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DEBATES

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Official Report



THURSDAY, MAY 12, 1977

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

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YELLOWKNIFE, NORTHWEST TERRITORIES

THURSDAY, MAY 12, 1977

MEMBERS PRESENT

Mr. Steen, Mr. Lafferty, Mr. Lyall, Mr. Butters, Mr. Whitford, Hon. Arnold McCallum, Mr. Evaluarjuk, Hon. Peter Ernerk, Mr. Pearson, Mr. Kilabuk, Hon. David Searle, Hon. Dave Nickerson.

ITEM NO. 1: PRAYER

---Prayer

Recognition Of Yukon Visitors

SPEAKER (Hon. David Searle): Gentlemen, before we begin the business of the House this afternoon, I would like to take this opportunity to recognize publicly three distinguished visitors who are in the gallery, who travelled here after having been on a Commonwealth Association tour, three gentlemen who have travelled here from the Yukon. There are three of them so would you please hold your applause until I have gone through the three. The Hon. Don Lang, Minister of Education representing the constituency of Whitehorse Porter Creek; the Hon. Ken McKinnon, Minister of Local Government, representing the constituency of Whitehorse North Centre and Mr. Lengerke representing the constituency of Whitehorse Riverdale. Mr. Lengerke is chairman of the Yukon constitutional committee. Welcome gentlemen.

---Applause

Turning to the orders of the day, Item 2, replies to the Commissioner's Address. Hon. Peter Ernerk.

ITEM NO. 2: REPLIES TO COMMISSIONERS'S ADDRESS

HON. PETER ERNERK: Mr. Speaker, before I get down to the main theme of my speech, I would like to ask if the Honourable Member from Inuvik is going to make his reply to the Commissioner's Opening Address, as I believe the mover is a motion of appreciation to the Commissioner's Opening Address.

MR. SPEAKER: Mr. Butters.

MR. BUTTERS: I defer to my esteemed colleague who I am sure has more interesting things to say.

MR. SPEAKER: You can not be in a better position than that, Hon. Peter Ernerk.

HON. PETER ERNERK: I take it then Mr. Speaker, that the Honourable Member will take the opportunity later on to officially move a motion of appreciation. May I go ahead, Mr. Speaker?

MR. SPEAKER: You certainly may, Hon. Peter Ernerk.

Hon. Peter Ernerk's Reply

HON. PETER ERNERK: Mr. Speaker, ladies and gentlemen, and my honourable colleagues. Today as I reply to the Commissioner's Opening Address I feel somewhat confused, mainly because of the major events that have taken place within the past few months in the Northwest Territories. When I took over the newly created portfolio in December, 1976, I came here to promote my department's objective, and that was to develop a healthy and expanding economic base in the Northwest Territories, compatible with northern lifestyle and to ensure maximum benefits for territorial residents or entrepreneurial opportunities.

In certain cases, Mr. Speaker, this objective does not seem to meet the needs of territorial residents. The first example is the Department of Economic Development and Tourism, which recently assisted in the development of the Baker Lake hotel, both financially and through advice to the local residents. It was hoped that they could look to an optimistic future, not only for themselves but for their children as well. I was utterly amazed, and somewhat appalled at a recent decision to freeze 30,000 square miles of land in the Baker Lake area.

MR. BUTTERS: Shame!

HON. PETER ERNERK: It is a real concern to me that the community might once again be at an economic standstill for heaven only knows how long, which means that with the land freeze there is every likelihood that the new hotel will go bankrupt, and who will be blamed for this?

MR. BUTTERS: Hon. Warren Allmand.

HON. PETER ERNERK: If my forecast is correct and the hotel runs short of money, what am I, as Minister of Economic Development to say to the shareholders of Iglu Ltd.? Am I to say sorry? If such land freeze decisions are part of the Minister of Indian Affairs and Northern Development's policy for the Northwest Territories, I hope that he will ensure that there is a closer liaison and discussion with my department before any further decisions, or decision is made.

MR. BUTTERS: Hear, hear!

Progress Towards Responsible Government

HON. PETER ERNERK: Mr. Speaker, I would now like to move on to the second point in my reply and talk about our progress towards responsible government which I might say has been and can be an impressive one on our part. Former ministers including Hon. Jean Chrétien and Hon. Judd Buchanan supported the gradual assumption of increased power by the territorial government since the Carrothers Commission report was presented to the federal cabinet in 1966. Since then, we saw in May of 1975 the establishment of two elected Members from this Legislature, selected to serve on the Executive Committee of the Government of the Northwest Territories. This particular move on the part of the federal government left me, and other territorial residents, feeling enthusiastic and optimistic at this visible step towards responsible government. This move was fully supported by the Department of Indian Affairs' current Minister when he made available a third Executive position to serve on the Northwest Territories administration during the 60th session of this Legislature at Rankin Inlet.

This was very encouraging to me, and of course, to the other people who live in the Northwest Territories to see that the Government of the Northwest Territories is moving towards responsible government. However, at this time in the history of the Northwest Territories, I find it somewhat difficult to understand some of the events which have occurred. I believe the time is now fast approaching when the native people and northerners will come together in some form of federation to present a common and united approach to our development.

MR. BUTTERS: Hear, hear!

HON. PETER ERNERK: I appeal to all native organizations in the Northwest Territories to consider such a proposal, and to use this Legislature as a vehicle for achieving their desired and our desired goals. In order to set up a better and improved working relationship with the various native organizations I would like to state this Legislative Assembly's desire to get closer with these organizations and repeat the motion that was made during the 60th session in Rankin Inlet in October.

Repeat Of Motion Made During 60th Session

This motion was made by the Honourable Member from South Baffin, Mr. Pearson, and it reads: "Whereas a greater gap is widening between this Legislative Assembly as the rightfully elected representatives of the Northwest Territories, and the federally funded native organizations; and whereas I believe it is essential that an understanding between all the representative groups be protected; now therefore, I move that a summit meeting be held during the sitting of the next session in Yellowknife of all the groups involved. This will include the Committee for Original Peoples Entitlement, the Indian Brotherhood of the Northwest Territories, the Inuit Tapirisat of Canada, the Metis Association, this Legislative Assembly, the Commissioner of the Northwest Territories, the Minister of Indian and Northern Affairs and the Prime Minister." This motion was seconded by myself. To conclude, Mr. Speaker, I would like to state once again that we in our Legislature are trying our very best to keep our territorial residents united and co-operative and having said that, may I again stress our Legislature's position, that we support the settlement of native land claims so that the people of the Northwest Territories can look towards development of responsible government in the Northwest Territories. Along with the various native organizations, and with us, we can work and reach that destination. Thank you very much, Mr. Speaker.

---Applause

MR. SPEAKER: Gentlemen, are there further replies at this time? In that there would not appear to be any further replies I would remind Members that unless the Rule is suspended in that regard by a motion made to that effect, they would normally conclude in accordance with the Rules tomorrow. So, for those of you who intend to reply next week I would just remind you that an appropriate motion will have to be put forward.

Item 3, questions and returns.

ITEM NO. 3: QUESTIONS AND RETURNS

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

Question W8-62: Fishing Problems In Snowdrift

MR. WHITFORD: Mr. Speaker, I received this letter from Snowdrift only yesterday in the mail and it is in regard to the fishing problems that they are having in Snowdrift dealing with the Government of the Northwest Territories:

"For the past eight months, with the support of the settlement band council many members of the community of Snowdrift have voiced concern and interest in establishing an ongoing economic base for the community. These interests and concerns have manifested themselves in establishing a viable commercial fishing industry for Snowdrift residents. In the course of resourcing potential and viability, the settlement band council have been in touch with numerous departments of the territorial and federal government."

I am wondering, Mr. Speaker, if the administration is aware of this problem along with some of the requests that they have asked for and which they "require that administrative area six be opened to Snowdrift residents only for the purpose of commercial fishing and that (b) as the nearest receiving station for the Freshwater Marketing Board is at Simpson Island, we require a small packing boat as well as an ice making plant at Snowdrift. This would be less expensive and more suited to our need than construction of a full packing plant. We require assistance in establishing a fishing co-operative to enhance the economic viability of this proposal." I am wondering if the administration has now started to do something about this? This thing has been dragging for over six months.

MR. SPEAKER: Deputy Commissioner Parker.

Return To Question W8-62: Fishing Problems In Snowdrift

DEPUTY COMMISSIONER PARKER: Mr. Speaker, I am well aware of the problem that exists with regard to a commercial fishery. A number of the directors and Executive Members of the territorial government met with the people of Snowdrift at the end of September last year in Snowdrift and at that time the request for a commercial quota in the area of the east arm of Great Slave Lake close to Snowdrift was laid before us. We promised at that time to be of whatever assistance we could to the people. The areas in which we could help were in negotiations with the federal Department of Fisheries and Environment and in the possible funding of a portion of their request. I can not at this time give a full report, but I will have a report ready and a proper answer for the Member's question as quickly as I can.

I would just like to add, Mr. Speaker, that the matter of fisheries quotas and licensing of commercial fisheries remains a federal matter and I know that we have been discussing this matter very seriously with the federal people, but I can not today give the final answer, but I will give an answer as quickly as possible.

MR. SPEAKER: Hon. Dave Nickerson, is this in further response?

HON. DAVE NICKERSON: Yes, Mr. Speaker. It so happens that I was speaking to the federal fisheries officer.

MR. SPEAKER: Hon. Dave Nickerson, would you proceed?

HON. DAVE NICKERSON: Although I can not give you a full reply yet there are one or two points I would like to add. Is my microphone not on yet?

MR. SPEAKER: It seems we have one or two choices, gentlemen. Either Hon. Dave Nickerson should use one of the mikes that is working or we should recess for five minutes and repair the problem. Who has a mike that is working, apart from this one?

HON. PETER ERNERK: I do.

MR. SPEAKER: Hon. Dave Nickerson, are you all right now?

Further Reply To Question W8-62: Fishing Problems In Snowdrift

HON. DAVE NICKERSON: Yes, Mr. Speaker. Mr. Speaker, if I had known it was going to be this much trouble I would not have bothered to try to reply at all.

I was saying that just a matter of a few days ago I was discussing this very matter with a senior federal fisheries officer in Yellowknife and although I would not purport to give you the full answer which we obviously will have to wait for I can maybe add one or two things. Apparently the rules and regulations about commercial fishing in the east arm of Great Slave Lake come straight from Winnipeg and are therefore sacrosanct. People in Yellowknife have very little authority to change it.

Secondly, I think the federal fisheries people are of the opinion that a commercial fishery in Snowdrift would be uneconomic. You will notice in that request that they required substantial investments to be made such as a packer to Simpson Island and all these types of things and in the opinion of the federal Department of Fisheries the catch the people could make there would not justify this expenditure. The real reason why

I wanted to get up and add something to this was that I wanted to take another crack at the federal Department of Fisheries. Time after time after time we have moved motions in this House and requested of them that the responsibility for inland fisheries be transferred to the Government of the Northwest Territories. It would seem to me that that is the only logical thing they can do and I am afraid that the people of Snowdrift and other people who go out throughout the Great Slave region who are dependent on the fishery for their livelihood are just not likely to get very far at all while that matter remains a federal responsibility.

SOME HON. MEMBERS: Hear, hear!

MR. SPEAKER: Further written questions? Mr. Pearson.

MR. PEARSON: Yes.

MR. SPEAKER: Excuse me, Mr. Whitford, do you have something following up on that?

MR. WHITFORD: Mr. Speaker, all I wanted to do was ask that this document be tabled in the House.

MR. SPEAKER: That is Item 10, Mr. Whitford and we will come to that. Mr. Pearson.

Question W9-62: Outpost Camp Policy

MR. PEARSON: Mr. Speaker, I have a question of the administration regarding the outpost camp policy as it relates to the outpost that was established at the end of Frobisher Bay last year, namely Allen Island. The group of people who moved there have now run out of money completely and are in Frobisher looking for more funds so that they can continue the operation of their community which now houses some 70 souls.

Does the administration have a policy? Will it be possible for them to table it here in the House so that some assistance hopefully can be provided for those people lest they have to abandon the plans and move back to the community from this very worth while endeavour and it supports a very large number of people. I think the problem is partly due to the fact that they have received no management assistance whatsoever for their funds from the government.

MR. SPEAKER: Mr. Pearson, under this item you are permitted to ask the question and not to state the subject. Is there a response from the Executive?

Return To Question W9-62: Outpost Camp Policy

DEPUTY COMMISSIONER PARKER: Mr. Speaker, the administration does have an outpost camp policy. The policy can be tabled in this House and we will examine the situation that has been described to us and advise in a written answer what action can be taken.

MR. SPEAKER: Further written questions? Mr. Whitford.

Question W10-62: Fort Resolution Sawmill

MR. WHITFORD: Mr. Speaker, I want to ask the Minister responsible for Economic Development what plans or measures have been taken to deter the problem that they are having in Fort Resolution with the sawmill. Being in contact with these people now for the last few days, they still have not received any proper information in regard to what is going to happen to the future of the sawmill or what rules are going to be implemented.

MR. SPEAKER: Hon. Peter Ernerk.

Return To Question W10-62: Fort Resolution Sawmill

HON. PETER ERNERK: Mr. Speaker, I indicated last week the people of Fort Resolution would be back at work this week. They were already back to work on Monday morning, and there were some very, or some great difficulties with regard to the financing of the sawmill itself, and I can not quote any figures at the moment, but we are not talking about five or ten dollars, but a large amount of money we are talking about. When we said that the men would be back to work what we agreed to at that time was that we would cut and sell available logs that are at the sawmill at the moment which would probably keep the people busy from now until I believe it is the end of August or something like that. In the meantime, what we have done is to hire forestry consultants who will study this situation, do some research on it, and the study will tell us exactly where the sawmill might want to go in the future, and the study itself should be completed by the end of June.

Return To Question W11-62: Possibility Of A Visit To Fort Resolution Sawmill

With regard to your second question, I understand that my officials will be going over sometime this week, and providing the session is over by Monday or Tuesday, I am prepared to go along myself and there is no reason why the Honourable Member from Rae should not be invited, he is welcome to come along.

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

Question W12-62: Customers Of Sawmill, Fort Resolution

MR. LYALL: Mr. Speaker, just a supplementary question. May I ask the Honourable Minister if he could tell us who is funding the program, the sawmill in Resolution, and who is buying those logs, or who is buying the lumber?

MR. SPEAKER: Hon. Peter Ernerk.

HON. PETER ERNERK: I would like to take that question as notice and provide a reply later.

MR. SPEAKER: Mr. Lafferty.

Question W13-62: Figures On Sawmill, Fort Resolution

MR. LAFFERTY: Mr. Speaker, just a supplementary question to the previous question asked by Mr. Lyall. I would like the Minister to make available to this House, if he would, the figures that would have some bearing on this House, the government expenditures in the Northwest Territories, respecting the territorial economic contribution. I wonder if the Minister could in the near future make these figures known to the House?

MR. SPEAKER: Hon. Peter Ernerk.

HON. PETER ERNERK: I do not particularly see any reason why we should not. It will however take a little time to get the figures together.

MR. SPEAKER: Are there any further questions? Item 4, oral questions. Mr. Butters.

Question W11-62: Possibility Of A Visit To Fort Resolution Sawmill

At the same time I would like to know if the Minister and his responsible people in the very near future will be able to go along with myself to visit the people in Resolution and have a look at that sawmill.

ITEM NO. 4: ORAL QUESTIONS.

Question 014-62: Attendance Of Wally Firth At Session

MR. BUTTERS: Mr. Speaker, a double-barreled question. Has the invitation gone out to our man in Ottawa, Mr. Wally Firth to join us in a debate on the Mackenzie Valley pipeline and has he accepted?

MR. SPEAKER: Deputy Commissioner Parker.

Return To Question 014-62: Attendance Of Wally Firth At Session

DEPUTY COMMISSIONER PARKER: Mr. Speaker, no, the invitation has not gone forward yet. I wish to get together with the Commissioner and have an opportunity to discuss this with Members. It seems to me, if I remember correctly, the request was made as part of a question and I would submit to you, whether or not you would like to as a caucus or as a House make a more formal request than through the manner of a question. I do not have in mind debating how it should be done but I do think we need a little guidance.

MR. SPEAKER: Mr. Butters, do you not think that your request for Mr. Firth to come here on the invitation of this House would not be better made by motion so that we have the feelings of the other Members on the matter?

MR. BUTTERS: Mr. Speaker, I think that is an excellent suggestion but I can not understand why the Deputy Commissioner could not have made it in replies.

MR. SPEAKER: I think he has just done that. Anything further, Mr. Butters?

Question 015-62: Evidence Presented To Berger

MR. BUTTERS: Yes, sir, a second question, also a rather urgent question. Has the administration examined the work entailed with regard to cataloguing the witnesses who gave evidence in the Mackenzie Valley Pipeline Inquiry on the north slope and when might I expect at least some information in keeping with that request?

MR. SPEAKER: Deputy Commissioner Parker.

Return To Question 015-62: Evidence Presented To Berger

DEPUTY COMMISSIONER PARKER: Mr. Speaker, the question was asked yesterday morning. We immediately put people to work on it, and the question was quite broad, it was not restricted, as we took it, the question was not restricted to the people who had made representation, but to the value of their representation and the direction of it. I think that this would take three or four days. I can not predict, but I can say that the work is under way and we will have at least preliminary information available I would hope early next week.

MR. SPEAKER: Are there any further oral questions?

Item 5, petitions.

Item 6, reports of standing and special committees.

Item 7, notices of motion. Hon. Dave Nickerson.

ITEM NO. 7: NOTICES OF MOTION

HON. DAVE NICKERSON: I wish to make two notices of motion. Mr. Speaker, on Friday ...

SOME HON. MEMBERS: We can not hear you.

MR. PEARSON: Come down here, it is friendlier.

---Laughter

Notice Of Motion 3-62: Northern Representation, Petro Canada Board

HON. DAVE NICKERSON: On Friday the 13th of May, 1977, I intend to move a motion dealing with northern representation on the Petro Canada board. The motion reads as follows:

WHEREAS many of the principal operations of Petro Canada are conducted within the Northwest Territories;

AND WHEREAS at present there is no northerner on the board of Petro Canada;

NOW THEREFORE, I move that it be a recommendation of this House that at least one resident of the Northwest Territories be appointed to the board of directors of Petro Canada.

Notice Of Motion 4-62: Panarctic Northern Directors

Secondly, on the same date, Mr. Speaker, I wish to move a motion dealing with the Panarctic northern directors and the motion reads as follows:

WHEREAS it has been suggested by the northern directors of Panarctic Oil Ltd. that they would appreciate the opportunity of appearing before this House;

NOW THEREFORE, I move that an invitation be extended to the two northern directors of Panarctic Oil Ltd. to appear before a committee of the whole of this House at a suitable time to be set by the Speaker.

MR. SPEAKER: I notice that the sound technician is here, I am told he requires five to ten minutes to correct the system so this House will therefore recess for ten minutes.

---SHORT RECESS

MR. SPEAKER: Gentlemen, this House will come to order there being a quorum. Item 7, notices of motion. Are there any further notices of motion? Mr. Butters.

Notice Of Motion 5-62: More Time For Replies To Commissioner's Opening Address

MR. BUTTERS: Mr. Speaker, I wish to give notice that on Friday, May 13, I will put the following two motions:

WHEREAS the usual Rule applying to the agenda item, replies to Commissioner's Address was relaxed owing to the publication of the Report of the Mackenzie Valley Pipeline Inquiry on May 9;

NOW THEREFORE, I move that the Rule regarding replies to Commissioner's Address be overlooked for this time only and Members be permitted to make their replies until the end of next week, specifically Friday, May 20.

Notice Of Motion 6-62: Attendance Of Carl Nickle To Session

And the second motion would be:

WHEREAS the recommendations of the Mackenzie Valley Pipeline Inquiry, if accepted and implemented by the Government of Canada will have serious, long-standing and possibly irreversible effects on the economic development of the Northwest Territories;

NOW THEREFORE, I move that Mr. Carl Nickle of Calgary, a foremost authority on Canadian petroleum and pipeline matters, be invited to appear before this House in committee of the whole on a day certain next week to discuss the implications of the recommendations contained in the Berger report.

MR. SPEAKER: Are there any further notices of motion? Mr. Whitford.

Notice Of Motion 7-62: Discussion Of Tabled Document 7-62 In Committee Of The Whole

MR. WHITFORD: Mr. Speaker, I give notice that on Friday, May 13, I would like to make a motion in regard to the environmental conditions and the proposed development of Rae-Edzo, Tabled Document 7-62:

WHEREAS a recently released report of the Department of National Health and Welfare reveals unacceptable sanitation and health conditions in the settlement of Rae-Edzo;

AND WHEREAS the conditions described in the report are found in many Northwest Territories communities and affect the daily lives of many northern residents;

NOW THEREFORE, I move that Tabled Document 7-62, Environmental Conditions And The Proposed Development Of Rae-Edzo, Northwest Territories be moved into committee of the whole for discussion during the 62nd session with its author, Jack Grainge, if available, in attendance as an expert witness.

MR. SPEAKER: Are there any further notices of motion?

Item 8, motions for the production of papers.

Item 9, motions. Hon. Arnold McCallum, your Motion 2-62.

ITEM NO. 9: MOTIONS.

Motion 2-62: Alteration Of Sitting Hours

HON. ARNOLD McCALLUM: Mr. Speaker, I would like to move the following motion:

WHEREAS Members of this House have previously considered the desirability of eliminating morning sessions without reducing the total number of sitting hours in a week;

AND WHEREAS Members of this House have found it increasingly more difficult to prepare for the increased amount of sessional work;

AND WHEREAS Members have voiced a desire to use the morning hours in preparing for sessions;

AND WHEREAS other Legislative Assemblies use afternoon and evening hours as their hours of sitting;

AND WHEREAS a trial arrangement before making any permanent changes in sitting hours would be advisable;

Now therefore, I move that beginning... I would like to make one change, Mr. Speaker...

NOW THEREFORE, I move that beginning Friday, May 13, and continuing for the duration of the 62nd session the following sitting hours apply:

Monday	2:00 to 5:30 p.m.; 7:30 to 9:30 p.m.
Tuesday	2:00 to 5:30 p.m.; 7:30 to 9:30 p.m.
Wednesday	2:00 to 5:30 p.m.; 7:30 to 9:30 p.m.
Thursday	2:00 to 5:30 p.m.; 7:30 to 9:30 p.m.
Friday	2:00 to 6:00 p.m.

Perhaps, Mr. Speaker, I should ask whether I would have to amend that resolved clause, or can I simply point out...

MR. SPEAKER: Gentlemen, Hon. Arnold McCallum gave notice of a motion which said that the hours would begin Monday, May 16 and he wishes to have that read Friday, May 13. Strictly speaking it is a different motion. However, unless there was some objection I would ask that you permit him by way of unanimous consent to read the motion as Friday, May 13. Is there any objection?

MR. PEARSON: Nay.

MR. SPEAKER: Do you object?

MR. PEARSON: No, I do not object.

MR. SPEAKER: In that case the motion will read: "Now therefore, I move that beginning Friday, May 13 ..." Is there a seconder? Mr. Butters. Any discussion? Hon. Arnold McCallum.

HON. ARNOLD McCALLUM: I have a great fear of starting anything on Friday the 13th, but regardless I think that this is an arrangement that will allow Members to do the kinds of things that they have been called upon to do in committee meetings and, whereas there are only two mornings available for this, it would better suit the purposes of this House and the work involved if we were to make this trial run, as it were, in altering the sitting hours.

I think it is something that has been discussed at caucus in the past. I think it is something that the majority of Members would favour. There is an ever increasing workload and for those Members of this House who have responsibility within some parts of the administration it would allow them to at least keep in touch with the various departments.

MR. SPEAKER: Is there any further discussion? There being no further discussion are you ready for the question?

SOME HON. MEMBERS: The question.

Motion 2-62, Carried

MR. SPEAKER: The question being called. All in favour? Contrary? Two. The motion is carried.

---Carried

Therefore, beginning tomorrow, Friday the 13th this House will commence its sittings at 2:00 o'clock p.m. instead of at 9:30 o'clock a.m. which is what it would have otherwise done. Mr. Clerk, will you make the necessary amendment on the orders of the day for tomorrow? Are there further motions?

Item 10, tabling of documents, Mr. Whitford.

ITEM NO. 10: TABLING OF DOCUMENTS.

MR. WHITFORD: Yes, Mr. Speaker. I would like to table this document or letter, Tabled Document 10-62, that I have received from the people of Snowdrift represented by their leader Mr. Tom Lockhart, the settlement band council and Chief Joe Lockhart as well as the chairman, Mr. George Marlowe.

MR. SPEAKER: Thank you. I will call for further documents to be tabled.

HON. DAVE NICKERSON: Mr. Speaker, I propose to table the further document, Tabled Document 11-62, Report on Health Conditions in the Northwest Territories, 1976, and this is published under the authority of the chief medical health officer of the Northwest Territories.

MR. SPEAKER: Are there further documents to be tabled?

Item 11, consideration in committee of the whole of bills, recommendations to the Legislature, information items and other matters.

ITEM NO. 11: CONSIDERATION IN COMMITTEE OF THE WHOLE OF BILLS, RECOMMENDATIONS TO THE LEGISLATURE, INFORMATION ITEMS AND OTHER MATTERS

Gentlemen, may I suggest for your consideration that we allow Mr. Steen the same opportunity that all other Members have been allowed, that is to make general remarks with respect to the Report of the Mackenzie Valley Pipeline Inquiry, the Berger report. Agreed?

---Agreed

In that case this House will resolve into committee of the whole for consideration of the Report of the Mackenzie Valley Pipeline Inquiry with comments from Mr. Steen and Hon. Dave Nickerson, would you take the chair? I am sorry, who is the deputy chairman now?

SOME HON. MEMBER: Mr. Fraser.

MR. SPEAKER: Mr. Fraser is ill. Hon. Dave Nickerson in the chair.

--- Legislative Assembly resolved into committee of the whole for consideration of Report of the Mackenzie Valley Pipeline Inquiry, with Hon. Dave Nickerson in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER REPORT OF THE MACKENZIE VALLEY PIPELINE INQUIRY

THE CHAIRMAN (Hon. Dave Nickerson): The committee will please come to order. We are now to continue discussion on the Report of the Mackenzie Valley Pipeline Inquiry, discussions of a general nature and do you wish to speak, Mr. Steen?

MR. STEEN: Mr. Chairman, I have not had that much time to read the documents in the Berger report, but I feel that the report is a report of people. I think it is a report of people who were told to get up and speak before the Berger Inquiry.

Before Mr. Berger went into each of the communities they had forerunners, socialist forerunners who went into the communities and told the people what they thought that the Berger Inquiry should hear. I say that because it happened in the community of Tuktoyaktuk for one. I say that because before Mr. Berger came into the community we had a number of people coming into the community and telling Mr. Berger or to tell Mr. Berger just exactly what they felt should be said and they also put words or things into your mind that they thought that Mr. Berger should hear. I think it happened in just about every community in the Northwest Territories, they had forerunners going into these communities. I do not know just exactly what is going on in this country. I think really that the Liberal government used Mr. Berger, who is an NDP, to express their feelings and it came out in the book.

The Liberals used the NDP, I do not know how you could say it, but to express their ideas and now what I am trying to say I guess is the Liberals say "We will take Judge Berger because he is an NDP and get him to conduct the inquiry and let him report and it is going to be a socialist idea." In the end they are not going to listen to us. They are going to say that this is the NDP and it is going to show that this thing does not work and therefore we are not going to listen to him. Our idea as Liberals is for economic development, or are we looking for what we might say is a capitalist government? Therefore, everyone who is an NDP or who is a socialist, their ideas are somewhat more to the communist government which is everyone, even the poor people, are the ones who are going to run their government and in the end the ones who have got to get up and go. They are going to win over them.

So, what I think the answer is there is a game being played between the Liberals and the NDP and Mr. Joe Clark is falling in the game. He is falling in there, he is saying "Okay, let us side in with the NDP people" as they are getting kind of jealous of the Liberals who are more openminded. Hon. Warren Allmand is falling in the game too. He is the one who is falling in with the NDP.

So, I guess what I am trying to say is there is a game being played and the NDP are the ones who conducted the survey and the Liberals are not going to listen to it in the end. That is it.

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

MR. BUTTERS: May I ask a question of Mr. Steen?

THE CHAIRMAN (Hon. Dave Nickerson): You may ask a question of the Chair.

MR. BUTTERS: To Mr. Steen through the Chair. Mr. Chairman, I recollect last night when I was discussing this matter with Mr. Steen, Mr. Steen indicated a sort of an invitation to Mr. Justice Berger and I think the invitation was, Mr. Justice Berger, eat your parka and I just wondered what is meant by this.

Protection For People Going Back On The Land

MR. STEEN: Mr. Chairman, it is true, you know Judge Berger expressed in his document here that there should be more emphasis put on the land, of people going back to the land and I can not see it. You know, already we have a number of people going back on the land and those people need protection and I have said that before. These people need protection and those kids who are coming out of school and if we put them on the land they will not make a living and I can remember away back when we had to live on the land and I came from the land. I lived on the land and I know very well what is there and what the consequences are, otherwise I would not be in the community now. If I thought that living on the land was a good thing I would not be in the community. I would be out on the land, but Mr. Berger, and anyone else who believes Mr. Georges Erasmus, if they feel that people should go back on the land they will go back and you have to work and there are times when you are on the land and there are times when you have to conform with the land. I mean there are good times and there are bad times and sometimes there is fur around and meat around and sometimes there is none and those times are what I am talking about now.

Mr. Tom Berger or Mr. Georges Erasmus, both of them can go back to the land and if they run short and have bad times, run short of fur or run short of meat they can start eating their parkas because that is all that is left. That is what we had to do when we lived on the land. If you did not do that, if there was nothing else, if there was nothing else to go to then you have got to eat your deerskin mukluks or your parka or whatever, whatever you are wearing before you eat your dogs. I know. When you eat your dogs you do not eat the saplings you eat the ones that are too weak to pull and it is pretty bland meat. So, you know, going back to the land there are some good times and we can put some kids in there to trap against the ones who are already trapping and what is he talking about?

You know, down south now you see the environmentalist people thinking about us thinking we are killing too many seals, save the oil and everything like that, but what about the trapping? Sometimes I see and not too far in the future, that these groups of people all across the world are going to start thinking the minute you put a fur parka on your back they are going to start saying "You are wearing us on your back" and what effect is it going to have on the trapper when the buyers of this fur are being attacked? Those people will feel guilty for buying the furs. These things never came out in the Berger Inquiry, you know. I think that it is a report that is not entirely true to the day.

I do not know where he got his idea of the whale sanctuary in Shallow Bay. Who gave him that idea? The people of Aklavik, they go there to hunt, and if you have a sanctuary, you can not hunt whales in it. His idea is to have this sanctuary there and who will pay for the extra gas or whatever, transportation costs to go to another area for the people of Aklavik?

Pipeline No Danger To Environment

I would also like to say something on the Yukon Territory between the Mackenzie Delta and northern Alaska. I can not understand what they mean by environmentally delicate, as it is no more delicate than any other area in Canada. The Arctic Gas proposal is to run a pipeline along that coastline and to come into the Mackenzie Delta. They propose to do it in the wintertime when there is very little environmental danger to the area. I think that they do not know what they are talking about. They really do not.

They have never lived there. They have not talked to people who have lived in that area. As far as I am concerned, there is no change as the DEWline was built in that area and there was no problem when they were building it and they built it in the summer and in the winter and there was no problem. Building a pipeline does not impose that much more environmental danger. So, you know, some of the recommendations I disagree with. Thank you.

THE CHAIRMAN (Hon. Dave Nickerson): Thank you, Mr. Steen. I presume now that no one wishes to continue on a discussion of the details of the report and everyone has now had an opportunity to comment on it in a general way. Is it your wish that I report progress?

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN (Hon. Dave Nickerson): Is it agreed?

---Agreed

MR. SPEAKER: The House will come to order. Hon. Dave Nickerson.

Report Of The Committee Of The Whole Of Report Of The Mackenzie Valley Pipeline Inquiry

HON. DAVE NICKERSON: Mr. Speaker, your committee has been studying the Report of the Mackenzie Valley Pipeline Inquiry and wishes to report progress.

MR. SPEAKER: Hon. Peter Ernerk, do you wish to continue with Bill 6-62 or some other bill?

HON. PETER ERNERK: Yes, Mr. Speaker.

MR. SPEAKER: Bill 6-62.

HON. PETER ERNERK: Bill 6-62.

---Laughter

MR. SPEAKER: Now, Mr. Stewart was in the chair on Bill 6-62 and I wonder Mr. Clerk if you have a record of how far we got on Bill 6-62.

CLERK OF THE HOUSE (Mr. Remnant): Clause 13, Mr. Speaker.

MR. SPEAKER: Does any Member wish to take the chair? Hon. Peter Ernerk? Mr. Lyall? Hon. Peter Ernerk, I will have Mr. Lyall take the chair. This House will resolve into committee of the whole for continued consideration of Bill 6-62, the Tribunal Procedures Ordinance, with Mr. Lyall in the chair.

HON. PETER ERNERK: Mr. Speaker.

MR. SPEAKER: Hon. Peter Ernerk.

HON. PETER ERNERK: I wonder if I could just ask the committee's consent now to go into another bill because as you know, what happened yesterday was that we spent practically all afternoon discussing Bill 6-62. I would request that we move into Bill 1-62 which is the Economic Development Agreements Ordinance as we have Mr. Al Stubbs from DREE, the Department of Regional Economic Expansion, in town and I understand he is planning to leave tomorrow. So, if that is all right with the committee, I would request that we move on to Bill 1-62 instead and continue the other bill later on.

MR. SPEAKER: Mr. Lyall, would you be prepared to take the chair on Bill 1-62?

MR. LYALL: Yes, Mr. Speaker.

MR. SPEAKER: This House will resolve into committee of the whole for consideration of Bill 1-62, Economic Development Agreements Ordinance, with Mr. Lyall in the chair.

---Legislative Assembly resolved into committee of the whole for consideration of Bill 1-62, Economic Development Agreements Ordinance, with Mr. Lyall in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 1-62, ECONOMIC DEVELOPMENT AGREEMENTS ORDINANCE

THE CHAIRMAN (Mr. Lyall): The committee will come to order to study Bill 1-62. The purpose of this bill is to enact legislation empowering the Commissioner to enter into agreements with the Government of Canada relating to economic expansion, employment opportunities and social improvements in the Northwest Territories.

Hon. Peter Ernerk, just one second, please. I would just like to make a comment that the standing committee on legislation met on this ordinance and agreed with most of what is in this. Now, what we are studying is a bill that has been redone. Hon. Peter Ernerk, do you have anything to say?

HON. PETER ERNERK: Thank you, Mr. Chairman. In view of the hour I have some lengthy introductions to make with regard to Bill 1-62 and I am wondering if it would be possible for you to have a 15 minute break for coffee or something.

THE CHAIRMAN (Mr. Lyall): In view of the hour I guess we should break for coffee. Agreed?

SOME HON. MEMBERS: Agreed.

---SHORT RECESS

THE CHAIRMAN (Mr. Lyall): The Chair recognizes a quorum and calls the committee back to order. Hon. Peter Ernerk, if you would like to speak to this?

HON. PETER ERNERK: Thank you, sir. Mr. Chairman, before I get into my general remarks, I would like to ask this committee, if you are agreeable, to have Mr. Al Stubbs from the Department of Regional Economic Expansion to appear as a witness as well as Mr. Doug Patriquin who is my department's chief of research and planning because they have been working very closely together and I would like to ask you, or to ask the committee's permission to have them appear as witnesses.

THE CHAIRMAN (Mr. Lyall): Is it agreed?

---Agreed

HON. PETER ERNERK: First of all, I would like to recognize the presence in the chamber of two representatives from the Canadian Council on Rural Development, Dr. Bill Jenkins and Dr. Harold Baker from the Canadian Council on Rural Development which is an advisory body to the Minister of Regional Economic Expansion and consists of representatives from business and academic circles. Dr. Jenkins and Dr. Baker are in the North briefly on their first visit to look at rural conditions here and I would like to welcome them to Yellowknife on behalf of this Legislature.

---Applause

THE CHAIRMAN (Mr. Lyall): How would you like to handle this, would you like to have the witness...

HON. PETER ERNERK: I will go ahead and make my general remarks before we ask any of our witnesses questions.

THE CHAIRMAN (Mr. Lyall): Go ahead.

Background Of DREE

HON. PETER ERNERK: I would like to begin by giving the background events leading up to the introduction of this particular ordinance. Across the country in the provinces DREE has been active through its programs in providing incentive grants to help businesses establish in rural and remote areas outside the large metropolitan centres such as Toronto and Vancouver. Since the territorial government was established in the North, it has been felt by the administration that DREE's programs should be available as well in the Northwest Territories. What more remote and rural areas in the country are there? How could we succeed in bringing forward economic development in the Northwest Territories if we did not have at least the same tools as the provinces have?

Almost four years ago the Legislative Assembly of the Northwest Territories passed a motion calling for the introduction of DREE programs in the North, and for the last two years discussions have gone on between the territorial government as well as senior federal civil servants in a number of departments to have DREE programs applied in the North.

Last year the federal cabinet agreed, and as you recall during the opening session of this Legislature in Rankin Inlet the Minister of Indian Affairs announced the federal government's intention to introduce DREE, calling for reaction from northerners. On his behalf, I have consulted various native organizations in the Northwest Territories, including as well the chamber of commerce, etc., and found out, or found a very positive response from them on the proposal itself.

The program as it is proposed for the territories is based on the principles of DREE, DREE's programs in the southern provinces but with some changes to adapt the programs to the special circumstances in the North. DREE's approach to promoting regional economic expansion is based on three principles: incentive grants to begin to expand commercial or manufacturing businesses; secondly, special business training, management assistance and infrastructure support especially to encourage native economic development; and thirdly, planning and co-ordination of federal and provincial economic development efforts and programs, especially to support large development projects.

Promoting Regional Economic Expansion

I am going to interrupt myself here for a moment as apparently we are having a problem with "DREE" in Inuktitut, let me try and translate that into Inuktitut. To continue, Mr. Chairman, this ordinance would enable the Commissioner of the Northwest Territories to sign two agreements with the federal government, one with the Minister of Indian and Northern Affairs and one with the Minister of Regional Economic Expansion. The first agreement referred to in this ordinance is the general development agreement, and an example of the general development agreement in the provinces I believe has been passed over to you earlier this afternoon. This agreement simply states that the federal and provincial governments will co-operate to plan and implement programs to promote regional economic expansion and outlines in very broad terms the general objectives of these joint efforts.

The agreement provides for co-ordination of programs of any and all federal departments that might be involved in special development projects in any area in the provinces. In the Northwest Territories, this co-ordination of federal departments is the responsibility of the Minister of Indian and Northern Affairs under the Northwest Territories Act. Thus, the general development agreements or over-all plan would be signed by the Commissioner for the Northwest Territories and by the Minister of Indian and Northern Affairs for the federal government, unlike the provinces in which the Minister of DREE signs for the federal government.

Provisions Of Agreement

This difference occurs in the territories simply because of the special position of the Department of Indian Affairs in federal activities in the North. The general development agreement remains a piece of paper stating broad objectives that are agreed to unless and until a specific development opportunity is agreed to between us. For example, if both the territorial and federal governments agreed to proceed with development of the Liard Valley, for example by building a highway, development of tourism, forestry, agriculture and mining, the two governments could draw up a specific plan for this development and obtain special funding for both territorial and federal programs to implement it under a subsidiary agreement. This is an example of the agreement referred to in subclause 2 of clause 2 of this particular bill or ordinance.

I should also state again that no money is involved in this agreement unless and until the special developments involving both federal and territorial programs are planned and agreed to, until that time the general development agreement remains simply the over-all strategy in the DREE approach in the North.

The Department of Regional Economic Expansion will act as advisers to us in the planning of any activities that may occur under the general development agreement, but in the North the senior federal department remains the Department of Indian and Northern Affairs. We will not become involved directly in the construction of roads and municipal services as they have in the provinces.

HON. DAVE NICKERSON: That is terrible! What is the whole point in bringing them here?

SOME HON. MEMBER: Agreed.

HON. PETER ERNERK: Mr. Chairman, if I may continue.

THE CHAIRMAN (Mr. Lyall): Hon. Peter Ernerk, the thing is your time limit has come. I think that if the special witnesses would like now to have further comments then I would ask them to do so and I would like to ask you to go as slow as possible so the interpreters do not get behind. Also I would like to express the fact that we are having trouble with the switchboard because of the fact that we are not getting the signals back over there and so you will have to be very patient with the switchboard also when it is your time to speak. Now, the special witnesses, if you would.

Agriculture And Rural Development Agreement

MR. PATRIQUIN: If I could continue for a few moments, Mr. Chairman. I would like to talk about the program that DREE itself will be involved in. Hon. Peter Ernerk has referred to the General Development Agreement or plan. DREE itself is planning to bring in its Special ARDA, Agriculture and Rural Development Agreement program. Special ARDA supplies grants to encourage native economic development. It can provide up to half the cost of starting a new business. It can finance training and management assistance. It can finance programs in hunting, fishing and trapping as well as in commercial activities, so it can support small businesses such as stores, warehouses, laundromats, tourist lodges and items of that sort. This is the second agreement of the two that the ordinance would enable the Commissioner to enter into.

The DREE department, therefore, would play a direct role to bring in the Special ARDA program and it is proposed that there will be a General Development Agreement which will provide the over-all strategy for the DREE approach in the North.

I have with me Mr. Al Stubbs who is from DREE in Saskatoon and we thought that he could be available to answer questions, particularly on what the program has done in the South and what it might do in the North.

THE CHAIRMAN (Mr. Lya11): Are there comments of a general nature?

HON. DAVE NICKERSON: Mr. Chairman, I was dumbfounded by the last part of the Hon. Peter Ernerk's speech. I remember just a few short months ago when the Hon. Warren Allmand, Minister supposedly of northern development, was appearing before this very House and he said that one of the main reasons why DREE would be coming up here would be so that they could provide assistance to municipalities. Now, if there are any organizations in these territories that require special financing it is the municipalities. I was over in Fort Simpson about a week ago and you are wading through mud up to your armpits and they can not get a nickel to fix the roads and now we are told today that DREE will have nothing to do with municipal agreements. In every other province they do. I have a whole bunch of books here on DREE agreements in Newfoundland and they got municipal assistance for St. John's and a municipal assistance program for a place called Gros Morne and they have all kinds of them and I wonder, Mr. Chairman, if we could be told why Hon. Warren Allmand tells us one thing and then a couple of months later the DREE officials apparently tell us something entirely and 100 per cent different?

THE CHAIRMAN (Mr. Lya11): Mr. Minister, would you like to comment on that last point?

HON. PETER ERNERK: Mr. Chairman, I would like to ask Mr. Stubbs to answer this question, but do not forget that the municipalities to a certain extent are the responsibility of the territorial government and Hon. Dave Nickerson should know that very well himself as being part of the Executive.

HON. DAVE NICKERSON: I would suggest, Mr. Chairman, that the Municipality of St. John's is a creature of the Government of Newfoundland also.

THE CHAIRMAN (Mr. Lya11): Mr. Butters, comments of a general nature?

MR. BUTTERS: Thank you, Mr. Chairman. I would like to answer the Honourable Minister's question. Hon. Warren Allmand tells everybody what they want to hear.

THE CHAIRMAN (Mr. Lya11): Comments of a general nature? Mr. Steen.

MR. STEEN: Mr. Chairman, I do not quite agree with Mr. Butters. I think he does not tell me what I want to hear and I will tell you that. I just want to say a little bit here to the two reporters sitting in the centre at the table, that when I say "baloney" I say "b-a-l-o-n-e-y" and not "b-o-l-o-g-n-a".

Money From DREE

Okay, I just want to ask the department here, in what way do they see DREE, getting money from DREE and getting it into the hands of the people on the street other than the trappers and businessmen?

THE CHAIRMAN (Mr. Lyall): Expert witnesses, would you like to answer that?

MR. PATRIQUIN: Money from DREE will basically get into the hands of people who have a new business development project and people who have economically viable hunting, fishing or trapping projects. The way that will occur is if someone has a project that he wants to put forward to build a new store for example. He will be able to apply to DREE for a grant assistance and to the loan funds for loan assistance.

Perhaps I could clarify the General Development Agreement. DREE itself is bringing in its small scale grants to businessmen, hunters and fishermen. There is already through the Department of Indian and Northern Affairs a highway program and that same department already funnels money from the federal treasury through the territorial government, to the territorial government municipal services programs.

The reason for not having DREE specifically build roads in the territories is that there is already a federal department that has the responsibility in that area and why duplicate it? Any of those large programs, whether they were funded under DREE or funded through the Department of Indian and Northern Affairs would ultimately have to be reviewed by the federal Treasury Board, so whether the submission is made by DREE or by the Department of Indian and Northern Affairs, it should not make a great deal of difference.

When the Minister spoke he was speaking of DREE and DREE-type programs because of the special relationship in the North between the territorial and federal governments. The DREE-type programs, the General Development Agreement and subsidiary agreements you referred to would go through the Northern Affairs Department rather than DREE.

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

MR. STEEN: Mr. Chairman, I do not think my question has been answered. I asked the question, how do they see money getting into the hands of ordinary people on the street other than trappers and business people?

Design Of The Program.

MR. STUBBS: If I might answer your question, the program is designed so that budding entrepreneurs, whether they are native or whether they will employ natives, can have access to capital to make jobs. By having jobs provided and by owning businesses I would think that the common people on the street would have access to economic aid that they did not have before.

THE CHAIRMAN (Mr. Lyall): Mr. Steen, does that answer your question?

MR. STEEN: It does not make me happy but I see someone else making a face across the chamber.

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

HON. DAVE NICKERSON: I am completely dissatisfied with the answers that have been given. I would have hoped that it would have been the gentleman from DREE who had been replying rather than one of the employees of the Government of the Northwest Territories.

Now, this idea that the responsibility for roads and sewers within a municipality, the financing for them has been provided by the Department of Indian Affairs and Northern Development, I guess indirectly that is true, but it is also true that moneys for the Small Business Loan Fund which we operate are provided through that particular department. There are also existing fishermen's loans that are either directly or indirectly funded through federal funds, the same as with trappers' assistance programs. We fund these but because we are not financially self-sufficient that money comes from the federal government too.

Not Much Improvement.

Now, if the previous answer is to be believed, Mr. Chairman, then we do not need this Special ARDA thing either. My assumption when the announcement was originally made by the Hon. Warren Allmand, was that this DREE system which he hoped to bring into effect here, would make money more readily or more easily available, particularly to municipalities, and the arguments just do not hold water, they do not make sense at all. To me this Special ARDA, as it has been described to date is not very much of an improvement on the type of things we have going already. It is very, very small scale, there will be presumably lending of moneys to allow people to buy a few traps and that kind of thing, and maybe lending someone money to buy a boat and we already have programs for people to buy boats, it just does not make sense at all, Mr. Chairman.

Now, if you read through the General Development Agreement, for instance, for Newfoundland -- that is one I have here -- one for Newfoundland and one for Alberta, you will see what they are trying to do there. Newfoundland as you know is one of the underdeveloped parts of Canada just as we are and there DREE is going into areas like this, into forestry, they are financing forestry projects which we desperately need in the Northwest Territories in areas such as the Liard Valley, they are financing fisheries and fisheries research on a much, much larger scale than presumably is envisaged under this Special ARDA where there would only be a few thousand dollars to an applicant. When they talk of fisheries in Newfoundland they are talking of economic proper fisheries. They are talking about agriculture and we desperately need agricultural policies in the Northwest Territories.

MR. PEARSON: Hear, hear!

Needs Of The Northwest Territories

HON. DAVE NICKERSON: Presumably under this Special ARDA there would be no special funds for that. They are talking about tourism, tourist development, and we have a great, great potential for tourist development here. I do not hear anything about tourism. They are talking about ocean science technology, they want to put money into offshore drilling, that type of thing in Newfoundland and we have all kinds of potential in the Beaufort Sea and surrounding areas for offshore drilling in the Northwest Territories but we do not hear anything about that. They are talking about construction and housing, and that is another thing we desperately need in the Northwest Territories, housing and I do not hear anything about money for housing. They are talking about putting money into mineral development, again, another thing in the Northwest Territories where we have great, great potential for, but there is nothing under this special arrangement for minerals programs.

THE CHAIRMAN (Mr. Lyall): Could you please slow down? The interpreters are having a difficult time in following.

HON. DAVE NICKERSON: Also in Newfoundland they are financing major, or have the guidelines here so that they can finance major manufacturing concerns. They can also finance things such as general plans, such as the plan that we have been attempting to put together for the Mackenzie Delta. DREE can provide money for that type of thing.

Now, with all due respect, it seems to me that the Northwest Territories are getting the short end of the stick. We have been promised this DREE by Hon. Warren Allmand and all the good things it can do for us, and what do we get really? In effect, we get an expanded Small Business Loan Fund and a little bit of fishermen's and trappers' assistance. Something seems amiss to me.

THE CHAIRMAN (Mr. Lyall): Deputy Commissioner Parker.

The Political Approach

DEPUTY COMMISSIONER PARKER: Mr. Chairman, perhaps you might permit me to say a few words on this subject because I have had the longest association of anyone in the territorial government in the matter of the early negotiations for DREE in the Northwest Territories. I think that perhaps the matter of the political approach that has been taken originally is something I should deal with and we should not really ask the officials to try and deal with that kind of broad policy.

Hon. Dave Nickerson has outlined a tremendous number of things that are being done, perhaps, or perhaps being thought of being done in Newfoundland, but that is a little different ball game than the one we are entering into here. The view that was taken by the federal government up until about two years ago was that the federal Department of Indian Affairs and Northern Development covered off in the North all of the things that certain other federal departments handled in the provinces.

One of these things that was considered to be covered off by the various programs of Indian Affairs was the programs offered by DREE. We have, as an administration, taken recommendations from this Assembly, made many years ago, that DREE money be available and that the DREE approach be available in the North. We have taken those requests and I personally mounted a campaign starting about four years ago, or maybe it was three and a half, and it lasted for the better part of two years before we could see any results.

I must say that I was gratified to be able to report to this Assembly, some time ago, that there was a likelihood that DREE would enter the Northwest Territories. I gave you this background to indicate that it was not an easily won thing. There were a lot of people who had to be convinced that the Department of Regional Economic Expansion should take any role in the North and I suppose I would not like to say that we should accept what we are getting, far from it, but I think that we have to say that we have won a limited amount of the DREE approach for the North. I would like, or would hope, that we could put those programs to work and expand on them.

DREE Position With Regard To Municipalities

There are certain areas in which, in our discussions, it was more or less concluded that DREE would not be active because the federal government was not prepared to make all of DREE's programs right across the board available in the North immediately. The discussions that were held always indicated that the programs could be brought in a step at a time. Now, you say "Well, why does not DREE take a major position with regard to the municipalities?"

You can not forget the fact that whether it is money from Indian Affairs, whether it is money from the Secretary of State, whether it is money from DREE, or whatever, it is all federal money. The federal government would be foolish to be funding things in every which direction. This Legislature in fact has criticized the federal government for some of its funding programs where it came in in one direction from the Secretary of State, another direction from Indian Affairs, a third direction from another federal department and they have criticized and said "How can anybody understand what the programs are if this scatter-gun approach is taken?"

Well, this is how it stands with regards to municipalities. The territorial government, as Hon. Peter Ernerk says, has the overriding responsibility for the funding of the municipalities in the North. Perhaps there is not enough money made available to municipalities through our Department of Local Government, but really the approach that has to be taken is that we should build that up, we should broaden those programs rather than come in with, as I call it, scatter-shot financing. Just because one municipality might make a proposal to DREE and be successful that means it is unfair because there is a slight reduction in the total amount of federal money that is going to be available. I think that this Legislature is in much better condition to make a judgment as to the distribution of money to municipalities to keep it fair and equitable. That is just one example.

Agricultural Development In The N.W.T.

Now, with regard to the funding of agriculture. Let us call a spade a spade. We can not have agricultural development in the Northwest Territories until there is some resolution of the matter of land claims. Whether we like it or not there is a great discussion and negotiation going on with regard to the ownership of land, and really we can not dedicate large, or even medium sized pieces of land to agriculture until that other argument is settled, and I think that has to be recognized.

With regard to housing, the federal government's agency for funding and reviewing housing on a federal basis is CMHC, Central Mortgage and Housing Corporation and that agency is providing an ever increasing amount of money for housing in the North. I do not think it would be sensible to ask DREE to jump in and on a spot basis fund additional housing unless it is done, of course, as assistance to a private company or assistance of a co-operative housing nature perhaps, but that field, with all due respect, is pretty well covered.

One of the problems that the Housing Corporation has is in not going too quickly with its programs and outstripping the resources of the communities. Time and again we discussed this problem of not letting the local people play the major role in house and other accommodation construction. We can not stand massive programs. I apologize, Mr. Chairman for covering perhaps a rather broad field but I think it must be borne in mind that the negotiations that have been carried on for DREE thus far have been to get DREE on the ground, to get the expertise of the department and to get going on some of its programs. Thank you.

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

MR. LAFFERTY: Thank you, Mr. Chairman. The Deputy Commissioner just answered some of the questions that were arising in my mind. Thank you.

THE CHAIRMAN (Mr. Lyall): Thank you, Mr. Lafferty. Are there any comments of a general nature? Mr. Pearson.

MR. PEARSON: Mr. Chairman, I would like to inquire as to what kind of funds DREE is talking about, what kind of money will be available. Loans to individuals obviously are going to be paid back and what would be the rate of interest and does it compete in any way with the Federal Business Development Bank?

Conditions Attached To Grants

MR. STUBBS: Mr. Chairman, if I may answer that question, we are not in the loan business under this program. These funds are grants and anyone who has started a business in the North I am sure recognizes that availability of capital is one of the great problems. These funds come from a grant that has conditions attached, that is, that you employ native people and that you live within a certain set of rules that will be developed between the territorial government and ourselves.

The agreement that we now have can provide money for forestry, it can provide money for tourism, it can provide grants that are not limited by anything other than the size per job of \$30,000. Now, if you are talking about budgets, we do not have a specific budget for the Northwest Territories, but if the people of the territories through the territorial government can come up with reasonable projects, we will have the money available.

THE CHAIRMAN (Mr. Lyall): Are there any comments of a general nature? Any more comments? Hon. Dave Nickerson.

HON. DAVE NICKERSON: Very briefly, Mr. Chairman, in looking through this agreement between Canada and Manitoba what it would appear to me to be doing is just duplicating what we have in the territories at the present time with the Indian Economic Development Fund and probably the Eskimo Loan Fund also. It appears that all we would be doing by setting up this general DREE agreement and Special ARDA agreement which is to be made thereunder would be to be using this, as it was called, scatter-gun approach to financing and it would appear to me that the logical and proper thing to do in this circumstance would be just to increase the amount of moneys available under the present Indian Economic Development Fund so we do not get into this scatter-gun approach.

THE CHAIRMAN (Mr. Lyall): Mr. Stubbs, would you like to comment?

Access To Capital For Metis

MR. STUBBS: If I could answer you, Hon. Dave Nickerson. The Metis people are not covered under either of the loan funds that you have mentioned and this gives them access to capital. Also we hope that rather than provide more scatter-gun financing we might be able to provide more co-ordinated financing as we do not intend to put a large field force in the Northwest Territories. We would be working with the territorial government with Hon. Peter Ernerk's department and the program will be delivered through that department.

THE CHAIRMAN (Mr. Lyall): Any more comments of a general nature? Mr. Butters.

MR. BUTTERS: Mr. Chairman, I wonder if Mr. Stubbs through you might answer some general questions. First, is the program that he is sponsoring on behalf of the federal government envisaged as a program to be implemented in an undeveloped area with very little economy at all? What I am saying is, is it an economy for an area that has no economy or does it complement an economy that is already in existence?

MR. STUBBS: Mr. Chairman, if I might answer that this way, it is both. We would hope that by providing grant financing to projects that would not make it without a grant in an area that has a good economic potential we would be able to help you people to provide jobs. In an area where there is very little economic hope this would also provide access, someone must feed or provide groceries, someone must have certain economic activities in order that the community exist. So we would hope that by providing grant funds that we could in fact move a few of these across the line into the economically possible frame.

MR. BUTTERS: Mr. Chairman, you are probably aware that this community might be described as one that very rapidly went from a community that had a great deal of economic potential to one that has almost zilch potential because of the recommendations of a recent commissioner's report, if they were implemented. Now, should an economic environment occur here which is very weak would your program work or would you not really be saddling a lot of struggling entrepreneurs with a load of debt too? Sure there is a grant dimension to your program but there is also an obligation to your program as I understand it because the guy has got to pay it back and if he is eating his parka, as my good friend there just pointed out, he is not going to pay you anything. So where do you come in here?

MR. STUBBS: You are right in calling me up on this point. There has to be economic hope. The project before we can get involved in it must be economic. I am very aware having just visited the community that you refer to of a situation and the Special ARDA program may apply in certain instances, but unless there is an economic future to the project we are not able to fund it.

MR. BUTTERS: Thank you, sir.

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

MR. PEARSON: I will pass for this time. Thank you.

THE CHAIRMAN (Mr. Lyall): Hon. Arnold McCallum.

Economic Opportunity For Native People

HON. ARNOLD McCALLUM: Mr. Chairman, I would just like to ask some general questions if I may. Is it correct, Mr. Stubbs, to say that DREE in the territories would be set up for native people outside of municipalities?

MR. STUBBS: Mr. Chairman, if I may answer that. No. That is the simple answer. It is set up to provide economic opportunity for native people.

HON. ARNOLD McCALLUM: Then I take it, Mr. Chairman, they could be within the municipality?

MR. STUBBS: Absolutely.

HON. ARNOLD McCALLUM: For example, the Hay River reserve?

MR. STUBBS: Yes.

HON. ARNOLD McCALLUM: Or Hay River?

MR. STUBBS: Yes.

HON. ARNOLD McCALLUM: But not infrastructures?

MR. STUBBS: The program is not set up to fund infrastructure unless it is related directly to a project and let me put this example forward. If there were someone who wished to proceed with a store in Hay River but the cost of servicing it or running sewer and water from the main lines was prohibitive so that the project just could not make money if they paid the whole cost of the services, then he could apply our program to providing the infrastructure for that store specifically.

HON. ARNOLD McCALLUM: Mr. Chairman, another question. Will the money be available to co-ops, to organizations such as that?

MR. STUBBS: DREE money is available to organizations that can provide viable projects no matter how they are chartered.

HON. ARNOLD McCALLUM: Mr. Chairman, I have some concern and I do not know how authentic the report I read in the Edmonton Journal of Wednesday was, which stated that the Department of Northern Affairs has just allocated \$15 million to the Indian co-op over the next five years in loans, grants, and bank loan guarantees, \$2.2 million would be for grants this year and six some million dollars in loans and bank loan guarantees. The article said that the North's largest employer of Indian people would be the co-ops and now they employ approximately 700 and the report went on to say, and it must obviously be a mistake, that the yearly salary was \$275 million. This government is involved in co-operative projects, the territorial government, and if more money is being put into it I would hope that there would be a great deal of judgment in terms of providing more funds in these kinds of ventures.

Relocation Of People, Funding

One final question if I may, Mr. Chairman. As in other agreements with other provinces, will the program in the Northwest Territories allow for the relocation of people from one area to another? For example, in Manitoba part of the agreement deals with providing funds for the relocation of people and for providing counselling, training services, etc., to people and does the program here envisage any of that?

MR. PATRIQUIN: Do you want some comment on the co-ops program?

HON. ARNOLD McCALLUM: The question I have is does the DREE program in the Northwest Territories visualize using a fund or using funds for the relocation of persons and counselling people?

MR. STUBBS: Yes, the program can be used for these purposes. We are operating in the Northwest Territories with the territorial government being the province as far as DREE is concerned. Because of the special relationship of the Northwest Territories government to the Department of Indian and Northern Affairs, we are even going farther than that and saying that the Special ARDA program becomes one tool in the economic development bag that we can add and it will be administered mainly through the territorial government.

THE CHAIRMAN (Mr. Lyall): Hon. Arnold McCallum, would you like to pursue that?

HON. ARNOLD McCALLUM: I just wanted an answer to it, but I have one final question. I think it was Mr. Patriquin who indicated that Mr. Stubbs would be able to tell us about DREE, the track record of DREE in other areas. How successful have the DREE programs, where you have this kind of knowledge, since you are in the West, how successful are the DREE programs, for example, in the Maritimes?

MR. STUBBS: Mr. Chairman, I might deal with the Special ARDA program rather than the DREE program as a whole and talk about the successes that we have had with the program in the West. Special ARDA is a program that is unique to the western provinces.

HON. ARNOLD McCALLUM: Could you explain what ARDA really is?

Explanation Of Special ARDA

MR. STUBBS: Special ARDA originated back in 1970 in the provinces of Manitoba, Saskatchewan, Alberta and British Columbia and it was in response to the native people asking DREE to provide the same type of financing to them that was available to the white businessman. The program was tacked on, the agreement was tacked on to another program we have in the South for agricultural rehabilitation called ARDA and the only significance ARDA has in the name is that it gave us a legislative base; in other words, it is a special agreement relating to the employment of native people.

Now, the track record. We have won some and we have lost some. If you are in the risk financing business which is what we are in, you are going to take risks that cause you to lose sometimes. Because the funds are grants that are provided from general revenues of the federal government, we are very careful to assess the risk and try and win as many as possible. The size of projects that we have been into has ranged from a few thousand dollars to several million dollars, and to September first of last year about 80 per cent of the projects that we had funded from day one until then were still in operation. So, that was our gauge of success. The majority of the successes we have had with this program have been in the medium, small to medium large category. The very small ones we found it difficult to capitalize them high enough so they could stay in business. The ones in the middle seemed to survive better than all of them, such as motels, feedlots, the provision of skidoos, traps, outpost camps for trappers, they seem to have been some of our better projects.

Now, if I could perhaps run this into one of Hon. Dave Nickerson's questions, we expect to become involved in sawmills and forestry in the Northwest Territories. We have in the provinces and expect to become involved in the territories.

THE CHAIRMAN (Mr. Lyall): Hon. Arnold McCallum, are you through?

HON. ARNOLD McCALLUM: Yes.

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

MR. WHITFORD: Mr. Chairman, some questions bother me and first of all, in the smaller communities such as Rae Lakes the administration, the territorial government does not at this time recognize that Rae Lakes is a settlement but rather just a camp. There are in the neighborhood of 170 people there. This community really does not have an economic base in terms of anything there that would be long-term, it is called short-term. This program I do not think the way you are talking would even apply in these communities, and am I correct?

Funding For Hunters And Trappers

MR. STUBBS: If it was to produce better income for your hunters and trappers through the provision of some facilities, for that it would apply. However, if absolutely nothing was economic then the program would not apply.

MR. WHITFORD: Thank you. Now, the other thing is that with this program, what is there available outside of hunting and fishing that would be available for a community that had something like 300 kids unemployed in it? I am now referring to Rae, people from the ages of 18 to 30 years old, and they are sitting back with no long-term anything. What does this program offer towards a solution?

MR. STUBBS: I am afraid I am not an expert on these types of settlements. I would hope that with the territorial government people we might be able to assist projects that could be developed. However, I am in no position to comment on the situation that you speak about, as much as I could be very sympathetic.

MR. WHITFORD: In simple words, what we are looking for is some kind of a solution to the problem. The other thing I would like to ask is in cases of sawmills, is there also room for private as well as co-operative type benefits here?

MR. STUBBS: Absolutely. The ownership is not really what we are concerned with, it can be a private entrepreneur, it could be a partnership, it could be a co-op, as long as it provides employment and a grant provided by ourselves would make the project at least reasonably viable.

THE CHAIRMAN (Mr. Lya11): Hon. Dave Nickerson.

HON. DAVE NICKERSON: I was just going to follow up on some of the remarks made by Mr. Butters. It is pretty evident that in the Northwest Territories small business, or viable small business generally exists to service large industry, which in the Northwest Territories, of course, is the petroleum or minerals business. There is practically no real manufacturing here, there can not be because of our remoteness from markets and sources of supply. So, it would appear to me, and this is not really a question addressed to the witnesses, it is just an observation, but it would appear to me to be somewhat of a waste of money financing business which could not get the money through the normal financial channels. That money would better be left with the taxpayers in another part of the country where they could set up viable businesses there. What it would appear to me is that somehow before we can really get into a program such as this we have to find a mechanism of increasing the amount of big business in the Northwest Territories and then the small businesses will follow more or less automatically, and maybe it should be left up to the government to provide the money on fairly easy terms that the small businessman could use, but I think the key is that we have to encourage larger developments and then the smaller ones will follow automatically.

Special ARDA And The Small Business Loan Fund

Perhaps another comment, and perhaps I have made this before, but from the description we have been given so far, everything that Special ARDA can do, it would appear that we already do it one way or another, the Small Business Loan Fund, native development programs, fisheries' loans, trappers' loans, all this type of thing and I am getting the impression more and more and more that if this program were to be set up, all it would be really doing would be to create a few more jobs for a few more civil servants. It would be just as easy for the Treasury Board to make available through our normal financial channels more money for our existing

programs. I am afraid that that is the impression I am getting at the present time.

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

MR. PEARSON: I have a couple of points. One of the things I do not like about this is clause 15 that no Member of the House of Commons or the Legislative Assembly can make a deal. I think that is discrimination.

---Laughter

Now, to continue on from the point Hon. Dave Nickerson made I think he said something like the possibility of developing large industries in the North. However, I disagree with him entirely. It was my view several years ago that when the government had an opportunity to give this place a real economic base they could have built the mint in the Northwest Territories but instead Mr. Richardson won out and they built it in Winnipeg but it would have been a tremendous boost to the economy of the Northwest Territories, if it has been built here, as we do have a railhead and can ship in raw materials and we can ship in and we do have the resources. So, I would just drive that home. The other thing is a figure that was brought by Hon. Arnold McCallum and I wonder, if I heard correctly, the total number of employees employed by the co-ops in the Northwest Territories, and would he like to give me the figure he mentioned for salaries per annum?

Employment And Salaries By Co-operatives.

HON. ARNOLD McCALLUM: Well, the information I read, and it was in a column dealing with Canadian business in the Wednesday edition of the Journal that said 700 people are employed and that the yearly salary being paid was \$275 million. I find that very difficult, as I said, to believe because that works out to just under \$40,000 per person.

MR. PEARSON: That is right.

HON. ARNOLD McCALLUM: There must have been some mistake.

MR. PEARSON: I would say there was some mistake and I wanted that clear on the record because if we were talking about \$4 million total salaries I think that would probably be around the correct figure, but \$275 million, I think is a bit misleading to the press and to anyone else who might be listening.

THE CHAIRMAN (Mr. Lyall): Hon. Peter Ernerk.

HON. PETER ERNERK: With respect to that statement made by the Hon. Arnold McCallum, none of the people in my department were aware of this and it is news to me. They are looking into it now and for the record and for the press and so on, we should be able to provide the proper figure sometime tomorrow.

THE CHAIRMAN (Mr. Lyall): Thank you, Hon. Peter Ernerk. Are there any more comments of a general nature? Deputy Commissioner Parker.

DEPUTY COMMISSIONER PARKER: Mr. Chairman, having spoken extensively on this and having tried to explain why DREE was initially being asked to come into certain areas, clearly the questions that followed were most appropriate particularly Hon. Dave Nickerson's when he said "Well, would it not be

just as easy to simply flush it out or add to existing territorial programs if indeed DREE is coming forward in a limited fashion?" Well, certainly that was the initial approach that was being taken and I suppose I would have to say, or I said some of the things perhaps, a bit tongue-in-cheek, but we have been patently unsuccessful in expanding or raising the levels of some of the programs that we have been talking about this afternoon, and so we clearly seized upon DREE as being one of the agencies that might well help us to increase the level of funding available in those programs and, at the same time, gain the value of their expertise.

Experienced People With DREE

They do have among their officers people who are thoroughly experienced in economic development, who have had a great deal of experience that we think we could build on. For that reason I hope that this House will see fit to support the DREE project and regard it as a source of additional funds badly needed even though it may not in the first instance provide broad new programs.

THE CHAIRMAN (Mr. Lyall): Members, the hour is just about 5:30 o'clock p.m., and do you wish that I report progress? Hon. Peter Ernerk.

HON. PETER ERNERK: Mr. Chairman, Mr. Stubbs as I understand it, is planning to leave tomorrow morning. I would hope that we finish this particular bill this afternoon and study it clause by clause because there are only two pages here.

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN (Mr. Lyall): Is it the committee's wish to go ahead clause by clause?

---Agreed

MR. WHITFORD: Mr. Chairman, the Commissioner, or I am sorry, the Deputy Commissioner, has just asked us to support this particular bill and yet the program for one of our settlements like I was referring to before, Rae Lakes, the Local Government division promised to go out to that community and visit it and see what could be done in trying to get something available for those people there and if the territorial government administration does not recognize that place to be a settlement, and the people when I was there just recently made it very clear that they wanted that to be a settlement, if they do not recognize this particular settlement, then this program here will not be able to fit into that community.

THE CHAIRMAN (Mr. Lyall): Do you wish to go clause by clause?

---Agreed

Clause 2, general development agreement. Is it agreed?

---Agreed

MR. WHITFORD: Mr. Chairman, I hope to get some response from the administration in regard to that particular question.

Situation At Rae Lakes

DEPUTY COMMISSIONER PARKER: Mr. Chairman, maybe I can help. That is a very difficult problem that we have with Rae Lakes and I think that I have asked the director of Local Government if he and I and the Member can get together and discuss that subject and visit Rae Lakes after the session is over so that we can talk to the people about the size of the community that they would like to see. It has reached more than 170 people now and I think we are very close to a decision that it has to be treated as a normal settlement and therefore if that decision is taken it will get the same kind of programs as all other settlements would receive.

THE CHAIRMAN (Mr. Lyall): Are you satisfied, Mr. Whitford? Clause 3, income and employment opportunities agreement. Agreed?

---Agreed

Short title. Agreed?

---Agreed

The bill as a whole? Agreed?

---Agreed

Shall I report the bill for third reading? Agreed?

---Agreed

HON. PETER ERNERK: Mr. Chairman, just before they leave may we thank Mr. Stubbs and Mr. Patriquin for providing the expertise this afternoon. Agreed?

---Agreed

THE CHAIRMAN (Mr. Lyall): Thank you very much Mr. Stubbs and Mr. Patriquin.

MR. SPEAKER: This House will come to order. Mr. Lyall.

Report Of The Committee Of The Whole Of Bill 1-62, Economic Development Agreements Ordinance

MR. LYALL: Mr. Speaker, your committee has been discussing Bill 1-62 and it is now ready for third reading.

MR. SPEAKER: Thank you. Are there any announcements, Hon. Arnold McCallum?

HON. ARNOLD McCALLUM: Mr. Speaker, I would remind Members of the caucus meeting tomorrow morning at 9:00 o'clock a.m., in the board room on the sixth floor.

MR. SPEAKER: The board room, sixth floor of the Laing building.

MR. BUTTERS: May I just clarify a point that we be here at 2:00 o'clock p.m., under the new Rules?

MR. SPEAKER: Yes, 2:00 o'clock p.m., tomorrow afternoon will be the reconvening of the House. Mr. Clerk, orders of the day.

ITEM NO. 12: ORDERS OF THE DAY

CLERK OF THE COUNCIL: Orders of the day, 2:00 o'clock p.m., May 13, 1977, at the Explorer Hotel.

1. Prayer
2. Replies to Commissioner's Address
3. Questions and Returns
4. Oral Questions
5. Petitions
6. Reports of Standing and Special Committees
7. Notices of Motion

8. Motions for the Production of Papers
9. Motions
10. Tabling of Documents
11. Consideration in Committee of the Whole of Bills, Recommendations to the Legislature, Information Items and Other Matters:
Bill 4-62, Bill 6-62
12. Orders of the Day

MR. SPEAKER: Recognizing the clock as being 5:30 o'clock p.m., this House stands adjourned until 2:00 o'clock p.m., on the 13th day of May, 1977, at the Explorer Hotel.

---ADJOURNMENT

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