

TOWARD NWT SELF-GOVERNMENT

The following passages are from a recent statement by Mr. Arthur Laing, the Minister of Indian Affairs and Northern Development, in Yellowknife, Northwest Territories:

I have promised to announce within a month the position of the Government on three matters of particular interest to the Northwest Territories, those being a new Commissioner, the Carrothers Report on the Development of Government in the Northwest Territories and the location of the territorial capital. I will today be making no announcement in respect of the new Commissioner. I expect the appointment to be made very shortly, but a few necessary discussions are not complete.

I can, at this time, indicate in a preliminary way, the attitude of the Government of Canada toward the development of government in the Northwest Territories. It is our intention to see that matters under territorial jurisdiction are put under the authority of the Commissioner and a greatly expanded territorial public service just as rapidly as possible. That means that there will be an almost immediate turn-over of several important functions as soon as the Commissioner and his staff are located in the Territories and that the timetable for the turn-over of these and other functions will be governed not by the willingness of the Federal Government to give up the direct administrative control, which willingness is complete, but rather by the ability of the territorial government to absorb the responsibilities in an orderly way. There are several restraints on this ability. First of all, the administration of programmes requires people. It will require a very significant number of people under the direct control of the Commissioner and many of these people are now resident in Ottawa rather than in the North. I anticipate no difficulty in establishing, almost immediately, a small group of senior advisers to the Commissioner in the North in virtually every area under territorial jurisdiction, but it must be recognized that it will take longer to staff for the entire management of the programmes concerned.

TRANSFER OF STAFF

It is my hope that a great many employees of the Northern Administration Branch presently in Ottawa and in the Territories will accept the offers which they will receive to transfer to the territorial service. The North has been well and loyally served by these people and it is essential that as much of their experience as is possible should be retained. With this end in view, they will be made the most generous offers possible as to conditions of employment in the North. New employees will, of course, be hired direct by the territorial government. In the case of existing federal employees who wish to remain in federal employment, full consultation and consideration will be available.

The second restraint is physical. We are talking about a movement of a number of people, and these things cannot occur without provision for housing, for water and sewage, office buildings and the other

things which are required to live and work in any community.

The third restraint is organizational. I have said before that I would be willing to see some dislocations as the initial price for getting government on the ground in the Northwest Territories. Nevertheless, we cannot have chaos and the transfer of functions can, therefore, be no more rapid than the growth of the capacity of the territorial government to perform those functions reasonably well. This, in turn, will be importantly influenced by the extent to which persons presently in the Northern Administration Branch will agree to bring their experience in the administration of these functions which they are already performing to the territorial government.

I should say that the above does not mean the end of the Northern Administration Branch of my Department. As long as the Minister of Northern Development is responsible to Parliament for the executive government of the North, it is essential that a significant staff of advisers, particularly in the financial field, be retained in Ottawa. It is further to be expected that the turn-over of programmes and duties will be gradual enough that it will not cause serious disorganization in the North, nor impair the Minister's responsibilities to Parliament for Northern development.

FEDERAL SUBSIDIES

In respect of financial matters, I think it may be of some interest to territorial residents to know the degree of subsidization provided by the Federal Government. The most recent figures I have available relate to the fiscal year 1964-65. During that period, total Government expenditures in the Northwest Territories were slightly over \$60 million. Of this amount, the amount expended on provincial-type services was slightly over \$36 million. The costs in respect of Indian and Eskimo peoples were slightly over \$19 million, so if this sum is deducted from the cost of provincial-type services, the net expenditure for services which would normally be the responsibility of the territorial government is almost \$17 million.

The revenues raised in the Northwest Territories by both governments during the same fiscal year amounted to \$7.5 million. Only \$2.2 million of this came from territorial taxation and liquor profits, and even if the natural resource revenues were added to this, the total would only have been \$3.6 million. The actual subsidy to the Northwest Territories administration, therefore, in that year and excluding funds expended on Indians and Eskimos was about \$13 million, which is about 75 per cent of the total expenditure on provincial-type services in the Territories. While more recent figures are not available, it is likely that the degree of federal subsidization has increased in the interim.

It is not yet possible to predict the exact form of government in the Northwest Territories, because decisions have not yet been made on all aspects of