



LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES
DEBATES

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FRIDAY, MAY 13, 1977

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

LEGISLATIVE ASSEMBLY OF THE NORTHWEST TERRITORIES

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YELLOWKNIFE, NORTHWEST TERRITORIES

FRIDAY, MAY 13, 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, Mr. Pudluk, Hon. David Searle, Hon. Dave Nickerson.

ITEM NO. 1: PRAYER.

---Prayer

MR. SPEAKER: Item 2, replies to Commissioner's Address. Are there any replies this afternoon to the Commissioner's Address? Mr. Evaluarjuk.

ITEM NO. 2: REPLIES TO COMMISSIONER'S ADDRESS.

MR. EVALUARJUK: Mr. Chairman, can you hear me okay? I have a question I would like to ask now, even though the Commissioner and the Deputy Commissioner are not here and is it all right if I ask it?

MR. SPEAKER: It is quite proper for you to reply even though they are not here. They have their aides here who presumably will inform them of your comments.

Mr. Evaluarjuk's Reply

MR. EVALUARJUK: Thank you, Mr. Speaker. I do not have too much to say right now, I did not take any notes down from which to answer the Commissioner's Address and I think sometimes it does not make much sense, even when we have a lot to say and when we say it, I think that we have been here for quite a while now and I feel that at the moment I would just like to thank the Commissioner.

Now, I might not say everything right but I will try. I would like to say that the territorial Assembly, we know we are here to help our people in the Northwest Territories and we were elected by the people of the Northwest Territories. Now, being an elected party here, I feel that we are the ones who are working for the people and the strength we gain is from the people of the Northwest Territories, and we should think about this.

First of all in March when the Baffin region and Keewatin region, when they had a meeting in Rankin Inlet, they were supposed to have a meeting, but they did not like the things we talked about in Rankin Inlet at all, during the Assembly session and when we met in Pangnirtung the people told us that they did not like the way we did it in Rankin Inlet and we were told by the people not to do this type of thing again.

Secondly, I would like to say, and I do not know if I can say it properly but I will try, but when the Commissioner opened the Legislative Assembly and referred to the different associations and the land claims, he said we should think about them as well and he mentioned how he felt about separating some parts of the North, and I would like to say that the

Keewatin Inuit Association and the Baffin Inuit Association, I think they are doing the right thing for their parts of the territories. I would also like to mention that the two parts, they have been asking in Baffin and also the Keewatin, they do not think they are being talked to properly and I would point out that the Western Arctic is completely different from the Baffin region and Keewatin region.

MR. PEARSON: Hear, hear!

Education In The Baffin Region.

MR. EVALUARJUK: I would like to say that when we were talking about education in the Baffin region, this is exactly what the people would like, they would like to take two months off from school but in the ordinance it says that they have to go to school for 195 days of the year. The people have said that perhaps they should have school for five and a half hours a day but now they are going to school for five hours a day. The people feel that maybe the hours should be longer, and I have talked to some people in Coral Harbour and that is what they wanted, to lengthen the hours of the school day. So, if the ordinance is not changed to this, if it will be the same as for the Yellowknife region I feel that in the Keewatin and Baffin regions that we will be asking for a change for the school system, or a change in the ordinance.

That is all that I have to say. As a Member of the territorial Legislature I think we should be looking after our regions much better than we are now, and we should be listening to the people who elected us. We should be doing exactly what the people are asking for, or at least try, and that would be a lot better if we were doing it that way. That is all I have to say.

---Applause

MR. SPEAKER: Are there any further replies this afternoon? Mr. Lafferty.

MR. LAFFERTY: Mr. Speaker, because of some slight confusion here, I am supposed to be a seconder of the motion of appreciation to the Commissioner's Opening Address. Am I now allowed to make my reply and then second the motion of appreciation later?

MR. SPEAKER: Yes.

Mr. Lafferty's Reply

MR. LAFFERTY: With your consent I will proceed briefly and sum up some of my thoughts. In reply to the Commissioner's Address, and he is not present now, but the Commissioner, Honourable Members of the Northwest Territories Legislative Assembly and ladies and gentlemen present, in my reply to the Commissioner's Address I will address myself to several main points of interest, not only to my constituents but to all northern people. However, be it understood that in my reply is contained the viewpoint of the majority of individual people in the Mackenzie Liard constituency. To me, as a private Canadian citizen and a northerner, born here and everything else that qualifies me, I respect individual rights and that is why I am here.

Secondly, in my efforts over the last two years that will soon arrive, I have repeatedly attempted to bring this point of view to this House, and to the general public in the North and to those who may be hearing abroad. I think one of our fundamental principles that forces us together is to

respect the rights of other people regardless of their race, colour or creed. I think that is the thing that brought me here. I think that is the thing that the people are asking. Then, we get down into decision making and then we, quite by habit, tend to group and classify people and usually what happens is to the organizer's benefit and the poor little individual characters whom we represent are back home getting nothing. This fundamental right has both good and bad sides to it. The bad side is that you have a right to be wrong and I am certainly no great saviour or people's champion nor a do-gooder, to say who is right or wrong. In that respect I certainly admire Mr. Evaluarjuk for saying the things that he did, that we should listen to the individual person at home.

I am an individual man and as such, the only thing I can change is myself. I can not change anyone else's life or environment. Humbling as it may be, through the years I have realized that I can change myself and the environment in which I find myself sitting. These were simple matters of choice on my part, and that is why I am here, because I chose to be here. I was asked if I would represent my constituency. After careful consideration and thinking and the seeking of opinions from the public, I made up my mind and said "I am going to change the environment" and that happened. However, sometimes I wonder what the heck I have done. That choice on my part is something that I value dearly and greatly and this is something that I want every person, every native person, whether he is an Eskimo, Indian or whatever you call him, whichever tag you want to hang around his neck, should have, the choice to be here. This is, I believe, what we are being denied by our organizations and institutions and it is also something we were denied in the Berger report, and the Minister's statements aimed at the individual men and women who make up our northern public.

Development Of Mackenzie Liard Constituency

We in the North as well as in the southwest corner of the Northwest Territories that we call the Mackenzie Liard constituency are interested in our own way in development. This includes the people that we are and the resources that we have in that area and those resources are many. They are not limited because included in those resources are the rapidly growing native population and to me as a northerner one of the greatest of all resources is manpower. You just heard it the other day, yesterday, from Mr. Steen that he does not like to see himself going back to where he would be forced to eat his parka and then the skinny dog before the fat one.

This, in my humble opinion and simple thinking, tells me that I need people to help me create the kind of environment in which I would learn to produce food rather than gathering food. I think this is one of the reasons why I expressed my confidence in the Executive the other day, because they are making a sincere attempt in spite of probably some of the opposition that they would feel on my part and that is not a lack of confidence but simply the lack that we are allowed to make a mistake and that we must meet the people and find out what their aspirations are and not have them imposed. I feel with all due respect that the Honourable Member of Parliament Warren Allmand, and Mr. Berger should walk around in my community like I do and perhaps they should live and work like I do. Perhaps they should pay some of the light bills that I get and pay...

SOME HON. MEMBERS: Hear, hear!

MR. LAFFERTY: ...on the meagre income which I get which is controlled and only subject to an eight per cent increase annually. We talk about helping native people, but as a group and because we label them into a group or a collective body of people we sacrifice the individual who is proud, who does not want to take a welfare cheque, who wants to earn a buck and take his proper place in society and become a taxpayer and have a say. Seemingly it is those people who are paying the higher rates that are being enacted and passed. We are simply their servants at the community level and I am getting sick and tired of being a servant when I have not got a say in public. This is happening to me.

I think that this is true of the Mackenzie Liard region. We have a very admirable Indian chief in Fort Liard who is perhaps the most advanced Indian fellow in the Northwest Territories and among the native people, who is attempting and trying to create jobs for his people who wish to get into the developing economics of the Northwest Territories.

Conservative Young People

We have other Indian people who are seeking education and who are going abroad and learning technical skills which are no good to them in the North. These things are happening and we are not paving the way for them and they are our young people. We have people here who are so conservative, and I think the only reason they are conservative is because they are making a buck, who do not want to see the northern native person change. They do not want to assist the native northerner, may he be Indian or Eskimo or whatever to take his proper place in the northern society.

The people in my constituency in Mackenzie Liard, including Fort Simpson, Fort Providence, Fort Liard, they are talking about a reformed economy on which they can depend, not to evolve something out of the traditional hunting lifestyle or evolve something out of the fur traders' organized economy, they want something new, a blend of everything and come out with something that will benefit their future. They are asking for assistance and yet in our business set-up in the North it seems like the more money we put out, the greater controls we impose and thus the greater disincentive. Strange as it may seem this has been brought to my attention by a so-called Indian fellow who happens to be a Metis.

In our very near future we must explore areas of economic development which perhaps have never been tried. We must all, as northern people, learn to give and take. We must become interdependent. In the past we have lived the life of a food gathering society that only benefited what today is a large corporation known as the Hudson's Bay Company and in the process we have destroyed the Indian people and the Metis aspirations with the economic expansion westward from Manitoba right through into the Northwest Territories of today. Yet these people come to us and ask us for assistance so that we can change some of our basic values in helping one another and we do not because we refuse to give.

In the society that I remember in the North there was nothing. Again to reflect on Berger's report, at Jean Marie River the people hunted and trapped and their lives were owed to the Hudson's Bay Company. The company made sure that these people were grubstaked to go out trapping and if they did not get their furs their credit was reduced. It was, I guess you could call it, a northern Canadian slavery system and yet we get on national radio and in the journals of our history we see and we hear stories about no slavery in Canada, but I have my own opinions on that. I think that we are all bloody well slaves, more so now. We are enslaved to our credit system. We bellyache but we do not want to change. The only people who can change these things sit within the confines of these ropes and this is a responsibility that I am entrusted with.

Responsibility Carried By Senior Executives

I suppose that every one of us sitting here is looked upon as a man who can change things for the poor guy down there on the street, and, of course, it will assist the administration if we would not have to be so critical of the administration all the time. We tend to forget all the good work, and the responsibility that is carried on by our senior executives. Now what we see for ourselves, especially in Fort Simpson, and in Fort Providence and Fort Liard, is not very much. In Fort Liard people would like to have a road, they would like to have better radio communications, they would like to have better mail service and these are essential because I know of a case where an old age pensioner did not have any money for months and months and where welfare cheques have never been delivered, for over a month.

In Trout Lake there is the matter of commuting by road because the transportation in and out of Trout Lake is very expensive. The only means of transporting anything there is by chartered aircraft. So, we in Simpson as the service centre of that region look for and call for the construction of a Mackenzie Liard highway and for its completion to be as soon as possible, and that is essential to our economic future, and again, it would be beneficial to all the people along the Liard or along the Mackenzie north of there. It probably would result in a reduction in freight rates, better supplies and so on. The potential is endless. Of course, how we do this is unknown but this is where the people must take part in it. The native people are all looking for work and they want a piece of the pie, and there is the opportunity and chance, I should say of developing a roadhead shipping centre should the highway be completed and in it our native people, they would be employed. From this we could then begin to look into the future with a little hope for our descendants and they at least would have been given the chance to be a part of the machinery being designed to alter their course and that must be done, we must change course, just as every one of us must change course in life.

In conclusion, with all due respect to Mr. Berger and his Commission, and with all due respect to the Minister of Indian Affairs and Northern Development, they have done people in the North a disservice in the way they talked at the public level. There is no way that we could interpret, in its entirety the Berger report to the public. It would take years and years for people to understand it. It talks about every corner of life short of what you do in your bedroom and that is where Mr. Trudeau had no doubt because he did say the only thing that is not within the jurisdiction of the government is what you do in your bedroom. I feel very sad, as the days have gone on, and I am beginning to understand the course of the report for native peoples in the North but I have every confidence in our government in the Northwest Territories including the Executive Members we appointed and our Commissioners because here we can alter that course for northern people. Here we can make changes and here we may get into trouble. We may get into conflict and that conflict is something we must face. It is something we can not run away from, it is something that has to be carried out.

Legislature, Sole Representative Of Northern Public

My honourable colleagues, Mr. Speaker, I look towards this body as the sole representative of the northern public today. In that respect, I am grateful for the many reports we have heard coming out of the document known as the Berger report. We could once and for all change the course of the Northwest Territories.

It disturbs me a great deal how we are being dealt with, broken into little groups and classes of people in the North, and the only reason I can see why we do this is because of our pocketbooks, our back pockets. I do not think, in my humble opinion, that we have to exploit our northern native people. I think that we have to assist our native northerners to escalate them and to put them where there are opportunities for their advancement in the technological society, true reform in economic activities and policies, and that is something that has never been done. It is something historical that resulted from the Louis Riel rebellion and we have those people here. We are many and we have now the Indian Brotherhood, what you can call American Indian Movement, running all over the country at the poor people's expense. We are in a critical situation where we must stop and think and effect change. I trust that this body, and its administration and the government's senior officials have all the knowledge, all the expertise and everything else that is needed to change the course of the North, and they would certainly have my support, not only in the best interests of my constituency, but in the best interests of every person in the Northwest Territories.

In that would be the enshrinement of an individual's rights, where an individual man, because of the colour of his skin, or because of his culture, or because of his religion or because of his beliefs will not be disrespected. Those are my thoughts, Mr. Speaker, and it reflects my personal philosophy in life and that is a very simple thing, that in helping another man I may live, but, of course, that is a two way street. I am getting tired of helping and never getting. Thank you, Mr. Speaker.

---Applause

MR. SPEAKER: Are there any further replies?

Item 3, questions and returns.

ITEM NO. 3: QUESTIONS AND RETURNS.

Are there any returns? No returns? Hon. Dave Nickerson.

HON. DAVE NICKERSON: Apparently, Mr. Speaker, the returns ended up on my desk. I presume this is because the Deputy Commissioner is not with us and with your permission I will read the returns.

Return To Question W6-62: Extension Of Strips, Central Arctic.

The first one is in reply to Question W6-62 which was asked by Mr. Lyall on May 11, 1977 concerning the expansion of airstrips in the Eastern Arctic.

As a result of protests made by the Government of the Northwest Territories to the Ministry of Transport regarding the restriction of runway lengths to 3000 feet in several Arctic communities, a working group was formed to determine air carrier existing and proposed runway requirements. Mr. R.P. St. John, deputy administrator, air administration, has instructed specific Ministry of Transport, Ottawa and regional staff, to proceed with a study of these requirements. In the meantime authority was given to proceed with construction of 3000 foot airstrips with the clear understanding that the study group's findings would determine the ultimate runway length.

The working group has representation from the Canadian Transport Commission, and the Government of the Northwest Territories as well as the previously mentioned representatives. It is expected that a decision will be reached during the summer of 1977.

Return To Question W3-62: Northern Wildlife Resources

The second return, Mr. Speaker, is in reply to Question W3-62 asked by Mr. Butters on the 11th of May. Mr. Butters requested a catalogue of evidence sources that would be an indication of what Judge Berger may have used to formulate his recommendations regarding the wildlife resource. The Department of Indian and Northern Affairs publication "Mackenzie Valley Pipeline Inquiry, Summaries of Proceedings" has been partially photocopied and attached and this should provide the references required. The transcript volumes of the witnesses are identified and that material is here, Mr. Speaker.

MR. SPEAKER: Those are the returns. Questions? Are there any written questions? Mr. Whitford, did you have one?

Question W16-62: Education Authority For Sir John Franklin School

MR. WHITFORD: Mr. Speaker, I would like to ask the Minister of Education what plans the administration has to set up an education authority for the Sir John Franklin school in Yellowknife.

MR. SPEAKER: Hon. Arnold McCallum.

HON. ARNOLD McCALLUM: Mr. Speaker, I do not know whether the Member would like me to answer, or the acting Minister of Education. If the acting Minister of Education or the acting Executive Member responsible for Education would like to answer, I bow to him, otherwise I would take it under notice as it is a written question, is it not, and come back.

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

Question W17-62: Prefabricated Houses At Frank Channel

MR. WHITFORD: Mr. Speaker, in light of the fact that the Department of Indian Affairs is building some prefab houses at Frank Channel, and in regard to the employment of people within the community of Rae which is ten miles away of some 300 people who are unemployed, I was wondering if the Minister responsible for Economic Development as well as the Minister responsible for Social Development are going to be taking some kind of action in trying to persuade the Department of Indian Affairs to see if they can not somehow work a plan out so they would have the job of building those houses.

MR. SPEAKER: Hon. Dave Nickerson.

HON. DAVE NICKERSON: I wonder if the Honourable Member from Great Slave Lake refers to the houses which are being constructed in the Frank Channel area?

MR. WHITFORD: Yes, Mr. Speaker, both Ministers, the one responsible for Economic Development, Hon. Peter Ernerk, as well as the Minister responsible for Social Development, Hon. Dave Nickerson, should meet with our lawyer Mr. Nick Sibbeston who is here today and discuss this a little further so they can both have a clear understanding.

MR. SPEAKER: Hon. Peter Ernerk.

Return To Question W17-62: Prefabricated Houses At Frank Channel

HON. PETER ERNERK: Mr. Speaker, I do not see any reason why not and I guess the answer is sure.

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

Question W18-62: Nursing Care Facilities In Fort Simpson

MR. LAFFERTY: Mr. Speaker, over the last couple of years in Fort Simpson we have had a lot of problems with our senior citizens who are in need of nursing care, but because there are no facilities that would provide this type of service to the couple of senior citizens we do have who are becoming a problem, I am wondering if the Honourable Member and Minister of Social Development is presently doing anything to provide such facilities to such people in the Northwest Territories.

MR. SPEAKER: Hon. Dave Nickerson.

Return To Question W18-62: Nursing Care Facilities In Fort Simpson

HON. DAVE NICKERSON: I am well aware of the two people to whom Mr. Lafferty refers. We need someone in the old folks' home at Fort Simpson who would be there on a continuing basis to look after some of the old people who are in that residence. There is nobody there who really requires continued nursing care, they are not hospital cases, but it is absolutely essential that we have somebody there to pick the old lady up when she falls out of bed and that type of thing.

We have advertised hoping to get someone to do this in Fort Simpson but no one in the community wanted to take on that job. What we are doing at present, and I say this because I was in Simpson approximately a week ago, is that we are trying to get one of the Sisters from one of the religious organizations to take on this type of job. Of course we will have to pay them to do that. Apparently these people, because of their commitment to their fellow man, are prepared to do that type of work which to many people, on occasion, is distasteful. That is what we are trying to do and I am hopeful that we will be in a position to advise you as to what has been done, what concrete steps we have been able to make very, very shortly. That refers to the specific case in Fort Simpson.

On the general case, throughout the whole of the Northwest Territories what we are doing is trying to work very closely with the Northwest Territories Housing Corporation so that in our design of facilities for senior citizens and facilities for old people we can build into these, or we can arrange financing, through the various sources available to have supervisory people there. We are trying to rationalize the whole thing and at present it is very difficult. There are a number of old folks' homes and senior citizens' residences throughout the territories where we do not have the proper supervision but I can assure you we are looking into that.

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

Question W19-62: Holiday Schedule In Broughton Island

MR. EVALUARJUK: Mr. Speaker, I would like to ask the Minister of the Department of Education relating to holiday schedule for students in Broughton Island that was brought up by its people for three months holiday. Spring dates of different communities vary, for example, in Lake Harbour. So, therefore, the school holidays should come earlier for Lake Harbour students for it is not appropriate for spring camping when you have to wait for the students to start their holiday. I would like to know if it has been agreed upon or will be discussed about in the future. I would like the answer some time.

MR. SPEAKER: The Commissioner.

Return To Question W19-62: Holiday Schedule In Broughton Island

COMMISSIONER (Mr. Hodgson): Mr. Speaker, with reference to the first part of the question, the ordinance of course has not been proclaimed and I told the Assembly that I would not proclaim it until the Assembly had the opportunity of seeing the regulations. The regulations were distributed this morning to the Members of the Executive for their perusal which is the normal routine and at the same time they are presently being interpreted and I hope to have them ready to table to the session here some time next week. I do not think that the Assembly would want to debate the regulations, it is not customary, but certainly you should be in a position to advise or give us your views on it.

Once you have done this then we will approve the regulations and proclaim the ordinance and bring it into being. Then of course will come the implementation of the sections of the ordinance which deal with such things as the Member from Foxe Basin has raised concerning the individual performance within each community, depending upon the level or the degree of authority that that community may wish to take on.

I would think that to begin with all communities would want to start with their education advisory boards and most of them already have them, but I would say that they would like to then move to the school society which gives the communities much more authority.

I think the administration would want to take the second part of Mr. Evaluarjuk's question regarding the parents wishing to take their children to the hunting camps as he mentioned these particular schools and we will file him an answer here before he leaves.

While I am on my feet on the question of education, I would like to say something further on the very question of education, perhaps during my prorogation address to this Assembly.

MR. SPEAKER: Further written questions?

Item 4, oral questions.

Item 5, petitions.

Item 6, reports of standing and special committees.

Item 7, notices of motion. Hon. Arnold McCallum.

ITEM NO. 7: NOTICES OF MOTION

Notice Of Motion 8-62: Consideration Of Special Committee On Constitutional Development

HON. ARNOLD McCALLUM: Mr. Speaker, I would like to give notice of motion that on Monday, May 16, I will move the following motion:

WHEREAS the special committee on constitutional development has been meeting periodically since March 13;

NOW THEREFORE, I move that this House be resolved into committee of the whole at its convenience to consider the report of the special committee on constitutional development.

MR. SPEAKER: Hon. Dave Nickerson.

Notice Of Motion 9-62: Transfer Of Health Responsibilities.

HON. DAVE NICKERSON: Mr. Speaker, I give notice that on the next business day of this House I will move the following motion:

WHEREAS on many occasions this House has recommended that those provincial type responsibilities in the field of health care now exercised by the Department of Health and Welfare Canada be transferred to the Government of the Northwest Territories;

AND WHEREAS this House believes such a transfer would be in the best interests of all the people it represents;

AND WHEREAS the Honourable Minister of Health and Welfare is believed to favour such a transfer subject to proper consultation having first taken place with the native people of the Northwest Territories;

NOW THEREFORE, I move that:

- I. This House reaffirms its position that provincial type health responsibilities now exercised by the Department of Health and Welfare Canada shall be transferred to the jurisdiction of the Government of the Northwest Territories as soon as possible.
- II. The Government of the Northwest Territories continue and expand its program of consultation with people having a special interest in this transfer.

Notice Of Motion 10-62: Membership Of N.W.T. Alcohol And Drug Co-ordinating Council

Secondly, on the same day, Mr. Speaker, I intend to move the following motion:

WHEREAS this House is, by precedent, the body which determines the number and representation of the members of the Northwest Territories Alcohol and Drug Co-ordinating Council;

AND WHEREAS the said council has recommended that certain changes be made in its membership and this House is desirous of accommodating these recommendations;

NOW THEREFORE, I move that the composition of the Northwest Territories Alcohol and Drug Co-ordinating Council be changed and that it now be comprised of representatives as follows:

- Four members representing the Inuit people
- Three members representing the Metis people
- Three members representing the Indian people
- One member representing the Northwest Territories Youth Council
- One member representing Alcoholics Anonymous
- One member representing the Northwest Territories Chamber of Commerce
- One member representing the Royal Canadian Mounted Police
- One member representing the Liquor Control Board
- One member representing the Department of Indian Affairs and Northern Development
- One member representing the Department of Health and Welfare Canada
- One member representing the Non-medical Use of Drugs Directorate

and two members at large nominated by the Northwest Territories Alcohol and Drug Co-ordinating Council itself.

Individual appointments would continue to be made by the Commissioner.

MR. SPEAKER: Further notices of motion?

Item 8, motions for the production of papers.

Item 9, motions. Motion 3-62, Hon. Dave Nickerson.

ITEM NO. 9: MOTIONS

Motion 3-62: Northern Representation, Petro Canada Board

HON. DAVE NICKERSON: Mr. Speaker:

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.

MR. SPEAKER: Moved by Hon. Dave Nickerson, is there a seconder? Mr. Lafferty.

Discussion, Hon. Dave Nickerson.

HON. DAVE NICKERSON: Mr. Speaker, regardless of whether Members feel that the movement of the federal government into what should, in my opinion, be properly considered the area of free enterprise, whether or not you agree with that we are now faced with this organization called Petro Canada, a creature of the federal government. This organization is not restricted to operating in the Northwest Territories. It is not really restricted to operating solely in Canada, but as I understand it a great many other activities are planned for the Northwest Territories.

Under the proposed new oil and gas regulations which were tabled in this House approximately one year ago, it would appear that Petro Canada has the right to buy, beg or steal its way into a 25 per cent interest in land holdings in the Arctic.

So, you will see that we as representatives of the people of the Northwest Territories have a great deal of interest, legitimate interest in the affairs of Petro Canada, one of which is extremely pertinent and that is, I think it is called the Arctic pilot project which is the scheme for bringing out gas from the Arctic islands by way of huge icebreaking liquified natural gas carriers.

If you look at the board of directors of this organization you will find that it comprises of ten people, all the names on that list which are familiar to me are senior federal government civil servants such as Mr. Arthur Kroeger from the Department of Indian Affairs and Northern Development and Mr. Shoyama from Energy, Mines and Resources and I think it is essential that there be one northerner, at least one northerner present on the board of directors in order to represent the special interests of the people of the Northwest Territories.

In this motion I did not restrict it to who this person should be. It is quite possible that he should be a civil servant in the employ of the territorial government because this is basically a government run organization and this would be in keeping with the other membership, or alternatively it could be someone from the general public or possibly somebody from this House. I do not really know and I do not wish to restrict it in any manner.

MR. SPEAKER: Is there any further discussion? Hon. Arnold McCallum.

Exploratory Drilling

HON. ARNOLD McCALLUM: Mr. Speaker, in support of the Honourable Minister's motion, I think it is even more important in relation to the recommendations of the infamous or famous Berger report. As you will recall the main thrust of the Berger report was to put a delay on the building of a pipeline and Mr. Justice Berger in the last page of his report, the epilogue, or the theme for the national interest suggests that if a pipeline is not built now it would allow for the orderly development, etc., etc., of the Mackenzie Delta and the Beaufort Sea. However, Mr. Justice Berger goes on to say in it that, even if the oil and gas industry withdraws from its exploration activities, because of a decision to postpone the pipeline, he says that the Government of Canada has the means to ensure the continuation of exploratory drilling if it were held to be in the national interest. I would suggest to the House that Mr. Justice Berger is referring to companies such as Petro Canada and, if that is so, if it is to be in the interest of not only Canada but in the interests of the Northwest Territories, then I think it is even more important that this body or somebody from the North is on the board of directors of this company because I believe this to be one of the companies, one of those areas that the Government of Canada has at its disposal, in Mr. Justice Berger's words, to make sure that there is a continuation of drilling in the area, in the North. So, I am very much in favour of the motion and I trust it will get consent.

MR. SPEAKER: Any further discussion?

SOME HON. MEMBERS: The question.

Motion 3-62, Carried

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

---Carried

Motion 4-62, Hon. Dave Nickerson.

Motion 4-62: Panarctic Northern Directors

HON. DAVE NICKERSON: Mr. Speaker:

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: Is there a seconder? Hon. Arnold McCallum. Discussion?
Hon. Dave Nickerson.

HON. DAVE NICKERSON: I believe there are some 20 individuals on the board of directors of Panarctic, and two of these are our northern representatives and these are of course Senator Adams and Mr. Richard Hill from Inuvik. It has been suggested to me by Mr. Hill that they would appreciate the opportunity of appearing before us to explain to us what is happening with Panarctic. They feel it is their responsibility towards this Legislature and as people of the North, to make us publicly aware of what they are themselves doing in their positions as directors. I believe they would also like to point out to us some of the difficulties that they might be experiencing by virtue of their positions.

MR. SPEAKER: Is there any further discussion?

SOME HON. MEMBERS: The question.

Motion 4-62, Carried.

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

---Carried

Mr. Clerk, would you follow up and address correspondence to each of the two directors?

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

MR. SPEAKER: Motion 5-62, Mr. Butters. Hon. Arnold McCallum.

HON. ARNOLD McCALLUM: Mr. Speaker, I believe that Mr. Butters has left to go home but I would hate to see this motion, Motion 5-62, die because that is the motion that will allow continuation of replies to the Commissioner's Opening Address. So, if the motion is not dealt with this afternoon then today would be the last day and I believe that there are Members who would want to reply at the first of next week. Now, I am not sure that Mr. Butters has in fact left but I was under the impression from discussion with him at noon hour that he had planned to leave for home this evening to attend an important constituency meeting. I do not know how to reconcile this other than have someone else move it.

MR. SPEAKER: As I understand it, although we have nothing in our Rules, the Rules as applied in the House of Commons would be that only if it were a government motion could it be sort of passed back and forth between government members but for other motions such as these which are made by an individual, really it is his motion. However, I would think that we might seek unanimous consent, if you wished, to permit you to move Mr. Butters' motion as really being a motion on behalf of the Members of the House, I suppose. So, if you wish, Hon. Arnold McCallum, I would ask for unanimous consent to permit you instead of Mr. Butters to move that motion. Do you wish that?

HON. ARNOLD McCALLUM: Thank you.

MR. SPEAKER: Is there unanimous consent to permit Hon. Arnold McCallum to move Mr. Butters' motion which is Motion 5-62? Is it agreed?

---Agreed

Proceed, Hon. Arnold McCallum.

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

HON. ARNOLD McCallum: Mr. Speaker:

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.

MR. SPEAKER: Is there a seconder? Mr. Pudluk. Is there any discussion?

SOME HON. MEMBERS: The question.

Motion 5-62, Carried

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

---Carried

Motion 6-62. I do not think we can do that with Motion 6-62, that is another motion of Mr. Butters but that seems to be a more personal one. Motion 7-62, Mr. Whitford.

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

MR. WHITFORD: Mr. Speaker, I would like to make a motion:

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 Proposed Development of Rae-Edzo, N.W.T." 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: Is there a seconder? Mr. Evaluarjuk. Any discussion? Mr. Whitford.

MR. WHITFORD: Mr. Speaker, Mr. Grainge made up this environmental conditions booklet and now it is available for discussion. The concern I have is that first of all if the administration acts upon it without further consultation with the community I think we could find ourselves in a very difficult position. The community itself, at the last Water Board hearings indicated that they wanted to stay and remain there and one of the reasons for this situation getting the way it was was the fact that the community had not been developed in the last ten years, no construction or building of houses was done, the maintenance was low, there was hardly any maintenance and so the whole community internally grew in terms of families but not anything else.

The other point is that he mentions here in talking about the medical officers of health in Rae and Inuvik have noticed this pattern of the spreading of gastric diseases from Rae to Lac La Martre, Rae Lakes, Fort Franklin, Fort Good Hope and then it returns from Rae to Yellowknife and to Snowdrift. We seem to be the ones who are accused of causing this disease throughout the whole of the Northwest Territories, Mr. Speaker. The final solutions he comes up with here are things I have been talking about continuously for our constituency, such as the employment of people in these particular communities, Rae-Edzo, Detah, Fort Resolution, but I believe that if the people there, if the administration could see fit to give equipment to this particular community, a tractor or grader or whatever, they could clear up the situation themselves. My real concern again is that if this document is going to be used in order to stop the further development of Rae then I honestly think that we should have a discussion not only with the author Mr. Grainge, but we should be entitled to bring in our own witnesses as well to hear or to testify against this document, Mr. Speaker.

MR. SPEAKER: Is there any further discussion? Hon. Dave Nickerson.

HON. DAVE NICKERSON: Very briefly, I would like to of course support Mr. Whitford. I think it would be an extremely useful thing to do, to sit down with Mr. Jack Grainge, a well known and competent engineer and also with members of the Rae-Edzo community to hear their views on it. I think there is certainly some great cause for alarm with the situation as it exists today in Rae and I think that somehow all the various departments and organizations that are concerned with Rae-Edzo, and particularly with health problems therein, they have to come to some sort of consensus or agreement. We can not have one organization continuing to say "I told you so and the conditions are bad now and there is nothing we can do about it" and another organization saying "the people are determined to stay in Rae, it is the government's responsibility to fix things up in an acceptable manner." Somehow those two views have to be reconciled and I would strongly support Mr. Whitford in that a joint discussion in committee of the whole would be a worth-while approach to this.

MR. SPEAKER: Is there any further discussion? Are you ready for the question? Mr. Lafferty.

MR. LAFFERTY: Mr. Speaker, I support Mr. Whitford. I think that is a very important study that was carried out and we should invite some of the people involved, for instance, the people in Rae, as they have had so much trouble, there are so many different viewpoints resulting from many of the studies and reports and I do support Mr. Whitford wholeheartedly on this motion.

MR. SPEAKER: Is there any further discussion?

SOME HON. MEMBERS: The question.

Motion 7-62, Carried

MR. SPEAKER: The question. The question being called. All in favour? Contrary? Unanimously carried.

---Carried

Mr. Clerk, would you ring Mr. Grainge and see if there is a day acceptable to him next week and then communicate back to Mr. Whitford in case there are any witnesses he would like.

CLERK OF THE HOUSE: Yes, Mr. Speaker.

MR. SPEAKER: I might say that now the motion is passed I remember an exercise very similar to this a few years ago when the riding was Mackenzie North at the time of the decision as to where the school would be built, and this very same exercise was gone through and it was a very interesting exercise at that time, and you may wish, Mr. Whitford, to look back at those debates in preparation, to give you some background.

Those are all the motions, gentlemen.

Item 10, tabling of documents.

Item 11, consideration ... Hon. Dave Nickerson.

ITEM NO. 10: TABLING OF DOCUMENTS

HON. DAVE NICKERSON: Mr. Speaker, I have a document to table. I wish, Mr. Speaker, to table the following document, Summary Of Social Assistance Payments 1976-77, Tabled Document 12-62.

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

This House will resolve into committee of the whole for continued consideration of Bill 6-62, the Tribunal Procedures Ordinance. Mr. Stewart is not here, he is not well. Therefore, Mr. Lyall, would you be prepared to assist the House and act as chairman?

MR. LYALL: Yes, Mr. Speaker.

MR. SPEAKER: With Mr. Lyall in the chair.

--- Legislative Assembly resolved into committee of the whole for consideration of Bill 6-62, Tribunal Procedures Ordinance with Mr. Lyall in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 6-62, TRIBUNAL PROCEDURES ORDINANCE

THE CHAIRMAN (Mr. Lyall): This committee will come to order to further discuss Bill 6-62, An Ordinance to Provide Procedures Governing the Exercise of Statutory Powers Granted to Tribunals.

The last clause we agreed to was clause 13. We are going on now to clause 14, protection for witness. Any comments of a general nature?

SOME HON. MEMBER: Agreed.

THE CHAIRMAN (Mr. Lyall): I have one agreed. Mr. Lafferty.

MR. LAFFERTY: Comments of a general nature, is that for the whole document or just for that section dealing with that clause, protection for witness?

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

MR. LAFFERTY: The more I read this document and I am not a lawyer but there is something that still bothers me very greatly about this document. I feel it is one of those documents...

THE CHAIRMAN (Mr. Lyall): Mr. Lafferty, would you speak to clause 14?

MR. LAFFERTY: Mr. Chairman, I did ask you earlier and you did not give me a comment. I just took it that it was not specifically to that section.

THE CHAIRMAN (Mr. Lyall): I asked for comments to clause 14, Mr. Lafferty.

MR. LAFFERTY: No comments, thank you.

THE CHAIRMAN (Mr. Lyall): Comments of a general nature on clause 14? Mr. Lafferty, I apologize. I was just waiting for a little ... clause 14, Hon. David Searle.

HON. DAVID SEARLE: Mr. Chairman, clause 14, in speaking to that clause of course that is the one that does provide protection to the witness, so that whatever he says before that particular tribunal can not be used against him before any other tribunal or agency. That obviously is a very, very essential protection.

THE CHAIRMAN (Mr. Lyall): Clause 14. Mr. Lafferty.

Fundamental Principle Involved

MR. LAFFERTY: Mr. Chairman, I appreciate Hon. David Searle's assurance that this protects. It is not protection I am worried about, Mr. Chairman and my honourable colleagues, it is that which it fundamentally does to a person and you know in the North I have heard so many -- these are general comments to the document and this is what I am primarily concerned about. There are many people in the North and particularly in my own riding of Mackenzie Liard and the community of Fort Simpson is predominantly a non Indian community, but, nevertheless, my community consists of a total majority of native Indian people and their belief is that they do not disclose to you and on this document I have a feeling that in spite of our continued reassurances that we are protected. Nevertheless if I disclose to him the can of coins I had stashed away somewhere and if you force me to tell you where it is, it is undermining my belief. It is the fundamental disclosure to another person and there is no way that in spite of all the good intentions and so on and in spite of all the skills and with all due respect to our Legal Advisor and everybody else concerned there is a fundamental principle involved here. I agree with the document, I feel it is good, but I also feel that the people should consent to it before we pass it and this is what I am talking about. It is religious to some people.

THE CHAIRMAN (Mr. Lyall): Clause 14.

SOME HON. MEMBER: Agreed.

THE CHAIRMAN (Mr. Lyall): I hear one agreed. Agreed?

---Agreed

Clause 15, what is admissible in evidence at a hearing. I hear two agrees. Mr. Evaluarjuk.

MR. EVALUARJUK: Mr. Chairman, I see it now. I did not have clause 15 in my report, so it is that clauses 15 and 16 were together so I was just trying to ask you -- I thought I did not have clause 15 in my book.

THE CHAIRMAN (Mr. Lyall): Do you have it now?

MR. EVALUARJUK: Yes.

THE CHAIRMAN (Mr. Lyall): Clause 15. I hear two agrees and I would like to hear a few more agrees if we are going to get this passed. Due to the fact that I think we are not getting anywhere now, I think we should break for tea.

SOME HON. MEMBER: Agreed.

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

MR. EVALUARJUK: Mr. Chairman, on clause 15 I would like to get the information on what clause 15 is trying to say because clauses 15 and 16 in my book are added together and it is a short note on my report so I would like to get more information on that and find out what clause 15 says.

THE CHAIRMAN (Mr. Lyall): I will ask the Legal Advisor. Hon. David Searle.

HON. DAVID SEARLE: May I suggest that we ask the Legal Advisor for her legal opinion to paraphrase?

THE CHAIRMAN (Mr. Lyall): I just asked the Legal Advisor, Hon. David Searle.

LEGAL ADVISOR (Ms. Flieger): Mr. Chairman, clause 15 deals generally with what is admissible in evidence at a hearing. Subclause (1) allows a tribunal to accept in evidence, written evidence that might not be admissible before a court. For example, the tribunal can accept evidence that is not under oath. Subclause (2) states that nothing is admissible in evidence at a hearing that would be inadmissible in a court because of privilege, for example, information that is privileged between a solicitor and a client. Subclause (3) states that if under the legislation governing the tribunal a matter is expressly inadmissible then this ordinance does not change that. Subclause (4) states that where a tribunal is satisfied that a copy of a document is a valid copy, the copy can be admitted even though the document itself is not presented. Subclause (5) deals with photocopies. Subclause (6) deals again with copies. A certified copy of a document can be accepted. That is a document that has been certified by a notary for example. Is that sufficient, Mr. Chairman?

THE CHAIRMAN (Mr. Lyall): Mr. Evaluarjuk, is that sufficient? Agreed?

--Agreed

Clause 16, notice of facts and opinions. Mr. Evaluarjuk, would you like another brief explanation?

MR. EVALUARJUK: I would like to get more information on that clause too.

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

MR. PUDLUK: On clause 16, I would like to get more information on clause 16 as was done on clause 15, if it is all right with you guys.

LEGAL ADVISOR (Ms. Flieger): Clause 16 also deals with evidence, or the kind of evidence a tribunal can accept. Paragraph (a) says that a tribunal may "take notice of facts that may be judicially noticed", and that paragraph refers to a doctrine known in our law as judicial notice. A judge does not have to have proved to him certain facts, he may take what is called judicial notice of the fact that it rains from time to time or that newspapers are published, or certain facts need not be proved to him and as he is making his decision he can keep those facts in mind. A tribunal also under this section may take notice of certain facts. Under paragraph (b) a tribunal is permitted to "take notice of generally recognized scientific or technical facts, informations or opinions within its scientific or specialized knowledge". So, if you had a group of medical doctors sitting as a tribunal it might be expected that they would not have proved to them certain scientific facts that perhaps another tribunal would have, or would require proof of.

THE CHAIRMAN (Mr. Lyall): Hon. David Searle.

HON. DAVID SEARLE: If I might just help. A good example might be the ordinances that we have here. You do not have to prove that those ordinances were agreed to by each and every Member of us here. You just produce the book which says they are published and the court can accept them because they are in that book and that they were passed by this Assembly. In other words, you would not have to prove how each and every one of us voted on this bill, just the mere fact that later it is published as part of the ordinances can be accepted by the court that in fact we passed it.

THE CHAIRMAN (Mr. Lyall): Clause 16. I hear one "Agreed".

SOME HON. MEMBERS: Agreed.

THE CHAIRMAN (Mr. Lyall): Clause 16. Agreed?

---Agreed

Clause 17, decision. Clause 17. Agreed?

---Agreed

Clause 18, notice of decision. Agreed?

---Agreed

Clause 19, enforcement of decision. Agreed?

---Agreed

Clause 20, record of proceedings. Agreed?

---Agreed

Clause 21, adjournments. Agreed?

---Agreed

Clause 22, administration of oaths. I take it, Hon. Arnold McCallum, you do not agree with any of this.

HON. ARNOLD McCALLUM: I did not say that.

THE CHAIRMAN: (Mr. Lyall): Clause 22. Agreed?

---Agreed

Clause 23, abuse of processes. Is it agreed? Mr. Evaluarjuk.

MR. EVALUARJUK: Mr. Chairman, I would like to ask something concerning clause 23 in which it states in Inuktitut, it says that the tribunal's power is written and so that it would operate, it would follow proper court procedure but I am wondering if this is also directed to a justice of the peace or is it related to the magistrates or to the justices of the peace as well?

LEGAL ADVISOR (Ms. Flieger): Mr. Chairman, the answer to that question is no, this ordinance would not apply to justices of the peace, nor would it apply to magistrates.

THE CHAIRMAN (Mr. Lyall): Clause 23? Any comments? Any comments of a general nature? Is it agreed?

---Agreed

Clause 24, notice, etc. Are there any comments on clause 24? Is it agreed?

---Agreed

Clause 25, appeal operates as stay, exception. Agreed?

---Agreed

Clause 26, application, under "Miscellaneous"? Is clause 26 agreed? Mr. Evaluarjuk.

MR. EVALUARJUK: I simply want to ask again that clause 26, in Inuktitut it is stated this way, that the tribunal, their procedures would be followed only if it was approved, but I would like to ask a question as to who would be the person approving such a procedure, would it be by the Commissioner or by whom? Who has to approve it before it is actually used?

LEGAL ADVISOR (Ms. Flieger): Mr. Chairman, was that question directed towards clause 26, or was it clause 27?

THE CHAIRMAN (Mr. Lyall): Clause 26.

MR. EVALUARJUK: Mr. Chairman, I was asking about clause 26.

LEGAL ADVISOR (Ms. Flieger): Mr. Chairman, if you look at clause 28, it states that the ordinance will come into force after it is proclaimed by the Commissioner and clause 26 states that the ordinance will apply only to proceedings that are begun after the ordinance is in force. So, the answer to the question I think is the Commissioner proclaims the ordinance.

THE CHAIRMAN (Mr. Lya11): Clause 26.

MR. EVALUARJUK: Thank you.

THE CHAIRMAN (Mr. Lya11): Clause 26. Is it agreed?

---Agreed

I think now perhaps we should break for a cup of tea.

---SHORT RECESS

THE CHAIRMAN (Mr. Lyall): The Chair recognizes a quorum and the committee will come back to order. Clause 27, transition periods. Agreed?

---Agreed

Clause 28, commencement. Is it agreed?

---Agreed

FORM 1, name of ordinance under which proceedings arise. That is covered I believe under clause 13. Is it agreed?

---Agreed

FORM 2, WARRANT. Is it agreed? Mr. Pudluk.

MR. PUDLUK: Mr. Chairman, I just wanted to ask about the CD where it says "...has been made before me that CD ...".

THE CHAIRMAN (Mr. Lyall): I guess that means John Doe.

MR. PUDLUK: What was that?

THE CHAIRMAN (Mr. Lyall): The name is to be filled in.

MR. PUDLUK: Thank you, Mr. Chairman.

THE CHAIRMAN (Mr. Lyall): FORM 2. Agreed?

---Agreed

Short title, clause 1. Agreed?

---Agreed

The bill as a whole. Agreed?

---Agreed

Does the committee wish for me to report progress?

HON. DAVE NICKERSON: Report it ready for third reading.

THE CHAIRMAN (Mr. Lyall): Shall I report it ready for third reading? Mr. Lafferty.

Far Reaching Effects.

MR. LAFFERTY: I did not know what was happening, we rushed it through a little fast but nevertheless because there are a lot of uncertainties I am unable to make up my mind about the ordinance before us, and because it does create these uncertainties, and it does affect my fundamental beliefs, as I have indicated to you, I feel greatly that it has a far reaching effect and it is much more far reaching than we have been assured.

I think that a document of this nature affects our individual lives. As a result I think we must get approval of this from our people. There are many other bills which do not affect our private lives that we could probably decide on here and I have always agreed to them. But in this case I could not make up my mind and, in all sincere honesty and in my belief, because it has not only a good side to it but it may also have a bad side, it can be used both ways.

I would like myself to see the people in our constituencies and ourselves, give greater thought to this bill rather than passing it at this session. Because of these uncertainties that are in my mind, and because I know in spite of the assurances with all the expertise, I know that it will affect our private lives.

I can not vote for this bill at this time and I therefore move that this Bill 6-62 be deferred to the 63rd or fall session because I want to take it home and have at least approval in principle by people who I may contact. It reaches a long way. It can almost ask me for anything, and it does not matter if it is in confidence that I disclose what I do, there are things that are private, of a private nature that I feel are sacred to me. This is the way I feel and no doubt there are many people out there in the country who feel the same way I do. There are things that are private and are sacred. In fact, on the other side of the coin there are also people who think of money as being sacred. So, there are two sides to the coin and this happens to be one of those bills which can be used for good or bad, depending upon whose hands it is in and I can not consent to it.

Concerning Proper Procedure

THE CHAIRMAN (Mr. Lyall): Mr. Lafferty, I think we have to look at the Rules to see if you are following the proper procedure because you have made that same motion once before and we will have to look at the Rules of the Assembly. Mr. Lafferty, just one moment please while I get this straightened out. Mr. Lafferty, your motion at this time is not valid because of the fact you already raised that motion and if you wish to do so you may raise the matter again at third reading.

MR. LAFFERTY: Thank you, Mr. Chairman, and I will do so.

THE CHAIRMAN (Mr. Lyall): Does this committee wish me now to report Bill 6-62 ready for third reading? Agreed?

---Agreed

Excuse me, Hon. David Searle, there is one change that was made and we have not looked at the exact change in the wording, but I think we should look at that right now before I report progress. The Legal Advisor will read the correct wording.

Motion To Add A New Paragraph 3(2)(c)

LEGAL ADVISOR (Ms. Flieger): This is an amendment to subclause (2) of clause 3 and the change relates to exempting the council of a municipality from the ordinance. The amendment was to add as paragraph (c) the words "...in or before the council of a municipality..." and consequential to that you have a change in the paragraph lettering following paragraph (c).

THE CHAIRMAN (Mr. Lyall): I think, in remembering when Mr. Stewart was in the chair, I think it was agreed that the Legal Advisor was to put together the exact wording, but are there any comments on that, on the wording there? Does anyone want to comment on the wording? Does everybody agree?

LEGAL ADVISOR (Ms. Flieger): The words are "...in or before the council of a municipality..." in paragraph (c) of subclause (2) of clause 3.

THE CHAIRMAN (Mr. Lyall): Does everyone agree?

HON. ARNOLD McCALLUM: Mr. Chairman, in relation to that, in subclause (2) would the first two words "a municipality" be deleted from clause 2?

LEGAL ADVISOR (Ms. Flieger): Mr. Chairman, I think the answer to that is that the words would not be deleted because subclause (2) that Hon. Arnold McCallum is referring to gives a municipality the rights that are given to any person under this ordinance, so that it refers to a municipality as a party to a proceeding rather than a municipality as a tribunal.

HON. ARNOLD McCALLUM: Thank you.

Motion To Add A New Paragraph 3(2)(c), Carried

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

---Agreed

Then I will report progress. I will report the bill ready for third reading.

MR. SPEAKER: Mr. Lyall.

Report Of The Committee Of The Whole Of Bill 6-62, Tribunal Procedures Ordinance

MR. LYALL: Mr. Speaker, your committee has been examining Bill 6-62, Tribunal Procedures Ordinance and I now report the bill ready for third reading.

MR. SPEAKER: Bill 4-62, I assume, Hon. Peter Ernerk?

HON. PETER ERNERK: That is correct, Mr. Speaker.

MR. SPEAKER: This House will resolve into committee of the whole to discuss Bill 4-62, Small Business Loans and Guarantees Ordinance. I was thinking of asking Mr. Pearson if he would take the chair.

MR. PEARSON: I would be honoured, sir.

MR. SPEAKER: Therefore, with Mr. Pearson in the chair.

--- Legislative Assembly resolved into committee of the whole for consideration of Bill 4-62, Small Business Loans and Guarantees Ordinance with Mr. Pearson in the chair.

PROCEEDINGS IN COMMITTEE OF THE WHOLE TO CONSIDER BILL 4-62, SMALL BUSINESS LOANS AND GUARANTEES ORDINANCE

THE CHAIRMAN (Mr. Pearson): I will have to stay awake for this one. The committee will come to order for consideration of Bill 4-62, An Ordinance to Authorize Loans and Guarantees to Small Business Enterprises. The purpose of this bill is to create legislation empowering the Commissioner to provide financial assistance to small business enterprises. Is it the Members' wish that we proceed clause by clause with the legislation or does the legislation committee have any comments to make before we do so? Mr. Lyall.

MR. LYALL: Mr. Chairman, I lost the minutes of my meeting. I was looking for them but I can not find them. Mr. Chairman, the committee in examining the Small Business Loans and Guarantees Ordinance was informed that it had two main purposes. First, it will establish a territorial loan fund to replace existing federal ones now operated by

the Government of the Northwest Territories, the Government of the Northwest Territories as an agent. Secondly, it will enable territorial businessmen to borrow from chartered banks with the support of government guarantees. The Minister of Economic Development and Tourism will, I am sure, be prepared to provide additional information on the purpose of this bill to Members who wish it.

THE CHAIRMAN (Mr. Pearson): Thank you, Mr. Lyall. The Minister, Hon. Peter Ernerk.

The Purpose Of The Bill

HON. PETER ERNERK: In Inuktitut, Mr. Chairman. Thank you, Mr. Chairman. I will not speak too long. As the chairman of the committee indicated, he said there are two purposes to this Small Business Loans and Guarantees Ordinance. This ordinance establishes the Small Business Loan Fund, which was formerly administered by us on behalf of the federal government, as a territorial fund established under an ordinance of this Assembly. It was the loan guarantee fund, as recommended at the last session. This ordinance adds new flexibility and scope to the fund. The maximum loan has been raised from \$50,000 to \$100,000. Loans may now be made for inventory as well as fixed capital. A maximum period for repayment has been fixed in to accommodate loans from ten years to 15 years and the definition of a small business has been changed from a business whose gross revenues do not exceed a half million dollars, to one million dollars.

These changes were made following the report of the task force on northern business which recommended them. This ordinance also adds the loan guarantee funds and loans made either directly from the fund or from chartered banks under a guarantee approved by the loan fund board. The Eskimo Loan Fund and Indian Economic Development Fund already have guarantee provisions. These were not until now available to other ethnic groups in the territories. The ordinance establishes an upper limit on the outstanding principal of loans and guarantees that may be made under this ordinance. I am rather lost on where I am now.

Operation Of The Fund

The ordinance establishes an upper limit on outstanding principal of loans and guarantees that may be made at five million dollars. This amount was the amount originally established for the federal Small Business Loan Fund by the federal government. The ordinance provides for a repayment of loans to go back into the fund for relending. The fund is just two revolving funds in the sense the money loaned out to the customers will come back to the fund for relending. Interest payments will be put into a special reserve. If the fund sustains losses, either because some loans are uncollectible and not covered by securities or if a guarantee is called by a bank, money may be appropriated in the House to replenish the fund and allow it to continue in operation. While the normal lending operations of the fund will be concluded confidentially, in the event of bad debts there will be full disclosure of the details to the House when money is appropriated to make up the bad debt.

The existing small business loans made under federal authority will be transferred to the new territorial fund. The value of the outstanding principal on this loan is \$2.4 million and the expected principal repayments in the current fiscal year are \$360,000. The annual rate of lending will be set by the Commissioner with five million dollars authority. Regulations are being drafted for the administration of the fund within the purpose and limits specified in this ordinance. Thank you very much.

THE CHAIRMAN (Mr. Pearson): Thank you, Hon. Peter Ernerk, and the interpreter for a terrific job of translating. Mr. Evaluarjuk.

Borrowing Money

MR. EVALUARJUK: Mr. Chairman, I would like to know if this is just directed to the white people or to the native people. If I want to borrow \$100,000, will I be able to get it or do I have to form my own company in order to borrow money, or if I want to use it myself to make profit would I be able to be given that amount of money? This is my first question. I would like to ask also, the interest that is charged when you borrow money, have they raised the interest up or have they just left it the way it is right now, 15 per cent interest? That is what I want to know.

THE CHAIRMAN (Mr. Pearson): Hon. Peter Ernerk, that was a long question and I wonder if you would like to call some of your experts to the witness stand.

HON. PETER ERNERK: Mr. Chairman, I was going to suggest this myself a while ago. Yesterday when the witness was here, Mr. Patriquin, he was working on this particular subject and if you do not mind he could attend the witness table. He could tell you more about the fine details.

THE CHAIRMAN (Mr. Pearson): Thank you. Would Mr. Patriquin come to the table, please? Mr. Patriquin, welcome back two days in a row. Did you hear the question posed by Mr. Evaluarjuk?

MR. PATRIQUIN: I am afraid I could not hear the question, Mr. Chairman.

THE CHAIRMAN (Mr. Pearson): Mr. Evaluarjuk, would you repeat the question, please?

Loans To Natives.

MR. EVALUARJUK: Mr. Chairman, can you hear me? Can you hear me, Mr. Patriquin? Mr. Chairman, I have two questions concerning what Hon. Peter Ernerk was talking about and the first one was would I be able to borrow money, or who could borrow money from this? Could it only be used by the white people or for myself, a native person, or any native person? If I wanted to borrow, say, up to \$100,000, or a million dollars, would I be able to borrow that amount or would I have to form a company in order to be able to borrow that amount of money? That was my first question.

My next question is that the interest that they charge when you borrow money, has that been raised or is it the same as it was before? Those were my questions. Thank you.

THE CHAIRMAN (Mr. Pearson): Thank you. Mr. Patriquin, did you hear the questions?

MR. PATRIQUIN: Yes.

THE CHAIRMAN (Mr. Pearson): You have the floor.

MR. PATRIQUIN: On the first question, anyone who is beginning or operating a business in the Northwest Territories may borrow from the fund. The maximum loan is \$100,000. The borrower does not have to form a company. Mr. Evaluarjuk would also be eligible for the Eskimo Loan Fund and loans from the Eskimo Loan Fund can be greater than \$100,000. People who are eligible for the Eskimo Loan Fund would normally be directed to the Eskimo Loan Fund.

The interest rate on this fund is the same as it has been. The interest rates on the Small Business Loan Fund are equal to the interest rates charged by the Federal Business Development Bank and they are approximately the same, although sometimes higher than the Eskimo Loan Fund.

THE CHAIRMAN (Mr. Pearson): What are the interest rates, Mr. Patriquin, currently?

MR. PATRIQUIN: Subject to correction, I believe the interest rates currently are ten per cent on loans up to \$50,000 and 11 per cent on loans above \$50,000.

THE CHAIRMAN (Mr. Pearson): Mr. Evaluarjuk, any more questions?

Seizure Of Security

MR. EVALUARJUK: Yes. Mr. Chairman, I have got a good answer from the witness. If I wanted to borrow, and if I could not pay it back at the time I was supposed to, and if I had a boat or motor kicker or a car, or a stereo would they seize from me those things if I could not pay for the loan in time? That is my question.

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

MR. PATRIQUIN: Mr. Chairman...

MR. EVALUARJUK: Just one moment.

THE CHAIRMAN (Mr. Pearson): Carry on, Mr. Patriquin.

HON. ARNOLD McCALLUM: A technical breakdown.

MR. PATRIQUIN: Mr. Evaluarjuk is having the same problem I am having. If when the loan was first made the borrower promised that if he could not repay he would allow the loan fund to seize his stereo, automobile or skidoo, if he promised that at the beginning and signed the documents then the loan fund could take them. If that was not agreed at the beginning they could not be taken, but the loan fund, before taking the skidoos, or whatever security had been put up would first try to see whether a different repayment schedule could be arranged and see whether the borrower could be helped by management advice to improve the business so that the loan could be paid back.

THE CHAIRMAN (Mr. Pearson): Mr. Evaluarjuk, have you any other questions?

MR. EVALUARJUK: Mr. Chairman, I understand him clearly but if I wanted to borrow money would they ask me a whole lot of questions? The money that I borrow, if I could not pay them back, I would have to give up my property, but they would not allow me then to borrow any more money if I applied for another loan, or would they put me in jail?

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

Inability To Repay Loans

MR. PATRIQUIN: Yes, I think when a borrower wants to make a loan fairly detailed questions will be asked about the business, not about the borrower himself, but about the business and whether the business will be able to repay the loan. If the borrower can not repay the loan, then because he has promised his new building or whatever, if he could not repay, he would have to give them up. I think it is very unlikely that the borrower would be sent to jail because when the borrower has given up the security he has and can not pay the loan still, the loan can be written off if the borrower declares himself bankrupt. He would then be able to borrow again in theory but I think it is unlikely that anyone would lend him the money. However, if a project or a loan failed for some good reason beyond the individual's control it is quite possible that that individual might get back into business again. It certainly happens in the South.

THE CHAIRMAN (Mr. Pearson): Thank you. Mr. Evaluarjuk. I wonder if I could just make a comment from the chair. I understood part of the question Mr. Evaluarjuk was asking was whether a Member of this Legislature could borrow money under the Eskimo Loan Fund. Madam Legal Advisor. I noted from the book of rules of ARDA that that could not be.

LEGAL ADVISOR (Ms. Flieger): Mr. Chairman, I do not think there is anything in the ordinance at present to prevent a Member getting a loan under the ordinance.

MR. CHAIRMAN (Mr. Pearson): Thank you. Hon. Dave Nickerson.

Loans To Assembly Members

HON. DAVE NICKERSON: It might be advantageous if I could make Members aware of the position taken by the Executive with respect to these types of arrangements between the government and Members of this Legislature. We have advised our staff that all applications for grants, loans and other considerations of that nature made by Members of the Legislature

be made known to us. The reason for this is that although in the case of this particular ordinance, as the Legal Advisor points out, it probably would be quite legal for a Member to receive a loan, loans and grants made pursuant to other legislation may have, there may be clauses in that legislation which would prevent Members from doing that legally. So, we would like to know and we would like to be able to advise Members of firstly their legal position, the fact that even if they can legally borrow money or receive a grant, they might, because of their interests have to declare these interests in debates on certain subjects and that type of thing. We would not want Members to inadvertently get themselves into a position where they were breaking one of the laws that they helped to make.

Position On Grants To Members

Where these matters have come to our attention, providing it is legal, we have generally let a request for a loan be dealt with on its own merits, but where there was a request for a grant, we have so far taken the view that a Member should not really be eligible for grants, that might possibly be construed that they were using their position of influence to receive moneys that, had they not been in that position of influence, they would not have got. The position we have taken is that we do not want to see them get these grants, but we have made advice available to them as to where they might go for alternative sources of funding.

THE CHAIRMAN (Mr. Pearson): Thank you, Hon. Dave Nickerson. Are there any Members who wish to make any comments of a general nature? Mr. Whitford.

MR. WHITFORD: Thank you, Mr. Chairman. First, Mr. Chairman, the loan board does have in fact some information in regard to Members of the territorial Legislature. I had dealings with them most recently and rather than getting a cheque I got a paper that outlined the rules they were supposed to follow in order to prevent such things happening from that kind of thing. However, I thought that the government loan boards were structured or set up as last resorts, or funding institutions in that if you are borrowing a quarter of a million dollars you are investing in something large such as a store or perhaps supplies within that store or you are purchasing a boat, or a large enough boat for the purpose of tourism or promotion of tourism or a small motel.

Bankruptcy Procedures And Personal Belongings

Now, I find it very difficult, and when I was on the loan board I used to argue this point continuously that a person borrowing money to invest into motels or small stores, this sort of thing, it seems to me that the thing should be geared up so that if the place went broke then the Department of Economic Development would be able to go in and take over the store and the land on which it is resting, if that is part of the agreement, but that is where it should end. I just do not think that the department should be able to go and take the fridge, the stove, the kids' shoes and socks, etc., because then they become homeless and then of course dependent again upon the government. You know, it just does not seem to me that when you are borrowing this kind of money and lending it to various people to go into these things, I am sure that you do not lend a quarter of a million dollars to a person who is not able to handle it properly, but rather lend it to somebody who can make use of the money and make a successful project.

THE CHAIRMAN (Mr. Pearson): Thank you, Mr. Whitford. Madam Legal Advisor, would you like to comment on that, the bankruptcy procedures for removing personal belongings of people.

LEGAL ADVISOR (Ms. Flieger): There is an ordinance called the Exemptions Ordinance which excludes certain possessions of the debtor from seizure. One of those exemptions is the necessary and ordinary wearing apparel of the debtor and his family.

THE CHAIRMAN (Mr. Pearson): So, they do not just leave you naked lying on the floor. Mr. Whitford.

MR. WHITFORD: That was not what I was looking at, I was not after that, even though it is in there, but rather the structure of this policy that we have in front of us, this sort of thing, I would like to have had built in, that is what I am trying to say.

THE CHAIRMAN (Mr. Pearson): Fine, thank you. Mr. Steen.

Appointments To Loan Boards

MR. STEEN: Mr. Chairman, I just have a small question here pertaining to the loan boards. I would like to know if the present loan board would administer this fund. That is one question and the other question is: I would like to know who appoints members to the loan boards in the territories because just a few days ago, on that flash television program around Inuvik, one person spoke against development and that person is on the loan board and I would like to know who appoints members and those are my two questions if someone could answer it.

THE CHAIRMAN (Mr. Pearson): Thank you, Mr. Steen. Mr. Minister, would you like to answer the question?

HON. PETER ERNERK: Mr. Chairman, I believe it states in the ordinance that the Commissioner appoints the boards, and I believe there are five members at the moment. This particular ordinance gives us the authority to provide one more and am I not correct on that?

With regard to the other question, the administration of it, I believe that it also states in the ordinance here that the Commissioner may appoint a loan director who shall administer loans and guarantees made under this ordinance and this comes under clause 5 of this particular ordinance.

THE CHAIRMAN (Mr. Pearson): Thank you, Hon. Peter Ernerk. It is stated under clause 5 on page three.

Board Members

HON. PETER ERNERK: Pardon me, Mr. Chairman, under clause 4 it states "There is hereby established a Small Business Loans and Guarantees Board consisting of a chairman and not more than five other persons..."

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

MR. STEEN: Mr. Chairman, I believe my question was not really answered. What I was wanting to know is whether the present loan board will administer this fund or are you going to set up a new loan board?

HON. PETER ERNERK: Mr. Chairman, as I understand it once this particular bill has been accepted by this Assembly it will give the Commissioner an authority to set up a board that will administer this particular fund.

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

MR. STEEN: Mr. Chairman, I just wanted to elaborate a bit. When we are setting up these loan boards I hope that they make sure that they have people who do not spit against the wind like they did the other day.

THE CHAIRMAN (Mr. Pearson): Any response, Hon. Peter Ernerk?

HON. PETER ERNERK: No, Mr. Chairman.

THE CHAIRMAN (Mr. Pearson): Anything further, Mr. Steen?

MR. STEEN: No.

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

MR. LAFFERTY: Mr. Chairman, some of these questions have been asked but they lead me to believe that there is only one single loan board, am I correct?

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

HON. PETER ERNERK: There is the Indian Economic Development Loan Fund, there is the Eskimo Loan Fund and there is presently a Small Business Loan Fund and what is taking place here is to set up a Small Business Loans and Guarantees Board.

Intention Of The Bill

MR. LAFFERTY: Thank you, Hon. Peter Ernerk. One of the complaints that I hear often from the small businessmen is about the people who sit on boards. I think we have a very, very good thing here and we should be rather careful of the board members, you know who will comprise the board. There are questions that arise in my mind and no doubt we will come across it somewhere, a bankruptcy procedure. I do not know if this bill is intended to assist a small businessman or to put a man in a small business. Now, I wonder if I can have clarification on that, Mr. Chairman.

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

HON. PETER ERNERK: Mr. Chairman, I would have to ask Mr. Patriquin on that.

THE CHAIRMAN (Mr. Pearson): Mr. Patriquin, would you care to respond?

MR. PATRIQUIN: Mr. Chairman, if I understand the question correctly, a loan that comes to the board would be examined by the board in the light of its economic prospects. Now, if that is a loan for a new business, fine. If it is a loan for an existing business, for someone who is already in business and it is apparent that the business will be able to pay back that loan, then the board would normally approve it.

THE CHAIRMAN (Mr. Pearson): Thank you. Mr. Lafferty, anything further?

MR. LAFFERTY: Mr. Chairman, is there not such a service already set up in the form of the Small Business Loan Fund?

THE CHAIRMAN (Mr. Pearson): That is a question directed to Hon. Peter Ernerk or Mr. Patriquin?

MR. LAFFERTY: Mr. Patriquin.

MR. PATRIQUIN: Mr. Lafferty, the Small Business Loan Fund is presently a federal fund and it is bound by federal regulations. The intention of this ordinance is to re-establish that same fund under a territorial ordinance. It has somewhat expanded limits.

THE CHAIRMAN (Mr. Pearson): From \$50,000 to \$100,000.

Direction For Board Appointments

MR. LAFFERTY: Mr. Chairman, I am pleased with the reply. They are on the right track and that is what I wanted to know because there is something that I feel has been asked for. Now, the board members, I do know that it is within the Commissioner's powers to appoint the boards, but maybe as it has been indicated here that direction should come from this Assembly because what happens is that presently we have our small loans that are operated just like a lending institution anywhere else outside. You may as well have direct loans from the Bank of Montreal or any of these places, because they could foreclose on a small business. They could cut off a person's fund once he is in the business and maybe because of unforeseen circumstances. You know, a business if given two to three years will ride over a bad time and he may survive and become a very viable operation, but because of the regulations - - and the board directors, they do not mean anything bad or anything like that and they are all good intentions but they end up foreclosing on a business which could have survived.

So, to ensure that these things do not continue we should be looking at where our northern small businessmen who are experienced comprise the board members and we should be looking at that. This is something that I felt we should be aware of. We should give every possible chance to the northern businessman. Presently I understand there are bankers and so on on our Small Business Loan Fund and the institution has to work as a commercial outlet and I feel this is wrong. Such loan programs that we decide on should be for northern business purposes and they need all kinds of assistance.

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

Advice On Board Appointments

HON. PETER ERNERK: Mr. Chairman, I would just like to emphasize the fact that actually when it comes to appointing various boards of the Department of Economic Development and so on, I am actually the one who takes a look at various names, recommendations, just as much as the Honourable Minister of Social Development does with various local social assistance committees. So I can assure you that advice comes from various people in the territories and I take a look at it and I pass it on to the Commissioner's office.

THE CHAIRMAN (Mr. Pearson): Any further questions? Mr. Ludy Pudluk.

MR. PUDLUK: In Inuktitut, not in Keewatin. Inuktitut.

HON. PETER ERNERK: Mr. Chairman, I object. I feel I have the best dialect in this room.

---Laughter

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

MR. PUDLUK: I would like to ask a question. I would like to say a few things on that loan fund and for the people who get loans. The only time that they want to take a loan is when they are going to be making money out of it. The only loans they have are by borrowing and I feel that when they are just starting, when they first start their business, that the money that they have to pay a month is a little bit too much for them when they are just starting out.

Payments Should Be Less When Starting

I think that from the beginning I feel it is too much for them at the beginning and I feel it should be about six months before they pay a big amount. After six months or so they can put it up a little bit higher and when you are first starting up a business and you really do not know how to run a business it is very difficult to try to pay out money because they have to have insurance and I feel that when you are just starting out you have to pay a little bit too much. Maybe the board of directors of the loan fund should look into this matter and this is the big problem that they have when a person gets a loan. Thank you.

THE CHAIRMAN (Mr. Pearson): Thank you, Mr. Pudluk. Is there any response from Mr. Patriquin? Any further comments of a general nature? Mr. Kilabuk.

MR. KILABUK: Mr. Chairman, I have one question that I would like to ask. I would like to know where they get this board of directors? I would like to ask where they come from? Do they come from the Northwest Territories or do they come from down south?

THE CHAIRMAN (Mr. Pearson): Hon. Peter Ernerk, could you respond?

Repayment For Hunters

MR. KILABUK: Mr. Chairman, I would also like to talk about hunters who borrow from these funds in the outpost camps and I have been thinking quite heavily on this. I feel that they should not have to pay the full amount when they do borrow money. The people who go out hunting, some months people get less than \$100 when they are out hunting and the people who go out, I feel we should be thinking about this because we should not have to pay a big amount like the businessmen do because it is put to very good use, such as say buying a boat or skidoos, and sometimes it is impossible to pay properly and I feel that if we get assistance from loan funding, that is what I would like you to think about.

Also I have another question. If I borrowed \$30,000 myself, personally, and I am given ten years to pay and if I am unable to pay, if I took ten years and I did not pay for it then what would happen?

THE CHAIRMAN (Mr. Pearson): Would you like to respond to that, Mr. Patriquin?

MR. PATRIQUIN: A loan can now be made for somewhat longer than ten years, it can be made for 15 years. If the loan at the end of ten years is not repaid and the business can still pay but at a lower amount every year then the borrower would speak to the loan fund board and make an arrangement to change the terms of repayment to make it so that the payments would be within the capability of the business to pay.

THE CHAIRMAN (Mr. Pearson): Fine, thank you so much. The hour is creeping along, gentlemen - - oh, we are going until 6:00 o'clock p.m., pardon me. Are there any further questions of a general nature? The Honourable Minister Arnold McCallum.

HON. ARNOLD McCALLUM: Mr. Chairman, in terms of the interest rate, did I understand correctly Mr. Patriquin to say that if one were to borrow \$100,000 then the interest rate on the first \$50,000 would be ten per cent and the interest on the remaining \$50,000 would be 11 per cent?

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

MR. PATRIQUIN: I think I stand corrected on that.

The figures should be 11 and 12 per cent which are the current rates charged by the Federal Business Development Bank. It would be a blended interest rate, yes.

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

HON. ARNOLD McCALLUM: A further question dealing with that, Mr. Chairman. Do these interest rates change as the bank rate changes, or is it a static interest rate for the life of the loan?

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

Review Of Interest Rates

MR. PATRIQUIN: As it is set up now, the rate of interest stays at the rate you borrow at for the life or the length of the loan. The rate structure is changed by the Federal Business Development Bank in the order of every one to two years and reflects prevailing commercial mortgage rates. It does not change as often as the commercial bank rate.

THE CHAIRMAN (Mr. Pearson): Fine, thank you. Does that answer your question, Hon. Arnold McCallum?

HON. ARNOLD McCALLUM: Yes, that particular question, Mr. Chairman. So, Mr. Chairman, if I may continue, if the rate were not to change drastically it would mean that there would be on a loan of \$100,000 approximately \$112,000 which would have to be repaid, if it were over that particular time, is that correct?

MR. PATRIQUIN: Yes, if it were a one year loan for \$100,000 I think it would work out to \$111,500.

HON. ARNOLD McCALLUM: Somewhere around there.

MR. PATRIQUIN: Yes.

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

HON. ARNOLD McCALLUM: Just to pursue the point someone mentioned, that would be a fairly substantial return in a year. If the life of the loan is ten years, if it was 15 years, or is that what is being proposed?

MR. PATRIQUIN: The loans limits are expanded, and the maximum time period was extended from ten years to 15 years to accommodate the problem that Hon. Arnold McCallum has brought forward, that is correct.

THE CHAIRMAN (Mr. Pearson): Does that answer your question, Hon. Arnold McCallum?

HON. ARNOLD McCALLUM: That is fine.

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

MR. EVALUARJUK: I just wanted to tell you that the Members are slowly disappearing and I am wondering if we have a quorum because since our Speaker is still here I would like to adjourn.

THE CHAIRMAN (Mr. Pearson): The motion this morning, passed by the House reads that we will sit until 6:00 o'clock p.m., we will go until 6:00 o'clock p.m., and it will be that way from now until next Friday.

MR. EVALUARJUK: What is the quorum? Right now there are only seven of us and I would like to know what a quorum is.

THE CHAIRMAN (Mr. Pearson): I think the interpreter switched channels on me. Could I have a translation, please?

HON. PETER ERNERK: What is a quorum?

THE CHAIRMAN (Mr. Pearson): Madam Legal Advisor, did you catch the question? The question is what is a quorum? Hon. Dave Nickerson.

HON. DAVE NICKERSON: Mr. Chairman, I would suggest that if Mr. Evaluarjuk thinks that maybe we should close her down this afternoon he should move that this committee report progress.

THE CHAIRMAN (Mr. Pearson): Mr. Evaluarjuk, would you like to do that?

Motion To Adjourn, Carried.

MR. EVALUARJUK: Yes, I would like to move that we adjourn now.

THE CHAIRMAN (Mr. Pearson): Is it your wish that I report progress?

---Carried

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

Report Of The Committee Of The Whole Of Bill 4-62, Small Business Loans And Guarantees Ordinance

MR. PEARSON: Mr. Speaker, your committee has met to consider Bill 4-62 and begs to report progress.

MR. SPEAKER: I think we will all agree that Mr. Pearson did a commendable job.

---Applause

And I do not want to leave out Mr. Lyall either, earlier.

---Applause

Are there any announcements? As the week end is coming up is there not a meeting on Saturday between 5:00 o'clock p.m., and 6:00 o'clock p.m., a meeting with the Petro Can officials at 5:30 o'clock p.m., in the Gold Room, 5:30 o'clock p.m., to 6:00 o'clock p.m., in the Gold Room at the Yellowknife Inn, tomorrow?

HON. ARNOLD McCALLUM: Six-thirty.

MR. SPEAKER: Then at 6:30 o'clock p.m., there is a dinner you are all invited to. Is there a Sunday meeting, Hon. Arnold McCallum?

HON. ARNOLD McCALLUM: No, Mr. Speaker.

MR. SPEAKER: So Sunday is a day of rest, Saturday at least for an hour or so of work. Are there any further announcements?

Mr. Clerk, orders of the day.

ITEM NO. 12: ORDERS OF THE DAY.

CLERK OF THE HOUSE: Orders of the day, 2:00 o'clock p.m., May 16, 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, Report of Mackenzie Valley Pipeline Inquiry, Matters Relating to Panarctic Oils Ltd., Tabled Document 7-62, Recommendation to the Legislature 1-62 and 2-62, Matters Relating to CNT Operations in the Mackenzie Valley
12. Orders of the Day

MR. SPEAKER: This House stands adjourned until 2:00 o'clock p.m., May 16, 1977, at the Explorer Hotel.

---ADJOURNMENT

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