

**Mr. R. J. Orange (Northwest Territories):** Mr. Speaker, the Parliamentary Secretary to the Minister of Indian Affairs and Northern Development (Mr. Buchanan) received a baptism of fire today in presenting this bill regarding the Northern Canada Power Commission. It was suggested by the hon. member for Yukon (Mr. Nielsen) that because the minister was not in the House to present the bill, the Parliamentary Secretary was like a boy sent on a man's errand. I suggest to the hon. member and other members of this House that the hon. member for London West is a big boy, and big boys can be rougher than little boys.

I should like to refer to the words of the hon. member for Yukon regarding the comparison between the power plant at Watson Lake, which he indicated was fully automated and required three people to run it, and a plant somewhere in the Northwest Territories. He did not identify the plant but suggested that it required 20 people to carry out the same type of operation. I shall not attempt to be an apologist for the Northern Canada Power Commission. However, I think that when this kind of an assertion is made it would be helpful if we knew precisely the community concerned. Basically, what we are concerned with in the Northwest Territories and in other areas of the north is the provision of power.

**Mr. Nielsen:** Would the hon. member permit a question?

**Mr. Orange:** I will answer questions in due course. We are primarily concerned with the provision of power through the cheapest and best possible system to all users, commercial and residential.

• (4:50 p.m.)

This bill proposes to do a number of things. It proposes to increase the size of the board of the Northern Canada Power Commission, to involve the commissioners and councils of the Northwest Territories and Yukon Territory in the selection of individuals from the two territories in the policies and planning of the commission, and to establish a form of rate equalization through various regions of the north. I believe it is rather far-fetched to think that rate equalization would take into account the rates in a community or in a city such as Whitehorse and suggest that the rates in Frobisher Bay should be lowered at the expense of the people of Whitehorse, Yellowknife or Pine Point.

**Mr. Nielsen:** You are picking up the losses, now.

**Mr. Orange:** The bill is also intended to provide additional financing to allow the commission some latitude in terms of investigation and studies and proceeding in a much more effective and efficient manner than in the past. It might be useful if we reviewed for a moment the development of the electric power systems of the Northwest Territories. At the present time and over the past number of years, three basic agencies have been involved in the provision of power. The private sector has been involved in communities such as Hay River, Yellowknife, Providence and Enterprise.

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The federal government, through the Department of Indian Affairs and Northern Development, and now the territorial government itself, took on the responsibility, with the development of health and school services in the Arctic communities and other isolated areas in the Northwest Territories, to establish small diesel plants for schools, community freezers and nursing stations. These power plants were gradually upgraded to five kilowatts, ten kilowatts and 40 kilowatts. When they reach the magic figure of 100, the Northern Canada Power Commission comes in with the expertise and equipment required.

NCPCC, as we like to call it, has been the basic source of supply for communities such as Frobisher Bay, Fort Smith, Inuvik, Fort Simpson and in the past four or five years for smaller communities such as Copper Mine, Baker Lake and Pond Inlet. There is a continuing move in this direction. Having been involved, in the Department of Indian Affairs and Northern Development, in one stage of the development of power plants, I find it rather interesting to recall the frustration the officials of the department faced when they wanted to increase power plants from five kilowatts to ten kilowatts. In addition, they had a generator here and a generator there and were faced with the problem of providing operators. Then the Northern Canada Power Commission took a look at the situation and proposed to do an adequate job for the communities.

The problem, basically, is one of cost of providing power to the person who must pay for it himself. In most of the small communities in the north the government, through one means or another, is able to absorb this cost in its budget. The Northern Canada Power Commission, in the arrangement it has with the territorial government, has set a maximum rate of 12 cents per kilowatt hour in respect of any small community. In Inuvik, for example, probably 98 per cent of the power generated and used is used by the government to heat the school, the nursing station, the RCMP station and house, and the housing and offices of the territorial government. However, the missions and the Hudson's Bay Company are required to pay the 12 per cent rate in this community.

People might ask, what does it matter what rate the Hudson's Bay Company must pay? Well, this company, like any other successful enterprise, must make a profit. It operates on the basis of every store showing a profit at the end of the year in these isolated and remote communities. At Fort Resolution, for example, two years ago the cost of power for the store and for the manager's accommodation was in the vicinity of \$500 a month. The same situation would apply in respect of places such as Inuvik. The people who buy from such a store would pay for the power through their purchases. Therefore, one problem we face which is very important to the people of both territories is how to provide the best service at the lowest possible cost.

I am concerned that our study of this bill may be one of the few opportunities to really understand and know something about the Northern Canada Power Commission and the question of power in the territories. I suggest that perhaps this bill is begging the issue. I believe it