the smallest budgets of all. Here we are, educating people to the tune of \$39 million and developing industry for them to work in and we are only prepared to spend \$7 million or whatever the figure is this year. It is \$7 million or \$9 million? Oh, it is \$9 million. It is sort of up and down. One feels a little remorse in attacking this department when it has such a miniscule budget compared to the problem we have in the Northwest Territories of trying to find jobs and industry. A good example of this is in this item on this page, rents and special payments, grants of \$15,000 to four remote indigenous communities for tourist accomodation assistance.

Now, what kind of aid is that for four communities that want to try and establish facilities in their communities? I just put a 20 by 24 foot extension on my own home that cost me \$25,000 and the absolute minimum cost for a low rental house in Frobisher Bay is \$40,000 and it is hardly fit for anyone to live in, let alone to use it as a tourist establishment. So, what the hell can you do with that kind of money? Why is it there, why do they bother? I realize it is grants but even so, the communities that could possibly support some tourism have so little facilities, have such terrible housing shortages of their own and the amenities in the communities do not exist. It says "for the proper and orderly development of tourism" and we keep flogging this year after year after year and we will never come to grips with it as long as we think small. Believe me, we think very small.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Pearson. Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I am ready to launch into my annual explanation of how we get our money, and if Mr. Pearson thinks that we think small he has got another think coming because every year I am forced to explain -- and I am getting tired of it -- that we operate on an "A" level budget and that means that we are not given funds to increase activities except for certain things like increases in population and indices like that. Of course we want to make more money available for economic development but we do not have it to make available. We have a bit of "B" level money this year and that is the first time we have ever been given any money of that nature to increase or add new programs in this field. It just has not been open to us and it is as simple as that.

Inadequacy Of Tourist Facilities

Now, having said that, a few minutes ago I was told by another Member of this committee, why we are rushing around trying to lure DREE into the country because what would we spend the money on? Frankly, I lean to the opinion that there are opportunities and that with the kind of expertise and the dollars we hope will become available to us, we can start to do some things that we need to do. There is no question but what the tourism facilities that we have in the Northwest Territories are not adequate. If we wanted to step up our level of tourism promotion we could fill the facilities that are available so fast it would make your head swim. We have had to hold back on promotion because the facilities do not exist, but so far we have not been able to fund an increase in the level of the facilities.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Deputy Commissioner. Councillor Butters.

MR. BUTTERS: I was just going to say agreed.

THE CHAIRMAN (Mr. Stewart): That was very nice of you. Councillor Searle.

MR. SEARLE: I think the other obvious comment that has to be made with respect to the matter of tourist facilities is that this money is grant money and what Members should realize is that there are a lot of loans made, as opposed to grants, but loans made to people from the Small Businessman's Loan Fund from the Indian Economic Development Loan Fund and from the Eskimo Loan Fund for these sorts of facilities. In my opinion that is where the facilities slowly but surely are being added, and how they are being added. I think that is the proper way to add them, by making money available by way of loans to individuals on an individual basis in the communities. That really is reflected there in grants. So, to put it in its true and proper perspective, the true thrust in facilities is coming through the loan funds and not through this grant fund.

THE CHAIRMAN (Mr. Stewart): Thank you, Councillor Searle. Page 11.03. Councillor Pearson.

MR. PEARSON: In light of the comments of Mr. Speaker, could we get some indication, while we are on the subject, of exactly what loans have been made by this department, because this is the department responsible to organizations who wish to establish or are currently running facilities of this nature?

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner, do you have this information?

Loans Made By The Department.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I have before me information on the loan funds and perhaps I could run through it. Then if it turns out that there are specific questions, or that the information is not sufficiently specific, then I will be glad to get additional information.

With regard first of all to the Eskimo Loan Fund, there were, in the last fiscal year, three loans for tourism purposes to a total value of \$147,000; two loans to restaurants for \$60,800; four fishing-hunting loans for just under \$12,000; one loan in the service industry area for \$38,000 and one of a miscellaneous nature, \$6,000.

Now, in addition to that, the Eskimo Loan Fund for the past 12 months has had a contribution side to it whereby the advisory board is able to make grants, in fact, they are grants or contributions, I guess they really are contributions to go along with the loans, and there has been a total of \$266,000 granted as well as the \$263,000 in loans made. So, the total activity in that area was over one-half million -- \$530,000.

Now, with regard to the Small Businessman's Loan Fund there were 18 loans made for a total of \$469,000, two restaurant loans at \$86,500; one hotel loan at \$50,000; four dealing with transportation at \$93,500; five service industry loans at \$113,000; four construction loans at \$117,000; one retail, I presume retail store, \$4000 and one manufacturing loan for \$5000.

Under the Fishermen's Loan Fund there were six loans made to the tune of \$14,400, under the Indian Economic Development Fund I do not have the detailed statistics, however it appears that there were approximately ten loans made in the approximate area of \$200,000. This latter fund we have less control over but we do have input in the initial instance.

THE CHAIRMAN (Mr. Stewart): Are you finished, Mr. Deputy Commissioner?

DEPUTY COMMISSIONER PARKER: Yes.

THE CHAIRMAN (Mr. Stewart): Mr. Pearson.

MR. PEARSON: Is there still money available for loans in these funds? If so, how much?

Eskimo Loan Fund

DEPUTY COMMISSIONER PARKER: Mr. Chairman, the Eskimo Loan Fund, has just been revitalized, and there is \$450,000 available under loans, and approximately \$33,000 under contributions. However, contributions after the 1st of April will become revitalized with an additional \$300,000. In the Small Business Loan Fund there is \$300,000 available.

THE CHAIRMAN (Mr. Stewart): Thank you. Councillor Pudluk.

MR. PUDLUK: Mr. Chairman, I am lost right now. I was asking for the loan fund but they would not give it to me because they told me there was none, no fund at all.

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I should have explained that The Eskimo Loan Fund was depleted some time in early summer and it has just, in the last month received more funds and so what Mr. Pudluk says is absolutely right. Until just recently it was out of money and fortunately it has been revitalized and the advisory board is meeting at the end of February to deal with a very substantial backlog of applications.

THE CHAIRMAN (Mr. Stewart): This answers your question, Councillor Pearson?

MR. PEARSON: In that case I would ask the Deputy Commissioner why this continuous television advertising goes on? If you are an Eskimo and you would like to open a business or you are a native person living in the North and you would like to open a business, just give us a call and we will pop down with bags full of money right away? That is the kind of impression one gets from it which is a little misleading.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, that was run for a short length of time with our authority and then we asked that it be cancelled. However, we could not seem to get it off. It is something like that advertisement that comes on the television anywhere from 5:30 p.m. until midnight telling you to put your kids to bed.

THE CHAIRMAN (Mr. Stewart): Page 11.03 in the amount of \$265,000. Do I have agreement?

---Agreed

We will adjourn for 15 minutes for coffee.

---SHORT RECESS

Capital - Activity 6062, Industry And Commerce

THE CHAIRMAN (Mr. Stewart): The Chair recognizes a quorum. I would direct this committee's attention to page 11.04, Department of Economic Development, industry and commerce, activity 6062, detail of capital in the amount of \$200,000. Councillor Nickerson.

MR. NICKERSON: I would like to discuss very briefly the item down here for improvements and replacements to existing fish plants and facilities to meet federal fisheries inspection requirements. I wonder, Mr. Chairman, if the Government of the Northwest Territories has any input into the making of these federal fisheries requirements and regulations. It is quite obvious to me that some of their requirements just do not make sense in the Northwest Territories.

THE CHAIRMAN (Mr. Stewart): The answer to your question from my general knowledge of the subject is no, they do not have any input into this section. This is a federal section.

MR. McCALLUM: That is unbelievable.

THE CHAIRMAN (Mr. Stewart): Perhaps the Deputy Commissioner could speak further on this subject.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I think that what you say is right.

THE CHAIRMAN (Mr. Stewart): Thank you. \$200,000. Do I have agreement?

---Agreed

Activity 6060, Administration

I direct your attention to page 11.05, program, Economic Development, subject activity memorandum, activity 6060, administration. The provision of the headquarters direction, planning and support services for the entire program. The amount is \$1,140,100 and the reference pages for this particular section are pages 11.11 and 11.11A. These are the reference pages in regard to this particular vote. I will repeat that. We are on page 11.05, activity 6060, administration, and in the amount of \$1,140,100. The reference pages for this particular vote are 11.11 and 11.11A. Councillor Pearson.

MR. PEARSON: I guess I was too long with the teapot. We have skipped over very lightly page 11.04, did we? Were there any ...

THE CHAIRMAN (Mr. Stewart): That vote has been approved, Councillor Pearson.

MR. PEARSON: Okay. It is too late, I guess.

THE CHAIRMAN (Mr. Stewart): Councillor Butters.

MR. BUTTERS: A general question, sir, with regard to activity 6060. It has seemed to be a continuing complaint that where business people in the territories receive loans or are assisted to apply for money from various agencies for financial assistance, get that assistance and then in the past it appears that the department's interest has waned or dropped altogether. I wonder if that omission has been corrected in that their business -- the person or individual in business or a small company having acquired a loan, do they continue to receive advice and assistance from people in government who are knowledgeable in this area, sort of a patient/client relationship? Is there a continuing check on the way their business progresses?

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner, can you answer that question?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, in so far as the persons receiving loans come back and request help they receive it. We think that this is a field in which we are doing better than we were before, and establishing good relationships. We can not, of course, guarantee that the advice and assistance will be sought. As best we can, without seeming to be interfering unduly in people's businesses we try to monitor their businesses where they have taken loans out.

Ongoing Assistance And Advice

MR. BUTTERS: Mr. Chairman, I am quite sure the Deputy Commissioner is aware that I was not making any reference to a monitoring by government. I am thinking here of ongoing assistance and advice. I remember it was suggested in past Councils that, if government officials did not feel they could provide this ongoing assistance and advice, then maybe we could seek among the retired businessmen of Canada a group of people, maybe a company of older Canadians who could live in the community and assist native people who are getting into business to use their knowledge gained in a lifetime of experience to assist native people to develop their business situations and get on a financial footing. I think there is still a lack in this area and this is what I mean, Mr. Deputy Commissioner, not interference in individuals' private concerns.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, yes, I appreciate Mr. Butters' remarks. We have used two people from the federal Counselling Assistance to Small Enterprises (CASE), program, and one from the CESO program. The latter one is Canadian Executive Services Organization and these are organizations set up to utilize the experience of people who are usually approaching or at retirement age but make their services available and we are very much aware of these services. As I say, we have used them, we think to great advantage. I think we will use these services more and more. These are basically independent business people who act as consultants.

THE CHAIRMAN (Mr. Stewart): Thank you. Councillor Nickerson.

MR. NICKERSON: Mr. Chairman, I was very pleased to hear that we have utilized the services of these Canadian executives or CESO or whatever it is called. I have met a number of people who have been involved in this and they always struck me as being very knowledgeable and competent people. They not only had the technical knowledge of the field they were engaged in, but they also had the contacts in business and they were generally people with a good reputation. If they said a project was good, they could attract funds and they could attract customers. I would like to see the services of these people used to an even greater extent in the Northwest Territories.

THE CHAIRMAN (Mr. Stewart): Thank you.

The Appearance Of A Top Heavy Department

MR. NICKERSON: Getting back to the administration vote here, I noticed that 53 people are employed in the administration of the Department of Economic Development. This would seem to me to be rather a high figure. Maybe the department could possibly be a little bit top heavy. I see there are 250 people totally employed and I understand that quite a number of these might be apprentices, etc., under the heading employment. I wonder if we could have some outline as to what these 53 people in the administration actually do?

THE CHAIRMAN (Mr. Stewart): For the information of this committee the figures that are being discussed by Councillor Nickerson are found on page 11.09. Mr. Deputy Commissioner, can you answer this?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, first of all it must be noted that all of the administrative positions, both field and headquarters, are included in this administration vote. The number of persons for this current year, the authorized establishment was 206 people, but in fact in order to survive the year the department had to maintain a vacancy rate and so the actual number of persons employed is 178. They break down something like this: 81 headquarters; 50 Fort Smith region, 13 Inuvik region, 10 Keewatin region and 24 in the Baffin region.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Deputy Commissioner. Back to page 11.05, administration. Councillor Pearson.

MR. PEARSON: Did I hear the Deputy Commissioner say there were 81 people in headquarters? Were there 81 for this department?

THE CHAIRMAN (Mr. Stewart): I believe that is correct.

Expertise Is Needed In The Field

MR. PEARSON: Then I repeat what I said earlier: Is it any wonder we are at the level of economic development we are at in the Northwest Territories? The people who are needed where the work is really needed -- the expertise is needed in the field, out there where the people live, out there with the plain old folks. We have this enormous bunch of people, each one takes up an office or a desk at least, each one has a seat, each one has a home that is government subsidized in some way or another. Each one has his fare paid in and out once a year for his holidays with his family and his kids, if he has any. There are 81 in headquarters -- doing what? Writing letters to the few measly, poor unfortunates left out in the cold in the field? Surely to God the emphasis has got to be in the field. Yellowknife has a very fine economy based on gold, developed and founded long before this department ever existed. So what are they all doing on the many floors of the Laing building, writing letters to each other? Writing letters to the communities? We spend millions of dollars on supporting those people in this community and we end up with this meagre, paltry operation out in the field. It is just incredible.

The Commissioner, in his Address, said: Diversify -- get out into the regions. Let us get to the people, to the 72 communities in the Northwest Territories. Now, that philosophy he outlined during his speech applies to all departments and I would hope very strongly to this department, but 81 people in headquarters, my God!

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I am just getting some figures together and I would like very much to come back to this because I believe that the 81 positions that I spoke of include more than what would be classed as normal headquarters' positions. However, before I go any further I would like to get the figures and I will have them shortly.

THE CHAIRMAN (Mr. Stewart): Thank you. I am sure we will be on this subject for some time so I imagine you will have ample opportunity to present them. Mr. Steen.

Transfer Of Headquarters Personnel To Inuvik

MR. STEEN: Mr. Chairman, I would like to direct a question to either Dr. Espie or the Deputy Commissioner. Could one of these people from headquarters be transferred to a permanent position in Inuvik because the staff at Inuvik seems to be shorthanded. They are out in the field running around like chickens with their heads cut off and sometimes it is very difficult to get anyone in the office when you try and phone them.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I am simply delighted to hear that they are keeping that busy up in Inuvik. The answer to the question is certainly, we would like to have a look at the design, the establishment at Inuvik as it compares with headquarters here and see if there should be more positions there than here, or I mean, some transfer of positions, and we will look at that.

THE CHAIRMAN (Mr. Stewart): Activity 6060, administration. Agreed?

---Agreed

SOME HONOURABLE MEMBERS: Agreed.

MR. PEARSON: Nay.

THE CHAIRMAN (Mr. Stewart): I have agreement on activity 6060 with one nay being recorded.

---Agreed

Activity 6061, Tourism

I direct your attention to activity 6061, tourism, broken down into two sections, development and promotion in the sum of \$609,600.

DEPUTY COMMISSIONER PARKER: If I could be of assistance here, I would like to break that figure down for you to put it into some kind of context. Under tourism, of this total, \$609,600, we propose \$56,500 for administration, \$359,300 for development and \$193,800 for promotion.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Deputy Commissioner. Councillor Nickerson.

MR. NICKERSON: Mr. Chairman, I have one comment which would come under 1(b) the development and regulation of public tourist facilities. I have received a number of complaints from people who would like to start up tourist establishments of one kind or another, and they find that the regulations and requirements are so onerous that whenever they want to do something they find themselves up against this brick wall of government. They are just not prepared to put the time, effort and money into it and consequently they do not get into the business. I think rather than coming up with all these rules and regulations governing how many square feet you are supposed to have for each guest, and how many window frames and all sorts of things that people are not really interested in, the people who come to the Territories for a holiday want to go out fishing. They are not really worried about this, what they want is just basic accommodation and are quite happy to rough it in a lot of circumstances. If they are not, they can always go to one of the bigger lodges with the built-in facilities. I would like to see the department encourage the smaller people to get into the tourist business. It seems at present they just do not want to have anything to do with the little guy.

SOME HONOURABLE MEMBERS: Hear, hear!

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner.

A Role Of Protection

DEPUTY COMMISSIONER PARKER: Well, Mr. Chairman, believe it or not we have a lot of sympathy for that view. The regulations that we impose are not nearly as onerous as the applicants might think they are. We have a role of protection to the public to play in the areas of health and fire and I do not think that that is something that is being argued. We must obey a reasonable standard of health regulations and we must obey a reasonable standard of fire regulations.

With regard to those two things I must say that you would be amazed if you heard from some of the applicants the kinds of things that they would like to do and you would find them to be very, very unsafe from a fire standpoint.

If we are to have very many places spring up which do not obey those two sets of regulations and we lost one or two lodges, and perhaps a person or two, or a loss of life, then we would set the tourism business back very substantially. We have different levels of regulations and certainly outpost camps can be put up with a minimum of requirements, tent camps and all. One area where we do run into difficulty, and this is one of the impediments in the way of the applicant being successful, is that we feel that if the applicant is going to go into an area which is reasonably adjacent to any settlement that we must refer that application to that settlement for their opinions.

Secondly, there is the matter of land and the use of land. Now, we do not sell land for recreational purposes, municipalities may, but the territorial government does not. We make land available on long term lease. However, at times we have to satisfy the federal land agent and his regulations which are not ours, but I do not think that the federal people stand in the way particularly. Now, we do have to take into consideration the views of the people who hunt, trap and fish into certain areas before we let camp licences out.

I appreciate that those are just general remarks, but I think that a close examination of our regulations would show that they are not as onerous as the applicant might think.

THE CHAIRMAN (Mr. Stewart): Councillor Pearson.

Concerning Restrictions.

MR. PEARSON: This matter which Mr. Nickerson has just brought up is one of interest to many people in the North, especially those who are interested in establishing facilities, as there are restrictions and there are minimum amounts of space allocated to each body who lives in a room and it is so many hundred square feet. Now, there are all sorts of other restrictions, the number of people who can be housed in buildings, etc. These restrictions impose great hardships on people and hence a lack of willingness on their part to establish tourist facilities.

Some of us, who are fortunate to have been to Greenland and to have seen the very worth while efforts that they are making with regard to the establishment of tourism, will have seen the facility in Sondrestromfiord which serves as a terminus for people travelling in Greenland. There, rooms which house four people, are built approximately on the same lines as those of railway cars, very small, very compact with all amenities provided, hot and cold running water, impeccably clean, tiny little sections, if you like, set-up that provided accommodation for over 300,000 people in the one hotel last year. Three hundred thousand guest hours went through that facility in Sondrestromfiord last year in the rooms.

Now, I put it to Members who have not seen how minute and spotlessly clean and easy to manage and very functional these facilities are. However, here we have these strange regulations and I do not think there should be dangerous stoves and furnaces in a place, but I do not feel that these -- it used to be 400 square feet per person and I do not think that those kinds of regulations do anything to help the establishment of facilities.

THE CHAIRMAN (Mr. Stewart): Thank you. Have you any comments in that regard, Mr. Deputy Commissioner?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, we just can not leave on the record the impression that we would ever have called for 400 square feet of accommodation for one person. The regulation that is in force calls for 100 square feet as a minimum size for a room occupied by one person, 150 square feet which is ten by 15 if it is occupied by two people and 180 square feet for three people. So, that would be ten by 18 for three people and I would be very interested in Members' views on those figures.

THE CHAIRMAN (Mr. Stewart): I believe Councillor Searle is next on my list.

MR. SEARLE: Mr. Chairman, I want to speak to a different aspect.

THE CHAIRMAN (Mr. Stewart): In view of that, if there are further questions on this, would you mind leaving it to Councillor Pearson to keep on the same train while we are on it?

MR. SEARLE: So long as it does not go back and forth between Councillor Pearson and Mr. Parker forever.

THE CHAIRMAN (Mr. Stewart): Forever is a long time!

Concerning The Square Footage.

MR. PEARSON: Getting back to that point with the Deputy Commissioner I would point out that 100 square feet is an enormous size area and we are talking now of small communities with small facilities and if my memory serves me correctly a room that would house four people in the Sondrestromfiord hotel for example would measure no more than six feet by six feet wide -- six feet wide by six, eight or ten feet long and that would house four people.

MR. SEARLE: How high?

MR. PEARSON: Approximately eight feet high.

DEPUTY COMMISSIONER PARKER: I certainly hope they are friendly.

MR. PEARSON: All I can suggest to the Deputy Commissioner is that he pop over there and have a look.

DEPUTY COMMISSIONER PARKER: I will not bend over.

THE CHAIRMAN (Mr. Stewart): There appears to be more than one sailor in this crowd. Mr. Searle.

MR. NICKERSON: If I might be permitted, I would like to comment on the actual number of square feet to be allowed for each guest. I think that 150 square feet for one person, or even for two people is way, way more than what is actually required. For a long time I lived in Yellowknife in a shack that was approximately ten feet by 11 feet and two people occupied that, and that was not on vacation, this was used for storage and everything else. Similarly for a long time in Yellowknife I lived in a trailer with less than 250 square feet and there was myself, my wife and two children living in that and that was also used for an office. The people who occupied the same trailer before me, there was a man, his wife and three adult children, or three teenage children. So, I think that that requirement for that amount of space is way more than what is really required. Now, I know in a normal diamond drilling camp or something of that nature you would get at least four people in a ten by 12 tent frame.

Sizes Should Be Reduced.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I personally tend to agree with Mr. Nickerson and I think under certain circumstances, that is certain classes of camps, these sizes should be relaxed, or reduced. For the provision of outcamps and certain classes of camps, the sizes I have mentioned are not adhered to and considerably smaller places in tent camps and so forth would be accepted. However, I will take it as an undertaking to review this and see if we can not come up with standards which are less. There is no question but what Mr. Pearson is right in that if the furniture is built in and of a high quality, and very properly designed, then less space can be used.

THE CHAIRMAN (Mr. Stewart): Thank you. Councillor Searle, thank you for your patience.

A Person's Race Is Not A Proper Consideration.

MR. SEARLE: I am well known as a very patient man. Mr. Chairman, the area of criticism that I have for this department of tourism or, rather, division of Department of Economic Development, is in the course of trying to establish a tourist facility. The settlement closest to the facility, as the Deputy Commissioner has indicated, is contacted and a request of the settlement council is made as to whether or not they approve of that facility either close to the settlement or in the settlement. The settlement council will then reply and I detect an almost slavish reluctance on the part of this administration to question the propriety of the reasons given by the various settlement councils. I have run into this on several occasions where settlement councils have indicated that they did not want a particular tourist facility because of the race of the person who was applying for it and that person was denied the right to have a licence from the tourist section because of the position taken by the settlement council.

I have continually said that when a person is denied an opportunity simply because of his race, that that feeling of the settlement council should be ignored. This government should have the courage to ignore that and to say that is not a proper basis. Do I have the assurance of this administration that race is not a proper consideration, one that they will follow for the basis of rejecting an application by an individual? Do I have that solemn undertaking?

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, the race of the applicant is not considered to be a factor in the awarding of licences for the operation of tourist facilities. Whether communities take this into consideration or not, is a factor beyond our control.

THE CHAIRMAN (Mr. Stewart): Councillor Searle.

MR. SEARLE: Mr. Chairman, let me be more specific. A person applies, the community is contacted, the community says "No" and indicates why it says no. The indication is based on the race of the individual. You know that that is the reason and the sole reason. Would you ignore, as I suggest you should and must, the recommendation of that community, or would you accept the recommendation of the community?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I can say most certainly that we would not accept that as a reason from a community for the rejection or the recommendation to reject an application. Having said that, we do not think that that has come up ever that way and we can only think of two times, maybe there is a third one -- I do not know -- when communities have asked that we reject applications, so that is a very, very low incidence.

MR. SEARLE: I know of examples myself and so do the officers of the department, because I have discussed it with them, but I am not going to go into particulars of who they were. I am just happy that I have the assurance that it will not happen in the future.

THE CHAIRMAN (Mr. Stewart): Thank you. Activity 6061, tourism. Are we agreed?

Activity 6061, Promotion

MR. PEARSON: Mr. Chairman, we come to another point and that is the question of promotion which has not been discussed. Could you identify approximately the number of dollars spent in this area? I mean, I can not decipher these figures. I tried to, but I only get confused.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, the breakdown that I gave earlier indicates \$193,800 spent on promotion. That is the part of the \$609,600.

Tourist Promotion

MR. PEARSON: \$193,800 on promotion. Has the department ever taken heed of the view held by myself over the years that the Canadian government tourist promotion campaign is very bad and that there are many occasions when the Northwest Territories is not given a fair deal by that organization in its promotion of Canada and particularly the North? I have walked down Fifth Avenue and have seen the Canadian tourist office on Fifth Avenue, which has to be the most expensive piece of real estate in the world, the rent of that store they have, where the entire display features one dead fish and some scruffy looking fishing nets hanging up in the window. You go in and talk to the man about the Northwest Territories, ask him if they have -- I have done it -- "Have you any tours through the Northwest Territories?" "Where is that?" "Oh, yes, we have heard of it." He may bring out some scruffy brochures he has found under the desk somewhere. I mean, we have this vast country of such great beauty and diversity that we should be able to promote the Northwest Territories without too much effort, I would have thought, without spending great sums of money if we were able to enlighten those idiots who run that federal department of tourism that we have something to offer too.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, first of all, we think that we are getting good value for our money here and we do not consider this to be an expensive tourism promotion effort. We can literally attract all of the people to the North that the present establishments can handle. We are also aware of the shortcomings of the federal tourism promotion activities. We work very closely with them and I think each year we establish a better relationship and each year they are more and more understanding of our requirements and what we have to offer. I think that we are really making headway in this area, in the area of tourism.

We are invited to the annual federal-provincial ministerial conference on tourism and we are able to be there and seated at the table as full members, which is very heartening and we are very able to speak to these matters. As a humorous aside to an event that happened at the last one, which was held in Calgary, a man from -- I had better not say where he was from -- representing one of the provinces, one of the eastern provinces, spoke also of the tourism office on Fifth Avenue in New York and he gave the minister responsible a very, very rough time over that office and also about the total Canadian presence down there. He went to Air Canada in New York and wanted to purchase a ticket and they would not accept Canadian funds. Needless to say, the federal minister was acutely embarrassed.

THE CHAIRMAN (Mr. Stewart): Activity 6061, tourism in the amount of \$609,600. Agreed?

---Agreed

Activity 6062, Industry And Commerce

Activity 6062, industry and commerce in the amount of \$4,650,000.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, could I provide the figures I have promised for headquarters personnel under activity 6060?

THE CHAIRMAN (Mr. Stewart): You have the floor, Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: I gave you a number of 81 or 82 which was wrong, unfortunately. There are 65 people in headquarters. Sixteen of these positions are training positions and are largely used in the field, that is, mainly they are used in the field, but they are identified as headquarters positions, so the sort of net regular headquarters is just under 50 positions.

THE CHAIRMAN (Mr. Stewart): Thank you. Activity 6062, industry and commerce. Councillor Nickerson.

MR. NICKERSON: Just briefly looking down the list of what the department does under industry and commerce, I am afraid I can not find very much in the way of what I would really call industry. It is mostly arts and crafts, you know. There are no factories or mines or anything of that nature. It is all very small stuff indeed.

The dictionary I have in front of me defines "commerce" as "the exchange of merchandise on a large scale." If that is the correct definition of "commerce", I can not find anything down here which would be commerce at all.

THE CHAIRMAN (Mr. Stewart): Thank you.

MR. PEARSON: Touché!

THE CHAIRMAN (Mr. Stewart): Does the administration have any comment on this?

DEPUTY COMMISSIONER PARKER: Well, we are not in the mining business, although I certainly could support a move in that direction, but we do find ourselves very much in project operations and admittedly those operations lead to arts, crafts and the production or marketing of fish and so forth. These are the things that we have been developing over the past few years and the things that we are doing very, very much better from year to year. We are not involved in heavy industry, although we would wish that we could attract some of these things.

However, like the Councillor, we have not been able to come up with manufacturing industries that really mean something. You know, we are making some little starts. We are going to be producing the household furniture that the government itself requires in a small factory operation in Hay River this year. That is the kind of thing that we are turning to.

THE CHAIRMAN (Mr. Stewart): Anything further, Councillor Nickerson?

MR. NICKERSON: No.

THE CHAIRMAN (Mr. Stewart): The Chair recognizes Councillor Steen.

Inuvik Craft Shop

MR. STEEN: Thank you, Mr. Chairman. I think I believe the Deputy Commissioner when he says he is not inviting business. By this I mean I was given the opportunity last summer to tour the Inuvik Craft Shop, and as I went through the Craft Shop, I was led into the back room. There was a large room in the back where they stored about a ton and a half to one ton of carvings, mostly soapstone carvings. I was led to believe that it is still there just the other day when I asked about it and they said it was still there. I am wondering, how do you sell carvings in the back room hidden away from the buyers?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I can not really answer that question, beyond saying that the Inuvik Craft Shop operation was a very successful operation, it seemed to deal very well with the goods it had for sale. I can only assume that what they had in the back room they moved out to the front when there was shelf space available. That operation has been sold to the Canadian Arctic Co-operative Federation Limited, consistent with our policy of trying to put businesses, once they have reached a viable operating stage, in the hands of either private industry or co-operatives if there is a suitable co-operative interested in such a business.

THE CHAIRMAN (Mr. Stewart): Councillor Steen.

MR. STEEN: Thank you. When I asked about why these carvings were stored in the back room they said that there were not that many people in the community interested. They would put them out on the shelf for a while and they rotated the stock, and had put the others back when they did not sell. However, it seems to me that when this was happening, most of the carvings came from the Eastern Arctic. To my way of thinking, when people go to communities to buy something, they want something different, they go to a community that has something different, and centralizing something prevents people from going to these small communities and I feel it should be displayed in every community.

THE CHAIRMAN (Mr. Stewart): Councillor Pudluk.

MR. PUDLUK: Mr. Chairman, I would like to make a very serious general comment on paragraph 4. When the co-operative is purchasing their order I would like to see someone from headquarters coming up to the settlement to check the orders. I want a person who has experience in ordering things, food or anything, because myself I paid \$8 for ten pounds of sugar because -- I ordered it but I did not receive it. In Grise Fiord they have no supervisor at all. Now, I wonder if Dr. Espie could make arrangements or take this opportunity to check. This could be done once a year, to go around the settlements when they are buying things, perhaps they could tell him because this is not the first time it has happened.

THE CHAIRMAN (Mr. Stewart): Does the administration have any comment? Mr. Commissioner.

Co-operative Store In Grise Fiord

THE COMMISSIONER: I believe what Mr. Pudluk is speaking about is the problem they ran into at Grise Fiord for the last two years, pertaining to supplies for the co-operative store. As a matter of fact it has been a problem for three years, and three years ago it seemed to me the problem was because they had put them in a zone that put the price up so high that it was almost impossible for the people to buy the goods at the store, or that they stocked with.

Two years ago there was a problem with supplies and they did not get their full shipment and then this last year I think they were in the same boat. As a matter of fact we sent a Grumman load of food up there for the store a year and a half ago, but it seems to me that this is a much more fundamental problem that this Council should be aware of. That is the fact that the co-operatives in a number of communities are now consumer co-operatives, which means that they sell groceries, they sell goods and they are merchants. The problem is to get enough capital at the federation level to be able to purchase now, purchase and pay for enough supplies so they are able to meet sealift, whether it be up the Mackenzie River or into Churchill, or through Montreal.

As of this moment the situation has not been solved because the kind of money we are looking at is a million and a half dollars. I believe that the deadline is the end of February. So, it seems to me that collectively between ourselves and with the department, and the federation we must find an answer to this, and it might be that Mr. Pudluk or Mr. Evaluarjuk may want to raise this for a round table discussion when the Minister is here. Of course the Minister has nothing to do with it, but his departmental people do have an interest in this. In other words, what I am saying is that the Minister is probably not even aware of the situation at the moment, but it is something which you might like to talk about.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Commissioner. The next speaker is Councillor Butters.

Land Use Committee

MR. BUTTERS: Mr. Chairman, I wonder whether this department has a representative on what I believe is called the land use committee which meets in Yellowknife, and I believe is based in Yellowknife. This is a committee established by the federal government but it includes representatives of organizations having various interests. I wondered if the department has a member on this committee who might represent the interests of the small businessman?

I can think especially of a contractor in our area, a quarry operator, who had requested the extension of a permit that he was operating his quarry under. He was told at the beginning of the quarrying season that the permit was refused for the five months of summer, a time when he looked forward to being in business, but he was permitted to operate his quarry throughout the winter months. The reason this occurred was because an expert on wildlife, who had not visited Inuvik up until that time, but from reading his files had determined that such quarrying activity was disturbing and probably greatly affecting 21 pairs of peregrine falcons during the summer season. Such a decision, made arbitrarily and at a distance as you may appreciate not only affects the small businessman but in this case it had great effect upon the town of Inuvik and had a great effect on the per yard cost of granular material, crushed material moved from that quarry to either residences or business properties in the town. That is my first question.

Preservation Of Vanishing Species

My second question relates to something I raised in the summer and that is when a town or an individual is requested to preserve a vanishing species -- and there are some suggestions that the peregrine falcon may not be vanishing -- to preserve a species, and the cost of preserving that species falls upon one businessman or one community, is there not some way in which the total community, that is the territorial community, or the Canadian community, or the North American community, or the community of mankind, can share this cost? Why should 136 taxpayers and a couple of businessmen have to bear the cost of perserving the peregrine falcon?

THE CHAIRMAN (Mr. Stewart): Mr. Deputy Commissioner?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, we have a member on the land use committee, at least on the technical committee, who was with this department but now, being with game, is now with the Department of Natural and Cultural Affairs, so we do have territorial input to the committee. We do not have anyone who speaks up specifically for that vanishing breed of people, the businessman. I am very much sympathetic with what the Member raises, but the answer to the second question is that there is no one who is prepared to pay for the economic losses sustained by someone because some agency of government or the people of the country, and in this case it is really the people of the country, insist on the preservation of a certain species of bird or animal. There is no one who will pay that cost.

MR. BUTTERS: And increased costs.

THE CHAIRMAN (Mr. Stewart): Thank you. Is there anything further, Councillor Butters?

MR. BUTTERS: No, sir.

THE CHAIRMAN (Mr. Stewart): Councillor Lafferty.

A Platform Of Economic Renewal

MR. LAFFERTY: Mr. Chairman, I have been sitting here listening to the debate and it causes me great thoughts. We have two chiefs up here, and it rather scares me as I have never tangled with them before, but I have some serious thoughts in mind. I was elected on a platform of economic renewal in the area, and I would like to recall that for a moment. Now, on improvement and I have said this many times, but there are many people who are dissatisfied with not only the Department of Economic Development...

THE CHAIRMAN (Mr. Stewart): I am sorry, you are not coming through. Could you speak a little louder.

MR. LAFFERTY: Can you hear that? Okay. As I said, we have the two chiefs up here, and they make me a little nervous, but I would like to recall the fact that I was elected on a platform of economic renewal, and as I have said on many occasions we need involvement for improvement. Seemingly we are not involved. There are many people who are dissatisfied, or I should not say dissatisfied but perhaps discontented with some of the programs under Economic Development, and I can see the reasons why. These figures do not mean very much to me, although they do have some bearing on what I am about to say.

It seems that the Department of Economic Development is not geared to assist new business programs of a man or a woman who will take a few dollars that they save to enter into businesses, but, rather, it is a form of welfare for established or aspiring businesses where there are really no markets. Otherwise, why would Mr. Steen remark that all these carvings and so on are stocked up in the back room?

In considering the vastness of our country and to transport much of these heavy articles to the southern markets costs quite a bit. Then I could go on to say that fur, dried furs are fairly light, but then when you look at the cost factor in preparing fur for market outside, bundling them into hundredweights, then it reduces the net profit on the sale of the fur.

No Justification In Assistance

There are many little things that we should be looking at. I am just touching these lightly and I will reserve my remarks to be as short as possible because I want to get done, but I think they are important enough that I should mention. In aiding businesses in the North, some time in the distance, as some of you may recollect, some of these businesses that we are assisting today were successfully operating under their own management, but as of recent years, somehow larger companies have gained a monopoly over much of the lower market. I can not see any justification in the type of assistance that we are giving out, other than perhaps the Small Business Loan Fund. We are not getting the value for some of our products, we are not getting the craft value for the time that it takes to produce the arts and crafts in the North, whether these arts and crafts be native or otherwise.

On the other hand, the other thing is there are a lot of local industries. There is a great potential for building the economy up using local materials. There is milling and such operations in the North. We have vast tracts of timber up through the Liard area and south of Grizard Lake which can be utilized for the needs of local lumberyards.

Then we look at the building activity and we find that we are using British Columbia timber. In some cases we are using Alberta lumber that is distributed in the North by City Lumber of Edmonton through the contract handed out by the government to Poole Construction. Poole Construction is a large company. I would think that it would be difficult for even the territorial Department of Economic Development to compete with Poole Construction when it comes down to purchasing material.

Jean Marie River Sawmill

There are other things that have come up in the attempt of this department to justify its existence and I appreciate it very much, such as the recent turning over of the Jean Marie River co-operative into a company. Many of the native people in my area wish to enter into businesses of their own on a free enterprise basis, not co-operatives because the co-operatives fail in most instances with native people.

The Jean Marie River sawmill, as I recollect when I was a kid, was successfully operating and that was 20 or 25 years ago on a free enterprise basis. They turned it into a co-operative and it began to fail. This department had to bail it out a couple of times. Obviously there is something wrong. I believe that we have to give assistance to those people who wish to enter into free enterprise systems, whether it is an individual or a group, a company, a small company whereby they could get on their feet and they need the protection of controlled markets by the government, not for the government to go and hand out monopolies over markets.

I am almost certain that, in spite of the pride, I take it the Jean Marie River sawmill and its recent activities and recent direction are going to fail because the markets are no longer open to competition. I think that we should be encouraging more local contractors, local people to engage in contracts, buildings. We have a lot of skilled tradesmen in the North who desire to have such businesses. I know of three or four men in Simpson who have tried to get into the electrical business and were not able to do so simply because there were no funds and the cost of materials was too high, the cost of building construction was too high and in order for them to purchase local lumber they could not because the local supplies were all from Edmonton City Lumber.

So, if this is the case, I can not see anything here for the local people who desire to enter into businesses. I believe that we should re-examine the Small Business Loans Fund and assist new businesses in the North, whether this business is native or otherwise, straight across the board so we could initiate some kind of competitiveness that seems to have died.

The Competitiveness Of Northern People

I look back on the history of our northern people and I look at them this way. They were the most competitive people and yet I have found in some of the reports that I have read, supposedly put out by experts, that northern people are non-competitive. In fact, it was a form of sport to go out hunting and compete with your fellow man. I think that if we re-examine some of the local interests and discuss this in committee of the whole, we would arrive at some solution that would best meet the demands of the public in the Northwest Territories. I would never approach the Department of Economic Development or the Small Business Loan Fund myself for any kind of assistance.

THE CHAIRMAN (Mr. Stewart): Excuse me, Councillor Lafferty. We have reached that time of the day and the Chair will recognize you as the first speaker tomorrow. The hour being 5:30 p.m., I ask your permission to report progress?

---Agreed

At the same time we have as speakers tomorrow Mr. Pearson and Mr. Steen.

MR. SPEAKER: Mr. Stewart.

Report of the Committee of the Whole of Bill 4-58, Appropriations Ordinance, 1976-77.

MR. STEWART: Mr. Speaker, your committee has been in committee studying Bill 4-58 and we wish to report progress at this time.

MR. SPEAKER: Two announcements, gentlemen. First, that there will be a caucus meeting tomorrow morning in the Education board room on the fourth floor of the Arthur Laing building.

MR. PEARSON: What time?

MR. SPEAKER: Third floor. Mr. McCallum says third floor of the Arthur Laing building at 9:00 a.m.

MR. PEARSON: It should be 10:00 a.m.

MR. SPEAKER: Was it not agreed it would be 10:00 a.m.?

MR. BUTTERS: Sir, 10:00 a.m. was discussed and I suggested, in view of the subjects under discussion, possibly we should call for 9:00 a.m. and nobody objected, so I asked that 9:00 a.m. be put down. If Members wish to change that now, that is fine.

MR. SPEAKER: I assume we have the date right. It is tomorrow, is it? It is 9:00 a.m. and it is the third floor of the Arthur Laing building.

Second announcement. Members have been invited to a luncheon tomorrow and a briefing on the northern activities of Imperial Oil at 1:00 p.m. tomorrow here in the "A" banquet room. Katamavik "A". Mr. Parker, do you have another announcement?

Farewell To Dr. Espie

DEPUTY COMMISSIONER PARKER: Thank you very much, Mr. Speaker, for giving me this opportunity. I would like to advise Members of Council that we have today received word from Dr. Espie, who has been sitting beside me, that he has accepted a senior position with the United Nations and will be travelling relatively shortly to Micronesia, one of the groups of islands in the Pacific, and will be living at Saipan. He will be preparing a plan for economic development for those islands which are trusts, I believe of the United Nations. I would like to say at this time that we have enjoyed having Dr. Espie with us and recognize very much the great strength which he has brought to us in the field of economic development, in the planning of economic development and in the redesign of the department which has been accomplished under his management.

I would also like to take pleasure in announcing that the Commissioner has agreed to appoint Mr. Joe Bergasse as the director of Economic Development to succeed Dr. Espie and in due course we will welcome very much Mr. Bergasse to this role. He is well known to us having served as assistant director since 1969.

---Applause

MR. SPEAKER: Mr. Clerk, orders of the day.

ITEM NO. 10: ORDERS OF THE DAY

THE CLERK OF THE COUNCIL (Mr. Remnant): Orders of the day, February 5, 1976, 2:30 p.m.

1. Prayer
2. Questions and Returns
3. Oral Questions
4. Presenting Petitions
5. Reports of Standing and Special Committees
6. Notices of Motions
7. Motions
8. Tabling of Documents
9. Consideration in Committee of the Whole of Bills and Other Matters: Bill 4-58, Bill 2-58, Bill 9-58, Bill 12-58 and Report of the Task Force on Great Slave Lake Fisheries
10. Orders of the Day

MR. SPEAKER: Council stands adjourned until 2:30 o'clock p.m. February 5, 1976, at the Explorer Hotel.

---ADJOURNMENT

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