

there has been an attitude of colonialism perhaps evidenced by the cabinet toward the people of the Northwest Territories and the Yukon.

Our amendments are very simple and the principle is clear. When the matter is local, and surely the turning on and off of lights is local, the responsibility should be local. Yet the bill says otherwise. We have in the amendment of my colleague from Yukon, and the further amendment of my colleague from Moose Jaw, introduced a simple mechanism to return to the local officials responsibility for what is in practice and in fact purely a local matter. Prior to his ascension to those greater heights, the minister in his earlier incarnation demonstrated a certain reasonableness from time to time. I hope that virtue has not entirely departed from him and that he will be reasonable in dealing with this simple amendment to make a slight dint in the unhappy legacy of the colonialism of his predecessors toward the north.

● (1650)

I hope the minister will accept the simple mechanism we are providing and allow the people of the Yukon and the Northwest Territories at least the responsibility to decide when, how and at what cost their lights will be turned on.

Hon. Judd Buchanan (Minister of Indian Affairs and Northern Development): Madam Speaker, this matter of the territorial public utilities board was discussed by us at some length, not only in the debate on the bill before us in its present incarnation but in the debates on previous measures. In the discussion in the standing committee I made the following remarks:

It has been suggested repeatedly that the Northern Canada Power Commission be answerable to the respective territorial public utilities boards. There are two questions, in my opinion, of practicability involved here.

From a jurisdictional viewpoint, we find that it has not been the practice to require federal agencies to report to boards appointed by a junior level of government, such as a province or a territory.

The second problem derives from the very purpose of the public utilities boards. These are normally established to control private enterprise utility operations in order to ensure that the rates charged produce no more than reasonable rates of return on capital invested. Since the commission is prohibited by law from making a profit, this form of control is not required.

This is recognized in all provinces, where none of the provincial hydro corporations is answerable to the provincial utilities boards. In view of the doubts that have been expressed to the committee, the commission has sought, and to date has obtained, written confirmation of this point from the following: the British Columbia Hydro and Power Authority; the Saskatchewan Power Corporation; Manitoba Hydro; Ontario Hydro; the New Brunswick Electric Power Commission; and the Nova Scotia Power Commission. Quebec Hydro has indicated verbally that it does not make itself accountable either. We have not yet received written confirmation, therefore they were not included in this list.

Notwithstanding provincial practice, the commission, wishing to take the fullest possible account of the views of the territorial utilities boards, has initiated the practice of seeking counsel and advice on pending rate changes and on the extent of equalization within the proposed rate zones.

Madam Speaker, as I indicated, I find the position of hon. members opposite inconsistent. In the previous amendment they argued for increased involvement and intervention of the governor in council to approve contracts of over \$60,000 in value. Now there is an about-face and they are suggesting it is wrong to have the involve-

Northern Canada Power Commission Act

ment of the governor in council and that it should not be done at that level. I would just like to say that I share the desire of northerners to run their own affairs. This bill responds to that desire by increasing the size of the Northern Canada Power Commission by two members, from three to five members. These two members are to come from each of the territories.

In addition, as I have indicated before, recently the commissioner of the Northwest Territories was named chairman of the Northern Canada Power Commission, so that now northerners on that board will outnumber the others three to two. So we are optimistic that they will have a significant role to play in the operation of the Northern Canada Power Commission. As I say, we look forward to the day when the commission will have a majority of northerners sitting on the board.

I also indicated in the committee that I look forward to the day when we will be in a position to split the Northern Canada Power Commission and to have one power commission resident in the Yukon and the other power commission resident in the Northwest Territories. I am sure that desire is shared by the hon. member for Northwest Territories (Mr. Firth) and the hon. member for Yukon (Mr. Nielsen).

The amendment of the hon. member for Yukon would seek to substitute the commissioner in council for the governor in council for the approval of rate zones and for the establishment of a contingency reserve fund. In our view, since the Northern Canada Power Commission is responsible to the Parliament of Canada through the minister, it should not also have to seek authority from the commissioner in council. This would require formal council debate on motion and approval for any rate zone and schedule to be changed and also for the contingency fund to be built up. With respect to the latter, territorial councils provide no part of the funds spent by the commission and therefore should have no say in the contingency fund that the commission feels it needs to carry. In any event, with Commissioner Smith as chairman, and two northerners appointed as commissioners, there will be full input by northern representatives in any of these decisions.

Mr. Erik Nielsen (Yukon): Madam Speaker, I cannot let some of these statements by the minister go unanswered. I hope he does not get into a rut. He is pulling the same stunt that was pulled by his predecessor in speaking about the separate entity of the territorial governments in the Yukon and the Northwest Territories when it suits him, and when it does not suit him he forgets all about this entity of the territorial governments. He has done that by saying, on the one hand, that the government wants to see as much input as possible by the people of the north into the decision-making process in their own affairs, and so on. Yet when it comes to comparing the procedures that are followed with respect to the setting of the rate by public utilities in the provinces, he makes an argument saying that in none of the provinces which he mentioned is the procedure followed where the utility has to submit its rate to a public utilities commission, that the province does its own policing of the rates, not the federal government.

By adopting that argument, what the minister is in effect saying is that there is no such thing as a territorial