



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES  
**DEBATES**

61st Session

8th Assembly



FRIDAY, FEBRUARY 4 , 1977

Speaker The Honourable David H. Searle, O.C.

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, FEBRUARY 4, 1977

MEMBERS PRESENT

Mr. Steen, Mr. Stewart, Mr. Lyall, Mr. Butters, Mr. Fraser, Hon. Arnold McCallum, Mr. Evaluarjuk, Hon. Peter Ernerk, Mr. Pearson, Mr. Pudluk, Hon. David Searle, Hon. Dave Nickerson.

ITEM NO. 1: PRAYER

---Prayer

SPEAKER (Hon. David Searle): Item 2, questions and returns.

ITEM NO. 2: QUESTIONS AND RETURNS

Are there any returns? No returns. Are there any written questions? Mr. Butters.

Question W25-61: Provincial Directors VD Control Meeting, Ottawa

MR. BUTTERS: Mr. Speaker, it has come to my attention that a meeting of provincial directors of venereal disease control is being sponsored or encouraged by the federal Department of Health and Welfare to convene in Ottawa on March 3rd and 4th. May I have the assurances of the Minister of Social Development that he has been invited to either attend himself, or alternatively, to send a representative, which would be accorded equal treatment and opportunity for participation as that accorded to our sister jurisdictions south of 60?

MR. SPEAKER: Hon. Dave Nickerson.

Return To Question W25-61: Provincial Directors VD Control Meeting, Ottawa

HON. DAVE NICKERSON: In light of the problem with venereal disease which was discussed just a few days ago, the Department of Social Development considers it of utmost importance that we do send somebody down to this meeting. We would dearly like to send somebody down as a full representative of the Government of the Northwest Territories and will do our best to see that our representative does attend as our representative and not just as an observer or that we are represented by Health and Welfare Canada. I stress again that we consider this an important matter and in light of the severe problems that we have in the Northwest Territories we will do everything possible to see that we attend this meeting.

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

Question W26-61: Government Vehicles

MR. FRASER: Mr. Speaker, Mr. Lyall asked a question about the study that was done on the use of government vehicles. Has the answer been given to him yet? I would like to see this study myself if it is available.

MR. SPEAKER: Deputy Commissioner Parker.

Return To Question W26-61: Government Vehicles

DEPUTY COMMISSIONER PARKER: Mr. Speaker, the answer to that question is that the answer to Mr. Lyall's question has not yet been given.

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

Question W27-61: Shipping, Repulse Bay

MR. EVALUARJUK: Mr. Speaker, I would like to ask: The ships arrive to the settlements too late in the fall, especially to Repulse Bay. In Repulse Bay the ship arrives when the ice is coming; last year a tractor even sank in the ice. I would like to ask the administration if they can support to get the ship in Repulse Bay earlier in the summer.

MR. SPEAKER: Deputy Commissioner Parker.

Return To Question W27-61: Shipping, Repulse Bay

DEPUTY COMMISSIONER PARKER: Mr. Speaker, the schedule for sailings is set fairly early in the year. However, we would be pleased to see if we can not arrange for the ship to arrive at Repulse Bay earlier than it has in the past. I can not guarantee that we will be able to manage this but we certainly will try.

MR. SPEAKER: Are there any further written questions?

Item 3, oral questions. Mr. Butters.

ITEM NO. 3: ORAL QUESTIONS

Question 028-61: Report On The Position Of Cabinet On The Pipeline Construction

MR. BUTTERS: Mr. Speaker, I believe the Hon. Alastair Gillespie made a very important statement this morning, carried on the CBC news relative to the position of the cabinet of the Government of Canada on the construction of a pipeline through the Mackenzie Valley. I wonder if that document has been made available, the press release, if that document might be made available to this House before we prorogue.

MR. SPEAKER: Deputy Commissioner Parker.

Return To Question 028-61: Report On The Position Of Cabinet On The Pipeline Construction

DEPUTY COMMISSIONER PARKER: Mr. Speaker, we will attempt to obtain the press release as quickly as possible and make it available to the House.

MR. SPEAKER: Are there any further oral questions?

Item 4, petitions.

Item 5, reports of standing and special committees.

Item 6, notices of motions. Mr. Butters.

ITEM NO. 6: NOTICES OF MOTIONS

Notice Of Motion 5-61: Canada's Economy, Adoption Of Austerity Condition

MR. BUTTERS: Mr. Speaker, I wish to give notice that I will move the following motion on Monday, February 7th:

WHEREAS Canada's economy in recent years has been considered by the federal government to be so endangered as to require massive intervention in the nation's traditional market place through hobbling of the law of supply and demand with stringent and restrictive wage and price controls;

AND WHEREAS many economists have identified as a major and contributing factor to Canada's economic malaise the imbalance between the rate of increase of government spending at all levels and the rate of increase of our nation's gross national product; or in other words, the imbalance between the rate of increase in government social welfare type programs and the increase in the amount of real goods produced by our farms and factories, by our free enterprise system, for both home consumption and the sale abroad;

AND WHEREAS it is conceded that federal government expenditures have increased fourfold in the last decade with attendant increases in the number of persons employed in the public service of Canada;

AND WHEREAS parallel increases and growth have been witnessed in the territorial government's public service and the expansion of its social welfare type programs;

AND WHEREAS one of the first positive steps of any government or central banking facility toward regaining economic stability and self-sufficiency is through rigid material cost control, through incisive program cost-benefit analysis, and increased staff efficiency through incentives and pruning;

NOW THEREFORE, I move that this administration during the fiscal year 1977-78 adopt an austerity condition and  
(a) cease to fill staff vacancies with the exception of: (1) all training positions; (2) accounting and treasury officer positions and management audit and program evaluation positions; and (3) all positions approved by the House on full and complete consideration of Bill 3-61, in any department or section of the Government of the Northwest Territories until the strength of such departments or sections reaches 90 per cent of its approved establishment; and,  
(b) ensure the continuing efficiency of the territorial government public service and program delivery capacity through facilitating any transfer of moneys, grants or loans between votes or objectives, and of personnel between programs and departments on the authority and approval of the Executive Committee of the Government of the Northwest Territories.

MR. SPEAKER: Are there any further notices of motions? Mr. Stewart.

Notice of Motion 6-61: Vehicle Insurance

MR. STEWART: Mr. Speaker, I would like to at this time give notice of a motion to be presented on February 8th:

WHEREAS vehicle insurance is compulsory for licensing of vehicles in the Northwest Territories;

AND WHEREAS the cost of such insurance particularly for persons below the age of 25 years is excessive;

AND WHEREAS the situation restricts employment of persons under the age of 25 in many instances;

NOW THEREFORE, I move that this matter be studied in committee of the whole at this session.

MR. SPEAKER: Any further notices of motions?

Item 7, motions for the production of papers.

Item 8, motions. Do we have any motions, Mr. Clerk?

CLERK OF THE HOUSE (Mr. Remnant): No, Mr. Speaker.

MR. SPEAKER: No?

Item 9, tabling of documents.

Item 10, consideration in committee of the whole of bills and other matters.

ITEM NO. 10: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS.

This House will resolve into committee of the whole for Bill 3-61, the Appropriation Ordinance with Mr. Stewart in the chair.

---Legislative Assembly resolved into Committee of the Whole for consideration of Bill 3-61, Appropriation Ordinance, 1977-78, with Mr. Stewart in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 3-61, APPROPRIATION ORDINANCE, 1977-78

THE CHAIRMAN (Mr. Stewart): The committee will come to order. It is my understanding that today we should turn to the program Executive and complete the housing section. Is this the wish of the administration this morning?

SOME HON. MEMBERS: No, no.

HON. PETER ERNERK: We would like to get into housing as soon as we are through the Personnel, later on today, sir.

Department Of Personnel, Main Estimates.

THE CHAIRMAN (Mr. Stewart): Thank you. I direct your attention to page 4.01 of the main estimates, Personnel, and comments of a general nature. Page 4.01, Personnel. Mr. Steen.

MR. STEEN: Mr. Chairman, yesterday we were discussing I think employment in the Personnel department of native persons and it is too bad because I see this morning that Mr. Pearson is not in his chair. I would like to have emphasis put a little more on what I was saying yesterday pertaining to discipline. He came back after I spoke yesterday and said there was discipline, and more discipline than there is, there is more discipline in the Eskimo families, but I am saying that there is not. I do not think that he can tell me that there is enough discipline. I find it strange that someone comes from the outside and tells the native that he has a lot of discipline in his family, or in the families in the North, when we see it differently, and we live in the country and were born here. So, I think he was even further off track than he was yesterday.

---Laughter

MR. BUTTERS: If that is possible.

MR. STEEN: Yes. Last night I heard him on the news saying that we should throw out this budget, and I would be willing to support his motion only with the amendment that we throw out the portions that pertain to Frobisher Bay.

SOME HON. MEMBERS: Hear, hear!

---Laughter

HON. ARNOLD McCALLUM: Could we have a repeat on that, sir?

MR. FRASER: Start over.

MR. STEEN: I will repeat it again for the benefit of Members. Last night we heard Mr. Pearson on the radio saying he wanted the other Members to support the motion that we throw out this budget and give some opposition against the government, but I would be happy to support or put in an amendment that we throw out only those portions that pertain to Frobisher Bay. Thank you, Mr. Chairman.



THE CHAIRMAN (Mr. Stewart): Personnel on page 4.02, comments of a general nature? Mr. Butters.

Employment Of Natives

MR. BUTTERS: Mr. Chairman, I suppose this is a bit tough on Mr. Pearson morning. Yesterday evening I came back to this chamber and I began to look through the old debates because I was sure I could find remarks expressed in budget sessions all the way along very similar to the ones he delivered so colourfully and forcefully yesterday. I think that the wisdom that was heard in this chamber yesterday was the remarks made by our native Members. One Member said native people generally do not want to join this cotton-picking outfit and somebody else pointed out that the native dimension in this government is presently in our schools and senior institutions and they will be coming back and do the job that has to be done because we know they can do it.

I would also point out too I think that the statistics which indicate how many native people are at this level or that level of the territorial government are not really indicative of the realities. I think seven years from now if Mr. Pearson is still on this body he will be making the very same speeches as he made yesterday, the reason being that this government is a training ground with its training positions and with its desire to train native people of the country and there is a strong desire to do this. We have found even in our Interpreter Corps that some of the people are leaving for better paid, more responsible positions in the administration itself or with other companies, or with the native organizations. Somebody mentioned, I think it was our Honourable Minister of Economic Development who pointed out that the native organizations' leaders who are doing such excellent jobs, while we may criticize them from time to time, we can not deny the fact that they are doing excellent jobs within the terms of reference of their responsibility. Many of them came through this government. Many of them received training in administration and in self-discipline within this government, so let us be realistic. This government does provide a service, it does provide a training ground for young people coming up and taking their rightful places as managers in the North.

Quote From The Yellowknifer.

Before I wish to get into Personnel in a more general sense I would want to start with the press. I look at the writing of one of the most responsible journalists, if not the most responsible northern journalist and publisher in the Northwest Territories, Mr. Jack Sigvaldason who wrote in his editorial in the most recent publication of the Yellowknifer. He wrote: "The cold, hard fact is that while territorial Council has the name, the feds have the game. Ottawa, not territorial Council or even the Commissioner of the Northwest Territories, who is classed as a civil servant, calls the shots when the gut decisions have to be made."

I know that has been the position of the press in the North. It seems to remain the position of the press in the North. The press needs to say that because, we are a government through consensus, that they must be our opposition. Well, we would be an awful lot better I think if the press came down more on our side, more on the side of the elected people of the Northwest Territories than it does on the side of the Hon. Warren Allmand of the privy council and of the bureaucrats in Ottawa.

I want to go back to the final report of the Commissioner of the Northwest Territories on the task force on personnel policy and management. I want to read a few excerpts from here: "The task force on personnel policy and management was established by the Commissioner in November, 1972-73. The task force was headed by Mr. Ewan M.R. Cotterill. The purpose was to review aspects of organization and personnel administration within the Northwest Territories public service with a view to further developing a stable and efficient public service tailored to the character and needs of the North following the initial years of growth."

I will repeat that, "... tailored to the character and needs of the North following the initial years of growth."

Task Force On Personnel

The Commissioner is quoted within the report on pages 12 and 13 and I read what he said, "Once this has been done we can proceed down the line defining objectives and subobjectives of individual departments. Once the national goals for the North are clear I will establish the territorial government's objectives in consultation with the Executive. The subobjectives will be established in consultation with individual directors."

I read in here further on on page 18 with regard to territorial goals, "The territorial goals are based on the principle of equal and meaningful participation for all of Canada's territorial citizens regardless of station in the political, social and economic activities. Political, social and economic activities and in the traditional ways of life in accordance with the wishes and desires of the individual."

I have here and I do not know whether all Members have seen this but I have here an organigram or organization chart of the Department of the Assistant Deputy Minister of Indian Affairs and Northern Development, Mr. Cotterill himself, and it is a massive outline which rivals the administration of this government. The subobjectives of this bureaucracy at Ottawa are "to advance to the social, cultural, political and economic development of the Yukon and Northwest Territories in conjunction with the territorial governments through co-ordination of activities with federal departments and agencies with special emphasis on the needs of native northerners."

I go through this "to bring about both directly and through the territorial governments improvements in the social conditions for northern residents with special emphasis on the needs of native northerners, to assist the

territorial governments through providing education, social development health, local government, game management and other public services for all northern residents, to assist native residents to maintain their cultural values and to identify their special claims, to contribute to the protection and enhancement of the northern environment and enlargement of opportunities for recreation to stimulate economic development, to create employment, to further the political evolution ..."

#### Subdivision Of Federal Responsibilities

Well, you know, looking at that it looks like what Mr. Sigvaldason said in his editorial that we have the name and the feds have the game is true because Mr. Cotterill's administration subdivision breaks into the responsibilities for: the northern finance and administration, northern co-ordination and social development branch, northern environmental and renewable resources branch, northern operations branch, northern non-renewable resources branch and northern economic planning. How many governments do we have? I would be extremely interested to learn the number of people who are working in Ottawa pursuing objectives which are the same objectives as stated in the task force report of this government, of this administration. I think it is unfortunate that these people were not around when the Commissioner took his hardy band of 50 or whatever to Yellowknife so he could have collared them and brought them along also kicking and squealing because I can not understand how two governments, two bureaucracies with all almost identical objectives and subobjectives can operate to the mutual advantage of people of the North, one in Ottawa and one in Yellowknife.

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

MR. FRASER: Mr. Chairman, we have been discussing hiring northern people yesterday and this morning. We have in this chamber, a very important part of the chamber, northerners, I am speaking now of the Interpreter Corps without whom we could not conduct business. I understand that they are here with expenses up to \$17.50 a day for meals but after 15 days the expenses are cut to \$10 a day. I would like to know why this cut in living allowance after 15 days when the Executive has known it was going to last for at least four weeks.

Furthermore, I would like, if I could make a motion, that their expenses be left at \$17.50 for the duration of this session. First of all, I would like an answer as to why their expenses are cut, what is the reason for the expenses being cut?

#### Allowances For Public Servants Away From Home

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, I am sorry for the delay. The allowances for public servants who are living away from their home while in the course of business is handled in two ways. One, if the individuals are living in a hotel or another form of rented facility without kitchen facilities, then a public servant is entitled to the normal daily allowance for the entire duration of the stay. If a member of the Interpreter Corps is staying in a hotel without any food preparation facilities in the room in which the individual can prepare food, then the normal daily allowance should be in force. If that is not the case, then an error has been made.

For public servants who are on travel status for an extended period of time and who are provided with a small apartment or a bachelor unit or studio suite which would include cooking facilities of some kind, then the rates are cut to \$10 after two weeks because it is expected that someone who is going to be in a facility such as that for a period of two weeks to a month should be able to do some food preparation of their own.

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

MR. FRASER: I am not satisfied with that answer. I would like to know if they brought somebody in from the outside or from Ottawa to attend this session what expenses, what amount of expenses are they allowed and when is the cut-off? Is the cut-off after ten days that they are here or are they on full expenses for the duration?

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, it depends on what kind of accommodation is being provided. If the individual is staying in a hotel, then the daily allowance is maintained. If the actual cost of meals is higher than the daily allowance to which you referred and receipts are provided then the actual cost of food is provided. That is the same as for our public servants.

For example, when I moved from the South to the Northwest Territories, I stayed in accommodation with a small kitchen and my allowance was cut from the regular schedule at that time to \$8.50 a day which was the schedule for someone staying in that type of accommodation. This is the normal practice in our government with respect to a civil servant.

Expenses For Official Visitors To N.W.T.

With respect to visitors to the Northwest Territories who may be invited by this Legislature, by the government to attend a special function, if that individual stays in a hotel then the same provisions apply; the actual cost of accommodation plus an allowance, and if receipts are provided for meals in an amount greater than the allowance then the actual cost of meals can be reimbursed.

MR. FRASER: I am sorry, but I do not believe that. If you bring somebody in, he is on full expenses. Like I said, I want to make this motion that the Interpreter Corps be paid \$17.50 for the duration of this session, Mr. Chairman.

THE CHAIRMAN (Mr. Stewart): It is a matter of how you word that motion and again it has to do with finances and we can not direct it be done, you can only request it be done.

MR. FRASER: Thank you, Mr. Chairman. I will put it in the form of a motion later on.

THE CHAIRMAN (Mr. Stewart): We can come back to it. Any further comments of a general nature while this is in preparation? Mr. Pearson.

MR. PEARSON: Under comments of a general nature, Personnel.

THE CHAIRMAN (Mr. Stewart): Yes, sir.

MR. PEARSON: What approach is this department going to take to a more vigorous method of recruiting native people into the organization? Is it prepared to make an effort because it is not making an effort as I said, this time, at this session, and at every previous session, the facts speak for themselves. I do not mean under B level, but under A level budget, run of the mill, everyday matters of recruitment of native people into the organization in all regions. Is there any enlightened approach being developed?

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

B Level Budget Activities

ASSISTANT COMMISSIONER MULLINS: I would like to make one technical point if I might first. On April 1, 1977, there ceases to be a B budget. Any moneys that have been provided in main estimates as B become part of our A, they become part of our ongoing normal budget activities. So, any of the items which have been shown to Members of this Legislature during this past two weeks which are called B, though the changes from the year we are now in, next year, next year they become part of our regular budget.

I should indicate, Mr. Chairman, that the administration has made some strenuous and very good efforts in the area of attempting to employ more native northerners, but that is not to say that we are entirely happy with what we are doing or that we should be at all complacent. We are attempting very much to increase the efforts we provide on the hiring of native northerners. The number of training positions we have have been doubled through the budget of Economic Development, and will represent probably our most important initiative. The training positions represent not a short-term solution to existing concerns about the lack of native northerners, but they present the basis for long-term solutions.

Secondly, in our recruitment efforts it is our anticipation at the moment, once the office of native employment is established, that a representative of that office will sit on every competition in which a native northerner has applied, to act as an ombudsman, to ensure the fairness of that competition. We are looking at a number of other efforts as well and at the present time we have started the development of a roster system for applicants for jobs. If we look back at the practices of two or three years ago, Mr. Chairman, every job competition was different and an applicant for job number ten who was not successful would have to write out an entirely new job application for job 12 when it came out.

This is no longer the case as we have started the development of a roster system by which we attempt to interview candidates who are not successful on one job and steer them into another job competition. So, what we are attempting to do is use as many fairly straightforward administration procedures to simplify the process as much as possible to obtain entry into the public service. We are now also attempting to look at those situations in which our native employment programs have been most successful and to build on those. However, Mr. Chairman, this is precisely why the office of native employment was created as an identifiable entity. We have made native employment a part time responsibility in the past, for all of us. We have decided that that is not good enough and must maintain it as a part time responsibility for most of us and make it a full time responsibility for many.

Philosophy Of The Office Of Native Employment

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

MR. PEARSON: Well, it sounds all very exciting, but I wonder about the philosophy of a department of native employment. You are singling them out as though they are something special, you are setting up a special department just for native people, instead of considering them within the total concept of the government as equal in every other -- considered equal in every other area, but in this case, it is a special department with probably a bureaucracy with another half a dozen or two dozen people.

HON. DAVE NICKERSON: Hear, hear!

MR. PEARSON: Now, special consideration, that sounds like a Christmas present. I am not asking that you set up special departments, that they get special treatment, I am asking that they get equal and fair consideration. There have to be special considerations given to the native people, they have certain qualifications, they have certain abilities to express themselves, but may not have all the academic crap that is necessarily in order to get through a competition. Now, granted there have to be special considerations made there, but setting up a special department I can not see. No further comment.

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

COMMISSIONER (Mr. Hodgson): Mr. Chairman, when the territorial administration came here in 1967, the general thrust and guidelines, and feelings that we had from the federal government were that everybody was to be equal and that we were not to keep separate statistics. We were working on a program of integration and we proceeded along this line for three, four or five years. Then, it shifted and this Council shifted with it, and wanted to single out how many people we employed, what we were doing, specifically for native people. Then, the theme shifted again and we were asked to break out native people into Eskimo, Indian and Metis. At the same time, there was the land claims issue, the Berger hearing, and a multitude of other bodies functioning who felt that they had a stake in the North, for one reason or another, and the employing of native people became a sort of a project.

#### Native Employment In Government.

We, I think in all sincerity, and part of the task force report that Mr. Butters was referring to this morning dealt with this situation, and urged that we set up meaningful programs for this purpose. This we have attempted to do. When this business of A level and B level is used, I think this has been explained, and I hope it is accepted, but it simply means the measure of support, and the success we have had in our financial negotiations with Ottawa, and the reason why -- the successes we had had and what we are going to be able to do in the coming year. However, if you think that every single native in the Northwest Territories is busting his rear end to come and work for the territorial government, that is just not so.

There are many, many attractions, and many, many opportunities today in other government departments or in native organizations that pay very, very attractive salaries, and that may hold certain attractions and that must be understood. It is not only a question of who pays the highest salary but that does play some part. We have not set up a full department, and this again is perhaps being misunderstood. What we have set up is a small little group, within Personnel to concentrate on this, to concentrate on it and be able to identify opportunities in each department and also to go out on a program of reasons why people should work with the territorial government. I point this out to you, that of any government, whether it be provincial or federal, or another territory, this government is well out ahead on its recruitment of native people and have made greater strides and has had greater success than all of the rest of them. However, that does not mean that we are satisfied with it.

The question of recruiting, I agree, that a degree does not necessarily make you a smart man, it certainly shows you that you are proficient in a certain line, but today we feel that competitions, and requirements in departments can be adjusted in such a way that you do not need necessarily degrees and, with a little training, that native people can take it over.

Future Commissioner And Deputy Commissioner

You people at the last Assembly session said that the Commissioner should be Deputy Commissioner Parker. It is interesting to note that Dogrib people from Rae, Detah, old town, Rae Lakes, Lac la Martre, Snare Rapids, that this the whole Dogrib band, they agree with you but they added one amendment to it or one change that you did not do and they said the next Deputy Commissioner should be a native. So I think that while you can be critical, and I see nothing wrong with that, but I think that what we are doing and what we have achieved when you add it together, I think that there are some pluses here for the administration trying to do what we believe this Assembly wants to do. We believe that in doing so we can say to the native people, "There is a career in the Government of the Northwest Territories and we do want you to become part of it."

Having said that, you wonder why the turnover in the Interpreter Corps, well, the reason is there are no better informed natives in the North than in the Interpreter Corps. They know the whole thing backwards and forwards and they are very sought after people. I think that is a very good thing. I do not think that everybody has to work for the territorial government but we would like to get as many native people on strength as we can.

One final shot at it, remember a few years ago there was this definition of a northerner that you had to be in the North for five years to be a northerner. That seems to somehow or other have been dropped. I do not know where that went but that was not a decision of this Assembly. That was a decision announced by the Minister. So I think we are making progress but we are not satisfied and we are stepping it up.

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

MR. PEARSON: I think the Commissioner's comments are well taken and I think that this government, certain parts of this government have done a good job and I can not heap any more accolades than I have already done on the Department of Social Development in the Baffin region for its tremendous efforts there employing native people who are really not skilled by southern standards but they have taken on these responsibilities. The Department of Social Development realizes the inherent skills and natural skills of the people being qualified by the very fact that they can actually communicate with the people they are dealing with.

High Turnover In The Interpreter Corps

Someone has I think indicated that there is a high turnover in the Interpreter Corps and I do not think that is true. I do not think there is a very high turnover in the Interpreter Corps at all. I think it is amazingly low and I think the significant thing about the Interpreter Corps is that they are a group of native people working together, understanding each other and being far more coherent as a group, a cohesive group, rather, and able to deal with each other and maintain a very high standard of morale amongst themselves. The unfortunate thing about it is, and the Commissioner is absolutely right when he says they do become by the exposure they get to the affairs of government, probably the most knowledgeable people within the entire organization because of their tremendous understanding of both sides of the coin. What is unfortunate is that when these interpreters have put in a lengthy term of office as interpreters, the most gruelling, difficult job that one could possibly do, to sit in these sessions for example and interpret verbatim every word that is uttered is incredibly difficult, an incredibly difficult job.

After doing this four or five years and in the case of Mr. David Audlakiak for six years, there comes a point when you just can not keep it up any longer. Along comes Bell telephone and offers Mr. David Audlakiak a very interesting job and so he is lost to the government. He could have had a similar offer from the territorial government and look at how valuable he would have been to this government with his tremendous understanding as an executive assistant to the Commissioner or one of the other directors. A meaningful job, not just an interpreter, a meaningful job. Mr. John Amagoalik is now the vice-president of Inuit Tapirisat of Canada, he was a top-notch man, a brilliant young man who found himself in a position that did not look like he was ever going to get out of it because there were no examples around him of native people taking on important roles within the territorial government. These who are where the example should be. These are valuable people. Why let them go to the private companies? Hang on to them and offer them jobs, give them the same deals as Bell telephone is prepared to give them, compete in other words. You know, there is going to be all sorts of flak flying in a minute because they do not agree.

DEPUTY COMMISSIONER PARKER: The flak is tonight!

MR. PEARSON: "Flak" is a kind word for it. You lose these people and you do not retain them but you do not want to stand in the way of their careers and all the rest of it but there should be just as many opportunities within this government for these bright young men.

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

#### Interpreters Do Move Into Government.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I would just like to mention the facts surrounding two of the people that Mr. Pearson made reference to. Mr. David Audlakiak was an excellent interpreter. He was not an interpreter for six years. He was part of the corps for a relatively short period of time, even though he was the first interpreter named. We recognized that he wished to grow in the service and was offered and accepted the job as executive assistant to the regional director at Baffin in Frobisher. He held that job down until such time as he decided to take the offer that was made to him by Bell telephone. So he had already grown in the service and he could have continued to grow in the service with us but he made the decision to step out. He did not step out from the Interpreter Corps, he stepped out from an even broader job which he had grown into.

In the case of Mr. John Amagoalik, he was an information officer at Frobisher Bay and we had important plans for him. We in fact talked to him about one or two very, very senior positions. I am not at liberty to say what they were but he felt that his service to the Inuit Tapirisat of Canada was more important. That was his choice but the kind of positions that we talked to Mr. John Amagoalik about were very senior positions, so it just simply is not the case, Mr. Chairman, that in the positions of these two gentlemen that they moved from the Interpreter Corps directly out of the territorial government. They were moving rapidly within the territorial government and made their own choices to take work they felt was more important to them.

MR. PEARSON: I will concede to Deputy Commissioner Parker. Very seldom he is right but this happens to be one of the times when he is almost right. I will just point out that Mr. Audlakiak acted as an interpreter long before the Interpreter Corps was ever conceived and it is a very, very tough job. Even as an executive assistant they still end up as interpreters. If you recall the present director of Information over there functions as an interpreter whenever the pressure is on. You know it is very, very tough, very tough. As to the government's efforts in regard of those two people I will agree that the government did a wonderful job.

THE CHAIRMAN (Mr. Stewart): Thank you, Mr. Pearson. Hon. Peter Ernerk.



Employment And Training Division, Economic Development.

HON. PETER ERNERK: Mr. Chairman, I was only going to speak to the comments of the Assistant Commissioner when he said that that is why the employment and training position within the Department of Economic Development was almost doubled from that years budget. I left off last night when I reached my ten minutes when I said that is why I supported the community type colleges or colleges at the community level for higher education at the community level. Of course I would certainly love to see various native people getting into the assistant superintendent level and these kinds of positions but this is impossible just at this time. The philosophy that I wanted to express rather briefly is that in order to get more native people into positions we would like to see them in, training must come first, training on-the-job positions. Then, if they are able to achieve these kinds of courses, then we think about putting them into a higher level of position. It is great that we have had various training opportunities for northern people within the past several years and have them trained in areas of carpentry, electricians, mechanics, plumbers and so forth but this year, within the next couple of years the Department of Economic Development is going to try and get into other areas, that is, to try and get into the technical end of the job.

When a member of the Cominco mines here in Yellowknife came to my office one day and said, "Do you have any qualified engineers, Eskimo engineers up in Cambridge Bay in the Central Arctic?" I said, "No, I do not think so", but that particular statement was of very much encouragement to me so I immediately started looking around for other kinds of positions we could get into. I have been trying to encourage myself to get some northern people, native people to look at engineering positions, drafting positions, architectural positions. I do not think I will be able to get it this year but if we continue to look at it and work at it, I think we will eventually achieve the kinds of things that we have been talking about.

Support For Native Employment Division

It is true that the Department of Social Development is ahead in many cases of Local Government by hiring settlement secretaries or training settlement secretaries, and it is also ahead in a lot of other ways. Education, by getting home management offices is stepping in the right direction. So, I think that the establishment of a native employment division is a step in the right direction. I certainly supported it and I will continue to support it.

THE CHAIRMAN (Mr. Stewart): Thank you. I would hope that in the definition of "native" it is interpreted to mean a person from the Northwest Territories. Mr. Lyall.

MR. LYALL: Just a few comments I would like to make and firstly, yesterday Assistant Commissioner Mullins stated that all these people who sat on boards to choose who is going to work, I would like to know who those people were because of the fact that it does sound good when you say it. But the fact is on one occasion, for one person who was doing a job interview and sitting on an interview board, he was the father of one of the people who got one of the jobs. So, I do not know who picks the people out to sit on interview boards but in that case whoever picked them out was not doing a very good job.

Secondly, Hon. Peter Ernerk's comments about engineers. There is only one Eskimo who has ever been put through the territorial government and as soon as he got that position in Inuvik he immediately went out and started his own business. I think simply because of the fact, like I said yesterday, that a person can not stick with these type of jobs. When the geese call it is a little bit stronger than that chair you happen to be sitting on and Mr. Pearson's comments are largely true but the thing is he goes too far and he spoils them. I do not know why he does that all the time but he does. One of the things he said about Mr. Johnny Amagoalik was that he was the vice-president of ITC, Inuit Tapirisat of Canada, but I do not think he was and right now I just heard lately that Mr. Vincent Steen is the vice-president of ITC.

MR. PEARSON: Mr. Johnny Amagoalik was head of the land claims, yes.

Salaries Of Plumbers And Assistant Regional Engineers

MR. LYALL: Anyway, I would like to ask a question of Assistant Commissioner Mullins. Which, a plumber or the assistant regional engineer is the highest paid?

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

MR. LYALL: The plumber or the assistant regional engineer. Can you answer me that question before I carry on?

ASSISTANT COMMISSIONER MULLINS: I can not give you a precise answer but they are very close and there is no question about it, that that senior tradesman working for the territorial government under union contract ...

MR. LYALL: How close do you mean, do you mean a plumber is higher or an engineer is higher?

ASSISTANT COMMISSIONER MULLINS: I can not give you the precise figures at this moment. At the moment a plumber, a regional plumber in the region ...

MR. LYALL: I am not talking about a regional plumber, just a plumber.

ASSISTANT COMMISSIONER MULLINS: A plumber, working out of our regional office in Inuvik would be making in the order of \$20,000 a year and an assistant regional engineer is making in the order of \$18,000 a year.

MR. LYALL: That is why I asked, I sort of thought that engineers had to go to school longer than plumbers and I do not know, but a plumber, I do not think when they are just working in Yellowknife and not going out of Yellowknife, that the job description in News of the North, the plumber in Yellowknife is making \$20,000. The assistant regional engineer who has more ground to cover than a plumber is making \$18,000, and it does not go in the right direction to my way of thinking anyway. I thought when I saw it there was some kind of mistake or when you put out your job description did you know who the plumber was who was coming in? Did you know who the engineer was who would be going into that region because it looks like that to me? It looks like somebody already knew who they were before they put out the job description.

THE CHAIRMAN (Mr. Stewart): The problem is that engineers continue to try and make water run uphill but the plumbers know it only goes one way.

---Laughter

MR. LYALL: Some of the plumbers I have seen working for the territorial government did not know which end of the pipe was which.

THE CHAIRMAN (Mr. Stewart): Hon. Dave Nickerson.

MR. LYALL: Thank you very much, Mr. Chairman.

#### Native Employment In The Department Of Social Development

HON. DAVE NICKERSON: I appreciate very much, the remarks made by Mr. Bryan Pearson in respect to the Department of Social Development. He is building us all up all the time and I am wondering when he is going to knock us down. I think the work that the department has done in getting local people, native people involved, is a reflection more on the director of that department and my predecessor, than myself and these gentlemen of course must take all the credit for that. Indeed, we have been very fortunate in hiring staff of a high calibre, not only in the Baffin region but also in the Central Arctic and, to a lesser extent probably in other places.

I would like to point out that we have not in any way lowered the standard to be able to hire people from those areas. We find that indeed in many respects the local people are more highly qualified than people we would be able to bring in from the South. I think if anything Mr. Pearson's remarks substantiate what he said earlier, that we are able, with a little bit of co-operation and good common sense to use the existing system of Personnel to hire the people we would like to see in these positions rather than setting up, as Mr. Pearson said, a separate new branch, a separate new department.

MR. PEARSON: Hear, hear!

HON. DAVE NICKERSON: Although, the government has taken the latter course and probably one of the reasons is the ease with which this can be financed. I think we have to look upon this as an interim measure and eventually we will have to get back a system of having just one Personnel department and not having these little separate bodies off on the side.

THE CHAIRMAN (Mr. Stewart): Thank you. Hon. David Searle.

#### Salaries Of Skilled And Professional People

HON. DAVID SEARLE: I just wanted to follow Mr. Lyall's comments and say that it is not unusual to find professional people being paid much, much less than highly skill individuals. One example that comes to mind is a visit I made to the Yukon and in particular to the Aishihik construction site where, in

conversation with a lot of miners which I met earlier in my life, in various mining camps around here, I inquired of them as to what they were being paid. Of course they were standing by watching all this tremendous equipment they had, automatic drills that moved forward on tracks, and they were standing around with greasy rags looking after the machinery. It turned out they were being paid \$4000 a month and they had a couple of young engineers on the site which were concerned with the decline, the angle of the tunnel, all the things engineers are concerned with, and when I asked them what they were paid it was \$1500 a month. Yet, everybody working for them was being paid \$4000 a month. Now, that is certainly not unusual.

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

MR. PEARSON: A couple of points and one is the story of the doctor sitting in his office and the phone rings and it is his wife. "Dear, the sink is blocked" and he advises the wife to call a plumber to fix it. Several weeks later the doctor gets a bill from the plumber for \$30 and so he calls his wife and says "How long was the plumber at the house?" and she says "About five minutes" and so he calls the plumber and says "I just got a bill from you for \$30 and I am a doctor and a patient comes into my office and gets a complete medical examination, I spent 20 years in school and charge \$30" and the plumber said "That is about right, that is what I used to charge when I was a doctor."

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

### Total Concept of Employment Within Government

MR. PEARSON: To continue from there one of the things that bothers me is the total concept of employment and the policy of employment within the territorial government. The Hon. Peter Ernerk just contributed to the discussion, outlining some of his department's responsibilities in employment and training, and apprenticeship or whatever it is. Then, we listened to the Department of Education with its policies and programs and then we hear from the Department of Personnel, and it is only for the past two years we have had one. We had one years ago, it was disbanded, it ceased to exist, and then all of a sudden it was thought a good idea to have another Department of Personnel and so we have one and it is growing at an alarming rate, as we all know. You know, when they are out of fashion again we will get rid of them and then try something else.

However, the total concept of employment within the government bothers me, the approach to it seems to vary from department to department. As an example, teacher trainees, of which there are very few, native people who are encouraged to become proper teachers, not classroom assistants, are on a training program, a vigorous, difficult and tough program for which they earn approximately, and stop me if I am wrong, \$200 a month during the course of their training. That might be \$250, \$300, take home, per month, and yet we are paying mechanic apprentices \$14,000 or \$12,000 for the first year on the job.

Perhaps Deputy Commissioner Parker could give us the exact figures, but the difference will be dramatic between the two things. So, where is the emphasis, where must we have our priorities if there are going to be any priorities? Would it be among native people who are to become teachers or should it be amongst people who are plumbers or are they all the same, should they be on the same basis, on the same footing? Should it be even-STEVEN across the board? We go out of our way to attract people to the professions by giving them attractive wages and the Commissioner talked earlier about the attraction of the opportunities with high paying jobs and I think there is a certain amount of truth in that, people do work for money but not necessarily just for money. There are jobs with a challenge and interest and hence the engineers that earn \$1000 who supervise men who earn \$4000 a month.

### Consolidation Of Special Training

There are people with dedication, the same as there are with native people. Perhaps the Deputy Commissioner has got the facts from the department behind him, but there is a tremendous disparity between the two groups and it is a loss in many other areas. You know, the Department of Economic Development has one teaching branch. It just goes on from department to department, Education handles some education things, Local Government has an education thing, the Department of Education has an education thing. Perhaps it is possible that all of this training and special training thing could be consolidated under one department.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, with respect to the people in the teacher education program, they do not occupy positions. They are not in training positions and they are not employees. They are people receiving training and an education and as such they receive either the same rates as would be paid in support of university students or the Manpower training rates. In other words, they are learning a profession and so they receive assistance in the same manner that anyone else would receive assistance.

MR. PEARSON: What is the difference, Mr. Chairman, between that and somebody learning to be a plumber? I mean really what is the difference?

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

THE COMMISSIONER: Just two points. There is something in what Mr. Pearson says with regard to attitudes on the part of the various departments. I think he is right there and I think that we would recognize this. There are very strong differences of opinion held by a number of people in the North and in Canada and the same with various people in government as to how the best method of solving this problem or this issue of local people achieving advancement within government, whether it be federal, territorial, regional or local. Some believe that the only alternate answer is assimilation. Some believe that it is integration and some believe in segregation, that you go off by yourself and split them and we have segregated communities here or this community is segregated only for native people and whites keep out or others keep out or call it whatever you like. Those that have that view feel that that is the only way that native people will ever advance.

#### History Shows The End Is Inevitable

On the other hand, if you follow the history of what happened in the United States among the coloured folk and what is happening today in Africa, the end is inevitable. It may take 100 years for it to happen, but it will happen. These views on the question of wage rates, we have a union in the public service and a different union for the teachers and I guess this reflects -- of course, it is not for us to decide which union. They decide this themselves, but I think this reflects the situation which exists not only in Canada, but it is almost all over the world. Look in England for example at the situation. One hundred years ago the blue collar worker was at the bottom of the heap and they were the poor people who were in that position. They went to debtors' prison for stealing a loaf of bread. They organized their associations and now the blue collar worker is on top and the white collar worker is on the bottom. The white collar worker is now becoming active.

In my own opinion, I think the thing is out of hand, out of balance. I have been on both sides. As long as we have a country and a government which recognizes the right of assembly of people and the right of association and collective bargaining, then these things are going to happen. This is not necessarily a defence for it or is not necessarily approval of it. The words I am expressing now, I am just trying to point out how this all happened. In my own humble opinion, for what it is worth, I think the government, in this instance saying the Government of Canada, got into collective bargaining and granted the right to strike without knowing what they were getting themselves into. They just did not appreciate what was going to happen, so what happens? We have our problems.

I remember when Deputy Commissioner Parker and I were first associated with the territorial government, the dilemma we used to have when labourers were brought north or recruited in the territories and paid from \$8 to \$10 an hour to do jobs in the Belcher Islands and places like this by the federal government. We said "This is just throwing the whole thing out of balance." They said they had what they called a standard wage scale. I do not know who developed it but somebody developed it and that is what they paid. You know, you pay an individual so much for a certain amount of work and he gets the idea that that is what it should be and he will not work for anything less. I agree with what you said, there is a certain amount of imbalance but it probably took 100 to 200 years developing and it is going to take a number of years to kind of straighten it out, if we ever get it straightened out.

THE CHAIRMAN (Mr. Stewart): In view of the hour, should we recess for 15 minutes for coffee?

---Agreed

---SHORT RECESS

THE CHAIRMAN (Mr. Stewart): The Chair recognizes a quorum. We are on page 4.02, Personnel. Any comments of a general nature? Mr. Pearson was waiting.

MR. PEARSON: The comment I wanted to make, Mr. Chairman, was directed at the Commissioner and he is not here. The point that he was making was the matter of collective bargaining and the points that I made earlier were that the teacher trainees who are paid a minimal salary or student allowance, as the Deputy Commissioner calls it, are in exactly the same position in my concept of the thing we are dealing with here, encouragement of native people into responsible positions in the government. By the same token, people who are learning to be plumbers and carpenters and mechanics who know absolutely nothing in the first year presumably, otherwise they would not be on a first year training program, are earning \$14,000. Is that correct, Mr. Deputy Commissioner, that is the salary they earn, around about that?

#### Incentives For Teacher Trainees.

I would say that that is the kind of job that is going to encourage people to become mechanics and not encourage people to become teachers. They are both equally as important in my opinion. We need both kinds of people across the territories who would be willing to do that kind of work. There are those young native people who have a sense of determination to become teachers and to work with their own people, using the natural skills they have, particularly the language, the intellectual approach to life, if you like. They should be given exactly the same incentives of the guy who wants to be a mechanic. As far as trainee teachers becoming members of a bargaining agency on their behalf, I mean that is ridiculous. Surely the initiatives should come from the government. Say, "We want to encourage you. We do not want you to get in on a confrontation situation. We want you to be a teacher. We are prepared to offer you as much as we possibly can here, \$12,000 a year, \$10,000 a year. Let us go!" Then they have an incentive, then they have something to strive for and I think we could then end up with a tremendous number of native people willing to take on the teaching profession. End of comment.

THE CHAIRMAN (Mr. Stewart): Any comments from our adviser?

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, there is just one comment of a general nature I would like to make on the issue of formal education training as opposed to various types of apprenticeship programs. One of the reasons for the difference, and this is basically an historical reason for the difference, is that people following an education system from a high school graduation or high school exit at some level into a technical training college or into a university, are basically individuals who are continuing their education and are considered to be part of the student population. They are normally, not always but normally, people who are single, without large overhead expenses who are continuing education as a conscious investment in their future. Generally speaking, university students, not just in the North, but in Canada have always, and in technical training facilities, students have always accepted considerable financial hardship in relation to the wage employment on the outside.

#### Apprenticeship Aimed Primarily At Upgrading

The apprenticeship programs have been aimed primarily but again not exclusively at people who have left the school system, have been part of the labour force engaged in regular wage employment and are engaged in a kind of career upgrading or job upgrading situation. It is in this regard, Mr. Chairman, that apprenticeship remuneration levels are set at a level to make going on apprenticeship competitive with labourer jobs in the labour market. Oftentimes they are leaving specifically those kinds of jobs to go into an apprenticeship situation.

THE CHAIRMAN (Mr. Stewart): Thank you. Mr. Pearson, did you wish to continue at this point?

MR. PEARSON: Yes, please. You know, you can rationalize your way out of any situation but I know of many cases of young people who have gone into the labour market, who have done several jobs and then have decided to become teachers. You know, what is the point? What are you trying to say? The fact is that we are talking about the incentives and initiatives, the incentive to get native people into important positions. You can rationalize your way around it all you like, but the facts speak for themselves. To become a teacher, you have to do it for nothing and to become a mechanic you can get \$14,000 a year. Those are the facts of the case. The classroom assistants or whatever they are called, teacher training, give them the same deal as a mechanic, the same deal as a mechanic. That is all I am suggesting. Then, we will see native people taking on that responsibility. That is all I suggest.

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

Shortage Of Housing In Norman Wells

MR. FRASER: Mr. Chairman, speaking about employment, native employment, we have in Norman Wells, employment unlimited I would say. There is no one living in Norman Wells now who is not working. I think there may be one, possibly two people who are on social assistance, and I am not too sure, there might be two and perhaps the Minister of Social Development could tell us more on that. However, the problem is that we have no housing available in Norman Wells. There is lots of labour in the outlying settlements within 100 miles, the furthest is 100 miles away, and if they could come to Norman Wells they could find a job right away provided they had a place to stay. However, due to the housing shortage there is no way they could bring their families in. They could come in and work for Imperial Oil but they have barracks and they can not bring their families in so they do not stay. They might come in and work for a month or three weeks or something and then go back home.

I just wondered if there was any way that we could correct the housing shortage. Right now they are building 12 houses and four or five apartment blocks in Norman Wells but I understand that they are for people with permanent positions. Now, you can correct me if I am wrong, but I am not sure whether these people from the outlying settlements are going to be able to get into that housing, and it depends upon the housing association. However, like I said there is no shortage of work in Norman Wells providing we got the housing facilities and this is the problem there. You could hire all kinds of natives if you had housing. I just wondered if there was any way the administration or Personnel could look into this situation, or were they aware of that situation?

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins, or, Mr. Deputy Commissioner.

DEPUTY COMMISSIONER PARKER: If Mr. Fraser is agreeable perhaps we could answer that question on housing, which relates more to the Northwest Territories Housing Corporation than it does to staff housing, in the next debate when we get into the Housing Corporation. Would that be all right?

MR. FRASER: Thank you.



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

Apprenticeship Pay Scales

MR. LYALL: Just a general comment. I do not feel that we Eskimo people are any different than anybody else. This has been stated, or was a long time ago. We do not want anyone to make exceptions for us because we are Eskimos. I know a lot of young people who decided to get education, and they went ahead and did it. I did, I went through an apprenticeship course because I wanted to go through it, I wanted to get an education. Now, what I was saying yesterday was that the younger people now are the ones you will see more and more going into trades. I do not understand you when you say you are paying a first year apprentice this kind of money because the way the apprenticeship course goes, a first year apprentice gets 60 per cent of a journeyman's wages, for the first year, 70 per cent the second year, 80 per cent the third year and, if you pass your apprenticeship course you get the full rate that a journeyman gets.

However, I hate to hear people saying that we should be given jobs within the government system, where they are not working towards it, and this is why a lot of them have been pushed into those jobs and they are not at their jobs now, they do not really want to go there. Now, I am saying this because I am an Eskimo and I know how it feels when you are pushed into something you do not want to do. I think you should just leave them alone, let them go ahead themselves. I do not believe, like I said, make them an exception to the rule because we are Eskimos, that we must be an exception, I do not believe in that.

If a person wants to go ahead and work towards becoming the Deputy Commissioner or Commissioner, or whatever job is within the government, if he really works toward that job, he would not get it anyway unless he was appointed by the federal government at this stage of the game. If we were at the stage where we were like the provinces then you could work your way up to that position. I have had enough of this B S where the white man is trying to tell us how to live and how we are supposed to be living. I think for a person who has no children, to talk about disciplining children, to me that is not reliable information in the first place. The discipline among the Eskimo kids is to the point where they can almost control their mothers and fathers. I do not know if Mr. Pearson is saying we have better discipline because if he is, he has never been to the community meetings where they have children all over.

They do not care if their children run around, it is up to them. So, the statements that are being made by the Honourable Member from South Baffin are incorrect in a lot of ways but, as I said before, we could go ahead and do a good job on many of the things he says but then he goes on and overemphasizes himself. I think he should just stick to the facts and listen to what we have got to say, because if we have something to say we say it because we believe in it and this is the way we were brought up. I think any Eskimo who wants to be a hunter must work his way up there just the same as he must work himself up through the various government levels. Thank you, Mr. Chairman.

THE CHAIRMAN (Mr. Stewart): Thank you. Any further comments of a general nature? Are there any other speakers who have not spoken to this yet? Mr. Pearson.

MR. PEARSON: A point of clarification for Mr. Lyall. Occasionally he makes sense but today he does not. Assistant Commissioner Mullins' comment that the present TEP as it is called, the Teacher Education Program, that at least five of the people on that program presently are married, some with as many as five kids. Okay? I just wanted to make that clear.

MR. LYALL: Mr. Chairman, could that be checked out by Education before I believe it? I never believe what he says any more, I like to see it, to make sure that this is true information.

THE CHAIRMAN (Mr. Stewart): Can that information be produced?

HON. ARNOLD McCALLUM: Yes, we could find out what the status of the participants in that program is now. That is to the number of dependents. If I may, Mr. Chairman, I would simply say that the students who are in the Teacher Education Program, and the students who are Manpower sponsored, as well as students outside in universities, say, are paid the Manpower rate, and that goes from \$79 to I think about \$116 depending upon the number of participants per week. When these Teacher Education Program people are hired as teachers they receive the same wage, the same amount of yearly salary as do any other teachers who are hired with the same qualifications, but Teacher Education Program students, students in other programs that are trades, or even within the communities, they get that same rate and are not on the labour force, as it were, until they are hired. Once they are hired they are given the same rate as anybody else, we pay them the same salary.

THE CHAIRMAN (Mr. Stewart): Thank you. Mr. Evaluarjuk.

MR. EVALUARJUK: Mr. Chairman, I do not have very much to say. I seem to be lost right now. I was wondering exactly what we are supposed to be discussing, but in hearing the other speakers talking they seem to have quite a bit to say and I think we are talking about Personnel, are we not? I would like to say a few words about that.

I heard yesterday that the Inuit are very talented, and maybe in Inuk I am not that talented. Yesterday I was watching television and I started to think that the white people are very, very talented. I saw a movie about a person making robots, and controlling them, and it was as if they were able to do anything. There are a lot of things that the Eskimo knows and the white people do not know and there are many things the white people knows that the Inuit do not know.

#### Government Requires Higher Trade Qualifications

When we are talking about the different jobs, I know from experience, and from reading the newspaper from Frobisher Bay, I see job opportunities, the ads in the papers, and they always have to have qualifications like grade ten, or grade 11 before you can apply for the job, or before you can be accepted into a certain job. This has always been a problem because some people who like to take on a job, if they have not gone to school, to the higher grades, then there is no way they can apply for the job or even try and get the job. I have never, ever worked for the government and I do not know, but maybe if I had gotten a job I could be a honeybag slinger because I never had the education. The government always wants to get employees who have a certain grade level and this is very hard to find sometimes.

I am very satisfied with what has been done about the apprenticeship programs but for people who have not had higher education, who are able to do the job, they just seem to be put down because they have not reached a certain level of education. I believe yesterday when one person was talking about the government, in Personnel, they always seem to create jobs that are good for the white people but which the Inuit would not be willing to do. There are some jobs which the Inuit would be willing to do but they would have to leave their settlements and the government is always looking for people with certificates as if a certificate was the only thing in the world to be able to get a job. Thank you.

SOME HON. MEMBERS: Hear, hear!

---Applause

THE CHAIRMAN (Mr. Stewart): Any further comments of a general nature? Mr. Steen.

MR. STEEN: I can not help, Mr. Chairman, getting this in edgewise in support of what Mr. Lyall has said levelled at Mr. Pearson from South Baffin, what he said yesterday and looking at what Mr. Lyall has said, in support of what Mr. Lyall has said, that we always hear that we are politicians. Yesterday I think it struck me more that it was a political thing that Mr. Pearson was talking about, that the Eskimos had strong discipline in the family. What I meant by saying that here, that politicians, as Mr. Lyall said, can be yes men or they can say "boloney". It is very hard to have a politician tell another politician what he said yesterday because I think it is hard to take boloney when you know it is boloney.

THE CHAIRMAN (Mr. Stewart): Any other comments of a general nature? I direct your attention to page 4.03, Personnel. Assistant Commissioner Mullins.

Job Description Requirements For Natives

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, I would like to make one brief remark in relationship to Mr. Evaluarjuk's comments a few minutes ago. I think it also fits in with Mr. Lyall's comments. One of the things that we are attempting to do and which we will be using the office of native employment personnel to help us with a great deal is to try and come up with some mechanism, some method for describing job requirements in a manner other than certain certificates or certain numbers of years of formal education.

Mr. Chairman, I have had the opportunity in the last ten years to live in and visit a number of other countries. One finds that things can function exceedingly well by people who do not have the same kinds of formal education, the same kinds of certificates which are required for similar kinds of jobs in Canada. This is a difficult area to deal with but it is one that we are putting a great deal of effort into, trying to find ways of describing the requirements of individuals without having to resort to numbers of years of formal education or certain levels of certificates.

The other fact that is difficult is that we attempt to pay salaries that are competitive with other employers in the Northwest Territories and in other areas of Canada. One of the ways in which this is done is to have a classification system and that classification system has a bias in it, as all classification systems do, in terms of training, formal education and experience. Sometimes our efforts to redefine a job can result in a slightly lower rate of pay being assigned to the job. This is a very conscious effort at the moment of myself, as the Executive member responsible for the Department of Personnel as well as of our Department of Personnel itself, in attempting to reduce the formal education or formal certification requirements for jobs and to replace it with other indicators to people in the North as to whether or not they would be eligible for that job.

THE CHAIRMAN (Mr. Stewart): Thank you. Hon. Dave Nickerson.

Change May Be Too Late

HON. DAVE NICKERSON: Mr. Chairman, I hope that we are successful in doing what was just described to us by the Assistant Commissioner. This in my opinion is the track we should have set out on in 1966 when the Government of the Northwest Territories moved to the territories. I was most disappointed at that time that that did not take place and we adopted the normal southern system. I sincerely hope, Mr. Chairman, that we just have not let it go too long and we can make the change at the present time.

THE CHAIRMAN (Mr. Stewart): Thank you. Comments of a general nature. Mr. Pearson.

MR. PEARSON: Just one comment and it is not intended to be amusing. If the position of Commissioner were advertised today using all the standard territorial bureaucratic language and qualifications and Mr. Stu Hodgson had applied for it, he would not get it. He would not be qualified. There has to be flexibility. It has got to be in there.

Capital - Activity 1441, Administration, Agreed

THE CHAIRMAN (Mr. Stewart): Page 4.03, Personnel, administration, capital, zero. Agreed?

---Agreed

MR. PEARSON: Nay.

HON. PETER ERNERK: Is that an indication Mr. Pearson wants to put some money in it?

Capital - Activity 1448, Housing

THE CHAIRMAN (Mr. Stewart): Page 4.04, Personnel, housing, capital, activity 1448 in the amount of \$2,640,000. Agreed? Mr. Lyall.

MR. LYALL: Is it page 4.04 you are talking about?

THE CHAIRMAN (Mr. Stewart): Yes, page 4.04, Personnel, housing, activity 1448, capital in the amount of \$2,640,000.

MR. LYALL: I was just going to ask about that pooled housing and furniture for Frobisher Bay. Does he want to take that out? Go ahead, Mr. Chairman.

THE CHAIRMAN (Mr. Stewart): Agreed? Mr. Steen.

MR. STEEN: Mr. Chairman, this is levelled at the department on housing for personnel, pertaining to that. I would like to know, as we heard in Fort McPherson that there was a native dental therapist who went to school in the territorial education system studying for a dental therapist and she was unable to get a house, because she was working for the medical people. I wonder if this is the right place to bring this up.

THE CHAIRMAN (Mr. Stewart): Hon. Dave Nickerson.

HON. DAVE NICKERSON: This is a very unfortunate case that Mr. Steen is referring to. If we do not look at this one particular case but look at it in general terms, it would seem to me that there is a need for much greater co-operation between ourselves and the federal government. In the particular settlement to which Mr. Steen refers where we have vacant territorial housing and yet this employee of the federal government is unable to move into it. We have looked at the situation and at the present time we have arranged between ourselves and the federal government that housing will be made available for this particular dental therapist but I am afraid it is not expected to be available until some time this summer. Probably by that time it will be too late.

MR. STEEN: Mr. Chairman, I am afraid, you know, if you have got houses available, as you say, this person will not be able to continue to work in that community as a dental therapist. I think perhaps, regardless of what the department thinks, I understand there are two or three houses available there and the department thinks that they have positions to fill them at a later date but I am just wondering whether or not you would consider meeting with the local council to see which is most important, whether for these people or housing the dental therapist.

Housing For Dental Therapist Top Priority

HON. DAVE NICKERSON: Mr. Chairman, we have already talked to the local council on this particular matter and the council advises us that in their opinion the matter of finding housing for the dental therapist is one of their orders of priority. They figure that the dental therapist is more important to that community than maybe other people who might be moving in there and they left us with no illusions as to how they felt about the particular subject. What has delayed us in finding this accommodation, which will in fact I am told will be available within a few months, is just bureaucratic difficulties we have, especially when we are dealing between the territorial and federal governments. I am afraid, Mr. Chairman, that is probably not a very satisfactory answer but at the present time that is the best I can give.

MR. STEEN: But there must be a way, especially if we are going to train local people to take part, as we have heard all day today, in these departments, in government, there must be a way we can provide housing for them. Just because they are native and their families live in town does not mean they are not eligible for housing. I am afraid if people continue to see this kind of problem, if you work for the government and they only provide housing for people coming in from outside the community but no housing for the ones who are in the community, native people in the community, that they will get discouraged and not want to work for the government and fill those positions we have been talking about all day.

HON. DAVE NICKERSON: Mr. Chairman, I ...

DEPUTY COMMISSIONER PARKER: Mr. Chairman, the territorial government will investigate this matter immediately and move immediately to correct the situation. We will not let any differences between the bureaucratic system that the federal government has or we may have, stand in the way. We will clear it up immediately.

---Applause

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

MR. LYALL: I was just going to say that if there was no answer in that case, I was going to ask the territorial government to work on it as soon as they can because if you are living without a house they will quit and there will be one dental therapist less, and we have spent a lot of money, this government, to put her through that course and it would be all shot to heck if we do not do it right away.

Capital - Activity 1448, Housing, Agreed

THE CHAIRMAN (Mr. Stewart): Thank you. Activity 1448 in the amount of \$2,640,000. Is it agreed?

---Agreed

0 And M - Activity 1440, Directorate, Agreed

Page 4.05, Personnel, operations and maintenance, activity 1440, directorate in the amount of \$97,000. Mr. Pearson.

MR. PEARSON: Is this another department which keeps its eye on the other departments? I see they have not expanded this too far this year, half a man year for \$7000 or is that just inflation?

THE CHAIRMAN (Mr. Stewart): This is operations and maintenance.

MR. PEARSON: "To provide the policy, direction and operational guidance by which the department's total objective may be achieved." It sounds wonderful.

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

ASSISTANT COMMISSIONER MULLINS: The specific amount here refers to the director of the department, for a secretary for the director and to the chief of the office of native employment. Those are the three positions. The support costs related to those positions are the costs shown in the estimates as the cost of the directorate.

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

MR. STEEN: I heard Mr. Pearson say "Nay" and can I ask the question? Does that mean he does not want, on page 4.04, he does not want furniture or pooled housing in Frobisher Bay?

THE CHAIRMAN (Mr. Stewart): Page 4.05, activity 1440, is it agreed?

---Agreed

O And M - Activity 1441, Administration, Agreed

Activity 1441, administration, operations and maintenance, \$185,000. Is it agreed?

---Agreed

O And M - Activity 1442, Classification, Agreed

Activity 1442, classification, operations and maintenance, \$115,000. Is it agreed?

---Agreed

O And M - Activity 1443, Employee Relations, Agreed

Activity 1443, employee relations, operations and maintenance in the amount of \$134,000. Is it agreed?

---Agreed

O And M - Activity 1444, Pay Research, Agreed

Activity 1444, pay research in the amount of \$54,000. Is it agreed?

---Agreed

O And M - Activity 1445, Regional Administration, Agreed

Activity 1445, regional administration, in the amount of \$4,686,000. Is it agreed?

---Agreed

O And M - Activity 1446, Benefits Administration, Agreed

On page 4.06, Personnel, operations and maintenance, activity 1446, benefits administration, in the amount of \$833,000. Mr. Butters.

MR. BUTTERS: Just a brief progress report, possibly could be supplied by Assistant Commissioner Mullins. I think one of the earlier motions of this House was relative to the providing of similar and equal holiday pay benefits to employees hired in the North, similar to the pay benefits or travel benefits, especially the travel allowance benefits provided to employees who are hired in the South and assisted to travel to their point of hiring. What has been done to create benefits in this matter?

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

ASSISTANT COMMISSIONER MULLINS: I would like a slight verification on the question. There are two dimensions where travel is assisted by the Government of the Northwest Territories and one is in the case of hiring employees and taking them to the location of their work, if such transportation is required and, secondly, is the vacation travel assistance program that is a benefit that is part of the collective agreements between the government and the bargaining units. Which of these two does the question apply to?

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

MR. BUTTERS: It seems to me that if you are looking at the totality of the benefits received by an employee of this government, it is easy to make the case that the employee who comes from the outside and whose point of departure is one of the outside major urban centres, receives greater cash benefits than does somebody who is employed by this government and takes their holidays within the territories.

The original motion as I recall it was to enable employees of this government who depend, native employees in the main, who depend on taking a holiday in the summer, the off-season in which hunting and fishing, the drying of fish, the preserving of country food could be done so it would supplement their winter food stock. Sometimes a holiday taken in that manner requires that they must charter an aircraft at some considerable expense to take them to an area where they can take fish or take game. I think what they were asking was for equitable treatment with regard to holiday transportation benefit allowances to those received by an employee who would be taking his family to his point of departure which, with a large family, could amount to anywhere between \$1000 and \$2000.

Vacation Assistance Policy

ASSISTANT COMMISSIONER MULLINS: The vacation assistance policy provides transportation to selected southern points, not necessarily to the point of recruitment. For example, a Yellowknife employee recruited from Toronto would get vacation travel assistance, annually, only to Edmonton. For employees who wish to take their vacation to travel in the North, if they travel by aircraft including charter they can get the same amount as if they were travelling to one of these designated points. If it is in the western portion of the Northwest Territories to Edmonton and central portion to Winnipeg and eastern to Montreal. If the transportation selected by the employees for annual leave is other than aircraft, that is by automobile for people on the highway system, or any other sort of travel off the highway system, an allowance is included in the collective agreement of \$100 for the employee, \$100 for the spouse and \$50 for each of the dependent children.

THE CHAIRMAN (Mr. Stewart): Thank you. Activity 1446, \$833,000. Is it agreed?

---Agreed

O And M - Activity 1447, Staffing, Agreed

Activity 1447, staffing, operations and maintenance, \$354,000. Is it agreed?

---Agreed

O And M - Activity 1448, Housing

Activity 1448, housing in the amount of \$2,229,000. Mr. Butters.

MR. BUTTERS: I believe this question was very briefly touched on in the matter raised by Mr. Steen, even though that was a matter dealing with the relationship between an employee of a federal department and this administration. I am wondering if the territorial administration, in supplying housing to its employees is still governed by the old stricture that was developed under the isolated post regulations many, many years ago and which affected all government departments having administrative responsibilities in the territories.

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

ASSISTANT COMMISSIONER MULLINS: I am pleased to indicate the answer is no, to that question. Locally hired members of the territorial public service are eligible for staff accommodations provided by the Government of the Northwest Territories, if that accommodation is available. At the moment we have more than 20 per cent of our housing units occupied by native northerners who were hired in the North and who have continued to reside in the North.

MR. BUTTERS: What criterion or criteria are used when approving such an application for a housing entitlement by this administration?

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, the housing stock that is owned or leased by the Government of the Northwest Territories is inadequate to meet all needs. In communities where the shortage of housing is an impediment, an attempt is made by our staff to identify certain key positions in the community, and to protect housing for those key positions, regardless of from which location the incumbents in those positions are hired. It does not matter whether they are hired from the community or from the North, housing is protected for key positions. On all other housing units, there are a combination of provisions dealing with family size, marital status, length of service. So, if we take a community that has a requirement for three teachers, one social worker, one equipment mechanic, and those positions are designated as essential positions in that community, then housing would be guaranteed for those positions, and those houses would be allocated to the individuals in those positions, regardless of the location of their hire.

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

Stricture Of Privately Owned Accommodation

MR. BUTTERS: I believe I am correct in saying that the criterion that Assistant Commissioner Mullins has overlooked is that the employee must not have in the community his own accommodation. Now, a decade ago the federal department was very keen in encouraging home ownership, as has been the position of this House. Many people, in Inuvik I know and possibly in other places have purchased their own homes over a long period of time, and these homes in relation to and in comparison with the dwellings now being built by the Northwest Territories Housing Corporation in the communities are very inadequate in comparison. Therefore individuals who ten years ago laboured, sweated and did develop their own home, and did purchase a piece of ground in my estimation are being discriminated against because of the one criterion I outlined. I wonder if Assistant Commissioner Mullins is aware of that problem and whether or not the administration is taking any steps in relaxing that stricture to permit a family to move into more comfortable and adequate accommodations, and yet at the same time not be required to sell the only real stake they have in the land at the present time.

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.



ASSISTANT COMMISSIONER MULLINS: I believe Mr. Butters is referring to privately owned accommodation and it is certainly correct to say that individuals who have privately owned accommodation and are employed in the community where that private accommodation exists are not eligible for staff housing. We have taken two measures, and we took the first measure and we will soon be taking the second measure to try and eliminate this imbalance.

The first thing is that through the joint consultation process, not the collective bargaining process, but the joint consultation process, private accommodation allowances were increased in 1976, coming into effect on September 1, 1976. Employees residing in privately owned accommodation are eligible for benefits which are not available to those who live in staff housing.

The second thing we did was to indicate to our employees in very general terms that those who continue to reside in accommodation provided by the Government of the Northwest Territories will be faced with a quickly escalating rent to act as a discouragement to relying on the government for accommodation and as encouragement for them to seek accommodation in other ways. I think it is fair to say, Mr. Chairman, that in the next round of joint consultation with the staff associations, we will be seeking rental increases in the neighbourhood of 25 per cent to 30 per cent per year to help bring the rents charged to public servants living in staff accommodation closer to the rents or costs experienced in the private housing market.

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

Question Of More Adequate Accommodation

MR. BUTTERS: The family I am thinking of, when they did purchase their own home over a period of time, they were a much smaller family than they are now and the dwelling at that time was probably adequate. True, they took steps to own their own home but I can not see why if they have an opportunity and if there is accommodation available under the criteria Assistant Commissioner Mullins has outlined, that they should not be restricted from moving into the territorial government's accommodation, provided that they do not make a profit from the dwelling place that they own. I think if they turned it over to an older son to occupy or an older daughter for a period of time that they should then be permitted to do this and not be restricted from occupying more adequate, more roomy accommodation offered under the territorial government's staff housing program. When I was addressing the question to Assistant Commissioner Mullins first I was not raising the question of money at all. I was talking about adequacy and seeking to ensure that the occupants of the dwelling, that the children had as much space as we have suggested they should be entitled to under territorial legislation.

I have another comment on this business of the increase proposed. Without having knowledge, I would assume that the present average occupant of territorial government accommodation is paying 40 per cent of the economic rent and is not being required to pay for the BTU's that they consume nor the kilowatt hours they consume. I am wondering whether or not the government is looking at ensuring that its staff do as I have to do, and I am sure, every other Member of this Assembly has to do, turn out lights and cut down the heat and make sure I save energy. I would hope too that there is a program of blocking all the Arctic houses off with snow blocks so that the wind does not blow underneath and tear away the heat from the body of the house and that ice or snow porches could be added so that there is not massive loss of heat from the front or rear doors. I would like to know what the government is doing to reduce our very, very high cost of energizing these houses.

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

Responsibility For Housing Costs

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, the very clear direction of the government in its relationship on the whole issue of staff housing is to place the responsibility for the costs of housing, to the extent that we can, on the employees. This is a process which takes time. It is not something which is part of our collective agreements, but it is something that very definitely affects the whole collective bargaining process and we are attempting to move as quickly as is reasonable in doing this.

The most recently signed items of joint consultation contain provisions for an expansion of the number of communities in which individuals are responsible for payment of their own utility costs. This is certainly the direction in which we are heading. As I say, this is something we have to work out with our employees as well as with the administration.

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

MR. PUDLUK: Mr. Chairman, Mr Fraser brought up something about which I would like to ask. In the settlements there is some staff, native staff and they have to live in low rental housing or company housing. They are not qualified to have staff housing and when they came to the settlement they were using the staff housing. These people who live in the settlement pay more than they did when the government came to that settlement. I would like to know why.

THE CHAIRMAN (Mr. Stewart): Assistant Commissioner Mullins.

ASSISTANT COMMISSIONER MULLINS: Mr. Chairman, we are aware of a number of instances. I think there are something less than a dozen or 15 of this type where employees stay in public housing for which the rents are determined on a rent to income basis, a percentage of income. This issue is now before the Executive Committee. There are about two or three different techniques we can use to correct that issue and it is something that we will be finalizing before the end of this fiscal year, before the end of March of this year but very definitely those difficulties will be corrected by April 1.

Activity 1448, Housing, Agreed

THE CHAIRMAN (Mr. Stewart): Thank you. Activity 1448, housing, \$2,229,000, agreed?

---Agreed

0 And M - Activity 1449, Training And Development, Agreed

Activity 1449, training and development in the amount of \$545,000. Agreed?

---Agreed

Revenue, Recoveries And Transfer Payments, Agreed

I direct this committee's attention to page 4.09, revenue, recoveries and transfer payments and the amount is shown here, \$4,327,000. This would include the main estimates for Personnel. Agreed?

---Agreed

Are we now prepared to go back to the Executive and the housing section of the Executive main estimates? Is that agreed?

---Agreed

Executive, Captital - Activity 1017, N.W.T. Housing Corporation

I direct your attention then to page 1.04. Mr. Minister.

HON. PETER ERNERK: Mr. Chairman, I wonder if we could have Mr. Sig Dietze, the general manager of the Northwest Territories Housing Corporation at the witness table?

THE CHAIRMAN (Mr. Stewart): There is a request to call Mr. Dietze as a witness to the witness table. Is that agreed?

---Agreed

DEPUTY COMMISSIONER PARKER: Mr. Chairman, further to that perhaps it would be the best plan, if you would agree to it, if Mr. Dietze and I were to sit together and I would then be answering questions as the chairman of the Housing Corporation and Mr. Dietze as the managing director?

THE CHAIRMAN (Mr. Stewart): Agreed?

---Agreed

We are back to page 1.04, Northwest Territories Housing Corporation, activity 1017, capital in the amount of \$5,000,000. Mr. Deputy Commissioner, would you as chairman of the Housing Corporation like to make a statement at this time?

DEPUTY COMMISSIONER PARKER: Mr. Chairman, the details of the Housing Corporation budget are being distributed now so that Members can be better able to see just exactly where the money will go in both the capital and the operations and maintenance side. I do not have any statement of a general nature to make but perhaps I could ask Mr. Dietze if he could, in a general way, outline the plans for the capital program of the corporation for the forthcoming fiscal year.

THE CHAIRMAN (Mr. Stewart): Thank you. Mr. Dietze.

#### Summary Of Capital Program

MR. DIETZE: Mr. Chairman, the Members will have in the booklet we distributed, on the fourth page, a summary of our capital program. It is a list that is called "Estimates, 1977 capital." It is the third sheet in your book. That indicates a comparison between the 1977 capital proposal with the 1976 capital estimates and also indicates the expected contributions from Central Mortgage and Housing Corporation under shareable programs. We have outlined for you cost shared programs coming first under new construction, then we have outlined residential rehabilitation again under a shared program and lastly on that page we have outlined non-sharing programs for which there is no Central Mortgage and Housing contribution. Under shareable programs it is expected that we would allocate \$2.7 million and receive from Central Mortgage and Housing approximately \$19.4 million, resulting in a total capital expenditure of over \$22 million in 1977 and under the non-shareable programs we would then spend an additional \$2.2 million on a number of rehabilitations and major improvements to existing housing. If you wish, Mr. Chairman, I could go through each item to explain the various sections of it.

THE CHAIRMAN (Mr. Stewart): I think probably we will let the Members ask the questions that they wish. Activity 1017, in the amount of \$5 million, agreed? Mr. Steen.

MR. STEEN: Mr. Chairman, I would like to ask one question on the estimates for 1977, page three, fuel. I notice \$79,600 less than last year and could I have an explanation how you come to that figure?

Explanation Of Reduction Of Fuel Costs

MR. DIETZE: This is under operations and maintenance but if you wish to proceed to that page, yes, there are a number of explanations for the change, either positive or negative, both for fuel, power, and maintenance, etc. To start with we have a rehabilitation program which, over this last year has meant that some of the older northern rental houses have been taken from the northern rental program. We have a number sitting in Inuvik and a number sitting in Frobisher and some other communities which we will be upgrading next year. So, we have actually reduced the number of northern rental houses that are being utilized. In addition to that we have lost a few houses, ten to 12 houses through fire and that is a slight reduction in number. The third item is that with better management of housing we expect to spend less, we have some more money going into installation, some more money going into maintenance programs and we therefore feel that the total consumption or the total cost will be about the same, even though the oil prices have gone up.

MR. STEEN: The reason I asked the question; Mr. Chairman, is that the other items on that same page have increased and the fuel is decreased and I find it hard to believe.

MR. DIETZE: Further to that of course there is an element of heating under the public housing program, in the line further down where we indicate an increase of \$846,000 over the previous year. That \$846,000, of course, is all-inclusive of amortization and oil and power and is cost shared with Central Mortgage and Housing, 50 per cent or rather this \$846,000 represents the net cost to the Housing Corporation. So, the increased oil on new housing certainly shows under that column.

THE CHAIRMAN (Mr. Stewart): We were dealing with capital and I would like to come back to capital on the \$5 million.

HON. DAVID SEARLE: I can not tell from reading this book what is happening where and accordingly I would like to put this simple question. What programs are contemplated for Yellowknife next year?

MR. DIETZE: Mr. Chairman, I believe, in a different submission to this House, we have given you an allocation and that relates to our housing policy, both for 1977 and the need for subsequent years, and I believe when this House deals with that we will probably come back to it. Now, answering to the specific question, Mr. Chairman, there are no plans to finance public housing in Yellowknife for 1977 simply because we have been able to obtain a loan from Central Mortgage and Housing Corporation for 48 units of attached housing in 1976, which units will be built in the spring of this year. So, for 1977 there is no additional money being allocated to Yellowknife.

Capital - Activity 1017, N.W.T. Housing Corporation, Agreed

THE CHAIRMAN (Mr. Stewart): Activity 1017 for \$5 million. Is it agreed?

---Agreed

O And M - Activity 1017, N.W.T. Housing Corporation

Then, we will go to page 1.05, at the bottom of the page, activity 1017, Northwest Territories Housing Corporation, operations and maintenance in the amount of \$11,105,000. That is really where your question belongs, Hon. David Searle.

HON. DAVID SEARLE: I think the obvious question that should be asked is about the \$3 million increase and I think some explanation might be made as to why that increase would be as substantial as it is. I might guess it was power costs but I do not want to guess.

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

MR. DIETZE: Yes, Mr. Chairman. Could I direct you once again to the booklet we distributed and perhaps rather than going to page one of that, if you could go to pages two and three, and the increases from the previous year are partly in administration and mainly in operations and maintenance? In operations and maintenance the increase is due mainly to power, power increases \$1,064,000, but only in northern rental housing. The additional increase of \$846,000 is in the public housing program which is our share of the deficit in bringing new National Housing Act programs to the Northwest Territories and one-half of the deficit is carried by Central Mortgage and Housing Corporation. The \$846,000 represents our share of amortization, power and fuel, administration and maintenance. The remaining increase is in administration, Mr. Chairman.

THE CHAIRMAN (Mr. Stewart): Operations and maintenance, activity 1017. Is it agreed? I have one agreed. Mr. Evaluarjuk.

MR. EVALUARJUK: Mr. Chairman, I want to ask you a question concerning the administration, can we do some debating right now?

THE CHAIRMAN (Mr. Stewart): As long as it is with regard to the Housing Corporation which includes all the low rental housing, this sort of thing, yes.

MR. EVALUARJUK: Mr. Chairman, concerning inflation and also housing, the increases on the housing when can I say exactly what I want to say, any time?

THE CHAIRMAN (Mr. Stewart): Yes.

Letter To Housing Corporation

MR. EVALUARJUK: Mr. Chairman, we wrote a letter to the Housing Corporation and maybe you have seen a copy of it, but on the increase in housing in the North, it is a problem to the northern people and everything has been going up for the last five years. A couple of years ago when they started to have housing associations we were told then that we would be getting low rental housing in the North and it would be very easy for us to get one, or at least that is what we were always told. We used to agree with them that we were getting low rental housing in the North but later on the rents went up and have gone up each year. The older houses are really run down and us Inuit people in the North, they are trying to stop us in anything we try and do. People shoot the dogs if they are not tied and there are not very many people now with dogs in the North, hardly any at all.

Now, most people hunt by skidoo nowadays and what I am trying to say is that if an Inuit person earned a very low income and paid for the housing, and if they get a raise from the government then there will be more money deducted for the house. To me it seems that they are trying to say "Look, you could buy a skidoo if we raise your income" and it seems to me that they are just playing with our lives and that is the problem with the payments. They tell us that we are paying for low rental housing in the North but the Inuit people pay their rent, like anybody else, and I was told that \$28 would be for single people or disabled people, but this is not right. The Inuit people must hunt for their food and everything costs so much and everything in the stores is very expensive.

### Inuit Involvement

Also, the councillors had no say at all when they were writing up the payments for the housing association, that particular person who was going to the settlements from the housing association told his workers that he would raise the housing in the North but we had no meetings at all concerning it. They thought we might have too much say in it so therefore there were no meetings and the Inuit people wrote a letter to the Housing Corporation, saying they did want to have the Inuit people involved in the business. Last year I asked a particular question of the housing director, why the Inuit people can not get involved in the meetings, because the housing problem in the North is so great and I remember that the guy said that in 1976 they would try and form a federation so they could have more meetings in those negotiations. So, maybe they could answer me now, thank you.

THE CHAIRMAN (Mr. Stewart): Thank you. Which one of our advisers chooses to answer this question? Mr. Dietze.

MR. DIETZE: Mr. Chairman, we have the letter from Mr. Akpak, the chairman of the housing association and we have received similar concerns from other communities about adjustments in rent. If I could impose on you, Mr. Chairman, I might perhaps make reference to the position of this Housing Corporation versus Central Mortgage and Housing Corporation which has resulted in a number of adjustments. Now you may remember when we talked about capital I indicated that 90 per cent, or almost 90 per cent of all our capital for the building of new houses, comes from the Central Mortgage and Housing Corporation, which was one of the reasons why the Housing Corporation was formed, so it could receive loans from other agencies.

### Conditions Imposed By CMHC

Since then, larger houses have been built and better houses have been built and since then many communities have received many of these houses, but I do not think it was known, at the time, that a number of conditions went along with obtaining capital funding from Central Mortgage and Housing Corporation and one of the conditions was to use the various regulations that go with it, including construction techniques, including room size, including insulation and rent. The conditions under which we operate are, that our rental scale for houses financed under the section of the National Housing Act must conform to the federal scale or, if we are to vary the federal scale that we would have to pay them the difference if the scale is lower. That scale is a very old scale, it has a minimum of \$28 per month per house and is based on income starting at 16.4 per cent and going up to 25 per cent of income. That scale has been in use and has been introduced to the communities receiving new public housing units.

However, that is not the only condition that Central Mortgage and Housing Corporation impose on us. There are conditions of administration, there are conditions of bookkeeping that we will not be able to receive our operational shortfalls, our 50 per cent unless we have good audits. So, these conditions have been imposed on us and we have been working with the housing associations to prepare themselves for these changes.

Since many of these houses have been introduced to the communities, the dissimilarity in rent has become very obvious between the old northern rental housing and the new scale. In addition to that, of course, rental adjustments even under the old scale have been made. The old scale was also rent geared to income and each community and each housing association was expected to make an annual adjustment when a person's income changed, up or down. That has taken place in the last few months and people have visited, our staff have visited all housing associations and we are working much closer with housing associations this year to help them in their bookkeeping and administration and in their maintenance activities. We are very pleased to see the response and the help that the housing associations are giving us because without their help our housing programs would not be functioning very well.

### Equitable Practice Of Rent Assessment

In addition to that, we have found that many housing associations have not been assessing rent over the last few years once a year and that many people's income did change but the rents did not change. We have asked them all to continue a fair and equitable practice of rent assessment and rent collection. In our discussions with government and Central Mortgage and Housing Corporation it appears that our ability to cope with the increasing costs of maintenance, of power and oil this year and next year will depend on a reasonable return as far as rent goes. Even at that our total rent estimate for 1977 is only \$955,000 compared with an expenditure of \$10 million in cost which means that we have a ten per cent return on our cost.

Further to the specific rent scale in the communities, the other thing we have done is adjust it because of this confusion between the old rent scale and the new rent scale, we have adjusted the old rent scale to meet the new one so that we have one rental scale and everybody knows what the rent geared to income scale is, except we have retained the maximums on northern rental housing starting at \$50 for a match box going to \$130 for a northern rental house. We have visited all the communities and are working with the housing associations.

Without being unfair, tenants are given due notice and we think we have received very good co-operation in this regard. Speaking, however, of the specific Baffin problem, we are planning a workshop on the 23rd, 24th of March and have invited settlement councils and housing association directors to that workshop which is sponsored jointly by the Housing Corporation and Central Mortgage and Housing Corporation at which all these various problems and practices will be discussed and in which we will hopefully receive feedback from them. It is a workshop for the purpose of exchanging information from both parties and we hope that that workshop or a similar workshop will be held in the western part of the territories subject to some additional funding being made available so that more people are aware. We appreciate that much more information has to be exchanged in this regard.

THE CHAIRMAN (Mr. Stewart): Thank you. Mr. Evaluarjuk.

### Defer Rent Adjustments

MR. EVALUARJUK: Mr. Chairman, thank you for the answer. I have not received an answer about the increase in rent. I was wondering if you could not increase the rent until you have your workshop and there would be a lot of specifics mentioned at that meeting I am sure. I think it would be better to wait until you have your meeting.

About the old houses, you have to use a lot of bedding because it is so cold. Last year I remember that Mr. Ipeelee Kilabuk said that we all agreed maybe you should make some more prefabricated houses. I think it would be better if you could set up better housing but it would cost a lot of money to set up prefab houses. You have to do some building. If you do not send the prefab houses, we could get insulation for 20 or more houses that are already in the settlements and that would be of a lot of help to the people. What do you think?

THE CHAIRMAN (Mr. Stewart): Thank you.

MR. DIETZE: I agree with many things Mr. Evaluarjuk mentioned. Certainly we are prepared to defer a major change in rental adjustments until that workshop has taken place because I think we certainly require a full explanation of what our policies and our costs are. I think it is incumbent on us to inform housing associations of our financial status. They know pretty well their own specific financial condition because they are being deficit funded for the difference between rent and cost.

Further to the question of cost of living, however, our board of directors has been concerned with the rental scale that I described and the very high cost of food and living in many of the northern communities. They have approved that we undertake a review of the cost of living and our rental scales. That review will take place in consultation with the Department of Social Development who have a lot of information on living costs and food costs in northern communities. I can not say what the review will say, whether it will mean a new scale or whatever. If it does mean a new scale which will cost us more money, it would be then subject to further negotiations with the territorial government plus Central Mortgage and Housing Corporation as we would have to pick up the difference. Certainly we are concerned and wish to review this.

#### Upgrading Older Homes

On the subject of the quality of housing and insulation, we have been short for many years and I believe I appealed to you perhaps a year ago about the shortage of maintenance money and not too much has changed, except that in our housing policy in our negotiations with CMHC we have found a method whereby we will be able to finance more rehabilitation projects, to rehabilitate and upgrade and insulate older homes. Of course, we are not only talking about insulation. We are also talking about safety and health aspects and structural deficiencies all of which have to be rectified in many of the older homes. In our five year plan we are proposing to rehabilitate 600, more than 600 houses that are in bad shape. We will still require some additional accommodation but we think we should rehabilitate more than build more.

Also, in 1977 we have improved slightly our renovations fund for housing associations. They are now going through the process of estimating their immediate needs for major rehabilitation projects. We are going through those proposals and hope to be able to fund them and approve most of them. This will be done under the non-shareable capital portion that we discussed earlier.

Speaking about insulation now, each year we have been improving the quality of homes that we provide to the extent that public housing is now equivalent to or better than, staff housing in terms of size and in terms of quality and in terms of insulation. In 1977 we will have a resistance of R-16 in our walls and R-20 in the floor and ceiling and triple glazing and enclosed porches. It is possible that in 1978 we will improve on that, realizing, of course, that every time you do that, you may have to build a few houses less with the limited capital that we have.

#### Proposals For Construction

Concerning prefabrication, we would like the communities to propose to us some specific housing projects. We have built in some communities, housing projects through proposal calls and we would invite anybody, any contractor or co-op to come forward with a construction proposal utilizing local labour and local materials. Our board encourages and insists on greater involvement in the design and construction of housing in the communities and we would hope in the years to come this can expand and increase. Thank you, Mr. Chairman.

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

MR. PEARSON: I am sorry, Mr. Chairman. I was just preparing myself for this evening.

THE CHAIRMAN (Mr. Stewart): You have been doing that all week, Mr. Pearson.



MR. PEARSON: I have several questions for Mr. Dietze. One general comment that concerns me. Members are probably aware of the dilemma that Mr. Dietze and the Housing Corporation found themselves in last year in Frobisher Bay when 31 houses arrived on the beach and sat on the beach for over a year until land was found on which to put them. It was all done very hurriedly and as it turns out things that are done in a hurry are most inadequate. To the Housing Corporation, interest alone, on the fact that there were 21 houses sitting there for a year amounted to over \$100,000, interest charges alone. Now, that is the Housing Corporation's responsibility, to deliver houses to the community and it is the community's responsibility to be in a position to accept them.

#### Lack Of Available Land

Now, in going over some of the figures developed by the Housing Corporation there is a phrase that appears in there, in their critique, "No land," and you see it all the way through this, "No land available." Of course it is becoming apparent to many people travelling to the settlements that that is the case, that there is just no more land on which to put these houses. Communities are expanding at an incredible rate because the Housing Corporation has provided a tremendous number of houses in the past few years and we all know that in some cases there is not any water to put in the houses but, "No land," and that is a serious matter.

Now, communities which for the most part, for example Pangnirtung, which, in that hamlet, with a certain amount of economy, a limited budget on which to operate, has no such thing as a planner or a person involved in the community in planning the community, to be able to on an ongoing basis plan it. There are no funds in the administration for the matter of planning and I think the budget this year is in the vicinity of about \$100,000 for the whole of the Northwest Territories, for community planning. It seems to me that sooner or later this same occurrence will happen in other communities as has happened in Frobisher. So, we must begin to look at alternative methods of setting the thing up so that there will be provisions for ongoing continuity and co-operation between the organizations and hopefully if there is no land available then other building techniques will have to be used because housing is still required. The population explosion still continues and in Lake Harbour, I have friends who live in the graveyard, their back doorstep is right into the graveyard, there is no other land. Lake Harbour is one of the communities of which I speak.

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

MR. DIETZE: Yes, we are very concerned over the problem with land and planning and with municipal services, all of which must be preplanned adequately and, indeed, in 1977 we have more than six communities where there was no land available.

MR. PEARSON: How many?

#### More Attached Housing Planned

MR. DIETZE: More than six. In fact we still had trouble in 1976 even in Frobisher. Now, that has resulted in us changing our method of construction and I would think that this will happen in other communities, where there may be less possibility or fewer possibilities to develop single family detached accommodation, that we may be forced toward more attached housing and that is taking place in Frobisher in 1977. This would also include the removal of some older houses and a 16 unit rehabilitation project. That, in fact, is what we are planning for Rankin Inlet as well, a similar attached housing project, where we are trying to not come up with great big huge apartments or row houses but rather, perhaps, about eight units attached together in clusters of three, or something like that. We will develop that with the village and with the housing associations to make sure that it is acceptable to the user and from the municipal point of view.

However, the principle of future housing and settlement planning and policy will have to be addressed and is being addressed in Frobisher and other communities which are now involving themselves in long range planning. The situation with housing is such that perhaps we in the Housing Corporation have become rather affluent over the last few years and we have been able to deliver 400 houses, more to our standards and to our planning than to that of the community. We would encourage the communities to come to us and say, "We would like you to build houses and we have a plan for you here and this is the kind of housing we would like you to do and will you help us in the planning and land development. We will approve the plan and work with you for the next five years so we know where we are going in terms of single family housing, staff housing and multiple accommodation." We would like to initiate that this year so that for 1978 we do not have to reallocate housing from one community to another because there is no land available.

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

MR. PEARSON: One other comment I would like to make is the difficulty that is obviously developing with having to go to federal funding and being tied into the CMHC scheme of things, which demands 25 per cent because it is a nation wide process and there is no way to get around it. It is unfortunate that such a thing happens because we see a tremendous problem in communities like Frobisher Bay where you have one family, unemployed, living in a five bedroom home paying \$28 a month rent and another family in the house next door, a five bedroom house, with two bathrooms incidentally in the new houses, four members in that family working and being productive and having to pay rent to the tune of \$535 a month. Yet the people next door who are not productive members of society, for whatever reason that may be, are paying \$28 a month.

### Council Housing In England

How can one hope to get people out to work and be productive, what incentives are there if you have to pay those kinds of rates? Now that is the problem when you are dealing with a territorial wide situation. I have wondered for some time about the question of municipal housing corporations, and I came from England where people lived in council houses and the houses, or the housing was provided by the council of that community. It was their responsibility and they provided low cost housing to people in that community. I do not know quite how the mechanics of it worked, but perhaps this is a concept that one day will have to be given some consideration in the Northwest Territories, let the municipalities become responsible for low cost housing. Now, I also know of another matter of a CMHC program of a co-operative system where people can get together in a community, form a co-operative and be funded by Ottawa on a totally different basis than the Housing Corporation is being funded at the moment.

MR. DIETZE: Mr. Chairman, I believe that Mr. Pearson referred to some of the ideas we expressed in our housing policy, which we think will move in the direction he suggests. First of course on the question of council housing, I believe it is the county councils which provide housing rather than the towns or villages or cities. It is not the housing that is determined by the tenants, and I know many tenants who would prefer to live in their own housing but housing costs in Britain are pretty high and rents are extremely low because incomes are also low and the structure of rent and income and taxes is a different story. On the subject of community involvement in housing, we are recommending to you a co-operative non-profit approach to providing housing in any and all communities in the territories, financed through capital from Central Mortgage and Housing, and subsidized in their shortfall by the Northwest Territories Housing Corporation and Central Mortgage. The first example of this is the Inuit non-profit housing corporation that built some accommodations at Eskimo Point and Rankin Inlet which have received a 90 per cent loan under Section 15 of the National Housing Act, at eight per cent for 50 years, with ten per cent of capital cost being forgiven.

### Housing Co-operatives

That concept is active throughout Canada and is used by many local community groups in providing collective ownership housing where ten members form a co-op and build their own houses, and own them. Now, whether they are able to afford all payments or not, we as a territorial Housing Corporation are then able to sign a tripartite agreement between that non-profit organization, Central Mortgage and Housing Corporation and ourselves so that we can defray the difference between the actual cost and income from rents. The condition is that all tenants pay on the public housing rental scale, Mr. Pearson, the very same scale that now causes people to pay \$500 a month. If you make \$20,000 a year or \$25,000 a year, under the public housing scale, you pay 25 per cent, and that is the case with most of the CMHC programs and that includes senior citizen accommodation. If you get my money you live with my conditions says CMHC.

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

MR. PEARSON: That is all very well, fine, okay. Then, we will have to come up with another approach to it, will we not, we will have to, because that burden is more than -- people are willing to accept that kind of rent but the furor that was raised a few months ago when it was suggested by the housing associations that this was the new way and this was the way things were going to be, there were threats. I do not know if any of them were carried out by the families in these homes but they would simply move out into quqaq or the original Eskimo type of dwelling, a small shack with grass sod sides and insulated moss rooms. They threatened to do that in Frobisher and whether they will ever do it I do not know.

#### Frobisher Bay Housing Co-op

Now, just as an historical note, there was established in Frobisher Bay about 15 years ago a housing co-op and I see it presently in the newspaper being, what is the word, closed. It ceased to function over ten years ago and I know that somebody forgot to close it out or shut the co-op down, but what happened was that 15 people got together and built 15 houses and after they had lived in them for about four years the government, not this government, but the federal government, went to them and suggested that they sell them all back to the government and they simply rent them from the government. That is exactly what happened and the CC co-op ceased to exist at that time. It is only recently that the co-op has actually been wound down, wound up? Wound down. End of historical note except to say that it is unfortunate that there was initiative taken away again by these federal people who do not understand anything about the North.

Now, municipal housing would certainly be an asset in a community such as Frobisher where you have such tremendous differences and variances in the standards of housing, the rents that are paid by the people who occupy them. Ministry of Transport of course, have one operation, one system for their employees, the territorial government has another one, National Health and Welfare has a totally different one, CMHC has another one. Qualities of housing vary tremendously and by giving the responsibility to the municipality it would certainly, whether it could ever be achieved, it would certainly eliminate many of the discrepancies and a lot of the division in housing.

THE CHAIRMAN (Mr. Stewart): I hope that just goes in Frobisher Bay. Hay River does not want it. I say I hope they only make it a municipal responsibility in Frobisher Bay. Hay River does not want that responsibility. I have another speaker, Mr. Butters. Any comments you wish to make with regard to Mr. Pearson's statement?

#### Problem At Bottom End Of Scale

DEPUTY COMMISSIONER PARKER: Mr. Chairman, I would just like to make one very brief comment with regard to the rent structure. I think Members might think on that subject a bit and they might come to the conclusion that perhaps the problem is with the bottom end of the scale and not with the upper end of the scale. It is not going to do the people of the Northwest Territories any good in the long range if they are continually misled as to the facts of life.

HON. DAVE NICKERSON: Hear, hear!

DEPUTY COMMISSIONER PARKER: In Canada it costs a certain amount of money to operate a house and if we, through a form of subsidization, lead people in the North to believe that they can occupy very well built, relatively large three bedroom houses for a very few dollars a month, we are really doing nothing but misleading them, especially if they are taking part in the workaday world, if they are occupying jobs. I am not saying that the rents should be raised beyond a reasonable point -- I think there is going to have to be a limit established of some nature or other, but I think that the real problem lies with the bottom end of the scale where we are really misleading people by providing them with the level of housing that we are, for a very, very few dollars a month. Just bear in mind that the average cost for the provision of one of these three bedroom houses when you take into consideration the operating costs and amortization, I am sure the average will exceed \$700 a month.

#### Discrepancy In Rental Payments

MR. PEARSON: Mr. Chairman, I did not wish to infer that people should be getting things for nothing. I certainly do not think they should. I think people

should be paying. I pay and why the hell should they get it for nothing? But when one sees the discrepancy, the difference between a guy paying \$28 a month and another paying \$550, that is the problem. I am not saying the \$550 is too much but it is a fair amount, considering, of course, again you have to break old habits because in most cases very few people have ever paid their full rent. Very few communities have ever had a system of adequate rent collection and now, of course, it is difficult to start to impose the get tough attitude which is necessary if the thing is going to work. You know, they are old habits and they are hard to change. One guy pays \$28 for the same house as the other guy pays \$550 for. That is the point I am trying to make.

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

MR. BUTTERS: This committee discusses many problems and I think this one on housing is probably the most frustrating because it is the one for which there does not seem to be a solution and, as the Deputy Commissioner so clearly outlined, the factors that impinge upon us, in seeking a solution, are many and very real. I am afraid too, and I wish to ask Mr. Dietze, whether or not we are even keeping up with -- not with the current demand, but we have not even replaced inadequate houses that are currently being occupied in the territories. I would like to get some indication from Mr. Dietze as to just the number of houses that the Housing Corporation has put up and put on the ground in the last three fiscal years, excluding the one we are looking at now.

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

MR. DIETZE: Yes, Mr. Chairman. I think the Housing Corporation delivered roughly 380 housing units in 1976, including those that have been funded but have not been started yet. There is a bit of confusion here on definitions as to what you mean by completion and what you mean by building and what you mean by starting and what you mean by financing. I would say financing is a start and that is the figure I would use. I am not finished yet.

MR. BUTTERS: Go ahead.

MR. DIETZE: Roughly 380. The previous year was probably about 300 and the year before that probably about 200.

Deficiencies In Mackenzie District

MR. BUTTERS: Why I asked you for those figures is that I have comments that were made in Inuvik some three or three and a half years ago by Ms. Pat Carney, a researcher with Gemini North who was at that time doing an examination of the housing requirements in the valley and she was -- I am reading from a tape recording of what she was saying to the people she spoke to in Inuvik: "The Mackenzie district at the present time has a deficiency of at least 800 houses for the present population. On top of that 800 deficiency without any type of development in the Mackenzie district," this is just the Mackenzie district we are talking about, "will require 6000 houses by 1983 and with the anticipated gas development the housing requirement will be 9000 new houses by 1983."

If the figures that Ms. Carney was producing at that time as a consultant are correct and if Mr. Dietze can corroborate their validity, then since that time the number of houses that has been built is just sufficient to catch up with the deficiency or to replace the inadequate houses so that it appears that even in the Mackenzie district alone we are very, very much behind supplying adequate residences for the people of the North. Not very much behind, tragically behind.

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

MR. DIETZE: Mr. Chairman, in the capital estimates we have before you we have indicated the number of housing units that we would be involved in in 1977 which includes new housing for senior citizens, includes some rehabilitation, etc., adding up to a total of 603 for 1977. That is not all new units. That includes some rehabilitation, granted, but that is bringing older houses up to present standards. It includes loans under various housing programs for people building their own homes so it is not the total number of housing units that the Housing Corporation will actually build because we get about 400 plus senior citizens and single persons and that would be our goal. That figure represents a fair improvement over the previous years and each year I think improvements have been made in the total delivery.

CMHC Capital Allocation Larger

Our capital allocation is not much larger from the territorial government but is substantially larger from Central Mortgage and Housing Corporation. We expect to receive \$20 million in loans and mortgages for 1977 compared with \$15 million in 1976 compared with \$12 million in 1975 for increasing our delivery but it is correct that we have a backlog, we have about five years of backlog to deal with during which time inadequate housing or inadequate numbers were delivered. We feel there are at least 800 houses in the territories which are overcrowded or condemned.

There are in the next five years 1000 family formations or at least 200 family formations requiring new housing, requiring a total delivery of 2300 housing units in the next five years. I do not think the number is as large as was quoted by Mr. Butters because economic circumstances were a little different when our surveys and previous surveys were made but if we can deliver 600 housing units per year, this year and every year thereafter, including rehabilitation, we will have a big jump on the needs for housing.

MR. BUTTERS: I still have a few questions on this vote, sir. I commend Mr. Dietze and his people on the work that is being done to improve the situation but I heard him say that we still had a long way to go and the 800 units would still require being brought up to standard. Mr. Dietze obviously too, is only looking at the need based on population growth. He has not begun to comment on my suggestion of what would occur if a pipeline is built.

MR. DIETZE: No.

MR. BUTTERS: He nods his head agreeing to my statement here. I missed the opening of this debate but I would expect that we are also considering the integrated housing policy for the Northwest Territories under this vote as it is compatible and complementary. Is this correct, Mr. Chairman?

MR. DIETZE: Mr. Chairman, I am here to discuss the estimates. If you wish to discuss policy, I am available.

Integrated Housing Policy

MR. BUTTERS: It was to have been referred to committee of the whole during this session, sir. It is in our books as Tabled Document 6-61 and I think it is most pertinent. In brief An Integrated Housing Policy for the Northwest Territories, which was tabled at Rankin Inlet for our discussion and examination, is really a suggestion to us, put as strongly as a servant of this House could put a suggestion, to support An Integrated Housing Policy for the Northwest Territories that has been developed by the Northwest Territories Housing Corporation as it appears on the recommendation pages, at the very opening of the book. As I understand these recommendations, these policies, this is the package that the directors of the Northwest Territories Housing Corporation have approved, three directors of whom sit in this House, and which Mr. Deputy Commissioner and Mr. Dietze approved as a real practical and pragmatic solution to the problems that have been discussed at this table at this time and at this table on many past occasions. What is very pleasing to me as chairman of the Northwest Territories Council task force on housing of the seventh session which comprised nine Members of that House and included my honourable colleague from Frobisher, Mr. Bryan Pearson, that the policy that is in this booklet was based to a large extent on the recommendations of that task force.

One would hope therefore that before this discussion is concluded we can have unanimous support of a motion of approval of An Integrated Housing Policy for the Northwest Territories as presented here, a copy of which I hold in my hand. I think, looking back on that housing task force report, and as it is produced in Inuktitut, I hope that the Inuktitut speaking Members of our body have had the opportunity to examine a copy. I think that that report was an excellent report and that it reflected the wisdom of the settlements, the communities because the Members coming from small communities contributed a great deal to the discussions and to the final report. So, I hope we will be considering this document too before we leave this vote.

THE CHAIRMAN (Mr. Stewart): Hon. Dave Nickerson.

HON. DAVE NICKERSON: I was going to make a cryptic comment but it would no longer be timely.

THE CHAIRMAN (Mr. Stewart): Now, the time is timely to recess for lunch. Is that agreed?

---Agreed

There is one announcement. We will have a meeting of the indemnities committee in room 303, immediately.

---LUNCHEON ADJOURNMENT

THE CHAIRMAN (Mr. Stewart): The Chair recognizes a quorum and calls this committee back to order.

O And M - Activity 1017, N.W.T. Housing Corporation

We are on page 1.05 of the main estimates, program, Executive, activity 1017, Northwest Territories Housing Corporation in the amount of \$11,105,000.  
Hon. Peter Ernerk.

HON. PETER ERNERK: Mr. Chairman, I wonder if Mr. Dietze could explain to me the senior citizens policy in the Northwest Territories. You have here I believe 20 new constructions to take place this year, am I correct in saying that?

MR. DIETZE: Yes.

HON. PETER ERNERK: I know that there was an agreement reached between, I believe, Social Development and the Housing Corporation of the Northwest Territories.

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

MR. DIETZE: Thank you, Mr. Chairman. In the capital estimates that you have in front of you you will notice under "new construction" we propose to construct 20 units of senior citizens accommodations plus ten units of personal care accommodation. Now, senior citizens accommodations would be constructed under section 40 of the National Housing Act, which is a partnership program between Central Mortgage and Housing Corporation and the Northwest Territories Housing Corporation and would be cost shared, 50 per cent again for the shortfall of operations, and under the ten personal care units, they would be financed under section 15 of the National Housing Act, in which case 95 per cent of the total capital is made available at eight per cent over 50 years.

The agreement with Social Development is that the personal care facility will be financed directly from the National Housing Act and the Northwest Territories Housing Corporation in terms of capital, and that the medical portion of the operating costs will be absorbed by Social Development, that the senior citizens portion of the operating costs would be shared, 50 per cent by the Northwest Territories Housing Corporation and 50 per cent by Central Mortgage and Housing Corporation. CMHC is agreeable to that and Social Development and the corporation have identified Aklavik as one of the first places where such a facility will be built and negotiations are continuing to determine the precise layout of this facility.

Senior Citizens Accommodation

As far as the remaining senior citizens are concerned, the location has not yet been determined and it is one on the basis of need, of the greatest need and is also worked out with Social Development, except that the policy of the board is that because of the shortage of capital funds, family accommodation remains as a priority. As we said earlier, we are so far behind in providing housing for a range of needs that family housing comes first, and where senior citizens accommodation is provided in the small centres, that that be done on a very small scale and not in a motel type development such as used to take place before.

HON. PETER ERNERK: Mr. Chairman, if I understand correctly, Mr. Dietze said they really do not know where these facilities will go, but whereas the community of Eskimo Point has been pushing for senior citizens homes in their community, has that been put into the consideration?

MR. DIETZE: Yes, Mr. Chairman, Eskimo Point is on the priority list.

HON. PETER ERNERK: I am sorry to hear that. Did you say it is on the priority list or is not?



MR. DIETZE: It is.

HON. PETER ERNERK: I understood you to say that Eskimo Point was not on the priority list. I am sorry about that.

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

MR. FRASER: Mr. Chairman, I would like to ask a couple of questions here. I wonder if Mr. Dietze or the Housing Corporation could tell me if there were any provisions made for a loan, other than through CMHC for a person to build his own home in the territories?

#### Home Ownership Programs

MR. DIETZE: Mr. Chairman, we have a number of programs that are available in different communities for home ownership, and if I may go through them, they are more aptly described in our housing policy because there we go through all the various programs that we recommend either be implemented or to be continued.

The first program that is available is the small settlement home assistance grant of \$7500, a grant to build log houses in a number of the smaller communities. That program has been expanded and it is recommended that it be further expanded. The expenditure in that program has been tripled from last year to this year, as is shown under a non-sharing program, small settlement assistance, we have budgeted for 30 log houses under that program and hopefully will expand that program even further this year.

The next program that is available, which we have negotiated for with Central Mortgage and Housing for the last year and a half, is called the rural and remote program which is a payment to ownership program under which Central Mortgage and Housing and the Northwest Territories Housing Corporation will provide a mortgage for log houses and simple houses to be built, subsidized to some extent, depending upon a person's income. That is a new program and we have only so far anticipated that 25 loans will be taken up. Last fall six purchasers signed up for six units in Fort McPherson through this program. It is a brand new program and we think it has great possibilities for people to get into home ownership with low income.

The next program that is available is the federal AHO, the assistance to home ownership plan, which however has a maximum cost limit of \$43,500 and is only applicable to people who are in the income range of \$13,000 to \$20,000. Central Mortgage and Housing Corporation will provide a subsidy called an interest reduction loan. In our housing policy we are suggesting that we double that interest reduction loan so as to reduce people's income requirement.

Those are the three programs which we consider are subsidized and are therefore considered social housing. There are, of course, other mortgage programs available on the open market for people who have a higher income, but we are not contributing to that. The additional proposal we have is that we would like to make available to people a second mortgage program, much higher than the present one. We suggest that the \$2000 second mortgage that is now applicable is really of not much use to most people, it is not adequate to cover the additional high cost of housing. We are suggesting that a \$10,000 mortgage be made available as a second mortgage for people who are building new or as a first mortgage are renovating or adding to their house, and that is a new proposal.

#### Rental - Purchase Plan

In addition to that, of course, Northern rental houses are for sale to the tenants under the rental-purchase plans, and we have one or two people who are beginning to take an interest in that program.

MR. FRASER: I understand there is such a program out and you mentioned CMHC, but CMHC put out a poster that says "If you have ever dreamed of owning your own home," and you turn the page and they have a bunch of benefits but I found that that should have been changed to "If you have ever dreamed of owning your own home forget it", especially if you are going to CMHC. Now, you tell me you have a program out and is it as strict as CMHC or is it that hard to get, this loan, a home owner's grant or a home owner's loan?

MR. DIETZE: Mr. Fraser, are you talking about the second mortgage loan that I was referring to?

MR. FRASER: I am talking about the first one you referred to.

MR. DIETZE: The settlement grant is available to people with very low incomes.

MR. FRASER: You can not get much lower than me. So, I will be around to see you next week.

MR. DIETZE: I am sorry, you requested some information on the availability of the small settlement grant.

MR. FRASER: Yes.

MR. DIETZE: Okay. As it stood until a few weeks ago, and as it has been outlined in the housing policy and in our estimates here, that program was available only in those communities where there was no rental housing and, for \$7500 you could not build a very large house. For \$5000 last year you could not build a very large house, so the program has been added on and expanded to \$10,000. Through further discussions with the territorial government we have been requested to expand that program to other communities where there is a need and a request for people to go into log house building. We will be looking at some applications, we will be reviewing those communities where there is an interest in this program and then we would have to go to the territorial government and ask for more money to implement the program.

MR. FRASER: Where do you pick up those forms?

MR. DIETZE: We have Mr. Bob Stevenson going around signing up people or giving them applications.

MR. FRASER: Good, thank you very much, I will be around to see you.

#### First Mortgage Maximum

HON. ARNOLD McCALLUM: Could I get some information from Mr. Dietze? Could you tell me what the present CMHC first mortgage maximum is now?

MR. DIETZE: I think it is \$56,000. No, \$52,000.

HON. ARNOLD McCALLUM: Could you tell me the arrangements? It used to be ten per cent of the first amount and then it was down around \$25,000 and then 20 per cent of the next, so how much down is required, what is the breakdown now?

MR. DIETZE: I am not too familiar but I can get that for you shortly.

HON. ARNOLD McCALLUM: Just one further point if I may. In order to obtain the second mortgage of \$10,000 from your corporation, from the government, is it necessary to receive the maximum amount from CMHC?

MR. DIETZE: No, we have not placed any limits of eligibility for this program.

HON. ARNOLD McCALLUM: One further point, what rate of interest is on a \$10,000 second mortgage?

MR. DIETZE: Yes, that would be the equivalent to the direct lending rate, it would not be as high an interest rate as you would get from the bank and this is why we are suggesting we go into the program because with ordinary second mortgages, banks usually place a very high interest rate on them and ours would be, depending upon the changes in the whole bank rate, at this point it would be about ten per cent. If the direct lending rate goes down, it would go down accordingly.

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

Housing In The High Arctic

MR. PUDLUK: Mr. Chairman, I would like to say a few words about the High Arctic myself. What Mr. Evaluarjuk was saying this morning, I do not think it is going to help, that is what I am saying right now. It is impossible. The costs of operating a home are so high and so on and so on. I think myself to be an example and I want to speak to these gentlemen about housing. Since last month we moved to the public housing and I started paying \$223 out of \$600 which is my monthly salary. Every two days I spend \$40 for food. That is not clothing, not the cost of clothing. We do not know how we are going to live for the future, if this is going to go on. I know the government is not against the consumers. I know they can help by subsidizing. That is the only way we can live the way we want. If they are going to do it, they should do it as soon as possible. Otherwise a lot of people have said to me they would rather go back to the land if the cost of living is going to be that high. What happens to the houses that have been built? They spent a lot of money on it. I know, I realize that the operating cost is too expensive but there must be some way. Maybe they could do something about it. Thank you very much.

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

MR. DIETZE: Mr. Chairman, Mr. Pudluk reiterates the concern we have heard that was brought out earlier. Our board is concerned with the cost of living in the communities. Our rent review will hopefully prove to us that our rental scale must be changed and we have therefore proved to those people who finance us that additional subsidies should be made available but it will depend entirely on whether those additional subsidies for housing will be made available by both the territorial government and Central Mortgage and Housing Corporation. I would expect that there will always be a sliding scale, depending upon income, whether it is 20, 25 or 30 per cent so that the people who are not employed will not pay too much rent but the people who are employed do, unless we can come up to the point of providing free housing on an entirely different basis. That is not yet available.

On the question of Hon. Arnold McCallum, the mortgage available from or through CMHC can be either an insured loan that is available from the bank or can be a direct loan where CMHC acts as the lender of last resort. The present interest rate in that is 10.5 per cent and it goes like this: Total cost of \$52,000, the loan is 95 per cent on the first \$43,500 and then 75 per cent on the rest up to a total of \$52,000.

THE CHAIRMAN (Mr. Stewart): Thank you. Anything further, Mr. Pudluk?

MR. PUDLUK: No, thank you. Mr. Chairman, I have nothing further.

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

Subsidizing Home Owners

MR. FRASER: Mr. Chairman, another question I would like to ask the Housing Corporation. Talking about subsidies, is there such a thing as a set-up for subsidizing home owners in the Northwest Territories or is it still being talked about?

MR. DIETZE: Mr. Chairman, the home ownership programs I mentioned earlier are subsidized to the extent possible. Our problem is lack of capital and lack of additional operational subsidies which force us to use as many national housing programs as possible. The rural and remote ownership program I mentioned a few moments ago has included a very small subsidy of ten dollars a month for

utilities. We have been negotiating with CMHC for a whole year trying to persuade them that under that program people require a little more utility subsidy but we have not been successful to date. Our negotiations there are continuing.

Also you may remember a year ago I reported that our negotiations for a unilateral home acquisition grant and for a utility grant for self-owned homes were not successful with the senior government and, therefore, those two proposals have not been repeated in the housing policy. Indeed it appears that while many tenants in public housing now receive fully serviced accommodation the federal government is looking very hard at the cost of power or the cost that we pay as a social housing agency for power and may request us to set more quotas or reduce our consumption. There is no availability of additional subsidies as I see it at this moment.

MR. FRASER: Thank you.

THE CHAIRMAN (Mr. Stewart): Activity 1017, Mr. Evaluarjuk.

MR. EVALUARJUK: Mr. Chairman, I would like to say a few things about the price of houses in the North. I think under 25 per cent for lending, for example, if I am paying \$500 a month and then the income tax deductions would have to be made. The price of food, I think the 25 per cent is okay but before deductions have been made if the 25 per cent is to be followed I think that is very wrong. If I went for social assistance they would ask me how much I made for one month and if I told them I would not be able to get any social assistance and my wages have been spent already. The deductions that have to be done. I just wanted to say that.

THE CHAIRMAN (Mr. Stewart): Mr. Dietze, is the 25 per cent on gross earnings or net earnings?

Aggregate Gross Income

MR. DIETZE: Mr. Chairman, I would be able to quote you the definition of income. It is aggregate gross adjusted family income. If I may, I could quote the definition. Income shall refer to the aggregate gross income in whatever form received of all members of the family or of an individual where applicable excluding; earnings of children in regular attendance at school, funds for tuitions, bursaries, etc., not included, child allowance of the family head, working spouse up to \$900 per annum, income from any source other than social assistance payment from one parent family up to \$900 per annum, earnings up to 75 per cent per month of all members of family other than the head or spouse, children for instance, capital gains such as insurance settlements, etc., or family allowance. It does mean aggregate gross income.

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

MR. BUTTERS: Just to assure myself that we will be having an opportunity to discuss power costs in the territories as we notice a big increase in this vote in the increased cost of power to the Housing Corporation and rather than bringing it up here I would just like assurance that we will have an opportunity to raise it before this session prorogues, under another item.

THE CHAIRMAN (Mr. Stewart): I certainly do not have any objections but I can not assure you there is going to be a place to do it either.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, we received a request from Mr. Butters as I believe acting at that time as chairman of the caucus to place on the paper or to plan to have Mr. Barry Yates who is the chairman of the Minister's task force on electrical costs or operations of Northern Canada Power Commission as well as the chairman of NCPC come and appear before the committee of the whole.

This arrangement has been made. It only remains for I guess the Speaker to confirm it. The plan is for this to take place a week from Monday afternoon. I hope the Speaker will confirm it because we have invited the two gentlemen to come.

THE CHAIRMAN (Mr. Stewart): Thank you.

MR. BUTTERS: I am sorry, pardon me, Mr. Chairman. If that discussion could be arranged, the material I have would be better ...

THE CHAIRMAN (Mr. Stewart): I am saying I can not give you assurance. I assume it will happen.

MR. BUTTERS: I do not think Mr. Dietze could advise me as to anything about the costs other than the passing on of what has been assessed this organization.

THE CHAIRMAN (Mr. Stewart): I would certainly support the meeting in committee of the whole as the Speaker has set up. That will have to be done by vote of the Assembly or set up by the Speaker.

MR. BUTTERS: The integrated housing policy, I understand that will be up under a separate item so I could raise a motion regarding it at that time because there has been some additional material added to it which is new to what was tabled last session.

O And M - Activity 1017, N.W.T. Housing Corporation, Agreed.

THE CHAIRMAN (Mr. Stewart): Thank you. Activity 1017, agreed?

---Agreed

Revenue, Recoveries And Transfer Payments, Agreed.

I direct your attention to page 1.09, Executive, revenue, recovery and transfer payments in the amount of \$18,000.

---Agreed

That according to my record concludes the main estimates for the Executive. Thank you, Mr. Dietze.

HON. PETER ERNERK: Mr. Chairman, I was going to suggest that we go into the integrated housing policy since Mr. Dietze is here or while Mr. Dietze is here.

THE CHAIRMAN (Mr. Stewart): The Chair is at the direction of the committee. Will you excuse me while I get my paper on this? Mr. Deputy Commissioner, I believe you have a few remarks prior to my reporting progress on Bill 3-61.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, it appears that the integrated housing policy is not on the order paper and my belief is that you probably are not going to proceed with it at this time. Just in preparation for the time when you do proceed with it, since it is a housing matter, I would like to draw to Members' attention that the policy was requested, I guess it was one year ago or perhaps it was at the May session, but in any event, it was at one of those sessions and it was then proposed by the Assembly that the Housing Corporation review its policies and produce an integrated housing policy for discussion in committee of the whole. This was done and the paper was tabled at the Rankin session at October last. The purpose of it being brought forward at that time was to give Members an opportunity to study it so that it could be discussed at this session.

Between the time of tabling it in Rankin and the present date, we have worked with the Executive Committee to produce some changes to the policy and these are contained in a sheet which is called "Supplement to the Integrated Housing Policy" dated January 11, and these new sheets have been included, placed in the integrated policy folder. Therefore, when this policy is studied I would hope that Members will have taken the opportunity to study this supplement as well as the policy itself. Thank you.

THE CHAIRMAN (Mr. Stewart): As chairman, I have no indication at this time what instructions I will get from the Speaker, but if I am to leave Bill 3-61 I have to report progress on it and be directed. Is it agreed?

---Agreed

MR. SPEAKER: The House will come to order. Mr. Stewart.

Report of the Committee of the Whole of Bill 3-61, Appropriation Ordinance, 1977-78.

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MR. STEWART: Mr. Speaker, your committee has been studying Bill 3-61 and wishes to report progress.

MR. SPEAKER: Mr. Butters.

MR. BUTTERS: I rise for unanimous consent to return to agenda Item 5, reports of standing and special committees, sir.

MR. SPEAKER: Unanimous consent requested to return to Item 5, reports of standing and special committees. Is it agreed?

---Agreed

ITEM NO. 5: REPORTS OF STANDING AND SPECIAL COMMITTEES.

Proceed, Mr. Butters.

MR. BUTTERS: I am reporting as chairman of the special committee with regard to the establishment of an advisory committee on the political development of the Northwest Territories. We the special committee of the Legislative Assembly on the political development of the Northwest Territories are pleased to submit this report together with the recommendations contained herein for the establishment of an advisory committee on the political development of the Northwest Territories. We unanimously recommend the adoption by the Legislative Assembly of this report, and this was signed by myself, Hon. Peter Ernerk, Mr. Lyall, the Speaker Hon. David Searle, and Mr. Whitford. Sir, if it is the wish of Members of the House I will read the summary of the report.

MR. SPEAKER: Is it agreed?

---Agreed

Report To The Council Of The Northwest Territories On The Establishment Of An Advisory Committee On The Political Development Of The Northwest Territories\_

MR. BUTTERS: Mr. Speaker.

Summary

Pursuant to clause 3 of Motion 14-60, this committee is pleased to report that it has examined the matter of the establishment of an advisory committee on the constitutional development of the Northwest Territories and has prepared the necessary groundwork to get a constitutional review underway. This work includes the preparation of:

1. The necessary legislation for presentation to the House to properly authorize the carrying out of the review of: (a) Bill 9-61, An Ordinance to Establish a Committee to Inquire Into and Make Recommendations with Respect to the Constitutional Development of the Northwest Territories; and (b) Bill 10-61, An Ordinance Respecting Public Inquiries.
2. Preparation of a budget. We believe it to be a matter of the greatest urgency that this report receive the unanimous support of the House.

Recommendations of Committee

1. Any study into the future political development of the Northwest Territories should not be done directly by the Legislative Assembly but for that Assembly and not for the Department of Indian and Northern Affairs, nor for the federal cabinet.
2. The study should produce a report which is to be a blueprint for future political evolution.
3. The report of the advisory committee should be ratified by the Legislative Assembly of the Northwest Territories. It should thereafter be presented by the Legislative Assembly to the federal cabinet as the basic policy statement of the Northwest Territories at a future federal-provincial constitutional conference.



4. The study should emphasize political development but take cognizance of the economic and social factors that influence this development. The fundamental question to be answered can be framed as follows:

What is the position of the future political development, bearing in mind the economic and social ramifications, that the Legislative Assembly of the Northwest Territories should advance to the Government of Canada on behalf of all the people of the Northwest Territories?

5. Costs incurred by the advisory committee should be borne by the Northwest Territories budget, particularly from the contingency allotment. No special request for funding of the study need be made to the federal government which, however, should be approached to discover whether the moneys to be laid can be recovered from the Department of Indian and Northern Affairs.

6. The research assistance group will submit a list of possible chairmen for the advisory committee on the political development of the Northwest Territories who will make a recommendation to the Legislative Assembly.

7. The chairman of the advisory committee on the political development of the Northwest Territories, once selected by the Legislative Assembly on the advice of the committee, on future development, should select the other two members of the advisory committee, if the Assembly wishes to strike a three man rather than a one man advisory committee.

8. The advisory committee on the political development of the Northwest Territories should be assigned a Legal Advisor who, when deemed appropriate by the chairman, could cross-examine witnesses.

9. Detailed terms of reference for the advisory committee on the political development of the Northwest Territories will have to be worked out after the appointment of its chairman and with his consent by the Legislative Assembly on the advice of the committee on future development. The parameters of the study should be clearly defined before the start of the hearings. During the course of the committee's investigations these terms of reference should not be expanded unless consent has been obtained from the Legislative Assembly of the Northwest Territories.

10. The findings of the advisory committee on the political development of the Northwest Territories should be completed and a report submitted by September, 1978 for debate and ratification by the Legislative Assembly in special session. The time allotted to the study will be 16 months.

MR. SPEAKER: Could you speak a little slower, please, because it is difficult to translate. Proceed.

MR. BUTTERS: My apologies, sir, to yourself, the House and the interpreters.

In accordance with Motions 14-60 and 15-60 and following a meeting of the committee, on future development, established pursuant to clause 3 of Motion 14-60, the present proposal for an advisory committee on the political development of the Northwest Territories was evolved.

The Administrative Framework

- a one man advisory committee chaired by a person of national stature whose recommendations will be assured of acceptance by the federal government and the provinces;
- a rotating hearing committee directly responsible to the chairman to ensure the continuing involvement of all members of the Legislative Assembly in the work of the committee;
- a senior staff of at least four persons, including a Legal Advisor;
- administrative, clerical and financial support staff to be seconded from the Northwest Territories government;

- Seven study sectors to deal with:

- 1) Constitutional aspects
- 2) Economic aspects
- 3) Fiscal aspects
- 4) Legal aspects
- 5) Non-renewable resources
- 6) Renewable resources
- 7) Socio-cultural aspects

The Time Framework

- a chairman of the advisory committee to be appointed by May, 1977;
- a study to start June, 1977, which will report to the Legislative Assembly, Northwest Territories in special session in September, 1978;
- hearings to be held in 65 communities during the period June, 1977 through September, 1978;
- submission of a report, ratified by the Legislative Assembly, on the political development of the Northwest Territories to the federal government and provinces of Canada by October, 1978.

The Budget

- a total of \$1,666,000 for the study and work of the advisory committee, with an allocation of \$1,000,000 for the budget year 1977-78 and \$666,000 for 1978-79;
- funding to come from the Northwest Territories' budget with partial or total recovery from the federal government and/or other sources.

Thank you, sir. If that is complete, I would like to then move or have unanimous consent to move to Item 9.

MR. SPEAKER: Unanimous consent requested to move to Item 9, tabling of documents. Is it agreed?

---Agreed

ITEM NO. 9: TABLING OF DOCUMENTS

MR. BUTTERS: Mr. Speaker, I would like to table Tabled Document 9-61, Report to the Council of the Northwest Territories on the Establishment of an Advisory Committee on the Political Development of the Northwest Territories.

MR. SPEAKER: Hon. Arnold McCallum.

HON. ARNOLD McCALLUM: On a point of privilege, if I may.

MR. SPEAKER: Proceed.

HON. ARNOLD McCALLUM: While we were discussing the Department of Personnel estimates, a question was asked by Mr. Lyall on the marital status of the candidates in the teacher education program and may I proceed to give him that information, sir?

MR. SPEAKER: I am just thinking, Hon. Arnold McCallum, I am not so sure it is a point of privilege. In fact, I am not sure what it is, it is really an answer to a question, is it not? Do we have unanimous consent of the House for Hon. Arnold McCallum to give the response at this time to the questions asked?

MR. PEARSON: Nay.

SOME HON. MEMBERS: Agreed.

MR. SPEAKER: Returning to Item 10, consideration in committee of the whole of bills and other matters.

REVERT TO ITEM NO. 10: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS AND OTHER MATTERS

I understand that the point the committee of the whole brought was to possibly discuss the matter of an integrated housing policy but the chairman indicated that he was in committee of the whole to discuss the Appropriation Ordinance and the integrated housing policy is not on the order paper so we really can not go back into the committee of the whole to discuss that. Therefore, it would seem to me appropriate to continue with whatever is left in the Appropriation Ordinance, or some other matter which is on the order paper, or alternatively we could seek unanimous consent of the House to put on the order paper at this time the matter of the integrated housing policy and go back to that. So, those are the alternatives and I am just wondering if on this point of order, which is what it is, what the wishes of the House might be.  
Hon. Peter Ernerk.

HON. PETER ERNERK: Mr. Speaker, I think we could do two things this afternoon. We could get into Education. However, this would only take a lot of time, the rest of the afternoon, in terms of general discussion on it this afternoon. We could continue with it Monday, but Hon. Arnold McCallum will not be back by Monday, so the latest we could start discussing the Education Ordinance would be Tuesday afternoon. So I would recommend that matters arising out of the visit of the Legislative Assembly to the state of Alaska be discussed, if that meets with the approval of the Assembly.

MR. SPEAKER: That certainly is the next item on the orders of the day. Agreed?

---Agreed

This House will resolve into committee of the whole for discussion of matters arising out of the visit of the Legislative Assembly to the state of Alaska. Mr. Stewart, do you want to take the chair or do you want Mr. Fraser to do it?

MR. STEWART: Mr. Speaker, I would like a break if possible.

MR. SPEAKER: I thought you might. Mr. Fraser, would you be prepared to take the chair on that item? We will resolve into committee of the whole with Mr. Fraser in the chair.

---Legislative Assembly resolved into Committee of the Whole for consideration of Matters Arising Out of the Visit of the Legislative Assembly to the State of Alaska, with Mr. Fraser in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER MATTERS ARISING OUT OF THE VISIT OF THE LEGISLATIVE ASSEMBLY TO THE STATE OF ALASKA.

THE CHAIRMAN (Mr. Fraser): Dealing with the matters arising out of the visit of the Legislative Assembly to the state of Alaska, any general comments?  
Hon. David Searle.

HON. DAVID SEARLE: Mr. Chairman, I think that some of the Members on the tour may have taken some notes. I know I did. I think Deputy Commissioner Parker may have as well. In any case, they have been reproduced and could possibly be circulated, the notes from the Alaska tour. I may say, Mr. Chairman, that these notes were made initially by me for my own personal use. The spelling is not necessarily what it might be. They are only here for the purpose of maybe

refreshing some of the Members' memories. I did not intend for them to be exhaustive. I am simply making them available for Members for their use or whatever use they may make of them. I think you should bear in mind, Mr. Chairman, that I did not initially make them necessarily to reflect what everybody might have got out of the meeting. That is solely the emphasis that I personally got out of it.

THE CHAIRMAN (Mr. Fraser): Thank you, Hon. David Searle. Any comments on the Alaskan tour? Hon. Dave Nickerson.

#### Settlement Of Alaskan Land Claims

HON. DAVE NICKERSON: Seeing, Mr. Chairman, that everybody else is reluctant to start this off, probably because they did not know they would have to deal with it this afternoon, I would like to say a few words first of all on what I considered to be one of the most interesting aspects of what is happening in Alaska at the present time. In fact it is two things but in my mind they very much seem to go together. First of all is the settlement of the native land claims and concurrent with that a major undertaking by way of the trans-Alaska oil pipeline. Although we were told by many of the native groups with whom we visited that in retrospect they might have been able to get a little bit better deal on land claims and some of the legislation, for instance, affecting land claims was not quite as well drafted as it might have been and it has resulted in some problems occurring, on the whole they are very satisfied with what they got which was in effect both land and money.

I guess classical economists will tell you there are three basic resources, land, labour and capital. Before the labour was available people were available for work. Very often they did not have too much to do, but now the native groups in Alaska have the three basic requirements for economic development. As I said before both land, labour and capital. I think that is important. Some of the land claim settlements in Canada we have heard people saying that they are not really interested in having money. If no money is given, then you are short one of the three basic resources which you need for economic betterment.

Also at the time these settlements occurred in Alaska, because of the high level of economic activity generated by the construction of the pipeline, it enabled the native groups to use the resources which they had been given. Were this not the case, they might not have been able to do anything with the money which they had received and they would not have been able to get into businesses such as banking, such as the hotel business, various pipeline service industries. They would not have been able to do that, so in my mind one of the most important aspects of the settlement there is that it was concurrent with a major economic activity. I would hope that something very similar could happen in the Mackenzie Valley. I do not think land claims in themselves would alleviate many of the problems we have. Similarly, I think it could very well happen that a pipeline for instance could be built and many of the northern people would not particularly benefit from it but if the two go together, then I am sure that we will meet with the same successes they have had in Alaska.

THE CHAIRMAN (Mr. Fraser): Thank you. Hon. David Searle.

### A Pipeline Can Be Built Safely

HON. DAVID SEARLE: Mr. Chairman, I think I would like to follow along on what Hon. Dave Nickerson said and just touch on some of the points that I think should be highlighted. There is no doubt that the trip to Alaska in my opinion was most beneficial, not just because it showed me personally that a pipeline can be built safely from an environmental point of view, that I think I knew beforehand. I think that is important to say. We went and we saw it, we saw it on the ground and it is not an environmental disaster. In my view animals can walk under it, hop over it in certain places. Even in the oil field itself we observed caribou running around the various well heads and in and around the pipeline. On reflection, of course, it was probably the safest place they could be because there is no way the oil and gas companies would permit anyone shooting around their gas lines and their oil lines. They were grazing in and out and around there normally.

The important aspect, however, of that development is that prior to the pipeline being built and we have to appreciate we are talking about an oil line that runs from Prudhoe Bay south to Valdez. I think the figure was some 800 miles. Prior to that the question of native land claims was outstanding. By that I mean it had not been settled. In talking to the people who are involved there in the settlement of those claims there were several important things that occurred which caused their settlement. The first was the emergence of a number of very committed young native leaders who one day -- I believe it was called the Tanana, whatever it was, the chiefs' conference, where they decided they would donate as much time as had to be donated to the settlement of these claims, even if it meant many years of their lives. They were from all regions of Alaska, they got together and they formed the necessary organizations. They dedicated themselves for the next five or six years to the achieving of that goal. They had meetings amongst themselves that went on endlessly but the one thing they resolved to do was not to emerge from a meeting ever divided and they would meet and meet and meet until they finally reached agreement. The first and most important thing as it was related to me was the emergence of a number of dedicated native leaders well in advance of the pipeline construction.

### Reasonable Negotiations

The second thing that happened that brought it together, was when the negotiations got to a point where they were reasonable enough, requests were reasonable enough to obtain the support of the state legislature, this apparently was the second milestone. When the state legislature, in which many of these young native leaders sat, got behind the land claims proposal and supported it, then the third element came into play which was the tremendous lobbying which they had been doing concurrently with all of this in Washington and with the White House there and congress. Now, the timing was very critical and once they got state support and then the support of the White House and congress, the land claim thing came together in the form of legislation and was passed.

Of importance of course to note is that where Alaska differs from our territory is that there was a state in existence, Alaska, at this time. In other words Alaska was not a territory. So, these are some of the things as I see it that were important in order that the development might take place. The native people, and there is no doubt in my mind, are playing a very significant part in that development, and speaking with the Alyeska pipeline people they employed many persons, many of the natives. The native organizations because of the sums of money they received in the settlement of their land claims were able to form companies, and one regional group had a list of companies, hotel companies in one of the small settlements, they had a catering company that fed 1600 men per day, an oil field services company, a security systems company, an environmental systems company, a limousine tour chartering service. Another one had a construction company and had just completed or was building the airport, what do you call it, the tower, building a tower. As I recall, that was at Fairbanks. At Anchorage they had purchased the control of a bank and the big hotel there, not the Captain Cook hotel but the one that was owned by, goodness me, anyway, not the Nickel hotel, the other one.

Security Services

MR. LYALL: Mr. Chairman, could you elaborate on that security system they have because I will not be doing any talking and I would just like you to explain how they bid against and got the job on the Alyeska pipeline?

HON. DAVID SEARLE: Just reading from their brochure here they provided security services at the 15 camps and pump stations north of the Yukon River. It was a 100 man operation and they provided security services at the Anchorage International airport. In all of these things, as Mr. Lyall just indicated, they had to bid for their work, competitively, just like anyone else did and that is how they got their jobs. I think it is important to know that the settlement over there took several forms: Firstly, a large sum of money; secondly, a percentage of royalties; and thirdly, areas of land, so many townships in each region which they could pick, and a lot of their money they spent in a very, very careful geological and geophysical examination of the whole region, by the most competent people in the field to determine what areas showed good mineral possibilities.

Then, when it came to picking their townships the choices that they exercised were in those areas of good mineral possibility, as well as of course in and around their settlements, in and around their good hunting, fishing and trapping areas. In and around the transportation ways, for instance, they would pick along the major streams and arteries that anyone would have to use to get to a good area.

I recall asking the question, well, there is still a lot of land left over that is still state land or federal land where others could come in and drill wells and find mines on, how do you control that? The answer was if you look at the townships we have chosen you will see that you virtually can not get to any of the other areas without passing through or over the townships which we have chosen, nor could you do it because of the land we have chosen along the streams and rivers, nor could you resupply any of those areas without using the townships that we have picked in and around our settlements in which the airports, the stores and the wholesalers and all of that ...

THE CHAIRMAN (Mr. Fraser): I would like to get consent from the other Members for you to carry on. Your ten minutes are up and so if I could get consent from the other Members. Is it agreed?

---Agreed

Continue.

In Control Of Development

HON. DAVID SEARLE: I will not be much longer. So, the point they made to me, or the point I got was that no matter what is done in their region you have to first go to them and make some kind of a deal for access, for manpower and for services. There was little doubt left in my mind that not only did the regional organizations end up owning their own land in fee simple but virtually in a position of control by the economic power they had and the political power they had at the local and at the state level. They were virtually in control of whatever development might go on in their region, even if it was not on their land.

They had to decide that the one thing they would do was to live within the constitutional structure of the state and the nation. They made that basic decision and, it seems to me that that had to be one of the reasons why they ultimately got the support of the state. Had they wanted a native state, the sort of concept that the Dene Declaration envisages, surely it would not have got the support of the state and they might not have therefore got the settlement because the support of the state legislature, as you will recall in the beginning was the second milestone to a successful land claims settlement. If I could say so, Mr. Chairman, I will conclude my remarks by saying that I came away on that

aspect of it, the land claims settlement aspect, with the wish that the organizations here in Canada involved in putting together proposals, with the wish that they would hire as consultants not the white southerners which they seem to hire but rather, it seems to me they would be well advised to hire the native, a team of native people from Alaska who had just been through it, who would probably do a better job the second time around and who, with the benefit of whose experience they could probably come to a good settlement here in our territory.

#### Look To The Expertise Of The Alaskans

Strangely enough, in approaching them as to whether they had ever been approached they indicated no, not as consultants although there had been some fairly informal communication back and forth. I guess my message would be to suggest that the native organizations in this territory look to the natives of Alaska, not necessarily to come out with the same result because I think our people have already declared themselves against that particular result, but at least to use the expertise that they have there, having gone through this whole process to achieve, even a better result. That is all I have to say at the moment, Mr. Chairman.

THE CHAIRMAN (Mr. Fraser): Thank you, Hon. David Searle. Mr. Stewart.

MR. STEWART: Mr. Chairman, not to appear that on our trip we did not see some things or learn of some things that all was not honey and cream, but they were good lessons, and by these lessons I think we could protect ourselves in the case of a pipeline. Now, one of these of course was the disruption felt by municipalities with large populations moving in, particularly I think of Fairbanks, probably that was as badly hit as any. Their advice to us of course is that it is absolutely essential to get extraordinary funding and to be at least two years in advance of any pipeline construction. I too would add to this, especially because of the comparatively small towns in the territories as compared to say Fairbanks and Anchorage, that probably we would need adequate protection by way of some kind of a permit system so we would not be flooded immediately.

It is an interesting thing too, and my colleagues may correct me if my percentages are wrong, but these businesses owned by the native people, it was interesting to note that I believe there was a spread of 63 per cent employment of others up as high as 87 per cent of others, which were employed by the native corporations. So, relatively speaking, and within their own corporations they hired, at worst, if you wish to use the term "worst" only 11 per cent of their own people and at best only employed about 37 per cent. So, a lot of people I have talked to assumed that these organizations would be totally native and all the employees but that is not so, the positions and jobs being done were predominantly being done by white people.

#### A Choice Of Routes

There was certainly no indication that the pipeline has caused any major environmental problem, and I think probably the great pressures that are now being exerted by the state of Alaska, by the native organizations for the construction of the gas pipeline, they are great competitors of the Mackenzie pipeline. It is interesting to note, as a choice of course the people of Alaska, including their native groups, take a very strong position that that line should be an Alaskan line. However, if the Alaska line is not to be then the second choice is the Alcan route, and actually their third choice is the Mackenzie Valley, but by the third choice there is no choice for them, there is no doubt that they will be very adamant and be putting up all the roadblocks they possibly can.

I think that one of the things that impressed me when we got off the beaten track and into the smaller areas was that actually, for most places of a comparable size in the Northwest Territories I would think that our schools are better in the territories, the buildings, the supplies in the building, the housing generally speaking was better, we have better generally speaking facilities in the Northwest Territories than they have in Alaska. I was quite surprised because I did not really expect it. This is my opinion on just looking around. So in one way I think that we have got to express the feeling that the policies to date of the territorial government in building up our Canadian North in such a short period of 12 years and seeing that which has been done in Alaska over 150 years possibly, we have come an awful long way in a short time.

THE CHAIRMAN (Mr. Fraser): Thank you.

MR. STEWART: I think it is probably just a little different slant from the viewpoint expressed previously.

THE CHAIRMAN (Mr. Fraser): I notice the hour is 4:00 o'clock p.m. Shall we break for coffee and continue this later?

---Agreed

---SHORT RECESS



THE CHAIRMAN (Mr. Fraser): The Chair recognizes a quorum and calls this committee back to order. Any further comments on the matters arising out of the visit of the Legislative Assembly to the state of Alaska? Hon. Peter Ernerk.

HON. PETER ERNERK: You like to put me on the spot, Mr. Chairman. Thank you. I really do not know where to start but I suppose one of the things I could never forget was the time we got to Prudhoe Bay and went into a hotel, went into the bedrooms and the place was so stinky. What do you call those fire alarm systems?

HON. ARNOLD McCALLUM: Smoke detectors.

Keeping Up With The Times

HON. PETER ERNERK: As a result of so many sewage problems in the hotel rooms, they were activated. I thought that was pretty funny. Anyway, one of the things I found most interesting, speaking for myself, was the people up in Kotzebue, as stated by the Honourable Speaker, they looked after various programs in terms of security systems and so forth. I suppose what I am trying to get at is one of the questions that came up from some of the Members here was the question which was asked of one of the board members, something to the effect "Why do mostly the native people who live in and around Kotzebue, in that region, why are they not continuing on with the kind of life they followed for a number of years, for thousands of years?" And the man who was responsible for I believe health programs stated to the members of our party that they were not ready to keep their people behind the times. They were to belong to the present system and they had to join the present system, join the rest of the 20th century society.

I suppose this is the kind of thing that I personally have been looking at. If the native people here in the small communities are to keep up with the times or developments, whether they be education or proposed pipeline development, they, in order to have a say and in order to participate, in order to have some input into this, they must also be prepared to take on the kind of responsibility that the people in places like Kotzebue are seeking. That is all I have to say for now, Mr. Chairman, and I will pass the mike over to the other Members.

THE CHAIRMAN (Mr. Fraser): Thank you, Hon. Peter Ernerk. Hon. Arnold McCallum.

Working Together

HON. ARNOLD McCALLUM: Mr. Chairman, obviously some of the things that I would comment on have been commented upon by previous speakers but I would like to add a few comments of my own and speak of some of the impressions that I had during the visit and upon our return. One of the things that impressed me from the beginning from speaking with the Doyon Company in Fairbanks was the fact that they, the people involved with that group considered themselves to be Americans and not of a real diverse number of people. They pushed for what they called their native independence to a degree, self-determination, but nevertheless they all considered themselves to be Americans and that they would work and operate within state and federal guidelines or ground rules and, of course, were very great proponents of the free enterprise system.

Hon. David Searle rather spoke of the way in which the young men and women of various Indian and Eskimo dialects came together with the understanding that they must work together if they were to accomplish anything. He spoke as to how they were able to do this and to shut themselves behind a door and work out their differences and try to push forward. I was impressed as well with the attitude that in all areas these people took toward the realistic settlement of the land claims. As mentioned by previous speakers, they indeed may now feel that they were shortchanged and that they could have pursued more political autonomy but nevertheless they realized as a group and on behalf of all the people involved that they must take a realistic attitude toward the settlement of their land claims.

In the area of the delivery of people programs they as well realized that in order to maintain the funding that the BIA was making available in the past in order to have that continue, they had to be able to take over and continue to provide the services not only as in the case of Kotzebue, not only to the Alaskan native peoples but to all peoples within the municipalities.

#### Strides In Education

In Kotzebue I was not very much impressed in terms of the so-called strides in education within that school. Mr. Stewart has briefly mentioned what he believes to be a relationship or a comparison of the educational facilities in comparable towns or villages in the Northwest Territories and the town of Kotzebue which roughly I think was about 2500 to 3000 people. In that particular school they had just begun to include cultural inclusion within their curriculum. They have local educational authorities. There are no separate school systems, but at that time the principal had indicated to us they had hopes of hiring one full time cultural inclusion teacher for this coming school year. I think that there are certain difficulties inherent in this set-up of their corporations in the fact that these corporations are not making money. They are employing a lot of people, but they are not making money. They are not in the black and there is a certain deadline as to when the shares in these corporations maybe sold.

I think it was in 1990 as I recall. I think that there may be certain difficulties once that date has arrived as to the disposition of some of the shares. Nevertheless, Mr. Chairman, I believe I came back with the impression that they were not looking for separatism, to set up a particular area of their own. They wanted to make sure and to ensure in the future that not only the young, but those people who did not want to get involved with corporations and companies that were set up, that they could pursue the way of life that was traditional to them.

I was impressed with the realistic attitude that the groups took to the settlements. I was impressed with the calibre of the individuals who are involved not only in executive positions within the corporations but also in the actual delivery of what I term the people programs in their government.

Finally, Mr. Chairman, I was impressed with the realization on the part of the native peoples of Alaska that they worked within the boundaries of the American form of government. I think, Mr. Chairman, to add anything further to that would be preaching to the converted. I think we all came back with the same kind of impressions and I do not have anything further to add to that.

THE CHAIRMAN (Mr. Fraser): Thank you, Hon. Arnold McCallum. Anyone else on the Alaska tour? Hon. Dave Nickerson.

#### On Being Part Of The System

HON. DAVE NICKERSON: This is my second go around, Mr. Chairman, but seeing there is no one else who wants to speak at the present time, I will proceed. Although the land claims settlement which involves setting up these regional corporations on the whole would appear to be good, there is to my way of thinking a couple of defects with them. The first defect is that people who do not want to be a part of the system, people who would prefer to act individually somehow get lost. Everything seems to be concentrated within the regional corporations and, of course, if you are involved with these and want to be involved with them, everything is fine and good, but if you are an independent soul who wants to go your own way, then you are to a certain extent restricted. Just to take an example, anybody in the Northwest Territories can go prospecting, buy a five dollar licence and they stake their claim, anybody can do that.

That right has been reserved for the regional corporations in Alaska, the regional corporation usually enters some kind of agreement with a major corporation because they are the only people with the financial and technical resources to do it, to develop the mineral potential or oil and gas potential of that land. The individual, whether or not he is a member of that regional corporation, whether or not he is a native person, can not go out on his own and stake a claim. So, this is one of the faults I find with it in that the individual to a certain extent becomes subservient to the regional group.

#### The Native Establishment Is Being Established

Something else that appears to be developing is that a native establishment is being established, that is the people who have, as Hon. David Searle so rightly said, devoted ten years of their lives to negotiating the settlement, these people, or quite a few of them, are now the members of the board of directors of the local corporation or the regional corporation. They are people with a lot of experience now and generally they are doing a very good job of running these things. But younger guys are coming up, and they are becoming in a way perhaps quite jealous of seeing these people sitting on the boards of directors and drawing down hefty salaries. So, there is something of a resentment which is natural in any case, it happens everywhere, and this is growing up, and I do not really know if this could be avoided or not. However, somehow the younger generation is coming up and maybe some of the older people who are not really sophisticated enough to take part in what is going on might have been left out. That, Mr. Chairman, would conclude the points I would like to make in respect of the land claims and the position of the native peoples.

I have a number of comments on what the pipeline has brought about, other than in conjunction with native land claims. I think that the boom and then consequently bust will not happen in Alaska. There has been a boom, undoubtedly and just from walking around the streets of Anchorage or Fairbanks you can see that the effects of this boom, although they have been fairly large are probably not as great as some people would have us believe. In fact, prices in the stores are not appreciably higher than Yellowknife. I would say on average they are probably very much the same.

However, what appears to be happening after the end of construction of the pipeline is that the general level of economic activity is levelling off, there has not been a real serious decline. There are a lot of other things going on at the same time, a lot of construction, new buildings going up, road construction, there will be the development of oil fields, additional exploration both for minerals and oil and gas, and so it appears that a plateau has been reached. Were this to take place in the Mackenzie Valley I think we could expect very much the same. Once a pipeline was completed there would not be an immediate bust, we would see a levelling off with a lot of activity in construction of various kinds, in additional exploration, the development drilling of oil fields, gathering the construction and this sort of thing. So I am not personally scared of a complete bust after one of these things has taken place.

#### One Authority

When we talked to the people from the Alyeska Pipeline Company, the people who had built the pipeline, they said to us that one of the best things we could do, were a pipeline to be constructed down the Mackenzie, would be to have one authority, one Mackenzie pipeline authority with which the construction company could deal. A lot of bad things have happened in Alaska because of the duplicity of various regulatory agencies and we could probably learn from their experience, they say, in having one governmental body to deal with the pipeline

constructors. The major decisions that might affect several branches of government, one could for instance affect the environment and public health at the same time, these could be resolved fairly easily if one body handled the whole works for the period of construction. So, that was their advice to us on that particular subject.

My final observation, Mr. Chairman, is with respect to unions in Alaska. We were told on numerous occasions that the unions had gained too much power, that the relative power between the unions and other bodies such as the state legislature were in a state of imbalance. I do not quite know how this came about but it would appear that in the Northwest Territories, were a pipeline to be constructed, we would have to take certain measures to see that this type of thing did not happen here. Some of the things the unions get up to there, apart from being, or apart from having a disproportionate political say in everything that goes on in Alaska, is that although the general record is said to be fairly good, when it comes to hiring practices they can tend to be restrictive and thwart what the state wants in respect to the hiring of local people. We all heard about the FBI, which our chairman elaborated on at one time or another, and this is something we have to be very careful of in the Northwest Territories, are we to be faced with the same problem.

THE CHAIRMAN (Mr. Fraser): Thank you, Hon. Dave Nickerson. Mr. Stewart, did you wish to speak again on the tour?

MR. STEWART: I move we recognize the clock.

THE CHAIRMAN (Mr. Fraser): Is there anyone else on the Alaska tour? Mr. Butters.

MR. BUTTERS: Mr. Chairman, I did not accompany Members on that particular tour, I covered it four months previously and could I just speak on my experience?

THE CHAIRMAN (Mr. Fraser): Yes, continue.

### No Preplanning In Alaska

MR. BUTTERS: I travelled with the regional planning group out of the Delta which included representatives from hamlets and settlements, the communities and also ex officio Assembly Members and a member from COPE as well went if I remember. We travelled the line two days at Barrow, two days at Fairbanks, two days at Anchorage and another two at Valdez. The thing that impressed me was that there had been no preplanning done in Alaska. They had had no Berger-type inquiry, in fact they were amazed at what was being done in Canada, that such an inquiry was going on and they kind of envied Canadians for doing this kind of preparatory work. The only thing they had had was a group of churches which had got together and held some public forums and discussions and seminars and that was the sole amount of public debate that preceded the line.

However, I particularly looked for horror stories. I wanted to find or check up on some of the horror stories I had heard. One I had heard on the Fifth Estate was about Fairbanks, how the police had been taken away from the community and as a result it was a lawless town and terrible. So, I made sure that I went around and saw the captain of police and I was amazed because Members will recognize that the Fairbanks force serves a community of 35,000 people, the core of the city and the surrounding environs. That the police establishment maintained 16 policemen to police that total town. They did not police in teams, they policed individually. So, the story that was communicated on the Fifth Estate to my investigation was incorrect. I checked into the welfare aspects and found that the people in Social Development had anticipated that there would be a great number of family problems and they had increased their establishment for social workers but they did not require them. The case load was not as high as they had anticipated, and in fact there was some criticism because the social welfare people had maintained staff on their payroll. Once they had them they did not want to let them go and were maintaining people on their payroll without real grounds to do so.

### The Influx Of People

I went out to the mission, the Fairbanks rescue mission in the southern part of Fairbanks and I found very, very few problems. The one big problem that kept getting repeated all the time was not the money, not the prices because as Hon. Dave Nickerson said the foodstuffs in the stores is comparable to Yellowknife, even the rentals were favourably comparable to what we are paying in Inuvik. However, what they had no control over was the unanticipated, the influx of speculators looking for jobs. They would drive up the Alaska highway and get dumped off at Fairbanks and that was the one major problem that I think the jurisdiction of Alaska had to face because people came in on wheels. That was the biggest problem faced by the police at Fairbanks, governing the increased traffic on their streets.

I found no one who was against the line, native organizations, native leaders, they all wanted the gas line to go through Alaska too, understandably, but I found some people a little bit sorry that the old Alaska they had known was no more, that the cabin in the bush had ceased to be the reality of Alaska and the new Alaska was booming, productive and forward looking. However, I found nobody who would go back. I checked the environmental concerns, and there was one scare story that was broadcast very early in the construction of the line of an environmentalist who had been fired because he supposedly leaked or allegedly leaked a document to the press. I spoke with that man and checked out that story and he was one of the first environmentalists hired to police the line and his complaints had arisen concerning construction of the construction camps. So, at that time naturally there would be effluent pouring into the rivers because they had not yet constructed the permanent camps and controlled that type of pollution. When I was there there was monitoring of all the streams to ensure that fish population at all times got the correct amount of oxygen from the air, thus ensuring that the wildlife, both on the land and under the water were protected.

#### A Problem Of The Future

With regard to the native organizations, I, as Hon. Dave Nickerson did, found what would appear to be a problem of Alaska in the future. I think this year will be the first time in which the board of directors do not have to turn back a revenue return or a payment to members of the various corporations. I think if they want, since there is no requirement on them starting in 1977 to pay back any money at all, and they can reinvest it all in the corporation. So, I think we may see a situation where some corporations will be paying so much and some corporations will be paying a good deal less. I was also concerned to see the argument developing between what you might -- between the regional corporations and the village corporations. Simply stated the regional corporations control the money and the village corporations had to come hat in hand to get approval for any expenditures which they wanted to carry out.

Another thing that bothered me too was the money hunters, the white money hunters who had joined the native organizations and many from what I could see are unscrupulous and amoral and many of them were just in it for as much as they could take out. I think I mentioned once before that a young lawyer had said that he had spent the early part of his life taking money away from the government to give to the native organizations and he spent the rest of his life taking money away from the native organizations. So there are going to be lots of difficulties I think in the field of the land claims settlements over the next 20 years.

#### A Positive Attitude

As far as attitudes, the Americans were optimistic. "It is a good day today and a better one tomorrow and we will overcome and meet any problems that we face with confidence and overcome those problems." I think we in Canada could learn from the Americans and adopt even to a small degree the positive attitude which is found throughout their territory by everyone there in residence. Thank you.

THE CHAIRMAN (Mr. Fraser): Thank you, Mr. Butters. Does anyone else wish to speak on the Alaska tour? If no one else wishes to speak, I wish at this time to report progress. Agreed?

---Agreed

MR. SPEAKER: Mr. Fraser.

#### Report of the Committee of the Whole of Matters Arising Out of the Visit of the Legislative Assembly to the State of Alaska

MR. FRASER: Mr. Speaker, I would like at this time to report that the committee has completed the matters arising out of the visit of the Legislative Assembly to the state of Alaska.

MR. SPEAKER: Thank you, Mr. Fraser. Hon. Arnold McCallum.

HON. ARNOLD McCALLUM: I wonder if I may have unanimous consent to return to agenda Item 3, oral questions?

MR. SPEAKER: Agreed?

---Agreed

Reply To Question On Marital Status Of People In Teacher Education Program

HON. ARNOLD McCALLUM: Mr. Speaker, in the discussion in committee of the whole on the Department of Personnel, Mr. Lyall asked a question on the marital status of the participants in the teacher education program. As of today there are four married students in the program, that is, four married couples. Two of these married couples have one child each. The other two married students have no children. There are five single parents in the program. One parent has three children, two parents have two children each and two of them have one child each so there is a total of 11 children with their parents involved in the teacher education program.

MR. SPEAKER: Hon. Peter Ernerk.

HON. PETER ERNERK: Mr. Speaker, I wonder if I could have unanimous consent of the Legislature to return to Item 6, notices of motions?

---Agreed

MR. SPEAKER: Proceed, Hon. Peter Ernerk.

REVERT TO ITEM NO. 6: NOTICES OF MOTIONS

HON. PETER ERNERK: Mr. Speaker, before giving notice I wish to advise the House that the administration has decided to withdraw Bill 8-61, the Workers' Compensation Ordinance, because as a result of meetings of the standing committee on legislation, meetings with representatives of industry and because of flaws in editing by the administration it is necessary to rewrite that legislation.

Notice Of Motion To Introduce Bill 11-61, Workers' Compensation Ordinance, For First Reading

Now, therefore, Mr. Speaker, I give notice that on February 7th, 1977, I shall move that Bill 11-61, An Ordinance Respecting Compensation to be Paid as a Result of Injuries or Death Caused to Workers in the Course of Their Employment be read for the first time.

MR. SPEAKER: Thank you, Hon. Peter Ernerk. Are there any announcements? The hour being 5:30 o'clock p.m., Mr. Clerk, orders of the day.

ITEM NO. 11: ORDERS OF THE DAY

CLERK OF THE HOUSE: Orders of the day, February 7, 1977, 9:00 o'clock a.m., at the Explorer Hotel.

1. Prayer
2. Questions and Returns
3. Oral Questions
4. Petitions
5. Reports of Standing and Special Committees
6. Notices of Motions for First Reading of Bill 9-61, Bill 10-61
7. Motions for the Production of Papers
8. Motions
9. Tabling of Documents

10. First Reading of Bills: Bill 11-61
11. Second Reading of Bills: Bill 11-61
12. Consideration in Committee of the Whole of Bills and Other Matters:  
Bill 3-61, Information Items 1-60, 8-60, 15-60, 16-60, 1-61,  
Motion 24-60, Recommendation to the Legislature 2-61, Territorial  
Government Policy as to Pricing Liquor, An Integrated Housing Policy  
for the Northwest Territories
13. Orders of the Day

MR. BUTTERS: Mr. Speaker, just on a point of order on the order paper Motion 24-60 in the second line, the third word "after" should be scratched and "before" substituted.

MR. SPEAKER: How would it then read?

MR. BUTTERS: "Formation of a special committee for the development of territorial legislation before the construction of the Mackenzie Valley pipeline." Thank you, sir.

MR. SPEAKER: It would indeed seem to make more sense. This House stands adjourned until 9:00 o'clock a.m., February 7, 1977, at the Explorer Hotel.

---ADJOURNMENT



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