

in March, 1987, the responsibilities for the Northern Canada Power Commission for the Yukon were transferred to the Yukon. There is indication that that is going very well in the Yukon, that the territories have shown that they are able to manage these corporations well. I am sure the same will be true for the Northwest Territories.

● (1600)

I was interested in reviewing the Minister's comments at the time that the transfer to the Yukon took place. On March 25, 1987, he said that it is consistent with the philosophy and policy of the Government that government services should be provided as close as possible to those who are directly affected.

That is really the intent in principle of the Bill we are discussing today. For that reason, as a northerner who has often said exactly the same thing about a number of issues, I can support it, as does my Party.

There are a number of aspects to this Bill which, again, represent principles of devolution which many northerners have been fighting and speaking for for a long time, that is, the principle of transferring the assets and the ability to administer the program and giving full control over to the territories. This is a particularly important point to which I would like to return in a few minutes.

There are a couple of concerns about the Bill which the other speakers have raised. I understand, through my discussions with the Minister of Energy, Mines and Resources for the Northwest Territories, that there are a couple of outstanding items to be negotiated. One in particular is contained in Section 11 of the memorandum of understanding between the Government of Canada and the Government of the Northwest Territories concerning the Inuvik Utilidor.

Many people will probably think that this is something from outer space. The Inuvik Utilidor is actually very interesting. It was a model project in 1959. An above-ground system for water, sewer, and heat was developed for an Arctic community which has proven to be a very interesting model for Arctic communities. Of course, 28 years have passed since 1959. This facility is in need of repair and is still essential for the community. This remains an outstanding item in the agreement and it is hoped that this can be satisfactorily resolved.

We know of the difficulties in so many areas in our municipalities with the lack of funding for municipal infrastructure. One who is familiar with the northern communities flags this issue in particular when reading the agreement. This is clearly an area in which I hope the federal Government will continue to negotiate favourably with the NWT and give them the assistance required.

Another section of the agreement to which I, as a northerner, thought should be paid attention is Section 10 which says that future capital projects of this utility will be financed by funds raised from sources other than the federal Government. It seems to me that this could certainly pose some problems in

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the future because the tax base is very low, as we know. It has been mentioned that this utility services about 13,000 households. Therefore, the revenue which can be raised is pretty limited. However, as has been mentioned, the Legislature of the Northwest Territories has given its assent to this Bill and these are issues with which it will obviously have to deal itself in the future.

As I mentioned earlier, the devolution of responsibilities is an extremely important factor to consider in looking at Bill C-125. One must understand the underlying principles of this. Although it has taken considerable time, the Minister of Indian Affairs and Northern Development (Mr. McKnight) has followed through on his promise made in 1987 as he did with the transfer of NCPC to the Yukon Government.

There are other outstanding issues. People have heard northerners talking for a long time about the need for self-sufficiency saying that devolution of programs and responsibility to our duly elected legislatures, both in the Yukon and the Northwest Territories, is extremely important to the constitutional development of those territories.

The previous speaker mentioned the Meech Lake Accord. It is very important that we understand that the transfer of programs such as this to the territories underscores the ability of the territories to manage their own affairs. The Minister certainly deserves considerable credit for that in this Bill concerning NCPC. He has not had quite as much success with his colleagues in other similar Bills concerning energy, interestingly enough.

The Minister has been attempting to come up with a policy under the Northern Accord which would transfer much of the potential revenue from gas and oil resources, both onshore and partially offshore, to the Northwest Territories and the Yukon, but it seems to have been bogged down. It is important to mention this while discussing a Bill which transfers responsibilities because it illustrates one of the essential problems with which the territories are forever having to deal.

The Minister of Indian Affairs and Northern Development has a good understanding of the North. He has travelled there, spoken with many people, and dealt with many groups. He supports things such as the Northern Accord and the transfer of these responsibilities. However, as the *Calgary Herald* of November 1987 said, one of the biggest stumbling blocks of the Minister is his colleagues, and particularly his colleagues in energy and finance who are worried "that transferring one-third of Canada's energy reserves to 50,000 people is fraught with folly".

For many years federal Governments have tended to look at the North as the storehouse of resources for the South. As the previous speaker alluded to, it is also a bit of a storehouse of work for federal bureaucrats at times as it is an area left in the country over which bureaucrats can have some control at the federal level.