

clearer. The Northwest Territories Act provides for indemnity for members of the Northwest Territories council and also provides, in section 12(2), for the payment of travelling and living expenses. Section 12(2) says:

In addition to the payments under subsection (1), each member of the council, whether elected or appointed, may be paid, (a) the actual travelling expenses incurred by him in travelling from his place of residence to the place where the council holds its session and return, but no payment shall be made to a member in respect of more than one return trip for each session of the council, and (b) an allowance for living expenses, not exceeding fifteen dollars for each day in which the council is in session. . .

In other words, Mr. Chairman, this is a provision that authorizes payments to be made. Under the authority of that provision and under the authority of section 19 of the act which permits the commissioner and council to make payments out of the revenue account, it is much the same as the appropriate act of parliament with respect to federal expenditures. Under the appropriate ordinance this year, item 612, the indemnity for elected members of the council is \$8,000, and under item 613 for travelling and living allowances of members it is \$12,517. This is the legislative authority under which these payments are made. In our view this is the proper legislative authority for such payments.

The other point which the Auditor General makes is that five of the nine members of the council are appointed by the crown and therefore it seems desirable that the independence of the elected members be safeguarded. On that, Mr. Chairman, all I can say is that the appropriations are always in general terms and that there is never any distinction drawn between the elected and the appointed members, and there has never been one case in the entire history of the council when it was divided on the point of appointed versus elected members. So, I do not think there is any need for protection.

Q. In connection with your view to the effect that the matter of providing funds for travelling expenses is a matter of concern to the Northwest Territories council rather than to the parliament of Canada, would it not be appropriate to draw a parallel there by making a comparison between the Northwest Territories council and a provincial government? After all, a provincial government provides for the indemnities and travelling expenses of its members of parliament, and do you not think that the Northwest Territories council is more or less in the same position as far as the indemnities and travelling expenses of its members are concerned?—A. I think so, sir. I think, in general, the position of the council is that it has the legislative authority of a province except for natural resources. The other exception, of course, is that an ordinance of the council can be disallowed within two years by the governor in council. With these exceptions, it is in exactly the same position as a provincial legislature.

By Mr. Harkness:

Q. Is the point not that the indemnity and travelling expenses are provided for by a federal act of parliament?—A. They are not. If you mean the amount of money is provided, that is not the case. The amount of money is provided out of the Northwest Territories revenues.

Q. But the legislative authority for paying the expenses—

The CHAIRMAN: You might allow Mr. Robertson to finish.

The WITNESS: I was going to say that the revenues of the Northwest Territories are made up much the same way as the revenues of a province are made. There is a tax agreement with the federal government which provides a large source of revenue and there are other sources of revenues like liquor