



# The Yukon Legislative Assembly

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Debates and Proceedings

**Wednesday, April 26, 1978**

Speaker: The Honourable Donald Taylor

**EDIT 52 (COMPLETION OF)  
ERRATUM**

**April 25, 1978, Page 441, second column, delete paragraphs 7,8,9 and 10 and insert the following:**

Mr. Chairman, that being said, I do not think that this is the place for the four Executive Committee Members to say, well, do you think you have got enough on your platter at this time? Do you think it is possible that if we did that or did that that you could possibly take the area of Tourism.

We consider, Mr. Chairman, that everyone of the service portfolio responsibilities should be in the hands of an elected Member. If we had our druthers, I am sure that all of the elected Members would back me up, Finance and Justice, the two areas denied to us still remain the most important portfolio functions that any elected Member of this Government could assume.

I make the point again, Mr. Chairman, that until we are capable of assuming and being given the permission from the Minister of Indian Affairs and Northern Development to assume these portfolio responsibilities, we are never going to achieve any meaningful responsible government on behalf of the people of Yukon.

Whitehorse, Yukon Territory  
Wednesday, April 26, 1978

**Mr. Speaker:** I will now call the House to order.  
We will proceed with Morning Prayers.

*Prayers*

**Hon. Mr. McKinnon:** Mr. Speaker, I would like to rise this morning on a point of personal privilege. Once again, Mr. Speaker, I can only say how I am continuously and constantly amazed by the sensationalistic fabrication of headlines by the *Whitehorse Star*.

Mr. Speaker, last night I saw declared in bold red ink, in quotation marks, "Don't Blame Me, Blame Bell".

Mr. Speaker, the direct quotation marks can only indicate and give the impression that this was a direct quote from me. As Honourable Members all know, it was not. I told this House yesterday morning and elaborated on the fact in a subsequent interview, that the responsibility for the financial affairs of the Territory was not one of those responsibilities that was entrusted to elected Members in the Territorial Government and that I had and would continue to fight for such a situation to change.

These facts and statements were fairly and accurately recorded by the Star's legislative reporter. It was unfair to her and to me and to Mr. Bell and to my colleagues on the Executive Committee, and indeed to all Members of this House to turn these statements into a direct quotation by me that I did not make and that I would not make.

Mr. Speaker, I find this journalistic technique tasteless, uncalled for and in the name of decency and fair play, I cannot and will not let it go unchallenged.

**Mr. Speaker:** We will proceed at this time to the Order of the day.

## ROUTINE PROCEEDINGS

**Mr. Speaker:** Are there any Documents for Tabling? Reports of Committees? Petitions? Introduction of Bills? Notices of Motion for the Production of Papers? Notices of Motion or Resolution?

## NOTICE OF MOTION

**Mr. Lengerke:** Mr. Speaker, Notice of Motion, moved by myself, seconded by the Member from Ogilvie, that the terms of references as tabled in this House pertaining to the Minister's special representative to the Constitutional Development in Yukon be referred to Committee of the Whole for discussion.

**Mr. Speaker:** Are there any further Notices of Motion or Resolution? Are there any Statements by Ministers? This then brings us to the Question Period, have you any questions?

## QUESTION PERIOD

**Hon. Mr. Hibberd:** Mr. Speaker, I have for tabling a Legislative Return in response to an oral question asked by Mr. Fleming on April 17th regarding fur buyers' licences, and an oral question asked by Mrs. Watson on April 24th regarding ARDA program.

### Question re: Housing Corporation Fuel Contracts

**Mr. Fleming:** Mr. Speaker, I have a question this morning for the Minister of Education re fuel contracts for the Housing Corporation. In the past in the Yukon I have noticed that even way back in the days when the Army was here that the contract was always bid for by the large distributors, petroleum companies. At that time of course there was only one, now there are more. My question is, is the contract now, for fuel at the homes

or rental housing or whatever the Yukon Housing Corporation is in charge of, is the contract for fuel put out in such a manner that the private entrepreneur can bid on a certain townsite area, or is the bid on an overall basis so that only the large petroleum companies can bid on it?

**Hon. Mr. Lang:** Mr. Speaker, I will have to bring that information in.

### Question re: Rail Line Extension from Fort Nelson

**Mr. Lengerke:** Mr. Speaker, I will direct a question to any Member of the Executive Committee who would like to answer. I was wondering, is the Government of Yukon or would the Government of Yukon consider arranging as soon as possible a meeting of senior representatives of the Province of British Columbia and the State of Alaska and Yukon to determine a mutually agreeable meaningful strategy to further examine and update the existing cost benefit studies and analysis, and to make appropriate representation to the Federal Government or Federal authorities with respect to a proposed rail line extension from Fort Nelson via Yukon to the interior of the State of Alaska?

**Hon. Mr. McKinnon:** Mr. Speaker, I believe that, along with pipelines, railroads, fall under one of the hats that I wear and I am trying to get information presently because I understand that just such a conference is envisaged by the people of B.C. and Alaska and we would like to be invited at least to the engagement, Mr. Speaker, if we do not ultimately take part in the wedding. We are trying to find out now just where it stands and whether or not Yukon is going to be included and we are going to demand that we be included in any such meetings, Mr. Speaker.

**Mr. Speaker:** Supplementary from the Honourable Member from Whitehorse Riverdale.

**Mr. Lengerke:** Yes, supplementary: that is the reason I asked the question this morning and I would just think that it would be very appropriate if, for once, Yukon would take the lead and why do we not beat them to the gun and invite them to such a conference.

We are in the middle of those two particular—

**Mr. Speaker:** Order, please. Would the Honourable Member kindly get to his question.

**Mr. Lengerke:** Can we take the lead and do something about it ourselves, Mr. Minister?

**Hon. Mr. McKinnon:** Mr. Speaker, would the Honourable Member please let me find out where the matter stands at this present moment. I think that such a conference has already been indicated by Alaska that they intend to call it.

So, I think that we would be moving in after the fact now, if such were the circumstances and if there has been no such movement at all by either of the jurisdictions of B.C. and Alaska, then certainly the Government of Yukon would be prepared to take the initiative in this regard, Mr. Speaker.

### Question re: Agricultural Study

**Mr. Berger:** Yes, Mr. Speaker, a question to the Minister of Local Government: it is my understanding that the Department of Indian Affairs and Northern Development did, once again, a study on agricultural land in Yukon and I wonder if the Minister could possibly supply a copy of this report, or study, to this House?

**Hon. Mr. McKinnon:** Mr. Speaker, this was a soil analysis in different areas of Yukon. It came as a result from recommendations of the Peak Report, which was tabled in this House.

The extrapolation of the scientific data, as I understand, has just been made. I have not seen the results up to this point in time, but I would be pleased to present this as public information to the House, Mr. Speaker, if it is available at the present.

**Question re: Pipeline Information Impact Centre**

**Mr. Lengerke:** Mr. Speaker, a question to the Minister of Pipelines: since we have been sitting, I believe that a number of questions have been asked with respect to the pipeline information impact centre. I think the Minister indicated that he might be able to report something further on that before this particular Session adjourned.

Is the Minister in a position to report anything further on the establishment of a pipeline information impact centre? I ask that not only because of his earlier responses, but also because of the information that has come forward from the City of Whitehorse. Is there anything further to report?

**Hon. Mr. McKinnon:** Mr. Speaker, we want to back a proven winner. The Alaska-Fairbanks Borough Impact Information Centre was definitely, from all reports and all indications from all sides, a viable and well run and the type of operation which everybody was in agreement with. We have been working with the City and different groups to set up the same type of information impact centre. The results of our endeavors were recorded in the City Council minutes of this Monday meeting.

Mr. Speaker, the City had a motion to organize the same type of information impact centre which was so successful in Fairbanks. The decision, as I understand it, has been put off as to whether they are prepared to go ahead or not until the next regular Council meeting, which is two weeks hence.

Mr. Speaker, that was the announcement that we hoped to have last Monday that the City of Whitehorse had or had not agreed to act in the same capacity as the Borough of Fairbanks in the initiation and implementation of a similar type information impact centre. It seems that that decision has been delayed, Mr. Speaker, to this time for two weeks. At least all people in the Yukon know where the Whitehorse situation stands at this present time, and as I say, it looks like we will have a yea or nay answer to that situation in approximately two weeks time, Mr. Speaker.

**Mr. Lengerke:** Supplementary to that, do I gather then from the Minister's remarks that there has been a change of policy with respect to the establishment of the information centre as far as the Yukon Government is concerned? I think this House did, much to my reluctance, pass a motion that called for a storefront type of information centre only. You are now talking about an information impact centre such as they had in Alaska, which did more than just provide information. It did gather data and analyze it and do other things. Has there been a change in the thinking of the Government with respect to the establishment of that centre?

**Hon. Mr. McKinnon:** Well, Mr. Speaker, none whatsoever.

Mr. Speaker, the Question Period probably is not the place to debate it, but if you really analyse the Fairbanks Impact Information Centre and the data that was gathered from it, it came from various and different sources, whether it was the applicant, whether it was— It was only when they found that certain information was lacking that they did their own research and extrapolated their own information.

There is no difference with that than with the concept of the impact information centre, as envisaged, as I understand the debates of this House, and that centre.

I think that we are all on the same wave length entirely, Mr. Speaker, including cost of such an impact information centre.

**Question re: Liquor Ordinance/Enactment of**

**Mr. Fleming:** Yes, Mr. Speaker, the Commissioner is not here this morning, so I will direct my question to Mr. Bell.

Some time ago, to the best of my knowledge, the L.I.D. in Teslin has asked the Commissioner to enact certain sections of the *Liquor Ordinance* in the L.I.D. of Teslin and I am wondering, to date, what action has been taken on this?

**Mr. Deputy Commissioner:** Mr. Speaker, I am not aware of the request, so I would have to take that under advisement and report back.

**Mr. Speaker:** If there are no further questions, we will proceed to Motions and Resolutions, under Orders of the Day.

**ORDERS OF THE DAY****MOTIONS AND RESOLUTIONS**

**Madam Clerk:** Item Number 1, standing in the name of the Honourable Member Mr. Lengerke.

**Mr. Speaker:** Is the Honourable Member prepared to proceed with Item 1?

**Mr. Lengerke:** Next sitting day.

**Mr. Speaker:** So ordered.

We will then proceed to Public Bills.

**PUBLIC BILLS**

**Madam Clerk:** Third reading Bill 12, Dr. Hibberd.

**Amendments to Bill Number 12: First and Second Reading**

**Hon. Mr. Hibberd:** Mr. Speaker, I move that the amendments to Bill Number 12, *An Ordinance to Amend the Medical Professions Ordinance*, be now read a first and second time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Consumer and Corporate Affairs, that the amendments to Bill Number 12 be now read a first and second time.

*Motion agreed to*

**Mr. Speaker:** When shall the Bill be read for the third time?

**Bill Number 12: Third Reading**

**Hon. Mr. Hibberd:** Now, Mr. Speaker, I move that Bill Number 12 as amended, *An Ordinance to Amend the Medical Professions Ordinance*, be now read a third time.

**Mr. Speaker:** It has been moved by the Honourable Minister of Consumer and Corporate Affairs that Bill Number 12 be now read a third time.

*Motion agreed to*

**Mr. Speaker:** Are you prepared to adopt the title to the Bill?

**Hon. Mr. Hibberd:** Mr. Speaker, I move that Bill Number 12 do now pass and that the title be as on the Order Paper.

**Mr. Speaker:** It has been moved by the Honourable Minister of Consumer and Corporate Affairs that Bill Number 12 do now pass and that the title be as on the Order Paper.

*Motion agreed to*

**Mr. Speaker:** Bill Number 12 has passed this House.

**Mr. McCall:** Thank you, Mr. Speaker, I would move that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

**Mr. Fleming:** I second that.

**Mr. Speaker:** It has been moved by the Honourable Member from Pelly River, seconded by the Honourable Member from Hootalinqua, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

*Motion agreed to*

*Mr. Speaker leaves Chair*

**COMMITTEE OF THE WHOLE**

**Mr. Chairman:** Would Committee please come to order.

The business for this morning, we will start off with Bill Number 101, *An Ordinance to Amend the Mining Safety Ordinance*, after a brief recess.

*Recess*

**Mr. Chairman:** Would Committee please come to order.

We are dealing with *An Ordinance to Amend the Mining Safety Ordinance*. We had a witness here yesterday giving us some views contrary to or at least opposing these amendments. I think we have heard sufficient evidence for us to make our minds up.

We will look at Clause 1, might as well begin again.

*On Clause 1*

**Mr. Chairman:** Is there any further discussion of this Section?

**Hon. Mr. Lang:** Mr. Chairman, in this particular Section, it still allows the Mine Safety Inspector and I should say the company, to still request a medical if they feel an individual is possibly working in a dust free area, but may be called upon to work in an area that is not dust free, is that not correct?

**Mr. McCall:** Yes, Mr. Chairman, that is still mandatory under the Section of the *Mining Safety Ordinance*. It does not interrupt that formula under the legislation. It is still mandatory to have a medical.

*Clause 1 agreed to*

*On Clause 2*

**Mr. Lengerke:** I just would ask the question of the Member sponsoring the Bill if he would see any need to be more specific and have that the notice in writing be given within a certain timeframe, after the inspection is made? I was wondering if there would be any advantage in that?

**Mr. McCall:** Yes, Mr. Chairman, I looked at that particular area and the communications that are going on between the present Mines Inspector and the companies involved, and the union groups involved. Under the Regulations there is a timeframe, which I can quite honestly say, I have been quite satisfied with. I dropped that particular area of concern at this point in time. Mr. Cszmazia is the opposite to the previous Mines Inspector and I am quite satisfied with the type of communication that is going on under the Regulations, covering off the timeframe.

*Clause 2 agreed to*

**Mr. Chairman:** The Commissioner of the Yukon Territory, by and with the advice and consent of the Council of the said Territory enacts as follows: *An Ordinance to Amend the Mining Safety Ordinance*. Shall the preamble and title carry?

**Some Members:** Agreed.

**Mrs. Watson:** May I just briefly comment, and this is relevant to this Bill and also all the other bills. I meant to have it go on the record that I am very pleased with the format that the Government is following now in their Bills, where they are giving the existing clause on one page and the amended clause on the other, and I find it most helpful and I think it should have attention drawn to it.

**Hon. Mrs. Whyard:** On behalf of the Sub-committee on Legislation, we thank the Honourable Member for her gracious comments.

**Mr. Lengerke:** Seeing as we are on that subject, I would just also like to say that there is one area that I think you could still improve on, is in your explanatory notes. If you could indicate who you have referred the legislation to, in other words, who you have used to help you draw it up. If you had the Transportation Association, for instance, if you referred it to them or whoever.

I know in some other jurisdictions this has been indicated and is indicated. Maybe I am not making myself quite clear, but it does indicate that you, in fact, have used other people as references.

**Mr. Chairman:** Shall the Bill be reported out of Committee?

**Some Members:** Agreed.

**Mr. Chairman:** I declare that Bill 101 is reported out of Committee, without amendment.

I think we should now look at the White Paper on the Pioneer Grant Program. Would you like to say something about it?

**Hon. Mrs. Whyard:** Mr. Chairman, I believe all Members have a copy of the White Paper on the Pioneer Grant Program and that there has been sufficient time to read it.

I am also hopeful that Members have had time to take a look at a new report, called "Programs for Pioneers, Their Cost and Delivery", which we circulated very hurriedly to Members last Thursday.

It is a report prepared by the Economic Research and Planning Unit of this Government, at the request of the Human Resources Branch, to take a look at similar programs across Canada to see what is missing in Yukon and where we could possibly introduce similar programs to assist our own elderly people.

Mr. Chairman, I do not think I need to read the White Paper. It is pretty self-explanatory. We are trying to fill a gap here for elderly citizens of Yukon who live in their own accommodation or rent accommodation at their own expense, who are not receiving a subsidy from any other form of Government, who are trying to maintain their independence in their own homes or in their own apartments, paying their own way.

They are not receiving social assistance. They are not in government subsidized housing. They are paying taxes and they are paying fuel bills. Heat and light, Mr. Chairman, have been the two major concerns expressed at every gathering of the senior citizens in the last three years, during which I have been particularly interested in their concerns.

At the conference on aging from their steering committee, from the Golden Age Society, we hear please help us with heat and light bills.

The advantage of doing so is twofold, Mr. Chairman. It is not only helping the people who are trying to maintain their independence so long as they are physically able in their own accommodation. It is also helping this Government delay the additional and horrendous capital costs of more and more government subsidized institutions for senior citizens, which are not the perfect answer, Mr. Chairman.

We do require further accommodation, something in the neighbourhood of 45 units, must be planned for in the very near future. We are getting very disappointed and frustrated in our attempts to have some local service club or some association sponsor the construction of such units which are generously endowed by CMHC with a minimal input at the local level with programs which pick up the operating deficit for sponsoring such homes. We would dearly love, Mr. Chairman, to see someone who is willing to undertake that co-operation with CMHC on behalf of senior citizens in Yukon.

In the meantime, we are faced with increasing demands and necessity for additional nursing home units in more than one place in Yukon for elderly who wish to remain in their own communities, when they are beyond the stage of taking care of themselves. So, Mr. Chairman, anything we can do to encourage people to continue to be independent in their own homes, is a good investment on the part of the taxpayers of this Territory.

Having studied many programs in other jurisdictions, and having noted with interest the recent increases in this kind of subsidy across Canada, all kinds of dispensations now being handed out by city and provincial governments to elderly people. In Manitoba they are forgiving \$100 of the school tax. In Alberta and BC they have rental subsidy programs, home improvement programs. The Federal level has the same kind of thing. But there is nothing, Mr. Chairman, which specifically meets the requests we receive from senior citizens which was to help with the heat and light bills which are astronomic in most cases.

We have come up with a proposal here in this Paper, Mr. Chairman, which would give an annual grant to people 65 and over in their own homes or in rented accommodation which would assist them in defraying the costs of heat and light. There are a number of qualifications required when applications are being made for this subsidy. These, I think, should be appended in the Regulations to an ordinance which would cover this program.

Mr. Chairman, we had originally thought we could go with such a program under the *Financial Administration Ordinance* in order not to delay it, but I am convinced that if this program is going to be ongoing, and if people have to make decisions about who should and who should not receive the grant based on their applications, there should be some very firm guidelines for the officials who have to interpret this and administer the program.

It is the intention of my Department to prepare an ordinance this summer which would be ready for approval at the Fall Session.

We have as an objective for the opening or the beginning of this grant program, the end of this year. From an administrative point of view, December is the best month to do this and it is also a convenient time for elderly people to add up their bills.

I really have no problem at all in presenting this program to the House, Mr. Chairman. I would value highly any comments from Members as to any areas of the program they see as needing strengthening, any criticism as to how it might be administered, any helpful suggestions as to how it should be carried through.

It would be a new thing. I think it is quite new. I have not seen it anywhere else in Canada and I do not know why Yukon cannot, from time to time, originate its own programs to suit its own needs.

In this case, we have clearly been given an indication of the needs by the people themselves, who were consulted personally by this Government.

Mr. Chairman, I would just like to finish my introduction of this paper by reading, if I may, a very brief statement which was made at the opening of the Conference on Aging, by someone who knows all about that subject and for whom we all have a great deal of respect, Dr. Hilda Hellaby, and, in her opening remarks last Fall, she said:

"In dealing with the elderly, it is well to remember that they were once the givers and the doers. They were mostly people who were important to their families and the community and it is hard for them now to be on the receiving end. No amount of recreation or handcraft can replace the sense of being needed and useful. Old age is the age of relinquishment, giving up one thing after another, one activity after another.

"We know this and learn to accept it, but we do not want to be hurried into the pile of social discards. Just do not push us.

"Independence, the sense of being in control of our lives, of making our own decisions, is one of the few satisfactions left and if we live long enough, we must give up that too. It may take a bit longer to let us do things for ourselves, but do not do for us anything we can still do for ourselves. Do not take away our independence. It is almost all we have. Do not treat us like retarded children. We have experienced much and endured much. Let us be our age.

"Children marry and leave home. Friends and contemporaries die and no more recent attachments can take their place. There is not that time to allow for the ripening of friendship over a period of years. The ability to adjust to the loss of our emotional attachments is one of the most difficult and challenging obstacles we face as we

grow older. But if we are to have any piece, any real enjoyment in our later years, we must be able to make this adjustment.

"We are fortunate if we are able to find an outlet for what we have to give. Our friendship and our care and concern for others.

"Yet, when the inevitable happens and we at last become dependent on the care of others, let us accept it with good grace and generosity. It is much harder to be a gracious receiver than a gracious giver."

That is Dr. Hilda Hellaby, and, Mr. Chairman, we have a lot of people of that calibre in Yukon.

It is hard for them to accept what they have to receive as they become older. The people I am trying to help through this plan are Yukoners who are not going to come and ask for help from this Government if they think it is charity. They are going to eke out an existence as best they can on their Old Age Pensions and try to keep their homes going.

That is why we are proposing a Pioneer Grant. It is not welfare, it is a return to them for the investment they have made in this country through the years. I would very much appreciate the comments of Honourable Members on this proposal. Thank you, Mr. Chairman.

**Ms Millard:** Mr. Chairman, I am really glad to see this grant come in. I am certainly in full support of it and I am very glad to see that despite some of the information in the other study that we still will be going ahead with this kind of thing. I feel that utilities are very expensive and of course an absolutely necessary part of an old age pensioners expenditures, and there is nothing they can do to control them.

I do feel though that my criticism of the program itself is outlined in the White Paper, is that it does not accommodate those people who do not live in Whitehorse. It does not acknowledge the fact that the expenses are far more outside of Whitehorse than they are inside Whitehorse. I agree in the universality of the program because I am really glad to hear the Minister say that we do not want welfare programs because people do not respond to those. The people who need them most are usually the most independent people and will not come because it is a welfare program to apply.

So I think it should certainly be a universal program. I think that consideration has to be taken for a place like Dawson City where water utility is not subsidized the way it is in Whitehorse. They use more oil, although there is a subsidization on it.

**Hon. Mr. McKinnon:** What was the \$200,000 for?

**Ms Millard:** I mean the City of Whitehorse has a grant to old age pensioners, if the Minister is not aware of it. They use more oil in Dawson City because it is colder, and so the expense is almost double that in the field of using fuel. And of course the most exceptional one is light, which is much more expensive. The old age pensioner in Dawson is only going to be helped perhaps 50 per cent as much as the old age pensioner in Whitehorse.

Pursuing this, I have asked for some statistics to be put together from people in Dawson, and I am still awaiting those. I was hoping when we discussed this White Paper to have a motion to bring forward, supported by those statistics. However, I will keep pursuing it and I will be in correspondence with the Minister with my supportive evidence of trying to have a pro rata basis for people in the outlying areas, because it is absolutely essential.

**Mr. Fleming:** Mr. Chairman, I am very happy, of course, to see the program coming forth. As the Minister said, she is intending to bring some more forth, I have some, and I will not say criticism, because it is not criticism at any time and should never be criticized what we do for the old people no matter how much or how little, do everything we can.

I do not agree, of course and I never have agreed with the

surveys that the Yukon Territory ends up taking because I could not even agree with this one here.

The fuel, of course, is the same price anywhere in Yukon and this is something we have done, which does help old people at the time.

As far as their survey is concerned, why it is so far out in the left field that there is not much use looking at it. If they really got down and found out how much it really cost to live outside of the area of the City here, where they would find out that some of these figures are miles out. I am not criticising that, I am just merely pointing it out, because I think these surveys are sometimes not worth looking at.

I think one thing we should remember though is that no matter, and I am an elderly person myself—

**Some Members:** Oh, no, go on...

**Mr. Fleming:** We, as elderly people, would like to see other people suffer to help us in some areas—

**Hon. Mr. McKinnon:** Conflict.

**Ms Millard:** Conflict.

**Mr. Fleming:** And there is no conflict, because I am going the other way, Mr. Chairman.

I say that I think that these subsidies, after you have gone so far, should be based on the income that that person has left for approximately the rest of his life. I think it is only fair to say that anyone who has enough and more than enough and some literally more than they can possibly use, that for them to accept, and I would think that many of the old people—I know this in this Territory, probably will not even bother putting in an application for some of these things, because I have known some already that do not do these sort of things, and that is to be commended.

However, when the Government comes up with a policy, I think that policy should also reflect this a little and say, if you have enough, why take from the taxpayer and somebody else who is trying to run this world. Why not, if you have got plenty, I am saying plenty, I do not speak as the Federal government who impose income tax on people before they can eat, but I say impose it after you have plenty.

I think that should be looked at a little bit in many of our areas.

With that, I have no problem at all with the program. I commend the Minister for bringing it forward, very much so.

**Mrs. Watson:** Yes, Mr. Chairman, I am very pleased to see this White Paper before us. I like the title of the Grant, Pioneer Grant Program, I think that is quite significant for the Yukon Territory. I like the quote that the Minister made of Dr. Hilda Hellaby and it was very nice to hear, again, the senior citizens expressing their fight, almost, to keep their own independence.

I think possibly, if more of our citizens were as proud of that independence today, maybe our society would not be in the trouble that we are in. We are too inclined to let somebody else, like the Government, take care of all of our needs and I find it so interesting, all the time, that the unhappiness and the frustration of many of our older people, right across the country, is because they are not able, financially, to keep the independence that is such a necessary part of their life and that they have maintained, while they were able to do it.

I would really support this program. I have a few suggestions, certainly not criticisms, a few suggestions to make. I was pleased to hear that the intent is to put it in legislation. I think it is absolutely necessary to clearly define it in legislation and I would go further to say that I would like to make sure that this program is in place, passed through legislation, while this House still has the ability to do it, even if it is necessary to have us some time during the summer or before dissolution, get it in place.

Maybe this does not express confidence in the people that

are going to be replacing us, but I think we have a responsibility, we should be doing it, and getting it in place. I would like to see consideration given to making the payments on a monthly basis.

I know administratively this would require more work, but I know that those fuel bills and those light bills come every month. If they realized that they were getting this on a monthly basis, I think it would help them. It would give them the ability to budget during those months when the costs, in November, December, January, February, are extremely high. I would also like to see utilities defined in legislation, and I would like it to include water, sewer, lights and fuel, of course. The Government has done a great deal to equalize the fuel and the lights, even the lights are equalized at the first 300 kilowatts. But I would also like to have taxes and frontage rates included in the definition.

Now I know the Government has taken strides this year to increase the Home Owner Grant, but there are areas, particularly in the outlying areas, and probably even in Whitehorse, where there are people who have a little cabin and quite a large tract of land. Sometimes larger than a normal lot, even a normal lot, and the sewer and water comes in. They have voted in many instances for that sewer and water and the frontage rates that they have to pay sometimes jeopardize their ability to stay independent and hang on to that property.

So I think the amount they are going to be given should also, they should be able to use it to pay those costs, if it means their ability to retain their own home. We could easily do that in our definition of utilities. I would also like to see a definition for residency. It has to be Yukon residents, and I think that has to be defined in the legislation, not in the regulations, because it becomes very difficult for people who administer the program. You know, you get a case that could be considered, and then the pressures are on the administrative people to bend, and maybe they should be able to bend, but how far do you bend? So if it is defined in legislation, much as the Home Owner Grant legislation is defined.

I have a couple of questions that I would like to ask the Minister responsible. The first one is would any part of this \$90,000, which I think is just, you know \$90,000 is a lot of money, but when you think of how much money we spend on other things that I think are not quite as important, it is not a great deal.

Is any of this \$90,000, or the cost of this program going to be cost-shared through the Federal government's cost-sharing programs for social assistance and will this allowance, if it is accepted by people who apply for it, will it effect their ability to collect the supplementary allowance that is attached to an income, under the Old Age Pension Program?

**Hon. Mrs. Whyard:** Mr. Chairman, to answer the last two questions first, there is no provision for cost-sharing such a program with the Federal government, mainly because the new block funding system is not a cost-sharing system.

As Honourable Members realize, the Federal government, Department of Health and Welfare, is now going to transmit to us a block sum based on what they gave us in the base year, 1977-78, for social programs on a fifty-fifty dollar basis. The reasoning behind the block funding, of course, is so that the jurisdiction to which the money is being paid by the Federal government, can use it for whatever purposes they deem are most deserving.

We could find no similar grants for offsetting costs of fuel and utilities anywhere else, as I mentioned earlier, Mr. Chairman.

The other problem with getting any funding federally for a specific program such as this, Mr. Chairman, would defeat one of the purposes the Honourable Member has in mind, and that is a residency requirement. Under the new block funding, for social services from the Federal government, there are four qualifications which must be met by all provinces and ter-

ritories. One of them is that there should be no residency requirement whatsoever in the handing out of any social assistance programs or provincial programs. This is a pretty serious matter for a small government such as ours, which may be facing an influx of people.

But that is one of the main issues to which all the provinces agreed, when accepting the block funding proposal, Mr. Chairman. This can have some real ramifications and repercussions here in Yukon, but just dealing with this particular program, there would be no way you could apply a residency requirement if you are using any federal funds at all, whatsoever.

We have, of course, a requirement already drafted that they must have the same residency as any applicant for the Homeowner's Grant, which is attached in the Appendix here, which is 185 days residence in your principle residence. We are very concerned that this must really be interpreted to mean 185 days during the cold winter months. We are not anxious, Mr. Chairman, to subsidize people who go south for the winter and come back for the summer and we are certainly going to take steps to see that the interpretation is made clear.

I would like to ask the Honourable Member from Hootalinqua, if I may, Mr. Chairman, if he could assist me in how he would define the level at which he thinks people should not come and ask for such a grant, the level of being well-off or financially independent, because you can go around on that one for 24-hours and never get agreement on a cut-off level of income and then you are verging very perilously on a declaration of need for the grant, which is another pitfall.

If you are going to say you only get this if you are in need, you must define "need" and you must then assume that it would be a very low figure indeed, and that is another problem.

I would like some assistance from the Honourable Member if he has some specific ideas on that level.

**Mr. Fleming:** Mr. Chairman, maybe it is hard for me to say any definite thing too, but after all you can consider, as the Government considers in many ways in their income tax, that a certain amount of monies per year per person is just not enough. Then if you go above that and go way above it, I am saying you can still allow, say what would be an income today that would keep one person, two people, or a family, or whatever, in food, lodgings and a home? The Government has made survey after survey telling us all sorts of things they know. I am sure they could come up with the top price. In all my business I have always done this, come up with the top price and use that. Well there is no doubt that anyone under that is considered at the poverty level or whatever you want to consider them.

If a person has an income now, and I am saying a net profit in a year, I am not speaking of the total income but the net profit, which they have to live on of say \$20,000, you can consider that a fair income, I would say. There are many people that have many, many dollars over that. These people are not people in need in any sense of the word, whether they are old, young or what they are.

I was going to ask the Minister, on a grant like this, the Taxation Department of the Federal Government, would there be any possibility that they might consider that as an income.

**Hon. Mrs. Whyard:** Mr. Chairman, we have asked for opinions on this from a number of authorities in the financial field, the taxation field, and it is almost like getting a legal opinion. If you ask for three, you have three different ones. We have tax authorities who say if this is a grant, it is non-taxable income, it is a gift. We have another authority who says unless you make this into a rebate of something that these people have already paid to the Government, they are going to get taxed on it. The third authority said well, on the one hand and on the other hand, but I think you should consult the Federal Government.

So you are on your own. You just have to make a decision, Mr. Chairman, and plough ahead with it and see how it works, I think. In most cases, more than 50 per cent of the people in this very small group we are talking about, perhaps 300, who might be eligible for this grant, half of those are making or are receiving, they are not making it because they are out of the labour force in most cases, but half of them are receiving less than \$5,000 a year. So I really do not think this little grant is going to affect their taxation too much.

I would like to make two points clear, Mr. Chairman. One is that I do not have a conflict of interest in this matter at this time. I will have some day, I suppose, if I receive this grant after my eligible spouse departs this world, because we have been very careful to include a section, or a requirement here, that the dependent spouse of someone who had received this grant between the ages of 61 and 65 would continue to receive it after the death of that spouse. This is a loophole which the Federal Government has left open in many of their plans in pension areas and so forth, as the Honourable Member from Ogilvie must be well aware.

It is usually the elderly widow who is in a terrible financial state for those years, until she can receive even the old age pension. So, we have put that little tie in there.

I wanted to say, also, Mr. Chairman, that we were very much encouraged to go in this direction on the basis of a report done by the Yukon Housing Corporation, which is in the business of providing housing and has done a very good paper on senior citizens' housing in Yukon. They came up with three programs, which together, would provide a comprehensive housing policy, a complete package.

The first is a rent supplement-type of program and the second is a home improvement grant and the third is what we are dealing with today, a utility grant to offset the high cost of living here.

I would like to just say that we have used a great deal of information from their studies in our proposal, which has been boiled down to a very brief submission for your attention. But I would like to add their conclusion. After they had presented their proposals and what they said, Mr. Chairman, in this paper prepared by Mr. Turner, the Assistant Manager of Finance and Program Development, Yukon Housing Corporation, is as follows:

"The programs outlined in the preceding section are not intended to completely outmode the existing public housing approach to accommodating senior citizens, but rather to reduce the apparent need for government housing projects to the level of real need.

"These programs have the features of not only allowing the lower income senior citizen a greater choice in housing, but also improving the housing stock and assisting the development of private housing markets.

"If these programs are successful in reducing the need for even one public housing project, the Government will be roughly even financially. Any more than one project or even one large project, and the Government will have saved substantial money.

"Statistics point to the fact that many elderly people leave Yukon. Although many leave for warmer climates and other reasons, it is also true that many leave due to the high cost of living relative to the standard fixed income of many senior citizens.

"It is basically unfair..." Mr. Chairman, this is the line I really appreciate in a Housing Corporation report, because they do not get philosophical and emotional like I do. This is a quote, "It is basically unfair that people in their retirement years are forced to leave an area due to financial constraints. It is an obvious area for government participation.



"The proposals contained in this paper are merely one step towards this end."

That is the quote, Mr. Chairman.

Now, we did not proceed with the two other suggested alternatives, one for home improvement and one for shelter aid for elderly renters, such as B.C. has imposed, for two reasons, Mr. Chairman. One is that there are grants available for home improvement already, which seniors can take advantage of now, federally sponsored.

The second was that we looked at the subsidies for elderly renters under the S.A.F.E.R program in BC, Shelter Aid for Elderly Renters, and it is a very complex system. The formula is based on income of the person applying, percentage of the rent, a subsidy of a percentage of the difference, and is limited to \$37 a month for singles, and so forth, and it is just very complex and very difficult to administer. Mr. Chairman, we just do not have sufficient staff in the Human Resources Branch to undertake that kind of a program. We are starting in a very simple way with the utilities subsidies which we hope is going to make the difference for some of the applicants.

I think the Honourable Member from Hootalinqua has a very good point. We do not want to give taxpayers' money to residents of the Yukon who do not need it. If anyone in this House can tell me how you administer a universal grant, which it must be, in order to include people who need it and will not otherwise come for it, we would be very happy to hear the solution.

I think there will be far fewer applicants for this Pioneer Grant than we are making allowance for. In the Economic Research program assessment, programs for pioneers, cost and delivery, they have already whittled down the estimated costs from our \$90,000 to approximately \$65,000, because they think that is probably about what we will get asked for. You have to recall also, Mr. Chairman, that only one of a couple, of course, could apply for this grant, it is per household.

I would appreciate further comments, Mr. Chairman, at this time.

**Mr. Lengerke:** Mr. Chairman, my comment will be brief. On reading the Paper I just want to say that I think my first reaction was, it was meaningful help, it was help where needed and that is really the case. I get involved quite often with elderly people when I visit my mother in another province. She lives in a home where she is surrounded with more elderly people and the rest of it, so you get into all kinds of discussions. You talk to elderly people that do have the wherewithall, they have good incomes, some who have not. But they always seem to get down to that point where they are not worried so much about where their next meal is going to come from or if they can go buy another pair of shoes or some clothing, but they are really worried about the roof over their heads and if they are independent they are worried about how they are going to meet the utility bills and such.

I really commend the Government, certainly, in what I think is an innovative program. I have stood so many times suggesting that Yukon should take the lead, because we do have an opportunity to bring new things forward, and here in fact we are doing that.

The only question I had, Mr. Chairman, and I think it has been answered already, my concern was with respect to how it would affect the ability of these people to receive already the pension benefits that they are getting via other plans. The Minister has answered that. The other one, of course, was really the taxation situation. I wanted to know if they were going to interpret this as being income.

The Minister has already indicated that this, as well, is a concern. I would hope that, certainly, and I think that she has given us a commitment, that they would look further, investigate further with the federal government, if you could really

find a very definite exemption, as far as this being interpreted as income. I am sure you will do that.

With that, I just say I commend you very much. I think it is an excellent program.

**Hon. Mrs. Whyard:** Mr. Chairman, to expand on the possibility of this grant being taxable, a grant, of course, is unearned income therefore it is considered a gift for income tax.

Some of the precedents we have looked at, which we already have in place in Yukon are, for example, your Home Owners' Grant, the grant the Honourable Member referred to as a rebate from the City of Whitehorse to senior citizens on their water and sewer bill. The City advised us that they consulted experts, as well, before instituting that rebate and were informed that it would not be considered taxable.

I am not an expert in the taxation field and I imagine that no matter what you put up, somebody will try to shoot down from the Internal Revenue Department or whatever. I would certainly hope that no one would ever feel the necessity to go to court to try to make this taxable.

I have my own private opinion and that is the less we say about it, the better.

**Mr. McCall:** Thank you, Mr. Chairman. I support this concept with a slight element of criticism and that is I do not think it is enough.

To me, it is just a demonstration, but is as much tokenism as we can supply at this point in time, perhaps, from an economic point of view. If we could gauge the amount of contribution from the government to a senior citizen, gauge it along the same appropriate times of service he may have given to this country or she may have given to this country, I think you find it a lot more, as far as a grant or consideration.

There is one point that I am concerned with, that I know many other groups and organizations have been confronted with. I think the Minister has pointed out very aptly and that is you are dealing with the "infernal" revenue department. They always seem to find a way to take the money back, even though they never gave it to you in the first place.

We had difficulty dealing with this gift tax in Faro and it is one of the highest taxations that the Government of Canada, under the *Taxation Act*, they can throw at you. They can probably take nearly 50 per cent of every hundred dollars which is taxable and there is a very great element of danger if that avenue approach is considered.

The grant considerations are far more appropriate to avoid taxation, if you can find a way around it.

The Minister also pointed out she would like to see perhaps suggestions or other things dealing with assisting the senior citizens. I do not know just what types of programs are actually involved in Yukon right now, but I think, apart from the Pioneer Grant Program, I think the government should also be looking at approaching major businesses in Yukon and allowing some sort of point system being established for senior citizens, where they could purchase all their goods for the homes, food, clothing, at wholesale prices.

I know this went over very well in the United Kingdom. It goes over in a big way and this is done through the Government, municipal governments and what we know as provincial governments.

Another one, to avoid taxation, is perhaps whether the government is prepared to look into it is low-cost vacation packages, and this sort of thing. You plan the hide-go-seek with the infernal revenue and many, many societies and organizations and associations do this with the assistance of government. I think the Senior Citizen's Association itself, the group, which helps to assist senior people in Yukon could perhaps even expand, and assist the Government and the Department in these areas where it would be beneficial.

The Minister touched upon various government programs. I

think there is a substantial amount of money available to senior citizens, if this government could, shall we say, glean it from the fathers of our country, under this so called system of home owner's insulation and that sort of thing. I think this money could be gleaned from the Federal Government and applied appropriately to these homes so that the senior citizens live in comfort, I hope.

So there are many areas where I think we can still expand upon. I do not believe that the \$300 is adequate. Maybe we should look at an escalated point system established on to the \$300 as things fluctuate between summer and winter, not necessarily on a year to year basis attached to CPI, but if you look to an escalator between two periods of time, this could be locked into utilities and this sort of thing. It is a lot cheaper to, shall we say, run our home in summertime, as opposed to wintertime. It could be a balancing situation here where it could reduce to a base factor and then increase in the winter months, depending on the circumstances and the type of winter we are faced with. These could be expanded upon so that the contribution of all taxpayers in Yukon through the Government to this Pioneer Program could always take all these particular factors into consideration. There are a couple of small areas there where it could be expanded to assist the senior citizen, because I am all for it, and I would like to say that I do not like to see tokenism of pioneers of this country, because if we gauge it out for each year for each hour of the day for their service into this country, and we could match them in our period of service, then it would be a lot more than \$300.

**Hon. Mrs. Whyard:** Mr. Chairman, I thank the Honourable Member for his very helpful remarks. I think this Government has, in the last three or four years, been most sympathetic and supportive to our requests for consideration for people living on fixed incomes in their senior years. My colleague in Local Government assisted with a special increase in the Home Owners' Grant, for example, this year for people in that age bracket.

I am not about to go out and do battle on behalf of senior citizens from this Government because they are a very competent group and they are doing a very good job for themselves. I am very pleased to see our Golden Age Society organized and senior citizens groups with very strong executives and some very active people, working out programs for their own help. This is why this Government has been willing to turn over to them, for example, the old library building on Wood Street to the Golden Age Club here for their senior citizens drop-in and activity centre which is really going to be a going concern, let me tell you, Mr. Chairman.

At Dawson City, recently, I was delighted to be able to be part of turning over the old Sunset Home. These people have already got their programs going and they know about the New Horizons grants from the Federal government and they are dipping into the Federal trough to get money to refurbish and renovate these buildings with their own hands. They are doing a lot of the physical labour and they have the expertise to do it.

So, I am only responding to the needs they have pointed out to this Government. I am not trying to take over their own shop.

Mr. Chairman, I would like to make it clear once again that this program is only for those people who are not receiving a subsidy from any other government source. If they are in subsidized housing, of course it will not be available to them.

There are areas, for example, where the Department of Indian Affairs provides housing for their own status people, which would, of course, make them non-eligible for this type of program. We are trying very hard not to be redundant in any of these areas.

**Ms Millard:** Mr. Chairman, my concern is not with the income tax, because I feel that if some pensioner is earning sufficient to pay income tax, then it acts as an equalizer and I

think the people who are not paying the income tax, as was pointed out, there are about 50 per cent of the people who are not earning enough to pay income tax. These are the people who must be helped.

But I am concerned, I have not really been convinced that this will not affect the guaranteed income supplement, which is already a very sensitive kind of grant and I am finding it quite unsatisfactory in my dealings with the old people that I talk to.

I am wondering if it would not be affecting it? Has the Minister actually investigated that and been assured by the Federal government that the guaranteed income supplement will not be affected by it?

**Hon. Mrs. Whyard:** Mr. Chairman, the staff in Human Resources have looked at this and we will look at it again now that we are getting close to actual definitions and regulations, but it is my understanding that the subsidies that we are handing out now, the Territorial additional income supplement, for example, if you are getting that income supplement to assist with your rent, you would therefore not be applying for this grant, because you are already being subsidized in that area.

I think it is pretty safe.

**Ms Millard:** Excuse me, Mr. Chairman, the guaranteed income supplement I am talking about is the Federal supplement and I know we can control the Territorial one, but I doubt if we can do much about the Federal one because this would really hurt the people who need to be the least hurt, because they are the ones that are getting the supplement, it just will not help them at all, and it could even be less if they take the GIS instead of the \$300, they may get less, actually from that.

The old age pensioners that I know, really, probably would be a little confused about which route they should go and so on, so that we could probably assure at this point, with the Federal government, that it will not be considered income toward a GIS supplement.

**Hon. Mrs. Whyard:** Mr. Chairman, somewhere in my report here, I have the actual numbers of people who would be affected because they do receive the GIS, but I would like to assure Members that we will watch that very closely.

**Mr. Fleming:** Mr. Chairman, just for the Minister, on your Pioneer Grant guidelines, I do not know if maybe there has been something left out or possibly it is covered that I do not see. It is based pretty well on the home ownership and your own home. Of course only one application per household can be made, that is fine. I do not think it is your intention to not have anybody not have it that is over 65, you know, I do not think that is the intent. I would think that possibly it should be clarified better where it says that senior citizens either own their own homes or rented accommodation, but it does not give any guideline for the person who is 63 years old and owns the home. That person is not qualified. They own the home, and titled to them. In a court of law or anywhere, you would find that of course the spouse or the husband or whoever it is that is over 65 does not own, actually own the home. I see nothing in here to clarify that they would still be eligible, or would they not be eligible? If they were a married couple, they would be eligible, would they not?

**Hon. Mrs. Whyard:** Mr. Chairman, I would certainly think so. If one of the couple living in their own home was 65 or over, that would be the one who would apply for the grant.

**Mr. Fleming:** Mr. Chairman, when you bring it in, I think this is an area that should be covered, because it is not really covered here. In fact, they would not, as you have laid it out here in the guidelines, they would not really be eligible. If you read through it, just check it through. Just a note.

**Mrs. Watson:** Mr. Chairman, I have a question. The guaranteed income supplement, I was concerned about that too, the Federal one. That is the Federal one which is dependent on your income, but we do have YTG guaranteed income

supplement which is based on the fact if they qualify for the Federal they get YTG's. So that one has not thrown out the qualifications for the Federal GIP you know, in the reverse way. So this grant may not be working, but it would be best to get it clarified.

My question, have your departmental people worked out the total monthly income that a married couple who are both receiving an old age pension cheque would then receive in the Yukon, taking in the Federal guaranteed income supplement, the YTG guaranteed, and now this Pioneer Grant. What would this household of two senior citizens, getting a pension, receive on a monthly basis?

**Hon. Mrs. Whyard:** Mr. Chairman, I do not have that figure today, but we can work it out very quickly.

**Ms Millard:** Just one last comment. I would appreciate some response to the idea of whether or not the Minister feels there is a need for more heavily subsidizing people in outlying areas that pay more for their utilities, just as the first sort of reaction to it?

**Hon. Mrs. Whyard:** Mr. Chairman, that was one of the reasons for the Home Owners' Grant being provided for all Territorial home owners. They do get a break there. There is also, as all of us who receive a power bill each month know, an equalization which this YTG puts into this bill. I am not going to argue about costs of living in other areas as opposed to Whitehorse. I realize the reason for the Honourable Member's question.

When we were attempting to do a survey of the actual costs for heat and light in every part of the Yukon, we ran into some real problems in the Human Resources Branch.

In the first place, it was impossible to get any average monthly figures from the utility companies themselves. They refused to divulge this kind of information because they say there is no such thing as an average household, everyone is different. They have electricity here and not there, they use it for cooking here and not there and so on. There are many reasons why it is difficult to give an average.

One of the ways we wanted to go in the first place with this program was straight deduction again, subsidy once again, through the fuel bill which would be received by the senior citizen and we were assured by one accountant, for example, that this could be easily coded on the computer and handled by the utility company as the grant you get now is, coded for senior citizens only.

Then, of course, we realized that that was only for the people using that particular source of heat and power. You would then have to expand to the oil, fuel oil companies, the wood supply companies, all kinds of problems. So is was why we went with a straight blanket type, rather than working it out to the actual costs on the bill which is being sent out by any number of wholesalers in Yukon.

It is very difficult to implement what you want to be a fairly simple program. Yes, my honourable colleague says that is true. He has been through some problems, too.

Mr. Chairman, I just would like to add one final word and that is that if we find that the applications for this program in the first year are not more than \$65,000 or \$70,000, you know, it is minimal, but one of the reasons for not going higher with this proposal, at this time, was that we keep hearing assurances from federal departments that there will be a review, that there may be some amelioration of high fuel and utility costs in Yukon. That they are looking at the NCPC with some kind of a program which may or may not assist us in the near future.

Anyone of these things may come to pass. I made some inquiries, Mr. Chairman, just before bringing this paper in, to make sure that I was not jumping the gun on something the Federal government might be doing for Yukon. If they are going to come out next month and say we are wiping out the

debt for NCPC, we are going to make capital money available to them at no interest from the taxpayers of Canada for a new hydro development project, this kind of grant might be unnecessary in a few years. I can hope.

The other thing, Mr. Chairman, is that we were assured a year ago that natural gas would be made available at the community gate along the route of the Alaska Highway gas pipeline and that looking at the pattern, the trend for costs of petro fuels, we could well be looking at a cheaper source of heat and cooking and light and power here, than we are now using.

So that is another factor. If any of these things come to pass, within my lifetime, Mr. Chairman, we may not need this particular grant.

On the other hand, as the Honourable Member has already pointed out, maybe it should be bigger already. I do not know. It is a matter to be decided by future members sitting in this House. I cannot forecast much further than this November.

**Mr. Berger:** Mr. Chairman, I would like to congratulate the Minister for recognizing the need of the pensioner through the fixed income. I have some qualification on this, first of all I think I would like to emphasize it is not the problem of this Government at all, but I think it is the fault of the Federal Government policy making, of having people on a fixed income in such a low income as people cannot make a living on it. There are quite a few people in Yukon, and in the whole of Canada actually, who just are making an existence instead of making a living.

This is what I really would criticize in the thing. What I am afraid of really, with all the problems we are coming out with, is that there are at least half a dozen applications those old age pensioners have to fill out in order to make a decent living. I am wondering if we could not find another way, a different way, to get around those things.

I am aware of a number of people who all they receive at the present time is the basic old age pension because they are not aware that they can get a supplement here and a supplement there and get assistance there, get a grant there, or what they think they are entitled to. In a lot of cases those people do not listen to radios, they do not read any newspapers. They are really not aware of those things.

I am wondering if it would not be possible through the Human Resources Branch that some of the Social Workers in the field could not possibly fill out those applications, or all six, or how many applications it takes to get all the grants, for those people, instead of putting the onus on some of those people who, like I said before, they are old, they want to be left alone in lots of instances, and they do not really realize all those things that are available to them.

**Hon. Mrs. Whyard:** Mr. Chairman, I realize there are some people in that situation. If they are home owners, however, they would receive notification regarding their Home Owners' Grant and that is a fairly simple matter.

If they are not home owners and are not competent to learn about these other supplements, I am happy to say that the Golden Age Society here in Whitehorse is now undertaking to produce a quarterly newsletter, which is going to go to everyone 65 and over in the Yukon, and it is going to have information about all these programs and how you go about receiving some of these benefits in case there are people who have not been contacted. If, of course, they are in need, they already have a Social Worker who is advising them and helping them apply for these supplementary forms of assistance.

Mr. Chairman, I would appreciate it if any Honourable Members are aware of people in those circumstances who may not be informed about benefits available to them, I would be very happy to receive their names, and we could make sure that they are informed. Short of that, I think this newsletter is going to serve a very useful purpose.

The steering committee which resulted from the conference on aging made this one of their recommendations. There should be better communication between, among, and for senior citizens in Yukon. They are going to try to get one out on their own. I think the first issue is practically ready for the printer now, Mr. Chairman.

**Hon. Mr. McKinnon:** Mr. Chairman, my colleague, the Minister of Human Resources and myself worked closely together in the amendments to the Home Owners' Grant and in this Pioneer Grant to help pay the costs of utilities for senior citizens and I think that you will find that they do serve different segments of the older population, but that they are extremely complimentary with one another.

We found that with reassessments and such in the City of Whitehorse, that most of the old age pensioners who own their own home here would pretty well go up to the maximum of \$300 in the Home Owners' Grant, but that did not hold true for different areas of Yukon.

So, the amendments of the Home Owners' Grant, regardless of minimum taxation, say that three-quarters of the taxes, up to a maximum of \$300 for people 65 and over, will be given back, under the amendments which were passed by this House to the Home Owners' Grant.

So, I think that they do work in conjunction and are complimentary with one another to give the widest application and the most benefits to the majority of senior citizens, through the Yukon Territory.

Mr. Chairman, I just would like to say that most of the people affected of homeownership, taxpaying, senior citizens within the City of Whitehorse fall in the downtown constituency, one of which I happen to represent. I hear constantly about the problems of being on a fixed income and trying to meet the inflationary spiral of ever increasing energy costs and the general cost of living.

I would hope to think, Mr. Speaker, that we did it because we knew that it was right, not because these senior citizens represent a large group of people with enormous political clout, which they do not, they are a minority of our population and they do not have that large a political hammer as some other groups had that we applied these various programs, over the last few years, because we all knew in this House and I know that the co-operation and support of all Members show it. It was the right and the proper thing to do.

I think that we probably have the most generous home owners' grant program now in effect in Canada, with the amendments to that program, that the program which my colleague has initiated is a unique program which is not available in other areas of Canada, which dealt specifically in those areas where the elderly people themselves said that they were having such difficulty in meeting every-increasing cost.

I cannot let the opportunity go by without saying that there are other governments and other private people who are involved in the same type of programs, I can only think of the City of Whitehorse, in rebating the total cost of water and sewer services to the elderly people, people over 65 in the Whitehorse area. There are different stores and companies, commercial institutions in the City of Whitehorse, in particular, that I know of, that are giving discounts to people of a certain age bracket and over and many companies doing exactly the same thing.

So I think, Mr. Chairman, we have come an awful long way in all of our programs, from all aspects of society, over the life of this Legislative Assembly. I just know, Mr. Chairman, that we have one heck of a lot better program, in all aspects and all considerations, for the pioneers of the people of Yukon who want to stay here and who do not want to be chased out by the increase in the cost of living and just being on a fixed income.

I just think that all Members and other governments and other organizations and companies can really take credit for the programs that they have instituted. I know with all of the programs put together, that they present a fairly good package and I think this has all come about in the last few years and one of the areas that we can all be proud of, Mr. Chairman.

**Mr. Chairman:** We will now recess until 1:30.

#### *Recess*

**Mr. Deputy Chairman:** I call Committee to order. We have with us today two representatives from the proposed, I take it is proposed, Ratepayers' Association, ad hoc committee, and they are Mr. John Watt and Mr. Paul Warner. I believe they are here to give a brief to Committee. Perhaps there will be a question period afterwards.

**Mr. Watt:** Yes, we would like to thank the Committee for taking time out to listen to us. We thought it would be kind of nice to add a little colour to an otherwise dull afternoon in the Legislature.

This brief with respect to the letter that we wrote to you, that this ad hoc committee wrote to you, my presentation is really brief and we welcome questions afterwards concerning it. We have some suggestions to make and we are prepared to clarify them.

As an introduction, I would like to say that at this level of government, we will try to focus on the assessment only, because that is a Territorial responsibility.

Property taxes are the easiest taxes for any government to collect. They realize almost 100 per cent on the dollar. Therefore, the property owner is vulnerable to governments at all levels. When a person invests in property of any kind, there is an element of trust and confidence in his government.

In 1977 property tax assessments did not reflect the escalation of land costs as much as improvements. Therefore, the scales were tipped in favour of the land owner who carried the lighter load. In 1978 property tax had 100 per cent of the 1976 values, and we believe a lot of these values that were used for 1976 were more like 125 per cent of 1976 values. This tipped the scales to an even further degree in the opposite direction, so the land is now carrying an overabundance of the tax load.

Any future increases in city costs which will continue will tip those scales even further in an ever-increasing amount against the land owner.

To balance the tax load, we would like you to consider the following: assess all land and improvements at 100 per cent of 1978 market values. This would start out balancing the tax load relatively equally. This would first of all eliminate the guess work of trying to estimate land values of past years and would reflect current values which have risen sharply, particularly as far as land is concerned.

This would also increase the total assessment in the city of approximately \$200 million to about \$600 million and a ten mill tax would raise \$6 million.

The current taxes that are being raised under this year's assessment and the territory and city needs are \$5.5 million.

To give you an idea of its affect, this would mean that the taxes would be approximately one per cent of the market value of any property, that is combined lands and improvements.

To make this work, the Territorial Government would have to use a fixed sum instead of a mill rate to collect taxes for educational purposes, if it is necessary for the Territorial Government to collect taxes for education from property. We prefer that this be eliminated as we have suggested in our paper, but if it has to stay, we would like to have this at a fixed rate.

Ten mills equals one per cent of the value, preferably the current market value of any property within the City. Thus, the \$1 million property would pay \$10,000 in taxes, the \$100,000

property would pay \$1,000 in taxes, the \$70,000 house, for example, would be \$700 taxes, the \$10,000 lot, for example, or \$20,000 in the McPherson subdivision, with no home on it, the \$10,000 lot would be paying \$100 taxes; the \$20,000 lot, \$200 taxes. Once the improvements were built, they would be added on.

All taxpayers would have a simple test to determine the fairness of the assessment. They would ask themselves, would I sell my land and buildings for the assessed price? If he is tempted to sell, then he would be fairly assessed.

I wish to stress one point that I think is important that we must get a proper balance at the tax load now for this year, then the future tax raises are felt equally by all assessed properties within the City of Whitehorse and probably throughout the Territory. We do not want an unjust tax now in a promise to make it fair next year.

The City's costs increased 23 per cent this year. There is no reason why the increase in the City's costs should go down next year. The City's sewer system is going on stream and part of the capital costs are being picked up and all the operation and maintenance costs. The City is talking of some time in the future putting up senior citizen housing which is going to further increase the City tax load. As the taxes are now, it is going to further shift a lot of these costs which are downtown Whitehorse and some of them which are Territorial responsibilities on to the shoulders of the land, particularly the land within the City limits of Whitehorse.

The existing tax as it sits now, the benefactors of it are the residents of Riverdale to a large degree, the central commercial areas, and the professional people and high income civil servants that work and live within the City of Whitehorse. A lot of the education costs are being picked up on the land and they are the benefactors as well as other people.

We would like the Government to face the issue immediately, because there is a possibility of a different and unfamiliar group of counsellors in a few months from now, so if this is solved at this time, we may be faced with coming before another group a few months from now to try to solve this problem and you people are familiar with the problem and with the assessment. I think you would be able to do something about it if you think are arguments are just and fair.

Are there any questions we could answer with respect to this? There is one point I have not got written down here, but we would like to limit the increases in the assessment in future years to 10 per cent. This is common practice in the provinces. I have an assessment information pamphlet here from British Columbia and they have just that stipulation in it, so there are not any violent tax changes for any particular group of people for any particular year. So there will be a phasing in, in future years, of any violent tax changes.

The paragraph 3 (d) and (e), has partly been taken care of through legislation that has been introduced into this House.

One point that we would like to have clarified for the benefit of the people that are here today is that the limiting of the costs of going to the Supreme Court, under Section 44.(2)(b), there is an assessment of \$5 for the initial entry before the court, Supreme Court, plus \$2 for each additional.

Section 46.(3) says there is a maximum of \$50 that would be assessed to anybody that is appealing their taxes and I would just like to have confirmation that this is clear enough so that any of us that do go before the Supreme Court, the maximum that we can be faced with for the payment of any witnesses that the Government or ourselves call will be \$50.

**Mr. Deputy Chairman:** Does that conclude your brief?

**Mr. Watt:** Yes, it does.

**Mr. Deputy Chairman:** Does any of the Committee have questions for the witness?

**Hon. Mr. Hibberd:** Mr. Chairman, one point of clarification that I do not quite understand, I understand that you are applying to have a fair market value principle apply to the assessment and at the same time, you are requesting that no assessment increase more than 10 per cent per year.

Mr. Chairman, my problem is, in the last year the residential real estate in the City of Whitehorse has gone up 25 per cent. How can you apply the principle of fair market value, which is increasing at 25 per cent, and maintain a 10 per cent per year as far as the assessment is concerned?

**Mr. Watt:** This has caused us some difficulty and we did not realize how little effect it did have until we actually started working it out in detail and comparing properties.

The first year, you would get more than your 10 per cent, particularly in properties that are land intensive, but they would not be as violent as you have now. With the total assessment you would have an increase. Myself, for example, which is somewhat typical of larger land areas, you would get an increase of a lot more than 10 per cent, but it would be less violent than what we are getting with the present assessment that you have now, with 100 per cent on land and 20 per cent on improvements.

But we think, we are prepared to live with this somewhat violent increase now. I do not think it is too unjust but in future years, after this assessment is done, in future years a limitation of 10 per cent on assessment.

So, you have a combination of factors that can raise your taxes in future years. One is the assessment and one is the mill rate. So, with your 20 per cent increase in your mill rate, which you can expect, plus your 10 per cent increase for those that are under-assessed, you would get a 30 per cent in the total tax that you would have to pay in any given year. So, you would have a 30 per cent increase maximum that you could be assessed at any year, after this year.

**Hon. Mr. Hibberd:** Mr. Chairman, I am not sure that really answers my question. What if the fair market value of your property increases by 25 per cent from year two to year three?

**Mr. Warner:** We would have to wait for year four and year five to tack on the extra 10 per cent and the extra 5 per cent on this.

**Mr. Deputy Chairman:** I must caution the witnesses please. Wait until you are recognized by the Chair in order to answer the questions. All this is being transcribed and it is difficult when they are not recognized.

**Mr. Watt:** If you have a 25 per cent increase in taxes this year, the City, to raise the same amount of money instead of levying 10 mills, they would levy 7.5 mills to raise \$6 million.

**Hon. Mr. Hibberd:** Mr. Chairman, in your submission here you state specifically, you are limiting the increases in assessments to 10 per cent per year. That is why I require the clarification. You refer here specifically to your assessments in your brief.

**Mr. Warner:** This 10 per cent that we referred to is already taking effect in BC. I think if the Council or a special committee were to look into the way other provinces are doing taxes, are doing assessments, that we would find some answers here. Okay, if somebody did go up by 25 per cent in one year, he would not feel that huge amount of increase in that one year, it would be spread out over two and three years.

**Mrs. Watson:** Mr. Chairman, a question which I think would help clarify the assessment, the concept of the assessment not going up by more than 10 per cent is based on a reassessment every five years, is it not? Therefore, if it is a 25 per cent increase, it can be programmed over so that no one can get more than 10 per cent. I think that answers the Honourable Member's question.

**Hon. Mr. Hibberd:** Mr. Chairman, with respect, it does not. We have a statistical increase of 25 per cent in this one-

year. Now if that were to increase over three years, how are you going to spread that out?

**Mr. Watt:** I think we have had a little bit of pipeline fever in the Territory lately. We have had a violent increase in property and land values. We would be bringing these up to date now, and I do not anticipate a 25 per cent increase in total assessment values every year. If that did happen and we were limiting ourselves to 10 per cent, you could change that figure, but I think 10 per cent is realistic and fair.

You could have a catch-up period, that is 30 per cent for three years, and 10 per cent is on top of the following 10 per cent, so it has a multiplier effect in the assessment. If you anticipate a 25 per cent increase in land values and property values within the Territory each year, then under our formula, there would be a lag in the actual market value and the assessment. Actually what would happen you would probably have to adjust that. But that would be anticipating a 25 per cent increase fairly rapidly, you know, this year and year and the year afterwards. So there is a fault in our—

**Mr. Lengerke:** Mr. Chairman, a question of Mr. Watt. Mr. Watt, in your first part of the brief there (a), assessing land and proof of that 100 per cent of market value. I am interested in that. I somewhat certainly tend to agree that the gap today has to be closed between the assessments or how they tax the improvements on land. There certainly has to be a difference there.

I wonder if it should be 100 per cent of both because what we would then have happen, I think, I guess depending on whether you are pro-development or not, but would we not be discouraging development of certain properties by doing that? Would we not then maybe have more vacant land being held? Are these some of the things that might happen with that?

As I say, I agree, I think I like your idea to bring this closer together, but I do not know if I am sure of having 100 per cent.

**Mr. Watt:** We have given this a lot of thought and, as I said previously, the 1977 tax assessment in the City favoured land so the scales were tipped so your improvements carried too much of a load.

We believe by equalizing this, it is going to be enough of an incentive for people not to carry land because their taxes are going to double and triple right now. The carrying of land, the value and the assessment of land is determined more by what it is zoned at. The Planning Board, the City Planning Board determines more the value of your land than your assessor does here.

I think that is a factor that would determine what land is used for.

**Mr. Deputy Chairman:** Mr. Warner, do you wish to clarify something.

**Mr. Warner:** I just had one query. When you said vacant land, I do not think there is very much vacant land in Whitehorse.

**Mr. Lengerke:** Well, no, I know that.

**Hon. Mr. Lang:** Mr. Chairman, I am interested in one point in the brief on Number 3, where it states removing the school tax from property taxation. I think it is fair to say, at least one of the witnesses was here at one time, it was not that many years ago, when the Federal government gave the Legislature the ultimatum either they raise the taxes or monies would not be forthcoming from the Federal government.

I am afraid some people are under the illusion, Mr. Chairman, that the Federal government will pick up excess funds at any given time if they are requested and I think that all Members are aware in the budget that we passed here not too long ago that it was demonstrated that that was not the case.

Now, my question to the witness is this, if you are removing the school tax from the property taxation, which is in the 10 mills at the present time, within Whitehorse, it raises approxi-

mately \$1 million, how would you recommend that that monies that would not be forthcoming to the Government, how would you recommend those monies be raised? Would you be advocating a sales tax?

**Mr. Watt:** The question is two part. The first part is with the education tax, we recognize that the Territorial Government has to raise money some place, with it tied to a set mill rate, that ties both the assessor and the City in to what they can do with their land, because you have got a lot in 10 mills.

So, any formula that we produce here, any increase in assessment, it would triple your raising \$1 million now, to use your figure, to use our formula here at total assessment, that would give you an income of \$3 million.

So, our first answer is, if you have to leave, if you have to continue to raise that \$1 million, we would like to have it as a fixed sum so that both the Territorial Assessor and the City have more leeway in what they can do with both assessment and the mill rate because you, the Territorial Government with a set mill rate, has the Territorial Assessors, the City is pretty well locked into what they can do.

The second part of the question was where would you raise that money if you did not raise it on property? The answer to that would be to reconsider the Home Owners' Grant, or either that—

**Mr. Lengerke:** Mr. Chairman, remove the Home Owner Grant?

**Mr. Deputy Chairman:** No, I think the witness said reconsider.

**Mr. Watt:** Reconsider it in the form of I do not know what you pay out in Home Owners' Grants, but \$1 million would be worth considering to see if it is balanced off, or secondly, consider a Territorial income tax so that if you have people coming into the Territory that are using our schools and things like that, that they pay a fair share of the tax. You are throwing that burden on the property owner, particularly a heavy part of that burden, as it is now, on his own land, rather than your land and improvements is throwing an increasingly heavy part of this education burden simply on those that happen to have land or have to have land.

**Hon. Mr. Lang:** Mr. Chairman, I would like to follow that up. The witness referred to a fixed mill rate. It is my understanding, for an example, we have changed the mill rate from 16 to 10 mills throughout the Territory. That 10 mills will stay fixed unless this Legislature decides to change that particular mill rate. Now my understanding is presently the assessment is done, if it can be done, is done on a five year roll. Therefore, the 10 mills is fixed today and the assessment is fixed today, theoretically through that five years, that home owner or whoever is paying the property tax would be paying X amount of dollars for that five years until the reassessment were to re-occur. Is that not correct, Mr. Chairman?

**Mr. Watt:** Yes, this is basically correct. If the Territory were to do this, I think they could probably work out some type of a formula to offset the increased properties that go on the assessment roll, plus the increased assessment. So if you have to raise \$1 million this year, you could use your figure of \$1.1 million next year. The figures that we had used here, we have used a figure, we do not think that are too far out of a total assessment under this formula of \$600 million for the City of Whitehorse, which would give you \$6 million that the City is raising for education purposes, plus their own purposes.

Now the City's actual budget this year is \$5.5 million, so we have half a million dollar cushion built into this at our present figures. You would have to get them checked with your assessors and everybody.

**Mr. Deputy Chairman:** Mr. Lang, you wish to carry this on?

**Hon. Mr. Lang:** Yes, I would like to follow up on one more

comment. The witness referred to Territorial income tax and I would like to know whether or not the witness is aware that if people do come to the Territory and work for a period of three, four or five months, and then return to where their homes are, they must, by Federal statute, register or proclaim their income tax in that area. That is Federal statute, that goes for across Canada, so I think there could be a misunderstanding here that if a person works for a period of time in the Yukon, that they have to file in Yukon and that is not correct.

Therefore, theoretically, if an individual is living in Yukon and does have either rental accommodation or their own home, theoretically they are paying either directly or indirectly some monies as far as property taxes are concerned, whether it be on rental accommodation or for that matter owning their own home. Are you aware of that?

**Mr. Watt:** Yes, I am aware of that, but I think that you will find a lot of construction workers that would be filing their income tax in their home province if they are not here the year around, but what I am referring to here is the unfairness of throwing this education on to property, is that you will find an influx of senior civil servants probably associated with the pipeline and some that you have here now, that are living in government houses, that have two or three children going to school here and what is their contribution? You have professional people as well that are not land intensive, but they make a good living here and they have several children that are using the education system.

But where do we collect the taxes for that? We collect that from the property owner and those particularly that are property intensive, businesses that are property intensive.

**Mr. Deputy Chairman:** I am going to allow Mrs. Watson. She has been waiting quite some time.

**Mrs. Watson:** Thank you, Mr. Chairman, I would like to thank the committee for presenting their brief and also to comment on the fact that it is a very constructive brief.

Quite often we have criticisms without constructive suggestions and I think we all appreciate the fact that the people that are here today and the people that they represent have a problem with their taxation and that they have taken the time and the effort to research and come forth with some suggestions of how these problems can be rectified. I think we all appreciate the effort that these people have put into it.

I agree with the presentation that the load of the taxation has been shifted to the land portion of property taxation rather than to the improvements and it is most unfortunate that, at this particular time, because of the pipeline possibility and because of the development possibilities, that land is at such a high market value in the Whitehorse region.

But I am also very concerned that if we continue to use this form of assessment for the outlying areas, because these areas, many of them are not only going to be faced with the increase in land values because of the possibility of development, but these people are now being faced with high cost of land simply because there is no supply of land, because of the Federal government's policies that they are not releasing land for development, the existing land that is there is going to be in demand. The price, the market value of that land is going to be high. It has got to be.

So, if we continue this form of assessing for property taxes, some of these communities besides Whitehorse are going to be very, very heavily hit.

I am very anxious, also, to see that we do amend and bring in some other basis for an assessment for property taxation.

I think that we all recognize the need to insure that there are not blocks of vacant land that is not highly taxes or has a minimal tax on it so that people can keep it to speculate. I think none of us want to do that but by the same token, a taxation

should not take away the ability for people to pay the taxes on their home or on their business.

This 100 per cent of land, the market value of the land that we have used for this assessment is extremely hard on businesses, as the witness said, land intensive businesses. Many of them—

**Mr. Deputy Chairman:** Mrs. Watson, do you have a question for the witness?

**Mrs. Watson:** Yes, I do, Mr. Chairman.

**Mr. Deputy Chairman:** Proceed.

**Mrs. Watson:** I will have to think of it very quickly. In your first recommendation, the entire assessment roll be withdrawn and a new assessment roll should be completed quickly or use a previous year's roll in the interim. You are making that suggestion for 1978 and I wonder if the witnesses have any idea of how long it would take to prepare a new assessment roll that could even possibly be used for this year's assessment in 1978? Would it be possible?

**Mr. Watt:** I have discussed this point with the Territorial Assessors, as a matter of fact, the possibility of both using the old roll and the possibility of using a new one. I do not think it is as difficult as it may sound, because a lot of this assessment is already done, such as your whole housing areas, Riverdale, Camp Takhini, Valleyview, you have a fixed rate for your land, you have improvements of 20 per cent, and it is a book entry to take care of 50 per cent of the property within the City right off the bat. The commercial properties and your CT properties are assessed on the same basic principles. So I think most of this could be done by way of your calculators and your book entries.

To use the old assessment, I think fair, that was the other question or rather part of the question, if you have to use the old assessment, and this would be as a last resort, it is not as good as making the change now, it more fairly reflects the combination of land and improvements. We recognize that there would have to be some upgrading in the old assessment to reflect the increase in the cost of land. We have to concede we are under-assessed previous to this, so there would have to be an adjustment to bring it more in line with the rest of the 1977 tax roll.

I do not think it would be as difficult as it sounds. To use either method, to use the old roll which we would sooner not use, we would sooner have something clear cut so we all know where we stand now, there may be another month or six weeks or two months delay, but it looks like this thing is dragging on anyway and may drag on further. So if the mechanics of it were not that difficult, and I do not foresee them being that difficult, if the Territorial Government would really put its mind to doing it, I do not think it would be that difficult to do and have in operation for this year. The City would have to probably borrow money for a couple of months.

**Hon. Mr. Lang:** Mr. Chairman, following that further, then advocating to bring land up to 1978 market values, that would increase the assessments of everybody's land in the Whitehorse area. In other words, there would have to be a new base worked out on 1978 values as opposed to 1976. For an example, a lot in Porter Creek that is being assessed at the present time in the area of \$9,000 to \$11,000, would, to all intents and purposes, be increased to \$13,000, \$12,000 to \$13,000, depending on what 1978 prices were.

I cannot understand why it would not take a great deal of time to figure out exactly what these lots would be assessed at in view of the fact that the assessors have been working a full year, attempting to do an assessment on 1976 prices.

**Mr. Watt:** With respect to that, the information that I have is that the assessor, what he has done is take the 1978 as it is and then added a step to roll that back to 1976. They have had to take these prices for this last couple of years and this is what a lot of this is based on.



This is why we do not think that a lot of property has not actually been rolled back to the 1976 prices. We believe that a lot of this land is still assessed at—this is not only land intensive stuff, this is some of the commercial service areas of Whitehorse that are halfway between land intensive and improvement intensive and your industrial areas and they have attempted to take your prices in 1977-78, roll them back to 1976, which we feel you have just added a step, and made it more complicated rather than simplifying things.

So, we feel the 1978 prices could be reflected more accurately than trying to roll back.

**Hon. Mrs. Whyard:** Mr. Chairman, I wonder if I could ask the witnesses if they are familiar with the amendment to the *Taxation Ordinance* which the Members of this House introduced and agreed to within the last two days, at the request of a number of property owners that have been affected by the reassessment?

**Mr. Warner:** Yes, yes, we are aware of them. We have read them over and discussed them. Part of it is already being taken care of by the Court of Revision.

We see this as just band-aids on a rotten—

**Hon. Mrs. Whyard:** You are quoting Mrs. Watson.

Mr. Chairman, could I ask the witnesses if they do not feel that this is helping solve the problem that they are here to represent?

**Mr. Warner:** No, I do not.

**Hon. Mrs. Whyard:** No.

**Mr. Warner:** No, I think it is a step, it is realizing that there is a problem, the Government has come to the realization that there is a problem but, as far as these amendments go, it is hardly adequate.

**Hon. Mrs. Whyard:** Thank you?

**Mr. Watt:** Could I add something to that?

**Hon. Mrs. Whyard:** We might as well have not bothered.

**Mr. Watt:** There are some parts of it that are not too bad and it appears to give the Court of Revision, if there is an unfairness such as the McPherson Subdivision, and is recognized by the Court of Revision, then I think it is just that this Court of Revision amendment reflect on other properties such as the McPherson Subdivision so everybody is treated equally in that area.

As far as the single family dwelling is concerned, that is taken care of pretty well as far as the home owner is concerned. If somebody owns a home in a commercial area that was a residential area that the City rezoned it a commercial area, your land went up from \$10,000 to \$30,000. This has already been taken care of in the Ordinance and by the assessor. Taken care of by the assessor in the fact that your \$30,000 land with your \$10,000 improvements would give you \$1,200 in taxes. This is taken care of by the assessor, cuts the land in half, if you were the home owner and you live on it, so it brings it down to \$15,000, plus your home. It brings it down, with your Home Owners' Grant, it will bring your taxes for that home to about \$450, which people I have talked to felt it was fair. The people it did not help, this particular formula does not help, is those that have land and have it rented out as a commercial property to an individual.

Now if I were to speculate in land in the City of Whitehorse today and wanted to buy a piece of property that had few taxes on it, I would buy a single family dwelling in a commercial zone area.

**Hon. Mrs. Whyard:** Mr. Chairman, I would like to point out to Mr. Watt that he was straying a little. I asked him if he did not feel that this was helping solve the problem of the people to whom we directed our concerns. It was a specific class of person and the section was amended to assist them. He is, with respect, Mr. Chairman, comparing apples and oranges here.

**Mr. Watt:** To answer the question, I have to agree that I do not think the amendments to the Ordinance are getting to the root of the problem in making a fair tax assessment.

**Hon. Mrs. Whyard:** Thank you, Mr. Chairman.

**Hon. Mr. Lang:** Mr. Chairman, in respect to the McPherson Subdivision, it is my understanding that the clause that has been brought in to delineate the Court of Revision's authority, if the Court of Revision feels that the assessment for those people that live in that area are unfair, this piece of legislation will give the Court of Revision the authority to use some other formula or some other assessment or base to assess that property. This is my understanding and it does help the person, at least to the knowledge that I have, would help the individuals in the McPherson Subdivision if their assessment is unfair.

Up to now, with the legislation the way it is, it is unclear whether or not the Court of Revision has that authority. So I think this goes a to a long way to helping the situation.

**Mr. Warner:** It does make a provision there, but we still have the basic problem that the tax is taxed on the land and not the improvements. People in McPherson Subdivision are paying taxes, high taxes, and they do not even have a house.

They are paying more taxes than a lot of people in the City and they do not have houses. They are not going to get any grant from the Government for a house owner grant. They are paying high taxes with nothing to show for it.

So, it does not solve the problem.

**Hon. Mr. Lang:** Mr. Chairman, my question to the witness, are not we preempting the Court of Revision with comments like that, because a Court of Revision will now have the authority clearly delineated to ask for a reassessment of that land and it could quite conceivably go down considerably.

So my question is, are we not pre-empting the Court of Revision here?

**Mr. Warner:** I do not think so. You see, the problem is is we are pressed for time and we cannot wait for that decision from the Court of Revision. We have to talk to you now, today and we have to get some decisions made quite quickly.

**Hon. Mr. McKinnon:** Mr. Chairman, I thank the members for the brief and it was a pleasure for me to get the mechanics into motion that would allow them to appear before Committee. I know that there is nothing more sensitive than taxation and I would like to zero in on those areas where there is major concerns and see whether we have covered most of those areas that would be giving difficulties to the Court of Revision.

Mr. Chairman, I think that the vast majority of properties affected, 4,000, in an assessment, are single family residences. I have had my officers, of course, go through the single family residences and just pick out different areas and apply the new assessment with the proposed mill rate with the Home Owners' Grant type of arrangement and I find that if we go from areas taking at least residences and averaging them out and applying the Home Owners' Grant, that in the downtown area, a single family residence in this taxation year will be paying approximately \$334; in Riverdale \$410; in Hillcrest \$337; in Crestview \$302; and in Porter Creek \$332.

Mr. Chairman, comparing that with an article in the *Edmonton Journal*, which is very recent, Saturday, April 15th, that a \$65,000 home on a 50 by 100 lot in Hamilton, comes to a tax bill of \$812; in Montreal \$1,391; in Halifax \$1,306; in Ottawa \$987; and Toronto \$900; in Vancouver \$919; in Regina \$850; in Winnipeg \$977.80, it would seem to me, Mr. Chairman, that the single family residence in the City of Whitehorse, on a similar type of lot is paying anywhere from one half to one third the national average in taxes.

So, is the complaint primarily against the tax bill on the single family residence? My lot went up from \$2,100 to \$12,500. I thought \$2,100 in downtown was totally unrealistic. I think



\$300 in Crestview is totally unrealistic. I think that we were really getting a break at the expense of some of the taxpayers and with it all worked out with the Home Owner Grant and the drop in mill rate, looking at the various areas and then comparing it across Canada, is it the single family residential home, which is the majority of properties assessed in the Whitehorse area that is the problem to the group, or is it other concerns, Mr. Chairman?

**Mr. Watt:** To answer Mr. McKinnon's question, you do not see too many people here today in the audience from the areas that you mentioned here, the home owners in the Riverdale area, the downtown area, or the Porter Creek area. This is one of the things that we think are unjust in the way the property is assessed now. You have shifted that tax burden from the land and improvements to primarily the land. A lot of these other properties that are land intensive are there because they have to have wells and septic tanks, such as McPherson Subdivision and other related factors that make them land intensive.

The reason your home owner taxes are low is because you have shifted the tax burden off them. For example Riverdale, the tax burden has been shifted so that they not only have not picked up their share of the 23 per cent City costs, they have had a reduction besides that. So that money has to be picked up out of the pot from some places, City tax coffers, someplace. So they have to shift that.

What is happening here, the people you see up here have had to carry that tax shift. They have been burdened with the tax shift that has been gifted to the home owners, which is probably \$1 million that had to be shifted over. As the mill rate increases, the scales are continually going to be tipped further against those that are land intensive.

**Hon. Mr. McKinnon:** Mr. Chairman, it would seem to me that the problems, as I have received comments and representation, would be because I know most of the people in the gallery and what they are concerned would be highway commercial, in trailer courts and acreage residential, would that be correct?

**Mr. Watt:** Yes, that is correct, but further to that, you have your Crestview areas and you have your Porter Creek area who are not too badly hit now, but they are still lop-sided and as the years go on, it will get more lop-sided.

**Hon. Mr. McKinnon:** Mr. Chairman, there was a question that we could be pre-empting the Court of Revision. Mr. Chairman, under the present *Taxation Ordinance* and the amendments which are before Committee now, I can see that if the argument is made, and I do not disagree with the concept that the *Taxation Ordinance* should be looked at in the whole area on the philosophy of bringing it up to 100 per cent evaluation on both land and improvements. I do not disagree with that philosophically at all.

Does not the Court of Revision have the ability, depending upon the argument that those three classes affected can put before them of reducing the assessment, and therefore the tax in those areas, depending upon the argument that the affected persons in those three categories which seem to be primarily affected can make towards the Court of Revision?

I am just wondering, we have institutions and we have methods of using them, are we pre-empting the Court of Revision by thinking that they cannot do these things under the present terms and conditions of the *Taxation Ordinance*, Mr. Chairman?

**Mr. Watt:** The Court of Revision probably has that power if they were prepared to exercise it. Further, the City had the power to appoint and evaluate, which they refuse to do. But the Court of Revision, in my experience, I was in there on the evening of the 20th about 9:30 p.m. and everybody that had been in front of me that evening had given their information and

discussed their problem with the Court of Revision and in every case, the Court of Revision could not make a decision. They put it over until a day following, which my new date is May. I think the one after me, I finished about 10:30 or 11 o'clock.

This is the experience the Court of Revision is going through and I feel sorry for them. They may have the power to do this. I do not know whether they are hesitant to exercise it or not. You can say we can go to the Court of Revision, we keep going to it and a week later on go to the Supreme Court, but the financial and the emotional burden on all these people that are going through this exercise I think could be eliminated through legislation.

**Hon. Mr. Lang:** Mr. Chairman, are you advocating that we do away with the Court of Revision?

**Mr. Watt:** No, I think the Court—

**Hon. Mrs. Whyard:** Mr. Chairman, I was only going to comment that I attended the same day as Mr. Watt is speaking about, only it was earlier in the evening and in the three appeals that I heard presented on April 20th, in each case, members of the Court of Revision were very dissatisfied with the assessment which the people were complaining about. They gave instructions to the court to go and look at it and come back with some new answers and they are, on May 1st, as I recall.

So, I really do not think it is entirely fair to write off the Court of Revision at this stage. They are still in the middle of making those decisions.

**Mr. Deputy Chairman:** Do you wish to comment, Mr. Watt?

**Mr. Watt:** I would just like to clarify that I am not knocking the Court of Revision or its usefulness. The Court of Revision serves a real useful purpose in putting out a brush fire, like one property compared to another one in similar circumstances.

But the duties, at this particular assessment, I believe are too general. They have got probably 450 properties that they have to concern themselves with and they have been going long hours and they have got my sympathy. I think they serve a useful purpose.

What they eventually come up with, I really do not know. I cannot preempt what they are going to do.

It is one of the safeguards that the taxpayer does have which I think is helpful.

**Mr. Lengerke:** Yes, Mr. Chairman, I would just like to say that the committee representatives have proposed quite a comprehensive package and I am sure Mr. Watt well realizes that if we were to take into account all the points that we would have a complete new system and, as I said in my remarks earlier, that I certainly agree with a lot of the approaches, however, they have to be examined in full context of each other and we cannot just change the system overnight, as he well knows probably better than anybody.

But I am a little bit concerned that maybe we did not go far enough. I thought we had. I made representation to the Minister of Local Government, as I said the other day in this House, with respect to changing and bringing in an amendment giving the Court of Revision some better direction and giving them some power.

I feel that the amendment certainly will allow the properties that I think are represented or the people who own the properties here today, that they will get some relief, if, in fact, the Court of Revision does act accordingly and I think it will, because I think—

**Mr. Deputy Chairman:** What is your question, Mr. Lengerke.

**Mr. Lengerke:** Yes, and my question is, Mr. Chairman, is do you not think, and are you not aware of the amendments and do you not think that they will, in fact, be able to bring about

some relief that you are asking for and in very quick order, because the Court of Revision is going to bring about a decision very soon?

**Mr. Warner:** The Court of Revision, it will come up with decisions, we do not know what those decisions are as yet. This amendment does give them some power, but it still does not alleviate the real problem. You are putting plaster on a house that has a rotten foundation.

**Mr. Lengerke:** We know that, to a degree.

**Mr. Fleming:** Mr. Chairman, in a little bit different direction, I would ask, I do not know if your committee has considered this and looked into it or not. But I will ask and it will probably be a yes or no answer when I am through. Under the present situation in the Yukon Territory where there is such little land available and there are so few actual home owners, I was going to say the big percentage of the people are not home owners and I was spoken to a little while ago as to whether a different system, other than taxation of land and ownership of buildings or anything, would not another system, entirely, be better, such as a sales tax system.

Would you not feel that it was a better way to go in the position that the Yukon is in with so few actual owners of land to go a different direction, rather than to try to get all the monies that are needed, because the Government needs money, would it not be better to go another way and try to get some of that money, instead of going 100 per cent on your land and buildings, go 50 per cent or some other way, but get some other money from some other source.

**Mr. Watt:** I have no quarrel with paying taxes on land and improvements for services. I think there is a fair place for it, because the City's costs reflect the cost of maintaining and operating that land. If you did not have a cost attached to it, then everybody would want 100 acres with no taxes to it, would be a logical thing that everybody would want. But the question was directed specifically at the education portion of the taxes.

I think that there are other methods, possibly other methods of collecting it. If it has to be collected this way, I would like to see some kind of fluctuating fixed sum to allow more leeway with the assessor.

I think land and improvements have to be assessed. I think money has to be collected, particularly in the City, for that. I shy away from a sales tax for the simple reason that I think it is just going to greatly increase the total cost of living to everybody in the Territory and the cost of collecting it would be far out of proportion with what—this is just my person opinion. I have no quarrel with the tax on land and improvements to pay for its services.

**Mrs. Watson:** Mr. Chairman, I have a couple of questions. I will give my first question and give the witness an opportunity to answer. You are probably more familiar with the Court of Revision functions than I am. Am I correct in assuming that the Court of Revision, when they order a re-assessment of a piece of property or of an area, that re-assessment can only be done within the parameters of the *Taxation Ordinance*? They cannot follow any other direction other than what is in that *Taxation Ordinance*, the guidelines?

**Mr. Watt:** To answer that question, and from personal experience, this is true, but the amount of leeway within the *Taxation Ordinance*, like one property I have, depending on how you looked at it, you could go from \$2,000 to \$20,000 and still use what they have got in their books that they can justify. They can justify \$2,000 as well as \$20,000, there is that much leeway in it.

Another residential property I have, they can go from \$200 to \$2,000. So it is depending on how it is looked at, how they want to apply their zoning principles and you are suggesting in your legislation that some of the principles be allowed further change.

So, there is so much leeway that it is what I consider mostly guesswork, that they can do almost anything, there is so much leeway and anything that is out of the textbook case, your average on a specific 60 by 100 lot, it should be relevant. There is not much leeway in that except you take the whole area of Rivedale and there is quite a bit of leeway on which you want to assess that land. If you assess it at \$6,500 or \$7,000, there is a 20 per cent change right there on the land.

So, there is a lot of leeway in what the assessor does and this is really what the Court of Revision is doing now. It is kind of a trade-off position between the taxpayer and the assessor and what they are trying to do is have a saw-off to put out the brush fire in each individual case, on an individual basis.

**Mrs. Watson:** Mr. Chairman, another question: but the Court of Revision does not get at the root of the problem. I think that is what the witnesses are trying to get across and I think I am certainly aware of it and I just shiver when I think if this continues, what will happen when it goes into the outlying areas.

But my question to the witnesses is we know that there has to be some rethinking and some changes to this method of assessment. We also know that we are really running short of time this year, this taxation year. A person searches in their mind of how can we overcome some of the injustices which are going to have to be carried by some people in Whitehorse.

Have you ever given consideration to letting this role, this assessment after the Court of Revision is finished and having a complete new structure in place for next taxation's year and then credits be given? So that actually, next taxation year will really be a taxation for 1978 and 1979 and then they will be balanced off and credits given for some injustices. Have you ever considered that as a means of solving the dilemma that we are in today?

**Mr. Watt:** We have thought about this long and hard and we dread the thought of the acceptance of this role, as it now stands, because we think the injustices that are inherent in it, as we see it today, we may look at it differently after the Board of Revision comes down, but I do not think it is going to change quite a bit, not that much, and we dread the acceptance of this today because we feel as if we are going to be living with it a long time.

I really appreciate the consideration that the Council here is giving to the possibility of 100 per cent land and improvements at current market value. The hang-up seems to be the logistics of it, putting it into effect. We really appreciate, we got a better reception than I had expected, and if the Council could address itself briefly to the logistics of doing something like that, I do not mean right now before us, but with their own people implementing this, it may not be as difficult as it sounds.

**Mr. Deputy Chairman:** Are there any further questions for the witnesses?

**Hon. Mr. McKinnon:** Mr. Chairman, I have done a lot of work on this and gone back in the history and I hope that there is no mistake that there is the thought that 100 per cent value on land as being assessed under the *Taxation Ordinance* is something new. Mr. Watt knows full well that it was the same when he was a Member of this Legislature and I went back to the old green book that we used to do, pre-1958, and it was part of that Legislature too. The problem, of course, has been that nobody accurately reflected the huge increase in the land values that were taking place in the Whitehorse area. When that came about, you know, though that system has been in effect since pre-1958 and the assessors had been instructed to assess at market value for land and fair value.

Of course we moved as well as we could in the dropping of the mill rate and the upping of the Home Owners' Grant. There still are anomalies in the system and I recognize them and I know them, but I do not think that it is quite as easy a task as

people think in taking a total reform of the total properties tax structure. They have been doing a lot of work in Ontario and they started with the Smith Commission in 1967 and the Treasurer of Ontario, Darcy McKeough, followed up with the Blair Commission report and they are still attempting to put them after ten years of property, and about twenty reports of commissions and everything else, the reform of the property taxation in the system affecting Ontario to reflect that one on one principle which Members here seem to think would be fair, and the Members of Committee would seem to think too.

For anything that is worth, Mr. Chairman, misery loves company, and I have been pretty miserable the last little while. This is from the *Edmonton Journal* of April 20th. "The tax deadline has been extended again to June 30th, after government assessors decided to take another look at more than 4,000 cases following appeals by residents on their original tax assessments. The previous land assessments had been done between 1960 and 1966, so when the new assessment based on 1975 market value of land showed huge increases, residents were fighting mad. Municipal Affairs' Deputy Minister, Bill Isbister, said the Assessment Branch is hoping to eventually catch up and let no property go more than eight years between assessments." So we are not stuck with a particular problem to a particular region and a particular assessment in Whitehorse. As the Honourable Members know who read the *Vancouver Sun* or any of the western papers, this is a problem that haunts politicians everywhere. What we do with it, of course, is going to be a measure of whether we are successful or a failure.

All I can only say is once again, that I thank Members for the brief, there are items in that brief that this Government was looking at, because we knew with the assessment that came in that we would have to take a whole new fresh look at property taxes across the whole of the Yukon which all government jurisdictions are doing and of course we are just going through the traumas that other government jurisdictions are going in and trying to face the same manners. We are trying by bringing in amendments to the *Taxation Ordinance* to help those anomalies and those areas which seem to be just too great an increase at this point in time at least to get over the hump, Mr. Chairman.

**Mr. Deputy Chairman:** Is there any further questions for the witness? I would ask the Members to stop giving out all these speeches until after the witnesses have left Committee.

**Hon. Mr. Lang:** Mr. Chairman, this is a question and it refers to the 3.(a) assessing land improvements at 100 per cent of market value. Now it is my understanding at the present time, and I believe it is 15 per cent improvement of market value that is assessed at the present time on improvements.

My question is, if we were to go 100 per cent improvement, would that not be a case where the individual would be discouraged from upgrading his property? If one were to go on 100 per cent improvement for his assessment, he would be discouraged, would he not, from say perhaps putting the siding on his garage or whatever and then subsequently the whole neighbourhood deteriorates?

**Mr. Watt:** I think that, in answer to that, if you were to upgrade your property, say add \$1,000 to its value, say build a garage or re-side it or repaint it or, you know, put a \$1,000 improvement on it, under this formula, your taxes would go up \$10, if you add \$1,000 to its value. Or if you added \$10,000 to its value, your taxes—

**Hon. Mr. McKinnon:** It depends on the percentage.

**Mr. Watt:** The amount of money that you would have to put out would be \$10 on the \$1,000.

I do not think I properly answered or completely answered. The question is kind of a combination of Mrs. Watson's and Mr. McKinnon's question and that was if the Territorial Government were locked into accepting this assessment this year,

how would we feel about if there was a new assessment done last year and we had been over-assessed, if a credit were allowed for next year's taxes because of an overpayment this year.

I would look more favourably upon something like that than nothing at all. It is not something that is new, as Mr. McKinnon explained, but in a previous assessment, when Mr. McKinnon was on Council and I was here also, that the Territorial Council saw some injustices that were being done and, for a certain area, Porter Creek at the time, for one, and Crestview, they were overtaxed and they were sent a notice by the City to the effect that they were sent a notice by the Territory because the Territorial Government was in charge of assessment at that time. The Territorial Government sent a notice to the property owner saying that they had been over-taxed, I think it ran about \$130 a home. But, if they had already paid it, it would apply to the following year's taxes. They would have a credit of \$130 and if they had not paid it, then it would be reduced by \$130.

So, after the assessment was done and the Territorial Government had set its mill rate, the Territorial Council still had an input into what was done to effect the money that was laid out for taxes.

**Mr. Deputy Chairman:** Thank you, Mr. Watt. I will allow one more question on this particular matter.

**Mr. Watt:** I would just like to thank all of you, on behalf of all of us for listening to us and the reception that you have given us.

**Mr. Deputy Chairman:** Thank you, Mr. Watt. Thank you, Mr. Warner, for giving us your time to present your concerns and we will take it under consideration.

Thank you very much. You are excused.

**Mr. Deputy Chairman:** We will continue reading Bill 102, after a brief recess. I declare a brief recess.

*Recess*

**Mr. Deputy Chairman:** I call Committee to order.

**Hon. Mr. Lang:** Do we have copies of the amendment?

**Mr. Deputy Chairman:** I was just coming to it, Mr. Lang. We have a number of amendments and the Pages will be handing the amendments out. I would allow Members of the Committee to study the amendments and I will go through a couple of clauses through the rest of the Bill, then we will come back to the amendments after a very short period of time, and then we will go through the amendments, if that is the consensus of Committee.

**Mrs. Watson:** So read through the whole Bill before we go to the amendments?

**Mr. Deputy Chairman:** Well if that is Committee's wish, it is fine. We do not have too much left, but some are quite lengthy. I was going to perhaps go through—

**Mrs. Watson:** Mr. Chairman, with respect, it might be easier in case there is an amendment in the rest of the Bill, that would give us an opportunity overnight to look at them, whereas if we do not complete the Bill first reading at least before we take time on the amendments, it might really restrict us in the time that we have. I think some of us feel that we do have a time limit this week.

**Mr. Deputy Chairman:** Thank you, Mrs. Watson.

We stopped reading the first reading of Bill 102, Clause 13.(1) and you now have before you the amendment to that particular Clause. I will continue to read and go on to Clause 14.

*On Clause 14*

*Clause 14 agreed to*

*On Clause 15*

*Clause 15 agreed to*

*On Clause 16*

*Clause 16 agreed to*

*On Clause 17*

*Clause 17 agreed to*

*On Clause 18*

*Clause 18 agreed to*

*On Clause 19*

*Clause 19 agreed to*

*On Clause 20*

**Mr. McIntyre:** Mr. Chairman, this Section merely provides that it is not necessary it is not necessary to issue a writ for a by-election if a general election is due within six months.

*Clause 20 agreed to*

*On Clause 21*

*Clause 21 agreed to*

*On Clause 22*

*Clause 22 agreed to*

*On Clause 23*

*Clause 23 agreed to*

*On Clause 24*

*Clause 24 agreed to*

*On Clause 25*

*Clause 25 agreed to*

*On Clause 26*

*Clause 26 agreed to*

*On Clause 27*

*Clause 27 agreed to*

*On Clause 28*

*Clause 28 agreed to*

*On Clause 29*

*Clause 29 agreed to*

*On Clause 30*

**Hon. Mr. Lang:** Mr. Chairman, would this allow the Speaker to participate in the Committee of the Whole and cast his ballot or does this take him completely out of the workings of the Legislature, other than when there is a majority?

**Mr. McIntyre:** Mr. Chairman, this would only apply when the Speaker is in the Chair.

**Mr. Deputy Chairman:** I think you would find, Mr. Lang, that at any other time it would come under Section 29.(1).

**Hon. Mr. Lang:** Thank you very much, Mr. Chairman.

**Mr. Deputy Chairman:** You are welcome, Mr. Lang.

*Clause 30 agreed to*

*On Clause 31*

*Clause 31 agreed to*

*On Clause 32*

*Clause 32 agreed to*

*On Clause 33*

**Mr. McIntyre:** Mr. Chairman, in the previous Section 13, Members felt that this particular kind of a penalty section, which provided for a moiety being paid to a person motivating an action was very unpleasant. We prepared an amendment amending that particular section, because we felt that there could be some frivolous actions.

However, the Section 33, we are providing for this same type of a penalty and providing that the voter may sue for the penalty, commence an action for the penalty and one half of the penalty should belong to him if he succeeds.

Also, in addition to that, he will receive—

**Mr. Deputy Chairman:** Mr. McIntyre, we are not getting a recording from your microphone.

**Mr. McIntyre:** Pardon me?

**Mr. Deputy Chairman:** We are getting no recording from your microphone.

**Hon. Mr. McKinnon:** It is broken down like the rest of us.

**Mr. Deputy Chairman:** Only some of us. I am not broken down yet.

**Mr. McIntyre:** In a previous section, 13, there was the same type of provision as we have in 33.(2) and the Members felt that that was an unpleasant type of thing and we have prepared an amendment changing the provisions in that Section.

However, in Section 33, which deals with bribery and corruption on the part of a Member of the Council, it was felt that this penalty, as provided for in 33.(2), would provide a really powerful deterrent to prevent a Member remaining as a counselor, in the Council and at the same time, promoting, for gain, a particular Bill or whatever he is able to influence.

It was also felt that in most cases where a Member or a voter, as provided in Section 2, had information that a Member of the Council was contravening Section 32, that he would be very reluctant to come forward and do anything about it because he would have nothing to gain by doing so.

But by providing that he would receive one half the penalty and in addition the part of the bribe itself, then he would be more likely to come forward. It is not something new, it has been in previous ordinances. We thought that in this particular case that it would be a very powerful deterrent to prevent any Member of the Council from breaching the provisions of Section 32.

**Hon. Mr. Lang:** Mr. Chairman, now that we have seen the Honourable Member from Watson Lake has relinquished his seat as per Section 14.(1) of the Ordinance, I would like to ask a question of the sponsor of the Bill, did the Committee take into account if an individual was found that he was not involved in this kind of thing and that possibly the person laying the charge should have some responsibility if the charge is not substantiated? I think everyone knows and the Members in the House that has been in politics any length of time, the criticism one gets and the play that would come out of something like this would be front pages for many, many days. If it came to the conclusion it was not substantiated, it would probably come on the back of the local astonisher and nobody would read it.

I am just wondering if the Committee took into account if the charges were not substantiated if the voter had a responsibility.

**Mr. McIntyre:** The voter would, of course, have the responsibility of paying his own legal costs. I do not think you could have any more responsibility than if he went via the *Criminal Code* and laid a charge of bribery or corruption under the *Criminal Code* in which case, whether he won or lost, he would not have to pay anything.

In this particular case he would have to pay his own court costs, but if he laid the same charge, the same information under the *Criminal Code* he would not have to pay anything, the Crown would take care of the whole thing.

**Mr. Fleming:** Mr. Chairman, that is my contention. I do not believe in it being in there. I do not think we need it in there. I do not know, I would even question the legality of it really. I am not a lawyer and I do not know anything about these things, but I would question the legality of that in (2), any person, he would commence action in his own name, but of course he could have a lawyer himself could he not, in his own name? Just a question, if the person had been sitting for say three years and he was on his last year sitting and he was taken to court for that, and finally found for some unknown reason they found that there was something there maybe he did not even know he was doing it. Then would he be, for the whole period of time that he was there, would he be charged \$200 a day? Or when does this commence?

**Mr. McIntyre:** I wonder where the Honourable Member is seeing \$200 a day?

**Mr. Fleming:** I am sorry, Mr. Chairman, I was in Section 13. They have deleted that I see. So this one is merely the penalty the court may desire to place upon him then, is that right?

**Mr. McIntyre:** The penalty is in 33, the penalty is \$1,000 plus the amount of the bribe. If the Member had been given \$5,000 to promote some Bill through the House, then the penalty would be \$1,000 plus \$5,000, for a total of \$6,000. This provides for the person who is making the complaint, if he wins, to receive one half the penalty.

**Hon. Mrs. Whyard:** Mr. Chairman, I find it distasteful, as other Honourable Members have risen to state and I would like to ask the sponsor of the Bill if this type of section is included in in other jurisdictions, and acceptable?

**Mr. McIntyre:** Perhaps Mr. Cosman could advise us.

**Mr. Cosman:** Yes, might I have the question again please?

**Hon. Mrs. Whyard:** Mr. Chairman, I am asking whether this kind of rebate on a penalty is paid in other jurisdictions to someone who brings a case against a sitting Member?

**Mr. Cosman:** It is my understanding, Mr. Chairman, that this Bill is drafted and derived from the Legislative Assembly Ordinances or Acts of several other jurisdictions. I suspect, therefore, not being the author of the Bill, however having that knowledge, I suspect that this is a common provision. That is the best I can offer the Member.

**Hon. Mrs. Whyard:** Supplementary, then, Mr. Chairman, in my opinion, if the objective of this section is to ensure that someone who wants to blow the whistle on good grounds should not be deterred from doing so, the only requirement is to ensure that they will not be out of pocket for bringing that charge and that there will be compensation for court costs.

I am opposed to saying that unless there is financial rewards, citizens of this country are not going to scrutinize the legal or illegal actions of their Members.

**Mr. Lengerke:** Yes, Mr. Chairman, I just wanted to comment, too, that certainly as a member of the committee, I can assure Members that we did have a real problem with this one. We wrestled with it, as Mr. McIntyre indicated we did with 13, and we felt that certainly we could do away with it in Section 13, but, in 33, we felt that if it is a very serious offense, as we all well realize, to take bribes, we thought that this certainly would be a deterrent, a powerful deterrent, that would be required.

We looked at other ways of awarding it and, after much go around, we came right back to the time honoured clause that the Minister of Human Resources just asked, if it is in any other legislation and we find that it is. So, we said, okay, we will go with it.

We realize that it might be a bit of a head-hunting situation, but we still felt that the deterrent should be there, and was required, and that is why we left it in.

**Hon. Mrs. Whyard:** Mr. Chairman, I am not as familiar with this Bill as I might be, but perhaps Mr. Cosman could assist me. Is there any other recourse throughout this Ordinance for someone who wishes to report what they feel is wrongdoing? Do they have to go to a court and institute a criminal action there, or do they, by providing that information to the Speaker have recourse and have an investigation made?

**Mr. Cosman:** Yes, Mr. Chairman, I would suspect that either is true, that the private individual could whisper in the Speaker's ear or to a Member of the House and have it brought to the attention of the House that one of their Members is in contravention of the Ordinance; or that he could, making use of the provisions under Section 13 and Section 33, he could proceed directly to the Supreme Court of the Yukon Territory and bring an action for the declaration under Section 13 or for the

penalty under Section 33.

So I think both those avenues are open.

**Hon. Mrs. Whyard:** Mr. Chairman, am I being told then that there is provision in this Ordinance for proceeding through the Speaker with such a complaint?

**Mr. Cosman:** I cannot point to a Section, not being all that terribly familiar with the Ordinance myself, that says you may do that. However, how that information would get before the Assembly would not necessarily have to be spelled out in the Ordinance that a member of the public shall approach the Speaker and that sort of thing. I think a member of the public could approach his own MLA from his own jurisdiction and say look, I think that this is so or that is so and bring it up in the House. I think it would get before the House through ordinary means.

**Hon. Mrs. Whyard:** Mr. Chairman, I am afraid that is not quite good enough then, because there should be some procedures through the Speaker, not through just one Member or another Member who may or may not also have a conflicting interest involved. I do not mind going to court in these matters, but I cannot accept paying someone to do so. I can see defraying or covering their costs of going to court, but I cannot see offering them a reward.

**Mr. Fleming:** Mr. Chairman, my concern is really with, go back to Prohibitions, "No member of the Council shall receive or agree to receive..." 32.(1), "...any fee, compensation or reward, directly or indirectly..." this covers quite a bit "...either alone or with another, for services rendered or to be rendered by any person, either by himself or another, in relation to the drafting, preparation or promotion of any bill, resolution, a question, petition, proceeding, controversy, charge or other matter before the Council". It covers so many things that I just wonder just how careful a person would have to be in this House watching anything he did. Just how close can you figure that every resolution and every question that was put in here does not somehow influence somewhere in your life and could be picked up by somebody that was wise enough to pick it up?

I am not saying that a person will be doing anything wrong with it, it is just wide open.

**Mr. McIntyre:** Mr. Chairman, we are not saying that you cannot ask questions in the House or that you cannot promote bills or resolutions. All we are saying is that if somebody gives you \$1,000 to ask the Commissioner an embarrassing question, that that would be contrary and it would be a violation of 32, and the penalty would be in 33.

Let us not be facetious about it, because this is a section that is causing some problems and I do not think it is incumbent on any Member to make fun of the legislation. This is important.

In my view, it is a good section because it provides for the person who is reluctant to come forward and lay a charge in the criminal courts because this is, in addition to being contrary to this Ordinance, accepting a bribe, for a Member of Parliament or a Member of this House to accept a bribe to promote anything for private gain in this House, that is also a criminal offense and then you can lay a charge through the proper authorities under the *Criminal Code*.

This is to encourage the person who is aware of the circumstances and who normally would not make any complaint because he just does not want to be bothered or he does not want to get into it, it gives him the opportunity of saying, well, at least if I make a complaint in this way, I am going to get something out of it.

It is there for a deterrent. It is deterrent value and I think any Member of the House that votes against it is very suspicious of himself.

**Hon. Mrs. Whyard:** Mr. Chairman, I require another answer then to a further question. Mr. Chairman, am I to understand from this Section that the person who is going to sue for

the penalty does so after there has been some kind of inquiry hearing or examination which has proven that a Member has been found guilty of all these things in 32.(1). Then he subsequently sues for the penalty?

**Mr. McIntyre:** Are you referring to an action being taken under the *Criminal Code* and also one under this one? That somebody convicted under the *Criminal Code* of taking a bribe would also be subject to 33, and an action by a person?

**Hon. Mrs. Whyard:** Mr. Chairman, I am lead to believe that because of the sub-title here, "Elector entitled to sue for penalty".

That seems to me a separate action from proving that a Member has done wrong under other sections.

**Mr. McIntyre:** I do not understand the question.

**Hon. Mrs. Whyard:** Well, I do not understand the section, I am sorry.

**Mr. Cosman:** I do not know that I can do anything except add to the confusion. I think there is a valid point on the Honourable Minister's point there. It would appear that a criminal charge could be laid, under the *Criminal Code*, and a decision rendered, the person is found guilty.

That, at that point, a member of the public could come forward and lay an action in the Supreme Court, under Section 33, and sue for the penalty in addition.

Now, it may at first seem unusual, but in a case of criminal negligence in driving a car, for example, there is always the proceeding under the *Criminal Code* for drinking while driving, Section 236, or something of that nature

It may at first seem unusual, but in a case of criminal negligence in driving a car, for example, there is always the proceeding under the *Criminal Code* for drinking while driving, Section 236, or something of that nature, where there are harsh provisions, penalties and fines and whatnot, imprisonment, but the person say for example someone was injured as a result of that negligent or drunken driving, he can also bring a private action, he can also to court in a civil action against that person as well. So that concept exists with respect to almost any matter and I suggest that probably what Section 33 is doing is giving a right to an individual to proceed under this Ordinance that he ordinarily would not have.

In other words, there would only be the one action, under the *Criminal Code*, if it were not for Section 33. Section 33 gives the civil concept as well, which is prevalent among our drunken driving situations.

**Mr. Deputy Chairman:** What you are saying is a person can get both barrels, both criminal and civil.

**Mr. Cosman:** That is right.

**Hon. Mrs. Whyard:** That is my reading.

**Hon. Mr. McKinnon:** Mr. Chairman, I think I would look at this very seriously. If my reading of the Yukon public is correct, Section 33.(2) as it now reads would probably be a further restriction of the people for not going about and laying that charge against an MLA for suspected graft or corruption or anything else. My reading is one that the Yukon public does not want to go to court and get involved because of the cost of getting into the court procedure, of hiring a lawyer and the whole bit.

I am of the distinct impression, Mr. Chairman, that if he was being looked upon as the only reason by his peers that he was going to go to court to get his pound of flesh, his half of the \$1,000, he would think twice before going, because I am sure his peers would say look, so and so started that action just so he could get his pound of flesh and \$500 from the proceedings.

Mr. Chairman, I am further convinced, and I am dead serious about it, that if the Section read that if any charge so brought was successful, that his court costs would be paid out

of the Consolidated Revenue Fund of the Yukon Territory, that any serious citizen would say that is the type of thing. Look, I know this guy is doing that, I want to bring it to court. I want to do it as a public spirited Yukon citizen, I do not want my peers in the public looking on it as the only reason I did it was to get \$500 or whatever is in my pocket. I did it because I was right and that MLA was committing an offence, he was being bribed or he was receiving monies, and as long as I am protected, that it is not going to cost me any money out of my pocket, then I am prepared to go with it.

I think this section would be a deterrent, rather than a person going the route to get rid of that rotten MLA. I would suggest that is what the public would be most prone to do, if they knew that their court costs and their time was not going to come out of their own pocket and they could get the rotten son of a gun that they would do it, rather than being looked at by members of the public. I am sure that is the way that people would react. Look, he did not do it because he was a good citizen or good Yukoner, he probably did it because he probably wanted his pound of flesh and the bucks. I really believe if that section were amended, that it would not cost him money out of his jeans, and the action was successful, he had done his duty as a citizen and that money was coming back to him out of the Consolidated Revenue Fund of the Yukon Territory, that would have the broadest appeal to the people of the Yukon, unless I misread them.

**Mrs. Watson:** Mr. Chairman, some of the aspects of what the Honourable Member said I agree with, but on the other hand, I would be just as reluctant to put that section in.

If I, as an individual, did not have to worry about court costs or anything, every MLA would be in court at least once a year.

**Hon. Mr. McKinnon:** Successful.

**Mrs. Watson:** That is the thing and I do not think that Consolidated Revenue Fund should be paying it. I think the guy who is found guilty should be paying it. That is our justice system. If you take action against someone and it is unfounded, it is not successful, you know you are going to have to pay the costs, probably, if it is not successful.

If the guy that the action is taken against, and you are pretty sure in the evidence that you have got and you know it is not going to cost you anything, you are going to roll.

But if you have not got anything to lose and the Consolidated Revenue Fund is going to pay, that is making it too wide open. I think this could be just a decision that an individual member of our society takes if they feel strongly enough about it.

This does not preclude several people going together and chipping in to do it, taking that chance. I am not that bound on getting a penalty, getting some of the money back from the people who lay the charges, but I am. Somebody has got to be darn serious before they would lay some charges and they have got to have some pretty hard, cold evidence.

The only way they are not going to proceed is if there is a chance that it might cost them money.

**Mr. Fleming:** Yes, Mr. Chairman, I would like to ask a direct question to the Member who is moving the Bill, where it says "No Member of the Council shall receive or agree to receive any fee, compensation or reward...", where it can be a bill, a resolution or a question or anything. I would ask this: if the Pioneer Grants Program was put into this House and you voted for that and then you went home and you were eligible to pick up that \$300, and afterwards, could I, as a citizen, come to you and use this right here, under this wording.

I think you could, against you.

**Mr. McIntyre:** Mr. Chairman, I do not think the Honourable Member has an argument at all, because that has been covered in another section of the Bill. If you turn back to Section 8.(2), which is being amended but which covers all

payments of that nature, your entitlement to Medicare, your entitlement to Health Care, your entitlement to any of these statutory things, you are covered by that.

I do not think anybody could conceive of a recipient of a Pioneer Grant as being taking a bribe, but just to wind up, I think we have heard from everybody on this and just to wind it up, I think that I should point out that in my notes from our advisor, he says that other provinces have this particular section. It is not unique to the Territory, in fact, it was in the previous Ordinance, and we are not putting a new section in. There is no change here at all, not just this previous draft that we had, but also from the previous Ordinance, and it is a common one throughout the provinces and I think it is something that I think we should leave in.

**Mr. Lengerke:** I just wanted to say that it had been in the previous Ordinance, but one thing I wanted to respond to was the remarks made by Mr. McKinnon. I did raise some of that in Committee thinking that maybe it should be dependent on the success. But really what is the interpretation, Mr. McKinnon, of success? Maybe the charge that you have originally gone with has become somewhat something less? Is that success then? Should you still be entitled in your interpretation of getting all costs refunded? I think that is a bit of a question?

**Hon. Mr. McKinnon:** Yes, Mr. Chairman, if it is a lesser charge, but the guy is convicted of a charge then I think the action is successful. If it is a conviction of a charge under the terms of this *Elections Ordinance*.

**Hon. Mrs. Whyard:** Mr. Chairman, I guess I am outnumbered here. I have not changed my opinion of the need for this Section, I think there are alternative ways to go. I think it would be preferable to state clearly that if it comes to a court matter, the person bringing the charge will have his court costs returned, as my colleague says, in a successful case. I do not think you should reward him for doing so by sharing a penalty against the guilty person.

Mr. Chairman, I am not going to hold up this Bill any longer and argue any further, I am just intrigued by the fact that everyone keeps telling me, Mr. Chairman, that it has been here for years and undoubtedly it has, I have never heard of it being invoked, why are we keeping it on the books? I would like to know how many times it has been invoked in the provinces, but I realize that is not available to me now.

**Mr. McIntyre:** Mr. Chairman, in reply to the Honourable Member, I might say the reason that there have not been any actions taken is simply because it is there.

*Clause 33 agreed to*

*On Clause 34*

**Mrs. Watson:** Mr. Chairman, I would like to ask the law clerk or anyone who can answer me, "if judgment is recorded against a Member under Section 33 or if by resolution of the Council" this is assuming that the Council has judicial powers, is it not?

**Mr. Cosman:** I would think that, yes, because the Council would have to be interpreting the provisions of this Ordinance, and anybody that interprets and applies the provisions of an ordinance and with respect to the innocence or guilt with respect to violation of a section, to me is acting as a judicial body. I think the Member is quite right. That does imply that the Assembly is acting in a judicial capacity in that respect.

**Mrs. Watson:** Mr. Chairman, I think in reviewing the legislation we came up against this is one other instance where I think the person who was helping us draft the legislation assumed that we, in fact, or originally we had it in the Bill, that we in fact could act the same as a judicial committee and even sentence people to jail.

I think the draftsman has still continued with that and I think we really should be leaving it out of there. If a judgment is

recorded against a member under Section 33, the seat of that member shall thereupon become vacant. What we are saying that one resolution of this House could make him guilty or not guilty.

**Mr. McIntyre:** Mr. Chairman, this, as far as I am aware, that 34 just provides another way to go, if by resolution of the Council, it is declared that a Member has been guilty of a violation of Section 32, to see that the Member shall become vacant. This is something the Council can do because, as you remember in the judgment handed down in the Chamberlist case, the Council was recognized as having that power.

I think that precedent still prevails and this Council does have the ability to find a Member guilty of a violation of Section 32 and on that resolution being passed, the seat is vacant.

**Mr. Berger:** I have nothing against the particular section. I was just wondering, Mr. Chairman, if the Member sponsoring the Bill could tell me, or maybe the law clerk could tell me, if the Council has the right to levy a fine then, or in this particular case, the Council would find the person guilty, then the case would have to be referred to the Supreme Court afterwards.

**Mr. McIntyre:** No, Mr. Chairman.

**Mrs. Watson:** Mr. Chairman, I do have great reservations about being able to, when anyone else has to go to the courts to see if a Member is guilty under Section 33 and 31 of taking bribes and the Council can do it by a simple resolution. I think that is, without listing the rights of the person who is being judged in the House, I think it is a very dangerous thing that I would not like to, as a Member of the Legislature, I would not want to have that power and authority.

When anyone else has to go through the courts and you can sit here and bring in a resolution, you can get some guy with that.

**Mr. Deputy Chairman:** Shall the Clause carry?

**Mrs. Watson:** Disagree, Mr. Chairman, I would like it left over.

**Mr. Deputy Chairman:** Pardon?

**Mrs. Watson:** Mr. Chairman, I would like that one left over, unless the majority vote that it carry, but I would like to submit that I would like it left over to be looked at.

**Mr. Deputy Chairman:** Is this a new section, Mr. McIntyre?

**Mr. McIntyre:** 34?

It is not a new section. It was in the previous draft, but the circumstances we are dealing with, if the Council, by resolution, declares that a Member has been guilty of a violation of Section 32, the seat of the Member shall become vacant. I think that is within the power of this Assembly whether it is in there or not. We are just confirming it, because in the previous case that the Council decided, it was not a contravention as serious as this one. It was only a conflict of interest in respect to a contract.

The court found that the Council had the right to determine that particular action against one of its members. However, I do agree that it is a very serious matter and I think the Members of this House would treat it accordingly.

**Mr. Fleming:** I take it, Mr. Chairman, that if the Council decided that one of us had done something wrong, of course I think this is possibly okay as far as I am concerned, he would be unseated, we should say. But then after he has been unseated by the Council, then again, another person in Yukon Territory could pick up that same instance and take it to court, right?

**Mr. McIntyre:** If he had the evidence that was put before the Assembly I imagine he could.

**Mr. Berger:** Mr. Chairman, I am still not satisfied with that \$1,000 bit. I still stay we gave the Council the right to levy a penalty. Section 33.(1) says: "A member violation section 32 is



subject to a penalty of the sum of one thousand dollars." In 34.(1) we say: "If a judgement is recorded against a member under Section 33, or if by resolution of the Council it is declared that a member has been guilty of a violation of section 32." We already established the fact that the Member is guilty of an offence by resolution in Council. In 33.(1) we say if he is guilty of an offence under Section 32, he is also liable for a fine of \$1,000.

**Mr. McIntyre:** Mr. Chairman, the only way that the penalty can be assessed is by an action in the Supreme Court. A voter's action is in the Supreme Court. A voter has no action in this House. The action in the House must be made by two Members who present a resolution. If the resolution is passed, there is no provision in this Section for this Council to pass a penalty, other than that the only penalty be that the seat of the Member shall thereupon become vacant.

**Mr. Deputy Chairman:** I think the reference that Mr. McIntyre made is found on page 294 of Beauchesne and 434, which actually is a breach of privilege, and that is bribery, where the House can conduct its affairs by resolution.

**Mrs. Watson:** Mr. Chairman, a question for Mr. Cosman: if a council did, by resolution, declare the seat of a Member vacant, then that person would not be a Member anymore and they would be precluded from any action through the courts, under Section 33, because 33 says "a member violating", not who has violated. Am I correct in that interpretation?

**Mr. Cosman:** The status of the person at the time he allegedly violated Section 32 would be that he was a member and I think that is what they would look at. It would not be at some subsequent period in time, when the House decided that he had been in violation and therefore removed him from his seat in the Chamber. I think that Section 33.(1), "a member violating", those words would now be taken to relate back to the time when he did so violate. Therefore, it is inconsequential that he is no longer a member six months down the road, if he was a member at the time he violated.

I might add, if I may, Mr. Chairman, a member violating Section 32 is subject to a penalty of the sum of \$1,000. It does not automatically mean that he is to be penalized \$1,000, as Mr. Berger suggests. I think there would have to be not only a declaration that the person is in violation of the Section 32, but also that he is assessed a penalty. I do not think the resolution of the House would go that far and therefore the penalty would not automatically accrue.

**Mrs. Watson:** The penalty would have to be assessed by the courts.

**Mr. Cosman:** I believe that it would have to be a body that was capable of not only judging a person's guilt, but of assessing the fine. I suggest that if the Assembly is limited in its ability as a judicial body, that that would therefore infer that only the courts could assess the fine.

**Hon. Mrs. Whyard:** I would certainly think that is in the same spirit of Sections 21.(1) and 22, because they say, in effect, the same thing. The resignation of a Member does not stop or effect the proceedings in a court, based on what may have happened under the *Controverted Elections Ordinance* and *Elections Ordinance*. So it would be the same principle here.

**Mr. Deputy Chairman:** I have one question for you, Mr. McIntyre. I have noticed in the prohibitions, there is seemingly no timeframe. In other words, are we advocating a witch hunt before or after the fact, dealing with this particular principle?

**Mr. McIntyre:** Mr. Chairman, are you indicating that this type of action could take place, say ten years in the future—

**Mr. Deputy Chairman:** That is correct.

**Mr. McIntyre:** Or could be taken against somebody in the past.

**Mr. Deputy Chairman:** There is a silent factor there which, from a legal point of view, is a very dangerous thing when you are playing with a matter of this type, when you are dealing with civil and criminal, where a good, well minded lawyer plus his client could take a person to the cleaners, because there is no timeframe and it is very silent on the principle.

I would have some grave concerns that this was not considered by the Committee at the time. You have to consider a timeframe, although I as a person could be taken to court three or four years later. He could be made to suffer a serious penalty for something that was not considered at that time. In other words, somebody could hold it in limbo or void until he feels like using it. This is what I am trying to say, Mr. McIntyre.

**Mr. McIntyre:** Mr. Chairman, the indication on the face of it is that it would have to be a sitting Member, although this may not be the case. However, we have limitations in our statutes which provide that the action has to be taken in a civil action, with a limited amount of time. But in any case, if this were a case of bribery, there is no Statute of Limitations under the *Criminal Code* for an indictable offence.

**Mr. Deputy Chairman:** Okay, but there is a principle here, Mr. McIntyre. When you are playing with the statutes of this country and you have a double-barrelled action pointed at an individual, you could use one or the other, and that is a very dangerous situation when you do not have the time locked into this particular section of this Ordinance. I am concerned about it.

**Mr. McIntyre:** Mr. Chairman, perhaps Mr. Cosman could give us the Statute of Limitations on an offence against the Ordinance.

**Mr. Cosman:** Yes, Mr. Chairman, I would like to have my *Limitation of Actions Ordinance* before me, which I do not have. But I would suggest that there probably is a general provision in that Ordinance that where nothing else is said, probably there is a six year limitation. If I might have a moment to consider it.

**Mr. Deputy Chairman:** Mr. McIntyre, then why was not this particular Ordinance made reference to like the *Controverted Elections Ordinance* and the *Elections Ordinance, 1977*? What I am trying to say is it is very negative on that point and an individual layperson that is studying perhaps this Bill for the first time, may be jumping to a lot of conclusions.

**Mr. Cosman:** Under the *Limitation of Action Ordinance*, Section 3.(1), I read as follows: "The following actions shall be commenced within, and not after, the times respectively hereinafter mentioned:", and paragraph (b) of that subsection reads: "(b) Actions for penalties, damages or sums of money in the nature of penalties, given by any ordinance to Her Majesty or to the person aggrieved, or partly to one and partly to the other, within two years after the cause of action arose."

So that particular provision seems to encompass exactly the partly to one partly to the other penalty that is contemplated under Section 33. I would submit that the *Limitation of Actions Ordinance* therefore precludes any action after two years from the time that the offence occurred. Therefore, the Member could still be sitting as a Member, the offence could occur, the bribery could occur in his first year of a four year term and by the time the third year had rolled around, the *Limitation of Actions Ordinance* has precluded an individual from bringing an action under this Ordinance.

That is not to say that he is still not subject to the *Criminal Code*.

**Mr. Deputy Chairman:** That is what I am saying. You are still playing the double barrel effect here, Mr. Cosman.

**Mr. Cosman:** Double barrelled for two years and then single barrelled thereafter.

*Clause 34 agreed to*



On Clause 35

Clause 35 agreed to

On Clause 36

**Hon. Mr. Lang:** Exactly what does that mean?

**Mr. Deputy Chairman:** It is good and straight English, Mr. Lang.

**Mr. McIntyre:** Mr. Chairman, that is dealing with the publication of copies of the Debates and so on. They are privileged in civil proceedings. This gives the publisher of reports of the Council of deliberations defence against a suit for defamation and prevents an indirect attack on a member by suing *Hansard* instead of suing the members on the basis of something he said.

That is all I have in my notes on this particular section.

Clause 36 agreed to

On Clause 37

Clause 37 agreed to

On Clause 38

Clause 38 agreed to

On Clause 39

Clause 39 agreed to

On Clause 40

Clause 40 agreed to

On Clause 41

**Mr. Deputy Chairman:** Mr. McIntyre, will you consider a typo error there where it says "Government of the Yukon Territory"? Should it not be Government of Yukon Territory?

**Mr. McIntyre:** Suits me.

I thought there would be a question about the Commissioner's involvement in this section. The reports on departments to the Assembly, to be presented by the Commissioner, this section was redrafted. It is different from what it was in the original Ordinance that we looked at before.

This section was redrafted at Ottawa's request, to remove references to heads of departments, which they are not willing to recognize. They indicated that if we made any reference to heads of departments, the Bill would be vetoed.

We have therefore provided that the Commissioner prepares the reports and transmits them to an elected Executive Committee Member who would presumably be the Minister in charge of the Department concerned, and that is the person who tables it in the Assembly.

So this is an indication of some of the things that this Committee has had to cope with in preparing this Ordinance.

**Hon. Mrs. Whyard:** Mr. Chairman, I would ask whether 44.(1) refers to what is commonly known as the Commissioner's Annual Report, which covers all the departments in the Yukon? No, no, not the budget, the Commissioner's Report which we table here.

**Mr. Deputy Chairman:** What was your question, Mrs. Whyard?

**Hon. Mrs. Whyard:** The question is does 44.(1) refer to what we call the Commissioner's Annual Report which is now tabled here annually before all Members and covers all departments?

**Mr. McIntyre:** No, Mr. Chairman.

**Hon. Mrs. Whyard:** Well, what is it then?

**Mr. McIntyre:** The original Ordinance, if you recall it, provided that each department would prepare a report and table it in the House. The powers that be in Ottawa said that they would not recognize the term Department Head and therefore, we have had to change it so that the Commissioner does this. But the intent of this is to provide that every person responsible for a department on Executive Committee will table a report of his responsibilities. This is not the

Commissioner's Report. This is to be a report for each department that Members of the Executive Committee are responsible for.

**Hon. Mrs. Whyard:** Thank you.

Clause 41 agreed to

On Clause 42

Clause 42 agreed to

**Mr. Deputy Chairman:** Would Members please go back to Clause 8 for the first amendment. I will read the amendment and then we will have general discussion on the amendment.

It has been moved by Mr. McIntyre, that Bill Number 102 entitled *An Ordinance Respecting the Council of the Yukon Territory* be amended as follows: In subclause 8.(2), at pages 3, 4, and 5,

(a) by deleting paragraph (a) thereof and substituting therefore the following paragraphs:

(a) acquires, holds or enjoys a statutory or other legally established right that provides a benefit or preference that is available to members of the public, or to the class of public of which he is a member, unless that right is subject to the exercise of a power of discretion by a member of the public service of the Yukon Territory;

(a.1) receives any public money, payment, loan or guarantee pursuant to an ordinance, regulation or order of the Commissioner that he, in common with other members of the public or of the class of public of which he is a member, may receive;

(b) by deleting paragraph (b) thereof,

(c) by deleting paragraph (c) thereof,

(d) by deleting paragraph (i) thereof,

(e) by deleting paragraph (l) thereof and substituting therefor the following paragraph:

(l) purchases land or an interest in land, offered for sale to the public by the Government of the Yukon Territory, (i) for the purpose of providing a residence for himself or his dependents, on any occasion, or (ii) for any purpose other than the purpose of providing a residence for himself or his dependents, on one occasion only.

**Mr. McIntyre:** There is a misprint there.

**Mr. Deputy Chairman:** A what?

**Mr. McIntyre:** There is a typographical error there, Mr. Cosman. It refers to residence in both paragraphs one and two, sub-paragraphs one and two.

I have not got the original one.

**Mr. Cosman:** Mr. Chairman, are we discussing page 2 of the amendment?

**Mr. McIntyre:** Page 2 (e) (ii)

**Mr. Cosman:** One and two

**Mr. McIntyre:** Right.

**Mr. Cosman:** The distinction between the roman numeral one and—

**Mr. McIntyre:** That is all right, I misread it myself.

**Mr. Cosman:** And two is that one is where it is used as a residence and two is where it is used as other than a residence, which encompasses everything else.

**Mr. Deputy Chairman:** That is right. There has been proposed an amendment to this amendment, and I will read: Moved by Mr. Hibberd, that Bill 102, entitled *An Ordinance Respecting the Council of the Yukon Territory*, be amended as follows: that items (b) and (c) of the amendment to sub-clause 8.(2) be deleted.

Which would be at the bottom of page 1.

**Hon. Mr. Hibberd:** Mr. Chairman, there was disagreement both in the Standing Committee and voiced in this Committee, regarding feelings of including the ten per cent disqualification

or not. It was felt by Committee that it would be advisable to let people have a free vote on the issue and it could be decided by this Committee itself, whether there should be a ten per cent disqualification or not.

The effect of the amendment that is proposed is that there would be no ten per cent permitted. My amendment would be to leave in the ten per cent immunity and I think of instances whereby someone might own a few shares in a major corporation and they might be selling gas to the Government and obviously, a situation not in the Member's control, but in so doing, he is in a position of forfeiting his rights to sit on Council.

**Mr. Deputy Chairman:** Thank you, Mr. Hibberd. Is there any further discussion on the amendment to the amendment?

**Mrs. Watson:** Yes, Mr. Chairman, I have really no problem with the ten per cent, and here we go, this is what we came around to in the Committee all the time, if there is some arrangement made whereby the small businessman could also have this.

We are looking now at a larger company where somebody has a ten per cent share. They can be doing quite extensive, there is no limitations to the contract, they could have a \$2 million contract with the Territorial Government.

That is what we are saying. There are no limitations at all. Yet, we are saying that Bob Fleming cannot have a contract to provide \$2,000 worth of board and room to YTG employees. This is what we are doing. We are leaving the one open, and closing the other completely. This is why we have gone round and round in that committee. This is where I have so much concern, where that individual who has a small business, he just gotta stay away from those government contracts completely.

If you are with a group of people and you have a share in that, you could still benefit from it. That, to me, is not exactly a fair and equitable way of handling a conflict of interest. This is the problem you always get into.

**Hon. Mr. McKinnon:** Mr. Chairman, I am just going to present my personal situation. It does not matter because anybody can go and find out from any public registry or anywhere else what that is. Under the terms of the Executive Committee, which I have been led to believe by looking at all the provincial legislation, are probably tougher in the blind and frozen tough situation in Yukon than any other provincial jurisdiction which does not allow me, if I am a shareholder in any company, to, I have to set it up in either a blind trust or a frozen trust, whereas I know of no decision that are being made in those companies over the course of the years that I am a Member of the Executive Committee. I hope my trustee has been sensible enough to act as my proxy or my trustee in those businesses so that when it is finally all over and I say hey, what have I got, and he will say you ain't got nothing left, try something else. That is tough, Mr. Chairman, that is damned tough to be able to be a Member of the Executive Committee under those conditions.

But, if these, which are even tougher, go into effect, it would mean that even though under the Executive Committee guidelines I was eligible to be a Member of the Executive Committee, I would not be eligible under these to be a Member of this Legislature. I have under 10 per cent shares in Whitehorse Motors, CKRW, and WHTV. Each one of them, for different reasons, does business with the government.

I could have taken the money and said I am going to invest it in outside companies, you know, but this is where I am staying and this is where I want my money to be, and I want to be part of the growth of the Yukon Territory. Mr. Chairman, there is no way my partners are going to tell me that they can no longer sell Ford trucks to the Government of the Yukon Territory, they say sell your shares and get the hell out of this company. No way are we going to allow you, even though you have less than 10 per cent, for us not to do business.

The group homes, the hospitals, come to us and say please put a cable into this group home, into this house, into this hospital bed and we are paying for it from the government. No longer. My partners would say we are not going to have you around for that type of thing.

The tourism people want to put a tourism promotion on radio, Mr. Chairman, all of those things, I would no longer be eligible to sit as a Member of this House, and would have to make the decision that after having made the decision because I want to remain in Yukon, I want my money invested here, I have no pension plan, no security whatsoever, the only person on the North American continent left in a Legislature that does not have that protection, I might add, that even after all that, you are going to take the last thing that I may have left under a blind trust away from me.

Mr. Chairman, you are making it totally and absolutely impossible for a Member of my background to be a Member of this House if you do that. Those are the facts.

**Mr. Fleming:** I understand the Member's concern, however, and I maintain though that there is just no way that that Member or any other Member should have the right to be in this House. I do not care whether he has got it in a blind trust or what kind of a trust he has got, if he has got it there and I, as a small businessman, that is doing the same thing in this Territory, am not also allowed to sit in this House.

That is my contention and under this, the present set up here, that is exactly what you are doing. It is not only to sit in this House, but if I wish to, you know, contract with the Government, which, in other words, it might interfere with many others that might be here in this House.

**Hon. Mr. McKinnon:** You are not 10 per cent, you would wager 100 per cent.

**Mr. Fleming:** 100 per cent. My 100 per cent probably does not mean as much as your one per cent would mean, with that corporation. I mean, there is just no way that it is fair, that that could happen. You know, I just cannot vote for a bill that is just going to—I am not caring just for myself individually, but there are many, many, many more people, too.

The contracting that we would be doing, now I am speaking of people such as myself, private entrepreneurs, never get very big, would be a small contract, to sign a piece of paper that is written up like this, a contract saying I will give you meals and hotel rooms for \$17 a night or something and on the other hand, a firm that is belonging to somebody that has eight or nine per cent and it is a multi-million dollar concern can stand up and say I will bid for 29 tractors tomorrow worth \$2 million. I mean, there is no fairness in it.

I can understand your concern and I sure do. That is where I think if we did, somewhere along the line, they just—one way or the other, but I still maintain that it should be fair.

**Mr. Deputy Chairman:** I think before all Members start getting off the rails on this particular matter, as Mr. Hibberd pointed out, the amendment to the amendment is to allow an opportunity for what we might call a free vote on the final passing of the clause, which is generating some bones of contention with everybody.

I think the Members should confine themselves to the amendment to the amendment and not general debating on the clause.

**Mr. Fleming:** This is the amendment to the amendment.

**Mr. Deputy Chairman:** The amendment to the amendment. Let us continue.

**Mr. Fleming:** Yes, Mr. Chairman, would you explain the amendment to the amendment to me, exactly what it means, then.

**Mr. Deputy Chairman:** It allows you, in the end product, to vote freely. You are deleting two sections that are very critical to some Members.

**Mrs. Watson:** Mr. Chairman, I have already spoken.

**Mr. Berger:** Mr. Chairman, I just want to get that clear in my own head and I think there is some doubt in other Members' heads too. What are we really talking about in the amendment to the amendment, that (b) and (c) of the amendment to the subclause 8.(2) be deleted. In the amendment I have in front of me there is no such thing as (b) and (c) on the papers.

**Mr. Deputy Chairman:** Okay, I will run through it once more for you. The amendment items (b) and (c) of subclause 8.(2) be deleted. If that was adopted, that amendment, the first—that is the amendment to this amendment, the second item—it would mean that if the amendment passes (b) and (c) are still in the original clause.

So I will run that through you again. Items (b) and (c), that is the amendment to the amendment, if that should pass it means your amendment, if adopted, would mean that (b) and (c) are still in existence in the original Clause of 8.(2). Do you understand, Mr. Berger? Do all Members understand that? Any further questions on the amendment?

**Mr. Lengerke:** I want to ask a question, Mr. Chairman, of the Legal Advisor. It is something that has some bearing on it. Under the *Elections Ordinance*, under Section 9.(1), it says: "Subject to subsection (2) the following persons are not eligible to be nominated or elected as members of the Council: every person who directly or indirectly, alone or with any other person by himself or by the imposition of any trustee or third party as holding, enjoying or undertaking or executing any contract or agreement, expressed or implied with or for the Territory, or with or for any of the officers of the Territory, for which any public money of the Territory is to be paid during the time he is so holding, enjoying, undertaking or executing." and it goes on. Is this not in fact stricter right now than what we are even proposing by amendment or a subamendment or anything else, Mr. Legal Advisor?

**Mr. Cosman:** My understanding was that the existing Section 9.(1), and the proposed Section 8.(1), are very, very similar in that both were very restrictive except for the terms of the following subsection, either subsection (2) in both cases, both in the Ordinance. Perhaps I have missed your question.

**Mr. Lengerke:** My question is is this not more rigid under this Section of the *Elections Ordinance*, is it not more rigid than what we are proposing right now? In other words, the *Elections Ordinance* is in existence. We are here as Members of this Assembly by virtue of that Ordinance or at least under the guidance of that Ordinance, and is it not right now more strict than what we are proposing, either way?

**Mr. Cosman:** I had understood that Section 9.(1) and the proposed 8.(1), together with other sections prohibiting voting or sitting in Council, were both very, very restrictive, absolutely restrictive and then the subsections following, 8.(2) in the proposed Ordinance, is a loosening up of that.

Both are supposed to be, in my mind, are both equally as restrictive. The 9.(1), in the existing *Elections Ordinance* and the 8.(1) in the proposed Ordinance. They were intended to be total prohibitions, except for the following subsections.

**Mrs. Watson:** Mr. Chairman, I think that we have to look at the overall picture and we cannot be legislating for specific cases. If we do that, we are doomed and it was unfortunate that personal situations were brought forward before the House when we are considering this.

I know that this is restrictive. I know that it is going to limit the number of people who can, but I also know that in this day and age, people who are involved in public life get a pretty close scrutiny by the members of the public.

You sometimes wonder whether it is worth it. I think that we could receive a lot of criticism, and justifiably so, if we brought in legislation that was much, or that was less restrictive or quite a bit less restrictive than the last piece of legislation.

I would like to correct a statement that the Honourable Minister of Local Government made, he said that you are giving up your seniority in your business or your job and this is very true. We do not have a pension scheme and this is very true and it is most regrettable for Members of the Legislature. But there is a provision, under the regulations establishing the Executive Committee, that they receive six per cent of their salary as a pension allowance, above and beyond their salaries.

So there is provision made for the Executive Committee, which has not been made for ordinary Members.

**Mr. Deputy Chairman:** Mrs. Watson, you are ranging into general debate on the clause. I have already expressed on two occasions that we stick to the amendment.

Now, I am cutting off anymore debate and we are going to vote on these amendments and then we will go back to general discussion.

Otherwise, we might as well scrap these amendments, because you are ranging well away from the amendments.

**Hon. Mrs. Whyard:** With respect, you know, I have been in this House many months when Members from the other side objected strenuously, having amendments shoved in front of them and being asked to vote immediately upon them. We have just received an amendment to amendments, both within the last hour. I have to do some serious thinking, Mr. Chairman, before I know how I want to vote on the amendment to the amendments.

I would submit, with respect, that there has not been time this afternoon for serious consideration.

**Mr. Deputy Chairman:** Very well, if the Committee agrees, we will stand this Bill over until tomorrow morning, but we are not going to keep wasting the time on this amendment.

**Mr. Lengerke:** Mr. Chairman, while we have the Legal Advisor here could I ask a question because it has some bearing. I really wonder, and I have not even expressed my view on the particular clause yet, but I wonder if we voted in favour of it or not in favour of it or anything else, but what are we establishing? Do we not have to make some amendment to the *Elections Ordinance* first? Which one has precedence?

**Mr. Deputy Chairman:** Mr. Lengerke, I believe you are a member of the Committee that put forward the original Bill, and I do not believe that you are a sponsor of any of these two amendments that have been put forward. Now what are you asking? Do you want to take it back to Committee? You put forward the Bill through your sponsor Mr. McIntyre. Now you are contradicting yourself, and I do not want to sound disrespectful.

**Mr. McIntyre:** Mr. Chairman, the Honourable Member opposite is looking at an Ordinance which we have replaced with another *Elections Ordinance*.

**Mr. Deputy Chairman:** Exactly. Is it the wish of this Committee that we stand over this Bill until tomorrow morning to allow each other at least 24 hours to go over these two amendments which created more conflict than the Bill?

**Some Members:** Agreed.

**Mr. Deputy Chairman:** Very well, I will entertain a motion.

**Hon. Mrs. Whyard:** Mr. Chairman, just before you entertain that motion, I would like to bring to the attention of Members that reference made the other day during discussion of this Bill implied that Members were not familiar with these conflict of interest guidelines for Executive Committee. In fact one Honourable Member said he had not seen them. I would like to draw attention of all Members to the fact that the conflict of interest guidelines for Executive Committee Members are publicly available in the Yukon Regulations at Tab 56 and they are titled "Terms and Conditions of Memberships - Executive Committee" and these Regulations were gazetted on October 1st, 1976. Thank you, Mr. Chairman.

**Mr. Deputy Chairman:** Thank you, Mrs. Whyard.

**Mr. Lengerke:** Mr. Chairman, I would move that Mr. Speaker do now resume the Chair.

**Mr. Fleming:** I second the motion.

**Mr. Deputy Chairman:** It has been moved by Mr. Lengerke, seconded by Mr. Fleming, that Mr. Speaker do now resume the Chair.

**Some Members:** Agreed.

**Mr. Deputy Chairman:** Thank you, Mr. Cosman, for your assistance.

*Speaker resumes the Chair*

**Mr. Speaker:** I will now call the House to order. May we have a report from the Chairman of Committees?

**Mr. McCall:** Thank you, Mr. Speaker. Mr. Speaker, the Committee of the Whole has had under consideration Bill Number 101, *An Ordinance to Amend the Mining Safety Ordinance* and directed me to report the same without amendment.

The Committee has also considered a motion respecting the White Paper on the Pioneer Grant Program and directed me to report progress on the same.

The Committee has also considered Bill Number 17, *An Ordinance to Amend the Taxation Ordinance* and directed me to report progress on the same.

The Committee has also considered Bill Number 102, *An Ordinance Respecting the Council of the Yukon Territory* and directed me to report the same, and asked leave to sit again.

**Mr. Speaker:** You have heard the report of the Chairman of Committees, are you agreed?

**Some Members:** Agreed.

**Mr. Speaker:** Leave is so granted. May I have your further pleasure?

**Mr. Lengerke:** Mr. Speaker, I would move that we do now call it 5 o'clock.

**Mr. McCall:** I second the motion.

**Mr. Speaker:** It has been moved by the Honourable Member from Whitehorse Riverdale, seconded by the Honourable Member from Pelly River, that we do now call it 5 o'clock.

*Motion agreed to*

**Mr. Speaker:** This House now stands adjourned until 10 a.m. tomorrow.

*Adjourned*

# The following Legislative Returns were Tabled on April 26, 1978

78-1-28

Fur-Buyers' Licences

(Oral Question - April 17, 1978 - page 321)

78-1-29

ARDA Program

(Oral Question - April 24, 1978 - page 398)

## LEGISLATIVE RETURN "28

(1978 First Session)

Mr. Speaker,  
Members of the Assembly

On April 17, 1978, Mr. Fleming asked the following question:

"Yes, a question for the Minister of Consumer and Corporate Affairs, in the area of licencing, for instance a fur-buyer's licence. There is some concern in Yukon that to get this type of licence, a fur-buyer's licence, you must also have some type of a business licence, such as the Hudson Bay Company, or something like this.

Is this true or can an individual apply for a fur-buyers licence?"

The answer to the above question is as follows:

Sections 84 to 87 of the Game Ordinance inclusive, provide the guidelines for the issuance of the following classes of fur-buyer's licences a) Trading Post Licence, b) Outpost Licence, and c) a Restricted Furdealer's Licence.

1. A Trading Post must a) be operated for 8 months of the year, b) must be a permanent establishment, and c) all trade or traffic in fur must take place at the trading post described on the licence.
2. An Outpost must a) be operated by a person who already holds a trading post licence, b) for a minimum of 3 months per year, c) all trade or traffic in fur must take place at the outpost described on the licence.
3. A Restricted Fur-dealers licence may be issued to a person who is the holder of a licence in the territory to do business as a retail merchant or lodge keeper. This licence entitles the holder to buy, sell or traffic in the pelts of any fur bearing animal that is endorsed on the licence by the Director of Wildlife. But all such activity must occur at the place of business as described on the licence.

In conclusion, if an individual can meet these qualifications he can obtain a licence to buy fur.

April 25, 1978.

*[Signature]*

LEGISLATIVE RETURN - 27  
1978 (First Session)

Mr. Speaker

Members of the Assembly:

On April 24, 1978 Mr. Watson asked the following questions:

Now that the Bill giving the authority to the Territorial Government to enter into agreements under the ARDA program has passed this house, could the Minister indicate to us how much money the Department of Regional Expansion in Ottawa has set aside for Yukon under the ARDA program for 1978 and 1979 and

How much has the Federal government set aside for the ARDA (just specifically, the ARDA program, this year in all of Canada?

The answer to the above questions is as follows:

In respect to the first part of the question as I indicated yesterday, Section 3 of the proposed Special ARDA Agreement requires that "the undertaking of a project pursuant to this Agreement is subject to prior decision (in this Agreement referred to as a "Project decision") by the Federal Minister and the Commissioner in a form acceptable to them". The undertaking of such projects is conditional on their being described in Section 4 of this Agreement and on funds being appropriated therefor by the Parliament of Canada and the Yukon Legislative Assembly.

DREE funding is provided for by the Parliament of Canada. The latest figure available for grants and contributions for all of DREE programs, including ARDA programs, across Canada is \$454,460,000. Within that total amount, funds are available on an "as required" basis to all programs subject to project approval being obtained.

April 25, 1978.



