

Northern Canada Power Commission

In 1985 there was a memorandum of understanding agreed to by the Government of Canada, by the then Minister of Indian Affairs and Northern Development, the Hon. Member for Rosedale (Mr. Crombie), and the Governments of the Yukon and the Northwest Territories which put into effect the guidelines for negotiations leading to the transfer.

In 1987 the Yukon part of NCPC was transferred to the responsibility of the Government of the Yukon. That was a good move. It was supported by all Parties in the House and dealt with in an expeditious fashion.

That brings us to today where, following the February 8 agreement signed by the Minister of Indian Affairs and Northern Development (Mr. McKnight) and the territorial Minister responsible for energy, the Hon. Nellie Cournoyea, we have before us Bill C-125 which will actually put the transfer into effect and authorize the disposition of the shares.

Now I come to the meat of the sandwich—the speech which would have been given by the Hon. Minister. On February 8 this year in Yellowknife, the territorial Minister of Energy, Mines and Resources, the Hon. Nellie Cournoyea, and the Minister of Indian Affairs and Northern Development signed an agreement in principle for the sale of the Northern Canada Power Commission to the Government of the Northwest Territories. The legislation which is in front of us is designed to authorize the sale.

It means that for the first time residents of the Northwest Territories will have full ownership and control of their own electric utility. Along with ownership will come responsibility, something which northerners have long sought and long deserved. The Northern Canada Power Commission is a federal Crown corporation and the principal producer of power in the Northwest Territories. In 1987 it sold some 385 million kilowatt hours of electricity to some 13,000 customers.

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Until a year ago, NCPC was also the principal supplier of electricity in the Yukon. However, in March of last year this House gave all-Party support to Bill C-45 which provided for the sale to the Yukon Government of NCPC's Yukon assets. Today we are proposing the sale of NCPC to the Government of the Northwest Territories through legislation equally deserving of all-Party support.

Also, Members will be happy to learn of the realization of a critical objective, the right of all employees of NCPC to continue their employment with the new utility to be formed by the Government of Northwest Territories.

We are eager to complete this sale for a number of reasons. For instance, this transfer is entirely in keeping with the federal Government's northern framework, the policy which guides this Government's approach to northern economic and political development issues. Among the Government's principal goals under the framework are the goals to assist

northerners in achieving economic independence and to aid in their attainment of more responsible government.

In order to achieve this, we are committed to transferring responsibility for provincial-type programs to the territorial Governments. In this regard, the Government has recently transferred to the Government of the Northwest Territories responsibility for forest management and forest fire fighting, and we are in the process of transferring the residual health care responsibilities from the Department of National Health and Welfare.

The ability of residents of the territories to manage and develop their utility has been a growing concern for some time. In 1982, a subcommittee of the Standing Committee on Indian and Northern Affairs recommended that the Northern Canada Power Commission be transferred to the territorial Governments. The step we are taking today completes the response to the recommendations of that subcommittee.

Again, we have to acknowledge the hard work of the subcommittee and especially the Chairman, the Hon. Member for Cochrane—Superior.

The Government of the Northwest Territories has expressed a willingness to assume responsibility for the utility and has indicated its capability to operate the facility under a territorial corporation to be called the Northwest Territory Power Corporation. It will be the responsibility of the Government of the territories to ensure that the affairs of the corporation are managed for the best possible benefit of northerners.

The transfer of the Northern Canada Power Commission will be accomplished by means of a sale of its shares to the Government of the Northwest Territories. Bill C-125 will authorize NCPC to convert \$43.1 million of its total debt of some \$96.1 million owing to the federal Government into share capital. The remaining \$53 million will stay as debt on the NCPC accounts.

This legislation will permit the federal Government to sell these shares and the debt with a total worth of \$96.1 million for a cash price of \$53 million to the Government of the Northwest Territories. While it is a little more complicated when one reads the fine print, that is the gist of the deal. This deal will enable the utility to operate in a viable and efficient manner, and allow the Government of the Northwest Territories to assume its social responsibilities to protect customers.

This is another example of the ability of the Government to act responsibly and co-operatively. I am proud to advise the House that as a result of the sale and transfer of NCPC, all NCPC employees will continue their present employment with the new utility, uninterrupted. They will also continue to participate in the federal pension plan. We have also ensured that the benefits package employees will be entitled to is comparable to the one they now enjoy. There will be additional benefits available to them through a dental plan and improved maternity leave arrangements.