

**LEGISLATIVE ASSEMBLY OF THE
NORTHWEST TERRITORIES
9TH ASSEMBLY, 10TH SESSION**

TABLED DOCUMENT NO. 15-83(1)

TABLED ON FEBRUARY 25, 1983

DEPARTMENT OF LOCAL GOVERNMENT BUDGET REVIEW STATEMENT

BY HONOURABLE JAMES J. WAH-SHEE

REGARDING ASSISTANCE TO IMPACT COMMUNITIES

I would like to say something about the Department's current efforts and future initiatives to assist communities facing major impacts from resource development.

The focus of departmental efforts to assist impact communities is to ensure that community governments have the necessary resources and capabilities to successfully manage growth and change resulting from resource development projects.

The assistance we can provide falls into four categories:

- Legislation
- Municipal Finance
- Community Planning
- Human Resources

1. Legislation

Review of municipal
legislation

The Department recognizes that community governments require sufficient legislative authority to control the impacts of resource projects; and there has to be sufficient legislative flexibility to accommodate the different requirements of impact communities. As the House knows, I intend to table a position paper on local government legislation during this Session as the first step of my initiative to revise and re-

write the Municipal Ordinance. I would hope, during the preparation of the legislation over the next few months, that municipalities such as Tuktoyaktuk, Norman Wells, Inuvik and Fort Smith will take advantage of this opportunity to ensure that the new ordinance provides sufficient legislative authority and flexibility to enable impact communities to deal successfully with resource development.

Community
impact
agreements

One of the options being examined by the Department is to allow municipalities to enter into community impact agreements with resource developers.

Regional
councils

In addition to new legislation for local governments, I intend to present for the approval of the Legislative Assembly at this Session a Regional and Tribal Councils Ordinance. The continued development of regional councils in the Northwest Territories will provide a needed focus at the regional level where community issues arising from resource development can be discussed and direction provided to industry and the various levels of government. The development of regional councils also provides an opportunity for the communities to begin to consider regional planning and to undertake greater authority and responsibility for the management of GNWT services and programs. All of this can assist communities to deal more effectively with resource development.

2. Municipal Finance

Big expenditure
in Norman Wells
and Tuktoyaktuk

One of the most noticeable efforts the Department has made to assist impact communities is in the provision of infrastructure such as water and sanitation facilities, roads,

municipal buildings, land development and recreational facilities. For example in our 1983/84 main estimates there are capital projects totalling 2.3 million dollars in Tuktoyaktuk and 1.5 million dollars in Norman Wells. This is in addition to the 4 million dollars for other capital projects that were undertaken this year in the same two communities.

Review of municipal
funding methods

The Department is currently investigating ways to ensure the level and type of funding provided to all levels of local government, including tax-based municipalities, will be adequate in the future to meet the special needs of impact communities. For example in the case of tax-based municipalities such as Inuvik and Fort Smith, the current method of financing capital projects through municipal debentures may have to be revised because their tax base may be too small to support the large amounts of capital infrastructure needed to support rapid growth. In addition, municipalities may have difficulty collecting sufficient property taxes to meet the annual operating costs of providing services to the expanded population if the industrial assessment base is located outside the municipality.

Possible funding
problems

3. Community Planning

Importance of
community
development
plans

One of the best methods available for community governments to direct and manage rapid community growth is in the preparation and implementation of community development plans. Community Councils, through the planning process, can define what their goals and objectives are with respect to future changes that may happen in the community as a result of resource development.

Community
direction

The community plan can then indicate to all participants in the resource development process such as industry, the GNWT and the federal government what actions they should take to assist the community with respect to future community development and physical growth.

Departmental
emphasis

As I indicated in my budget speech, the Department will continue to place a great deal of emphasis in assisting communities, especially impact communities, in preparing and updating their own community plans, and we have made a good start on that with Tuktoyaktuk and Norman Wells, by providing technical and financial assistance to the Hamlet Councils.

4. Human Resources

Technical
expertise
required

One last major area where the Department is assisting impact communities is in the provision of funds for technical expertise, such as planners, engineers and development officers who are needed to work with the Community Council and their staff to deal with issues and impacts from resource projects.

Existing
assistance
to impact
communities

The Department has been able, through the special federal impact funding for the Norman Wells project, to provide the Hamlet Council of Norman Wells with funds to hire a development officer. This position, which has been staffed by the Hamlet, assists the Council in dealing with the numerous land and development applications that are being made in the community. The Department also intends to provide, from within our own

budget, funds to allow the Norman Wells and Tuktoyaktuk Councils to hire engineering consultants to assist them in managing the large number of capital projects which will be undertaken in their respective communities this year.

Future
assistance
to impact
communities

The Department recognizes it has an important role in ensuring community governments have adequate human and technical resources to deal with resource development, and the present methods of providing assistance may not be adequate. It is therefore examining ways in which to provide this support, which might include the establishment of a more formal funding program for impact communities. Other areas such as Council and staff training will be reviewed to ensure the Department's current training efforts are appropriate for impact communities.

