

# The Pukon Legislative Assembly

Number 22

10th Session

23rd Legislature

**Debates and Proceedings** 

Monday, June 26, 1978

Speaker: The Honourable Donald Taylor

Published under the authority of the Speaker of the Legislative Assembly by the Queen's Printer for Yukon.

Whitehorse, Yukon Territory Monday, June 26, 1978

Mr. Speaker: I will now call the House to order.

We will proceed at this time with Prayers.

Prayers

Mr. Speaker: Prior to dealing with the Order Paper, I would like to introduce to the House today, Mr. David Weninger, who will be serving as Page with us for this sitting.

#### ROUTINE PROCEEDINGS

Mr. Speaker: Are there any documents for tabling? TABLING OF DOCUMENTS

Mrs. Watson: Yes, Mr. Speaker, I have for tabling this morning the Report of Mr. J. J. Stratton, Chairman of the Public Inquiry established under Commissioner's Order 177/242.

I also have for tabling this morning, Mr. Speaker, correspondence between Mr. Stratton and Mr. Musgrove, dated November 30th, 1977, December 9th, 1977, and December 29th, 1977.

**Mr. Speaker:** Are there any further Documents for Tabling? Reports of Committees? Petitions? Introduction of Bills?

# BILLS: INTRÓDUCTION AND FIRST READING

Hon. Mrs. Whyard: Mr. Speaker, I move that a Bill entitled *Pioneer Grant Ordinance* be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Health and Human Resources that a Bill, entitled *Pioneer Grant Ordinance*, be now introduced and read a first time. *Motion agreed to* 

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

Hon. Mrs. Whyard: At the next sitting, Mr. Speaker.

Mr. Speaker: So ordered.

**Hon. Mr. Lang:** Mr. Speaker, I move that a Bill entitled An Ordinance to Amend the Elections Ordinance, be now introduced and read a first time.

Mr. Speaker: It has been moved by the Honourable Minister of Education that a Bill entitled An Ordinance to Amend the Elections Ordinance, be now introduced and read a first time.

Motion agreed to

Mr. Speaker: Are there any further Bills for introduction?

Mrs. Watson: Yes, Mr. Speaker. I move, seconded by the Honourable Member from Ogilvie, that the Private Member's Public Bill entitled *Executive Authority Ordinance*, be now introduced and read a first time.

Mr. Speaker, the purpose of this Bill is to transfer the reality of the exercise of Executive powers conferred on the Commissioner in Ordinances passed by the Legislative Assembly, from the Commissioner alone, to the "Commissioner acting by and with the advice and consent of the Executive Authority, whose members are elected from and by the Members of the Legislative Assembly".

Mr. Speaker: Could I have the seconder for that motion again?

Mrs. Watson: The Member from Ogilvie, Mr. Speaker.

Mr. Speaker: It has been moved by the Honourable Member from Kluane, seconded by the Honourable Member from Ogilvie, that an Ordinance entitled *Executive Authority Ordinance* be now introduced and read a first time. Are you prepared for the question?

Motion agreed to

Mr. Speaker: When shall the Bill be read for a second time?

Mrs. Watson: At the next sitting day, Mr. Speaker.

Mr. Speaker: It is so ordered, as is the case with the Ordinance to Amend the Elections Ordinance

which I failed to bring to the attention of the House. It is so ordered.

Are there any further Bills for introduction? Are there any notices of Motion for the production of Papers? Noticies of Motion or Resolution?

Hon. Mr. McKinnon: Mr. Speaker, I would like to give notice of motion, seconded by the Honourable Member from Porter Creek, that this House recommend that John W. Ferby of Whitehorse, Yukon Territory, be named by the Governor-in-Council, as representative of the Yukon Territory on the Federal Provincial Consultative Council established pursuant to the Northern Pipeline Act.

I would like also to give Notice of Motion, Mr. Speaker, seconded by the Honourable Member from Riverdale, that the instructions given by the Minister of Indian Affairs and Northern Development to the Commissioner respecting the Executive Committee be amended to read as follows: "In all matters pertaining to the areas in which the Yukon Act gives legislative authority to the Yukon Legislative Assembly, the Commissioner must seek the advice of the Executive Committee and be bound by that advice."

**Mr. Speaker:** Are there any further notices of motion or resolution?

Mrs. Watson: I would give notice of motion, seconded by the Honourable Member from Ogilvie that the corresondence between Mr. Stratton and Mr. Musgrove dated November 30th, December 9th and December 29th be moved into Committee 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.

#### **QUESTION PERIOD**

Hon. Mr. McKinnon: Mr. Speaker, I would like to table the answer to Written Question Number 6 and also answers to question number 1, a question by Mrs. Watson concerning the date for the City of Whitehorse has to strike the mill rate for the taxation year 1978 and a question by Mr. Lengerke concerning the status of the Acorn Lumber site.

Hon. Mrs. Whyard: Mr. Speaker, I would like to table the answer to Written Question Number 4.

# Question re: Commissioner's Whereabouts

Hon. Mr. Lang: Mr. Speaker, I have a question for the Deputy Commissioner this morning. Could you please tell us where the Commissioner is this morning?

Mr. Deputy Commissioner: Mr. Speaker, the Commissioner is fulfilling a commitment that he made several weeks ago to meet with the Ambassadors from all over the world who are touring Yukon at this time. He will be back this afternoon.

Mr. Speaker: Are there any further questions?

# Question re: Dawson City Sewer and Water System

Mr. Berger: Yes, Mr. Speaker, a question for the Minister of Local Government: I was wondering if the Minister could elaborate and tell me where the replacement of the sewer and water system in Dawson City stands now? It is my understanding right now that it has been postponed for another while again.

**Hon. Mr. McKinnon:** Mr. Speaker, I would be happy to bring the Honourable Member information on that tomorrow morning.

## Question re: Timber Regulations

Mr. Fleming: Yes, Mr. Speaker, I have a question for the Minister of Local Government this morning dealing with the

Territorial timber regulations for the Federal Government and the guidelines pursuant to a Territorial timber permit which comes from the land office upstairs. In the event that contracts are let and they are on ground that is Territorial, such as L.I.D. districts and so forth, I would like to know who authorizes this type of work or who takes care of it and also I would like to know where the authority is for any Territorial Agent to undertake this.

Hon. Mr. McKinnon: So would I, Mr. Speaker, and I will have to find the information so that we will both know the answer to the question.

#### Question re: Decentralization Committee

Ms Millard: Mr. Speaker, a question for any Member of the Executive Committee: has the Government established a decentralization committee, as per resolution on April 20th of this year?

Hon. Mr. Lang: Yes, Mr. Speaker, there is a committee of Deputy Heads looking into the decentralization in more depth than the green paper which was presented to the Legislature in the last sitting.

#### Question re: Clinton Creek Mine Closure

Mr. Lengerke: Mr. Speaker, a question for the Assistant Commissioner: I wonder if the Assistant Commissioner could tell me if he is aware of any discussions that took place between the Territorial Government and Cassiar Asbestos Corporation, with respect to the closure at Clinton Creek Mine, the subject being that there could be an extended life, that certainly they would be willing to keep the mine in operation providing certain concessions could be granted?

Are you aware of any of these discussions and if so, could we have some of the details.

Mr. Deputy Commissioner: Mr. Speaker, there have been some discussions on this matter. It would take considerable time to provide the detail. Could I bring it back in written form tomorrow?

Mr. Speaker: Would this be acceptable to the Honourable Member?

Mr. Lengerke: Thank you.

# Question re: Tagish Telephone Service

Mr. Fleming: Yes, Mr. Speaker, a question this morning for the Minister of Consumer Affairs, if he can get the answer for me, I presume, I would not imagine he would have it.

For some time, I have been getting letters from CNT and I have been speaking with their officials on the situation in Tagish. For two years, I know of one person who has been trying to get a telephone out there and has not been able to do it and they are getting a little bit perturbed.

The only thing we get from them is a lot of legal jargon on a piece of paper, which you cannot understand, and they are now proposing to do something this fall, and of course the rates are going up, which we know, to nineteen or seventeen, instead of what they are.

But what we really want to know is when this big change takes place, if it does, will these people that are there now be able to get a telephone that do not have one. That is the answer that we want and we have not been able to get it. I wonder if the Minister could get me that answer?

Hon. Mr. Hibberd: 1'll endeavor to do so, Mr. Speaker. Question re: Indian School in Burwash

Ms Millard: Mr. Speaker, a question for the Minister of Education. Could he tell us how far the Department of Education will be cooperating with the new Indian school being established at Burwash.

Hon. Mr. Lang: Mr. Speaker, I have been publicly quoted as saying that the department is reviewing the situation and, time permitting, I hope to be able to make a statement to this House by the end of the week.

#### Question re: Taxation of Community Clubs

Mrs. Watson: Yes Mr. Speaker, a question for the Minister of Education and Recreation: some time ago there was a newspaper story that the Government of the Territory is going to be embarking upon a program whereby they forgive property taxes for community clubs in the form of a grant in lieu of. I am wondering whether the Minister is prepared to table in this House the details of that policy, specifically, and the mechanics of the grant and also how would it affect the taxes which many of these community clubs presently are in arrears.

Hon. Mr. Lang: Mr. Speaker, letters are being prepared for all Members that represent areas that would be affected by this policy decision and an outline of the agreement that will have to be made with the community club will accompany that letter so that all members that are representing the areas where community clubs still come under Section 8 of the Regulations will have full knowledge of what goes on. It should be processed here in the next day or two.

Mr. Speaker: Further supplementary from the Honourable Member from Kluane.

Mrs. Watson: Yes Mr. Speaker, when can Members expect these letters?

Hon. Mr. Lang: Mr. Speaker, within the next day or two. Question re: Land Claims Progress On Pipeline Chart

Ms Millard: Mr. Speaker, a question for the Minister of Pipelines: why is there nothing on our glorious pipeline chart about land claims progress since we seem to be involved somewhat in land claims and has quite an affect, in a way, on the pipeline. Was there a decision made to eliminate that from the progress chart?

Hon. Mr. McKinnon: Mr. Speaker, any discussions that I have been a party to over the last five years concerning land claims, one of the major participants in those discussions, namely the Indian people of the Yukon, have always wanted land claims dealt in a separate arena from pipelines, from constitutional developments or from any other government activities so it was just relating that experience to the progress chart that we did not have that as part of the progress chart, Mr. Speaker.

### Question re: Klondike Racing Association

Mr. Berger: Yes Mr. Speaker, a question for the Minister of Local Government: I wonder, Mr. Speaker, if the Minister could tell me why the land lease was cancelled for the Klondike Racing Association who had a lease for a race track in an area known as Collison's Airport? To my knowledge, the industrial zone development of Dawson City has not been approved by the Federal Government, so why was this lease cancelled?

Hon. Mr. McKinnon: Mr. Speaker, obviously it was a federal lease given by the Federal Government, so I will have to check through my good offices of whoever I can find to speak to me in the Federal Lands Office these days to try and get the answer to the Honourable Member. Probably he would have more success that I would, Mr. Speaker.

#### Question re: Animal Protection Ordinance

Ms Millard: Mr. Speaker, a question to the Minister of Consumer Affairs: has the *Animal Protection Ordinance* been put into full effect yet?

Hon. Mr. Hibberd: Mr. Speaker, the Animal Protection Ordinance was passed by this Assembly and it is now, on a temporary basis, being administered by the Department of Consumer and Corporate Affairs.

Ms Millard: Mr. Speaker, the question was: is it into full effect? Is it actually being administered, because this was being avoided. I know who is responsible for it, that is why I have been asking him the questions.

Hon. Mr. Hibberd: Mr. Speaker, I do not know how she could have known who was responsible for it, because it was just recently assigned to the Department of Consumer and

Corporate Affairs, I will inquire to see whether it is in full effect or not.

#### Question re: Taxation Assessment Appeals

Mrs. Watson: Yes, Mr. Speaker, I have a question for the Minister of Local Government and Assessments. In view of the fact that the Supreme Court has completed their hearings on the appeals, under the Taxation Ordinance, and in view of the fact that the Court of Revision has ordered a reassessment of certain areas, and in view of the fact that if a reassessment is done, the whole process of appeals to a Court of Revision and the Supreme Court will have to run its course, what does the Government of the Territory propose to do in order to make it possible for the City of Whitehorse to be able to set a mill rate, based on an assessment roll that is completed and that has had the necessary appeal procedure adhered to?

Hon. Mr. McKinnon: Mr. Speaker, as I understand the timeframe in those properties affected where either the Court of Revision or the Supreme Court has ordered a revision of the assessment, that this is well in progress and that the City hopes to be able to strike a mill rate and have their tax notices out as close to the end of this month as possible and no later than the first week of August in any event, Mr. Speaker.

Mrs. Watson: Supplementary, Mr. Speaker, does the Government of the Territory then not recognize the need for an appeal procedure, through the Court of Revision and the Supreme Court, for those properties that are now being reassessed?

Hon. Mr. McKinnon: Mr. Speaker, I am sorry, I mean the first week of July that they intend to get the tax notices out.

Mr. Speaker, as far as I am made aware by my legal officials and the officials in the Department of Local Government, that that is the end of the appeals, once it has gone through the Court of Revision and then through the court system. I would be happy to bring a legal opinion to that question. The answer that I give the Honourable Member is the one that has been given to me by my officers, at this time.

#### Question re: Senior Citizens' Residency

Mr. Berger: Yes, Mr. Speaker, a question to the Minister of Human Resources: I was wondering if the Yukon and British Columbia Governments have an exchange program going on right now with old age pensioners and especially, I am referring to people who require residency in a senior citizens' homes. Are Yukon residents, senior citizens, now eligible to go to Vancouver or anywhere else in B.C. to ask for residency in a senior citizens' home and also apply for social assistance?

Hon. Mrs. Whyard: Mr. Speaker, I am not aware of any such agreement. On the contrary, we have had difficulty in the past year or so arranging matters for the care of Senior Citizens from places such as Atlin in B.C., because we have normally extended our services to residents of Northern B.C. on a sort of neighbourly basis with the Province of British Columbia, and this had worked very well in the areas of Probation and Social Welfare, Child Welfare and Child Protection, and there has been a hardening of position in British Columbia, which we have been endeavoring to dissipate, through discussions with Provincial Officers.

There is no specific agreement for transfer from one area to another that I am aware of, and Mr. Speaker, I would be concerned that there might not be such an agreement anyway, because under the new block funding agreement with the Federal Government for social services across Canada in the Provinces, there is a requirement, one of the four main requirements for receiving such block funding under the Federal Government is that there must be no residency clause, and at the moment that act has not yet passed. So I would expect to have to wait until it passed before such a free flow could occur.

There are many ramifications to such a matter. I would be very concerned about an influx of people from B.C. to the

Yukon looking for our resources or accommodation facilities, because we have so few. I think that probably the drain would be going to other way, from the Yukon to the sunny South. It would be very nice to think that residents of the Yukon could have access to services in Victoria or Vancouver, but to my knowledge, Mr. Speaker, there is no such case at the moment.

Mr. Speaker: Supplementary from the Honourable Member from Klondike.

Mr. Berger: Then how come we have a B.C. resident in Dawson City? Under what agreement, under what act, Federal Government Act, or Yukon Act, or what policy was this person allowed to receive Social Assistance in Dawson City in the senior citizen home?

Hon. Mrs. Whyard: Mr. Speaker, I do not discuss individual personal matters in the House, and I will be happy to meet with the Member outside to discuss it with him.

Mr. Speaker: Are there any further questions? The final supplementary from the Honourable Member from Klondike.

Mr. Berger: I find it very strange, Mr. Speaker, that the Minister refuses to answer my question, because it is a matter of Yukoners paying part of a supplementary to this person in Dawson City, and I think there is an answer required, because it concerns everybody in the Yukon.

Mr. Speaker: Are there any further questions?

Mr. Fleming: Yes, Mr. Speaker. A question this morning for the Minister of Education: I presume it should be for the Minister of Education, anyhow. It is a question of a person's legal right to speak out in this Territory or anywhere else in Canada. I find that in many cases, and especially I have found some in the education Department, especially at the lower roots of the totem pole, people speaking out seem to be held a little bit to the side and say "Hey, boy, you can't talk about our government", this type of thing.

I find this sor, of distasteful and I would like to know what the policy of this Government is, especially the Department of Education, anybody working for it, if they speak out against certain things in that Department or in the Government anywhere.

I would like to know what the policy is and what policy the Department of Education actually follows.

Hon. Mr. Lang: Mr. Speaker, I think that the *Public Service Commission Ordinance* outlines the rights of public servants in respect to the political life of Yukon and if the Honourable Member reviews that piece of legislation, it provides for people to be active politically except for some exclusions at the top managerial level.

## Question re: Teacher Education Porgram

Ms Millard: Mr. Speaker, a question for the Minister of Education: of the seventeen graduates in the first Teacher Education Program, how many were native people?

Hon. Mr. Lang: Mr. Speaker, I do not have the statistics, and, if I recall correctly, the Honourable Member asked a similar question here approximately three or four months ago and I attempted to find that out through the University of British Columbia. I could once again see if I could accommodate the Honourable Member.

Ms Millard: Supplementary to that, Mr. Speaker: I might suggest that Indian Affairs is paying for some native people, that it would be very easy to discover that information right in Yukon.

Further to that Education Program, the news item stated that five of the graduates have been hired for next year. Are there any further graduates from that program who have been hired for September now?

Hon. Mr. Lang: Mr. Speaker, I think there is a possibility of ten being hired for this forthcoming year. I believe eight have

been hired, if my memory serves me correctly, and there is a possibility of two more being hired.

## Question re: Porter Creek Lots

Mr. Lengerke: Mr. Speaker, a question for the Minister of Local Government: some concern has been expressed by quite a few of our citizens with respect to the price of lots in Porter Creek. I wonder if the Minister could, in the next few days, table a breakdown of the costs of the residential lots in Porter Creek?

Hon. Mr. McKinnon: Yes, Mr. Speaker, I would be most happy to and I will just sit down by saying that a 60 by 100 fully-serviced lot in the Porter Creek, or any of the areas subdivided by the Territorial Government is the best land buy in this country.

# Question re: Education/Life Skills Program

Ms Millard: A question for the Minister of Education, Mr. Speaker: has a decision been made to eliminate the Life Skills Program from the Vocational School at this point?

Hon. Mr. Lang: No, Mr. Speaker.

## Question re: Haines Junction Land Availability

Mrs. Watson: Mr. Speaker, a question for the Minister of Local Government: when will the privilege of the best land buy in Canada be open to the people of Haines Junction within their community?

Hon. Mr. McKinnon: As soon as the control and administration of renewable resources in this Yukon are passed over from the hands of the Federal Government to the Territorial Government and the responsibility for development on that land is on this Minister, and then you know who to get to when the land is not developed.

Exactly what I predicted in the area of Haines Junction, that it went into another bureaucratic mess and nightmare, is exactly what happened. I am keeping the Honourable Members informed as the spot land transfer goes from office to office and more bureaucrats get involved in the whole mess and I will be the most surprised guy in the world if we ever see 13 acres in Haines Junction get off the ground this year, Mr. Speaker. Exactly what I have predicted has happened. It is in an absolute and horrible mess and it is just—yuk.

Mrs. Watson: Yes, Mr. Speaker, a supplementary question: would the Government of the Territory considerjust developing the land and then putting it up for sale?

Hon. Mr. McKinnon: Mr. Speaker, I would like to do that, but just the ramifications of the Territorial Government acting as a squatter, how far we would get along with the process of developing before we were terminated or I was put in jail, I do not know, which may or may not be a good thing, I do not know. But at any rate, for the government to say "Look, it is so hopeless to get a piece of land, we may as well go out as a squatter, and start developing", I think it kind of says to all the people of the Territory, "Look, we cannot get any land through the normal procedure, go out and do whatever you want." I do not think this government should be put into that situation, Mr. Speaker, even though it is tempting at times, I must admit.

Mr. Speaker: Final supplementary from the Honourable Member from Kluane.

Mrs. Watson: Yes, Mr. Speaker. Does the Honourable Member realize that if the Government does not do it, the individual people are going to do it and they are doing it now?

Hon. Mr. McKinnon: Yes, Mr. Speaker.

## Question re: Tubercolosis Tests

Ms Millard: A question for the Minister of Health, Mr. Speaker: since T.B. x-rays are compulsory for people who work in institutions, when are they going to be compulsory for people who work in restaurants in Yukon?

Hon. Mrs. Whyard: Mr. Speaker, under out urrent Ordinance, it is a requirement of being hired as a fooc andler in any

institution, whether it is private or public, that the applicant for employment must pass a medical examination, and that includes a T.B. test.

My problem, Mr. Speaker, and one that we are trying to amend, is that at present the Ordinance does not require such a test to be an annual one, so that if you are hired in a restaurant or a hotel kitchen, you pass the test, but no one comes back annually to make sure that this is an ongoing clearance. Mr. Speaker, to my knowledge, that requirement is in effect now.

Ms Millard: Yes, Supplementary, Mr. Speaker: why is this not being enforced then, because many of the employees in restaurants in Yukon are here on a temporary basis, and I know for a fact that it is not being enforced that they should have T.B. exams

Hon. Mrs. Whyard: Mr. Speaker, I would very happy to receive information from the Honourable Member outside of this House, so that we could investyigate such cases.

## Ouestion re: Haines Junction/Additional Nurse

Mr. Lengerke: Mr. Speaker, a question for the Minister of Health. I wonder if the Minister could advise if we have been successful in securing the services of another nurse for Haines Junction?

Hon. Mrs. Whyard: Mr. Speaker, I would have to check with the Federal Department, who is still responsible for medical services and Public Health in Yukon but we certainly made every effort to assure that there would be one for this summer. I have not followed through since, assuming that this appointment had been made. I will find out.

Mr. Speaker: We will now proceed on the Order Paper under Orders of the Day to Motions and Resolutions.

#### ORDERS OF THE DAY

#### MOTIONS

Madam Clerk: Item Number I, standing in the name of the Honourable Member, Mr. Berger.

Mr. Speaker: Is the Honourable member prepared to deal with Item 1?

Mr. Berger: Yes, Mr. Speaker.

Mr. Speaker: It has been mooved by the Honourable Member from Klondike, seconded by the Honourable Member from Pelly River, BE IT RESOLVED THAT it is the opinion of this House that the Department of Tourism and Information Services, whose central offices are presently located in Whitehorse, be re-located in the City of Dawson, as soon as may be practicable.

Mr. Berger: Yes, Mr. Speaker, I do not think it is necessary to elaborate much longer on this subject. We have been thrashing it around in this House here for months on end and I think people are getting sick and tired of listening to the same stories all over again.

But to put it in a short manner, I think it is absolutely necessary to come up with some sort of economic development for Dawson City and the most logical for that would be to establish the headquarters of Tourism in Dawson City, since it is the heart of Y ukon and it has been advertised all over Canada and all over the world as the heart of the Klondike. I think it is absolutely necessary to come up with something like this and to get tourism established in Dawson City, especially in the light of Clinton Creek closing down. There are a number of families that have announced in Dawson City their intention of moving out of Dawson City, because there is no work available anymore in the wintertime, and the season is only on a four month basis, at the most, in tourism.

So, it is, I think, the responsibility of this Government to try to establish, for the outlying areas especially, an economic basis on what people can build something on to, instead of having just a seasonal business for four months, in which you are really not getting your return back in any business investment, in any housing investment, anything.

I would like to see this Government act on this recommendation as soon as possible. If I had my own way, Mr. Speaker, I would like to go a little further. I would like to see all sorts of departments splitting up, like northern area supervisors, like the Department of Education, Mr. Speaker, I think should get rural inspectors living in the rural area to have a better understanding of the problems in those areas.

Right now, they are all sitting in Whitehorse here and once in a while make a trip to the outlying areas and do not have any real understanding of what goes on, and then disappear again and say, well, we visited you and this is good enough.

The same thing goes with a lot of departments, Mr. Speaker, but I would be very happy to see this Government act on this one resolution first.

Ms Millard: Well, Mr. Speaker, of course I can only agree with this motion. It is a shame that this has to come up so many times, because it is becoming redundant and really, this motion, I feel, should be used to underline the resolution which was passed in this House April 20th to establish the Decentralization Committee. I would hope that that Committee is already being concerned with the transfer of Tourism, because it is the most obvious one.

I would think by now, after six weeks of work, that this Decentralization Committee has come to some conclusion on the transfer of Tourism. I would be interested to hear from any of our Executive Committee Members on who is on that Committee, who is the Chairman, and what sort of results they may have at this point.

Hon. Mrs. Whyard: Mr. Speaker, I also have another title and that is Information Resources and I would appreciate having this motion moved into Committee so that we could straighten it out a bit, please, Mr. Speaker.

Since we first began on this round about of decentralization, there has been some reorganization in this Government and in its present actual form, it is not too accurate. I would appreciate a further discussion in Committee.

Mr. Fleming: Mr. Speaker, if that is a motion to move this into Committee of the Whole, I would second that motion, if not, I will make the motion myself.

Mr. Speaker: The Chair has it that the Honourable Minister of Health and Human Resources has moved that Resolution Number 18 be referred to Committee of the Whole? This is seconded by the Honourable Member from Hootalinqua. Motion agreed to

Mr. McCall: Thank you, Mr. Speaker. I would move that Mr. Speaker now leave the Chair and 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

## COMMITTEE OF THE WHOLE

Mr. Chairman: Would Committee of the Whole please come to order? After a brief recess, I think the first matter of business will be the continuation of the debate on Resolution Number 18.

Recess

Mr. Chairman: The Committee will come to order.
We will go on to Resolution Number 18, Mr. Berger's resolu-

tion: BEIT RESOL VED THAT it is the opinion of this House that the Department of Tourism and Information Services, whose central offices are presently located at Whitehorse, be re-located in the City of Dawson as soon as may be practicable.

Is the Assistant Commissioner going to be here?

Hon. Mr. Lang: Mr. Chairman, it was my understanding that he was going to attend the Chambers when we were discussing this particular resolution. He said he was going to be down, so possibly somebody could tell him that he is needed.

Mr. Chairman: Any discussion?

Hon. Mrs. Whyard: Mr. Chairman, since I asked to have this moved into Committee, I feel I should make a few comments on the motion as it stands, Resolution Number 18.

The first point I would like to make clear is that it is not, of course, the Department of Tourism and Information Services. Since the Government re-organization in this current year, there is a Department of Information Resources, which includes Archives, Government Records, Library Services and the Information Services Branch. That is completely separate now from the Tourism Branch, which, as we all know, is to be part of Tourism and Economic Development, which we hope to get up front and centre very soon.

So, Mr. Chairman, I would just like to make it clear that if this Resolution refers to the Tourism Branch, that is not within my prerogative to speak.

But I would just like to make a few remarks while I am on my feet regarding the possibilities of decentralization for Information Services. We have looked at this, because I understand quite clearly what the problem is in Dawson and that certainly if there is any way a Government department or branch can decentralize and put a staff member or an office in Dawson in that area, we would like to do so.

In my Human Resources areas, we have done so, as Members there know, and we have added an Alcoholism and Community Worker and I hope there will be a probation officer resident there soon, rather than in Mayo, because of housing problems. This has not been confirmed yet, but when it is, I will let the Member know.

There is a Social Welfare office there, as well, with a number of staff, and of course, the McDonald Lodge.

On the subject of Information Services, however, we have looked at the possibility of moving some of these areas or some of these people to Dawson and unfortunately, the Information Services Branch is a centrally co-ordinated service like Treasury and the Public Service Commission and we serve all departments of Government. It is a central service which, in the Library Services area, does not have regional fieldworkers. We do have workers who visit Dawson, but there are none of them who require an office there. It is not like Education or Probation or Social Assistance, where you would require a permanent office.

The major activity in the Archives and the Records Branch could not very well be moved to Dawson because their major priority is the Government records management system and managing government records means you have to be where they are.

We would find no meaning in trying to relocate the Records Managment Services to Dawson and the Information Services Branch itself is another central service serving the media centrally, and also serving all government departments which require news releases or brochures or informational material provided. I just wanted to make those few comments, Mr. Chairman, and to make it clear that the wording of the resolution should, for accuracy sake, be changed slightly. Thank you.

Mr. Chairman: I would like to call the attention of Committee that Mr. Bell is here and Mr. Sinfield is the Assistant Director of Tourism. Mr. Berger.

Mr. Berger: I would just like to suggest to this committee to

treat this and information services as a typographical error and leave them out altogether in this resolution, if it is in any way possible. Otherwise we are going to get caught in a .....

Ms Millard: Mr. Chairman, as I said earlier in the House, I would like to know more about the Decentralization Committee. Who is on it, who is the chairman, what have they done to this point, and that type of thing. I think it is pretty relevant to this motion.

Mr. Deputy Commissioner: The decentralization study was given to the Committee in Internal Management and Administrative Priorities. Membership is as follows: Territorial Secretary, the Secretary is the secretary to the permanent committies, Public Service Commissioner, Territorial Treasurer, Director of Highways and Public Works, Superintendent of Education, Clerk of the Legislature, General Manager of Yukon Housing Corporation, Director of Library Services, and the Legal Advisor.

They handled that again in their meeting this morning and at the present time, I've just spoken to the Chairman, they are reviewing two concepts: decentralization and regionalization. They have determined that perhaps regionalization is a concept that should be considered, because in some respects some of the departments have already gone to that, such as the Liquor Corporation for example. They have branches at different locations. I gather that the Department of Welfare has, and certainly the Department of Highways has. So they are looking at that concept as well as decentralization. The meeting this morning, as I said, and I could if you wish, bring back the results of the discussions tomorrow, at what stage they are at after this one.

Ms Millard: Yes, Mr. Chairman. I for one would really appreciate some kind of ongoing review. We have waited so long for this happen that I would certainly like to see them before the end of this week and get into the subject of tourism at least.

Mr. McCall: Yes, Mr. Chairman. While we are on this particular subject dealing with this proposed committee which is looking into decentralization. I find it very ironic that it should be an internal committee of department heads looking at their own considerations, whether they should decentralize their own depapartment.

I would have thought it would have been more a committee established or struck by the elected representatives of Yukon and not the department heads, because I cannot see anything positive coming out of decentralization when each department head does not really want to decentralize.

I find that very ironic, because most of these people live and work in Whitehorse and I do not think you will ever see anything positive come out of a Committee such as this, when you have Department heads looking at decentralizing their own department.

I find it very twisted, the whole scene dealing with decentralization and I would have thought that a Member of the Executive Committee would have come forward with some sort of motion to establish or strike a committee from the elected representatives of the area, so you get a more positive opinion of views.

Mrs. Watson: Mr. Chairman, it appears to me from the wording in this resolution, that really it does not address itself to regionalization and decentralization. This motion does not talk about regions, it does not talk about decentralization, it talks about putting the headquarters of Tourism in Dawson City and any report on decentralization and regionalization really would not have that much relevance to the motion which is before us now.

The decision that we are being asked to make is should the headquarters, the central office of Tourism be situated in Dawson City, rather than in Whitehorse where it is now. If there is any studying being done, it should be addressing itself to that

question. What costs would be involved, the housing, the whole bit of it, what would be involved in moving.

We are not decentralizing, because decentralizing means to have branch offices. This is putting the central office in Dawson and this is a specific question which should be addressed. If the central office is put in Dawson for Tourism, would they then embark upon a decentralization from Dawson, or a regionalization from Dawson?

The big thing is, what would be involved in such a move and would then, in order to serve the other areas of the Territory, would it be more costly to Tourism, would then then, in fact, and you can rest your bottom dollar, if they put the headquarters in Dawson they would soon decentralize and make sure they have a branch office in Whitehorse, but that is the question that needs to be addressed.

The report on regionalization and decentralization really has nothing to do with this.

Mr. Fleming: Yes, Mr. Chairman, I feel also as the Member from Faro has said, that this Committee that is being put together is not going to do much good to this resolution.

If you will just drop do on to the last few words, which we seem to be doing this quite often. We say we would like to be relocated in Dawson City a soon as may be practicable. I think that "as soon as may be practicable", should be omitted and that is the end of it. Maybe verwould get more results when we put in a resolution, because if we give the Government an opportunity to do anything other than what exactly what we want to do, you will find that they will spend more money checking it out and finding out about it, than what they would lose if they would move it there and get it over with.

So, I will be voting for the motion, naturally, as we have so many times before here, I think, the same thing, that we go over these things. I think that is just time that we found out now, while we are here, before we leave this time, just what they are going to do. Let us just get the answer and say yes or no and then we will know where we are at on this.

Ms Millard: Mr. Chairman, I can't resist pointing out to the two Members who are discussing the formation of this Committee that many times during discussion of that motion, I let it on to the floor that I would like to hear Member's opinions on who should be on that Committee. Now if there were complaints, that was the time to do it, and we ended up going along with what was in the green paper because no one else brought anything else forward, and it is a little late now, so we have to be satisfied with the Committee that we have. My question at that time was, and still is, the involvement of Executive Commmittee on that Committee. I understand this Internal Management Committee is something that is actually already set up and now they are called a Decentralization Committee, just throw one of the responsibilities onto them, another responsibility. Is that the case, or is there a special committee set up for decentralization, and what is the relationship of Executive Commmittee to that Committee?

Mr. Chairman: I should point out to the Committee that almost everyone is not speaking to the motion. The only person that has really spoken to the motion is Mrs. Watson, and I wish the Members would please confine their remarks to this motion, which is the transfer of the central office of Tourism to the City of Dawson. It does not deal with decentralization at all as a program of this government. It deals with one specific thing, which is the movement of the Department of Tourism, the central office, which would include the Director and so on, to the City of Dawson, and ostensibly leaving nothing here.

Ms Millard: Mr. Chairman, I would argue with that, because I feel that if this motion is passed, it is the responsibility of the Decentralization Committee to carry it out, so there is a direct relationship with the former motion. That is why it was moved into Committee, so that we could have more general discussion on it. Everybody agrees that Tourism should go to

Dawson, or at least we have said that a hundred times, maybe is actual fact people are not taking it as seriously as they might, le can all stand up and say that.

Mr. Chairman: Ms. Millard, I think I should point out that in previous discussions, the motion was to decentralize Tourism, and my understanding was that a branch office of Tourism would be opened in Dawson. Now this is an entirely different motion. It has nothing to do with decentralization. This is a motion to move a department of the Government to Dawson, and I think we should debate that, and not whether or not decentralization, per se, is a good thing.

Hon. Mr. Lang: Mr. Chairman, I just want to carry on with a few comments in the same vein as the Honourable Member from Kluane. I think we have to be realistic in respect to the fact that tourism undoubtedly within the next year will be coming under the responsibility of an elected member from this Legislature.

If you are moving a total department to Dawson City, you have your top managerial staff and your deputy heads 300 miles removed from the Executive Committee Member responsible. So therefore it relates back to the concept of regionalism, where you would look at a branch office, rather than transferring the whole department.

Otherwise, it is just not viable, it could not work. I think we have to be realistic about it.

Mr. Berger: Yes, Mr. Chairman, I find this very curious that the Member of the Conservative Yukon Party speaks up against it, because it is up on their platform in Dawson City. It has been approved by the Dawson City branch of the Conservative Yukon Party, or, as I call them, ETIOP, Everything in One Pot.

I find it very curious that one of the aspiring leaders of this Party says no to the whole thing. He comes up and wants to er piecemeal again to Dawson City. Yes, we will put a little member in, as we had before already. We already had regionalization of Tourism. We had a member of the Department of Tourism for two years, who sat around and did not even know what he was supposed to do up there.

Hon. Mrs. Whyard: Oh, Dawson slaughtered him and you know it.

Mr. Berger: Dawson did not slaughter him, Mr. Chairman, and I object to that, because the man was a very good man in his field, and Department of Tourism decided against it. We are going to move him out.

Also, the Department of Tourism said you cannot join anything in Dawson City. You cannot join any organization or so, when he first moved up there. I do not want this.

The motion says clearly, and the Honourable Member from Kluane is right, I want to see the whole Department of Tourism moved up to Dawson City. I do not want to go with piecemeal offers again.

This will work and this could work, but there has to be a willingness of the Executive Committee to make it work. It is obvious, right now, that the Executive Committee is not willing to make it work.

I think that is all that is the matter with it, because the Executive Committee does not make any effort at all to come up with—we have been asking for this thing for two years already and there has been nothing happen with it, Mr. Chairman.

The Executive Committee comes up, we appoint the committee and, as the Honourable Member from Faro points out, how can the Committee work? The department heads are not willing to move to Dawson City, or Mayo or Haines Junction.

y are established here in Whitehorse, they have a house e in Whitehorse, they maybe have a cottage at Marsh Lake or Tagish someplace. They do not want to move to Dawson City. Why is the Executive Committee on the committee? Why are not some of the elected Members not on the committee, to make a decision, a policy decision, that this is the Government and we, as a government are going to do such and such. But they are too chicken, Mr. Chairman.

Hon. Mr. McKinnon: As the Honourable Chicken for Local Government, I would like to say to the Honourable Member that I have no problem at all with the resolution. I wish that we would get through the rhetoric so we could get down to a vote on the question.

Mr. Chairman, I agree totally with your analysis of the resolution, that it says move the office to Dawson as practicable.

The Honourable Member says we have done nothing so far. Well, Mr. Chairman, I resent that. We have given it over one of the internal committees to examine whether of not it is practicable to do so. All of the Executive Committee Members or exofficio members of any of the committees have full ability to say their piece in any of those committees, which we do on a regular basis, and I am sure the Honourable Member in charge of Information Services will be attending any of the meetings dealing with the decentralization as the committee looks at them, to give Executive Committee input and find out what is going on with the resolution, as it is passed.

Mr. Chairman, I do not agree with the Honourable Member from Klondike's analysis of it. I am willing to look at the situation exactly as the motion which he has moved states and if we would quit playing these political games and get on with the business of the House, let us vote for the resolution and see if it is practicable to move the Tourism Department to Dawson or not.

Mrs. Watson: Mr. Chairman, playing political games, the word "practicable" can be stretched out over another ten years and that is a big political game that the Honourable Member just spoke about.

I will support the motion on the understanding that as soon as may be practicable that some people within the Government look at this, address themselves to this question and set up a schedule to see whether, in fact, that this can be done so that there is a schedule that can be met so that there are certain phases, because housing has to be provided for, office space has to be provided for, and it cannot be done like zap, today you are here, tomorrow you are going to be in Dawson.

There have to be some concrete steps taken to accomplish it, rather than have one study after another. I would like to see "as soon as may be practicable" left in there, from a sincere recognition of the "yuu cannot just pull up roots today", but not from the recognition that it is a great political word and it can always be pulled out of the hat to say, well, it is not quite practicable.

I want this to be looked at in a realistic way and some really basic phasing done on this resolution. I will support it.

Mr. Berger: Mr. Chairman, this is the reason the word "practicable" is in there, because when the resolution was drafted two months ago, over two months ago, it would not have been practicable to come up and say let us move the Department of Tourism right now, because at that particular time, they were in planning, they had everything planned and they could not possibly have moved.

I did not ask them, but as far as my understanding was, you just do not move a department like this. It has to be planned.

It was two years ago when I made a suggestion to use the present McDonald Lodge in Dawson City, as a department for Tourism and create a new geriatric and senior citizens' home adjacent to the hospital in Dawson City, because this would make much more sense. We could get an increase in the nursing staff which could cover both sides, the geriatric patients in the new place and in the hospital.

But that was not practicable either, because the Federal

Government owns the thing, but the whole thing is, there has been nobody since then to look at the whole thing seriously enough. We all discuss it, and, oh, yes, we are very sympathetic to Dawson City, we understand Dawson City, but there has been nothing happening on that.

This is my concern. I want action now.

Hon. Mr. Lang: Mr. Chairman, I just want to make one comment for clarification for the record. The Honourable Member from Klondike inferred that I was opposed to the concept of looking at transferring a department to other parts of Yukon. This is not correct.

All I am saying, and I agree with the Member from Kluane and the Member from Klondike, the last time he stood up, that it has to be seriously looked at, in respect to the ramifications of money, housing, and in respect to what areas could be accommodated in Dawson City.

You know, I agree fully that Dawson City is the hub of the Klondike and there should be more emphasis from the Tourism Department, but I just want to make it very, very clear, Mr. Chairman, for the record, that the Honourable Member misconstrued my words.

Mr. Berger: Just to help the Minister of Housing, there are quite a number of housing units in Dawson becoming empty because the people in Dawson can no longer afford the high rent they have to pay.

I would suggest to him that maybe they could be used for this Department.

Motion agreed to

Mr. Chairman: I think we could now go to Resolution Number 14, Mr. McCall's resolution, THAT IT IS THE OPINION OF THIS HOUSE THAT the Economic Research and Planning Unit, in co-operation with the Territorial agencies, commence an in-depth study and a detailed cost analysis as soon as possible for the purpose of establishing a new vocational apprenticeship training centre in the township of Faro; and

FURTHER that such study form an integral part of the Economic Research and Planning Unit's report on Yukon Economic and Social future.

Mr. McCall: Sometimes I think you are forgetting me, Mr. Chairman.

Yes, on this particular motion, it is quite obvious to me in this last year and a half or so, that the point that Mr. Lang keeps bringing up about decentralization is going to be probably a thorn in his side, dealing with this particular resolution.

I personally feel that, living out in Faro for many years, the time has come for another look at expanding, shall we say, the vocational training centre concept, and moreso for apprentices and that sort of thing, because I do not believe that our vocational training centre in Whitehorse can handle the volume and they do not have the full expertise for all the trades dealing in the type of industry in which I work.

When one considers the up and coming projects, like the pipeline, the railroad, the hydro electric projects, I think now is the time to get this planning done as to the feasibility of expanding the vocational training centre to such a place like Faro, which has the highest concentration of specialized trades in one centre, and also having the famous label of being a one company town, I think this is also an opportunity fot Government to look at a town such as Faro for an educational training

We have the expertise from a practical point of view, and the vocational centre could just be the extra amount of expertise we would need, after the socio-economic planning study has been done. As you notice in the resolution, Mr. Chairman, all it says is a study, it is nothing else, and if I recall, approximately three years ago, a similar motion or resolution was adopted by this House, by myself, which presented a report dealing with

modular home building which was another good concept for expanding secondary industry, and that sort of thing.

It has a lot of spin-off effects, a Vocational Apprenticship Training Centre, in a town such as Faro. I think it is actually the best location for this type of a centre. We are seeing various other industries closing down, like Clinton Creek and the possibility of Whitehorse Copper in a few more years, whereas if you look at the other end of the scale, our particular industry out in Faro is not about to close down as far as productivity goes, unless something else happens dealing with economics. I think it is a good opportunity for the socio-economic Committee to study the feasibility of this particular training centre being located in the town of Faro. It is a young town, and I am hoping I can get the support of all Members.

Mr. Lengerke: Yes, Mr. Chairman, I am certainly in support of the resolution. I know during discussions when we were talking of budget for this particular department and this particular facility, we did hear that there could, sometime in the near future, be the possibility of expanding the Whitehorse facility, the need for it, and I think we did certainly see at that time the merit in looking at satellite operations throughout Y ukon of the Vocational Training Centre.

Certainly there are other areas to look at but Faro did come to mind and did come to mind with respect to the apprenticship training portion of it. I think it is a good idea. As the Member from Pelly says, he is asking for a study, but he is asking for a little more than a study too, he is looking for some detailed cost analysis, and I think this is important in considering any question like this, because this is what certainly any elected people have to look at is the cost of doing such a thing. I think the concept is good and I think, as I say, it is a positive motion.

The other part that I like is that we are trying to put a few pegs into the Economic Research and Planning Unit's task of getting on with the report of Yukon's ecomonic future, the social future and economic future of Yukon. I wonder where that does stand, Mr. Chairman. I wonder if the Assistant Commissioner could tell us, just has the Planning Unit decided really what approach they are going to use, with respect to that study? Have they decided that yet? So that if in fact this work is done, it is going to fit into that at some given date?

Mr. Deputy Commissioner: Mr. Chairman, yes, the Economic Unit have begun looking at it, unfortunately the fellow who is doing it is leaving us now, so we will have to pick up that again, but they suggested to me that it could, to do a thorough study, take up to a year. Now, I haven't got the details on how detailed that would be. We are meeting this afternoon, as our first meeting, to develop the economic model for the Yukon, which I think might speed up this type of process. This will take place at 1:30 this afternoon, with the Professor from outside who is going to take care of the details of developing this model.

Mr. Fleming: Mr. Chairman, I think, just a question. I fully agree with the motioin, because I think we could stand more training in the Yukon, and as far as Faro is concerned, I can understand possibly the reason for it being in Faro if that operation is going to hold out and there is that amount of people there now and naturally be possibly more, that would be my only problem is to just wonder what might happen to Faro providing the economics in the mining field did drop and they did, say, close that mine for a period of time, whether Faro would commence as a town and keep going or whether ir would shut down entirely, and then you would have nothing but a few people there and just the school there, you know, and nothing else. Then the situation for power and all the rest of it which you would have to get there. That is the only thing that would bother me. Other than that, with the assurance that it was going to be definately a town for a long period of time, I would say that would be the place for it. Other than that, may be we should put it in Watson Lake or an area that we are pretty sure is going. to be a town. As the Minister across the way said, maybe it

should go in Teslin.

Hon. Mr. Lang: Mr. Chairman, I have an amendment to the Resolution, if I could give it to the Chairman. I think I would like to follow on the vein of the Honourable Member om Teslin.

As you know, during the Budget Session, we said that we were looking at the possibilities of a new Vocational School, and at that time I said I would have no problems seriously considering the concept of another Vocational School being built in an outside centre, outside of Whitehorse. And I think serious consideration should be given to it. I know my Department is attempting to get information from Terrace, B.C., where a Vocational School was built with the concept of putting more of a diversification into the economy of that particular community and see how things worked out, the pros and cons, and I think it should be researched very closely, so that we can overcome some of the mistakes that perhaps have been made.

I do believe. Mr. Chairman, that there has to be flexibility with the Resolution. I think that all of the outlying communities have to be considered, and I think the pros and cons, for example, of Haines Junction, has to be considered. The pros and cons of Watson Lake, Teslin, Mayo, and even Dawson City. The Honourable Member from Klondike, who seconded the motion, I can't understand, because in view of the fact that Dawson City, I feel, should be considered as well as any other community and serious consideration will be given to it.

When the facility will be built remains to be seen. The financing of it is going to be a very major hurdle that will have to be overcome, and that is why in the resolution I have included the Federal Government, because they are closely associated with us in respect to the actual running of the Vocational School and also from the financial aspect of it. With the thorough study done of all the outlying communities, then a good common sense approach can be put to the situation and hopefully a cision can be made that is in the long-term interest of everydy in the Yukon. Therefore, Mr. Chairman, I would appreciate it if you could read the amendment to the Resolution.

Mr. Chairman: The Amendment: It is moved by D. Lang, and the Resolution Number 14, standing in the name of Mr. McCall, be amended as follows: By adding immediately after the words "in cooperation with Territorial" where they occur in the said Resolution, the words "and Federal" and by deleting the words "in the township of Faro" where they occur in the said resolution and substituting therefore the words "in a community other than Whitehorse". Any discussion? I had your name down next, Ms. Millard.

Ms Millard: Yes, Mr. Chairman, I think my comments will still be relevant to the amendment. I see a reason for it being in Faro as being what if the mine does close down. We have to start planning in Yukon for that sort of thing. I am a witness of what is happening in Clinton Creek, and it is a terrible thing to move people out of a place that they have been living in for ten years and become attached to and suddenly there is not going to even be any physical buildings around. I was hoping that with Faro being established as a village, that we would be able to substantiate that place and keep it going, even if the mine did close down. So I would certainly like to make a vote for Faro on those conditions. Certainly Dawson deserves it just a well, so I can support the motion where it says to place it in any other community other than Whitehorse, that is certainly reasonable. But we must think in terms of mines closing down, and in a positive way, and supply some kind of other resource for that place should the event take place.

Mrs. Watson: Mr. Chairman, I had jotted down almost the same type of amendment to the motion, and this does not say that I am opposed to a vocational training centre being in Faro.

If the work is going to be done, and the studying is going to be ne, and it has to be a complete review, then all areas outside

of Whitehorse should be considered. We establish these things, not only for economic development, but also to achieve a goal, and that is to provide training in the trades areas in the Yukon Territory.

That is the thing that I would like to address myself to more specifically. Vocational training is evolving into many different types of vocational training at the present time.

You have vocational training almost following, in some instances, the military type of training that was given for trades. Quite different than what the normal vocational school training is like.

These things, I think, also should be taken into consideration when the study is being done, because this other concept of training does not necessarily need and require the huge complex of buildings and equipments and all the rest of it, that the old traditional type of vocational school does involve.

I think as part of establishing satellites, or a satellite training centre, outside of Whitehorse, that the Planning Unit has to determine just what kind of training program that this satellite will have to carry on.

So, this really should not just be a study being done by Economic Research and Planning Unit, it should be in cooperation—well, it is, with the Territorial agencies and the Federal Government.

I would hope that the terminology "Territorial agencies" would certainly include the Department of Education and the Federal Government would certainly include the Department of Manpower, and, of course, Treasury Branch in Ottawa.

But, I am not speaking in opposition to Faro. I am speaking so that if the work is going to be done, it is done completely and absolutely, and it is going to be a very, I think, probably an expensive study to do and it is not going to be done in three or four months. It is going to take some time.

Mr. Chairman, maybe we should be giving more definite guidelines in our motion, but I-would certainly hope that the Minister of Education is getting the thoughts from this group, and that some direction will come in this area from the Minister.

Mr. McCall: Thank you, Mr. Chairman, I will not support the resolution or the amendment to the resolution for a number of reasons.

There are a few clarifications I would like to make, Mr. Chairman. The Town of Faro is a municipality, it is not a village.

The second point is that when we are looking at the Town of Faro as opposed to other communities in Yukon, I may sound a little selfish, but it is for a reason. When we talk about Haines Junction or Dawson City or Watson Lake, there is no other municipality that has a tax base like the Town of Faro. Whitehorse will tell you that, the many times we have a strike out there.

Hon. Mr. McKinnon: Why do they have so many strikes? Mr. McCall: Why do we have some many strikes.

The commonsense approach that the Minister of Education has suggested seems to lend itself to be a little hypocritical because, when you look at an industry such as mining, which is the first number one in Yukon and, when a suggestion is made in a motion such as the one put forward which is under debate now, dealing with establishing a vocational training centre nine years after a type of operation like we have out there, which is the largest North of 60, by the way, not just in Yukon, as far as open pit mining, et cetra, et cetra—

When you look at the culmination of all the points as to workshops, the availability of workshops for the practical exposure that an apprentice would have and then you start looking at the costs, and this is one of the reasons why the resolution was drafted in the manner it was drafted, because we are not

looking at a multi-million dollar complex, we are looking at such a thing as a joint participation with industry itself.

As all the Ministers know, when the President of Cyprus Anvil presented a brief on the pipeline, he even mentioned it in his brief, and I belief that was back in April, or was it later on, that a vocational training centre was a necessity in a place like the Town of Faro.

The apprentices going through this particular corporation has gone beyond all the anticipation that we looked at in 1974, when we floated the apprenticeship training program, without the assistance of this Government, by the way, Mr. Chairman. We did it all by ourselves.

When you see the president of a company even supporting the same concept and idea, then there is a jelling of minds as to the feasibility of this type of a centre. It is nice to see that an industry such as ours, the mining, is prepared to go forward along with the government to establish such a thing in the Town of Faro.

I said before, being a one-industry town, and a point that Mr. Fleming brought up, what if the town closes down, I think ore is as we have, we are good for another 20 years, easy. We have been in operation for the last 11, approximately.

The studies underway now and discussions dealing with railroads, for example, I would say in the next ten years we are going to have a railroad going right through the valley and perhaps going through the muncipality to pick up the other ore bodies.

The Kerr Addison Mine within the municipality is still under feasibility to go into production in a few more years once the economic structure starts picking up again. It will start on the upswing, which is, I believe it has already started.

So, you know all signs point that now is the time, perhaps to get the study done, to get the feasibility done. I am not looking at \$15, \$20 million project in Haines Junction or Watson Lake or Dawson City. I say let us go where the expertise is and that is at the largest company operating North of 60, who is prepared, I believe, to become involved and not on a token gesture either, in setting this up and assisting the government in proceeding through all the trials and tribulations on a proper apprenticeship vocational training centre.

That way, we would not have to keep sending our apprentices to British Columbia for the expertise because we do not have it in Yukon. We do not have it in our present vocational training centre.

These are my concerns and this is the format and the structure of the resolution itself. This amendment just defeats the basic structure of the original intent of the resolution.

Hon. Mr. Lang: Mr. Chairman, the amendment to the resolution does not. I want to reiterate that Faro will be given every consideration in respect to a study. I do not think we should be confining it totally to one area within Yukon. I have to agree with the Honourable Member when he says that he is being selfish.

There are other people here representing other areas that, I am sure, would feel that some consideration should be given to their particular areas with the possibility of having a satellite vocational training centre in, for an example, as I said earlier, Haines Junction or Teslin or Watson Lake.

I am sure that, with our examination of Faro, that the offer that has been made by the Company will be given full consideration and be brought into the study of that particular area, but I think that we have to look at Yukon as an identity and proceed from there.

Therefore, in order to make a decision, I think we have to examine, for an example, as I said earlier, Watson Lake.

As the Honourable Member has said, the Mine in Faro is going to be in production for 20 years. At the same time, I know every year the Honourable Member stands up and says it is going to be shut down.

I find that the Honourable Member puts the Legislature, sometimes, in a very difficult position when he stands up one day and says the mine is going to be shut down and the next day he comes in and says it is going to be there 20 years and we need a vocational school.

So, I mean, I think all the options have to be studied and I think that, with this direction from the Legislature, it will proceed. It has already begun, as I have said, that we have written to Terrace to see what their experience has been. We have not received the information, but I understand it is on the way.

So, we are interested in looking at another community to put in some concept of satellite vocational training. So we are serious about it. Obviously steps have already begun, with or without this resolution.

Mrs. Watson: Mr. Chairman, I certainly agree with all of the remarks from the Honourable Member from Pelly and I would certainly hope that the points that he has brought up, that they are not, those are very great pluses that are very obvious in any study that is going to be done.

I think that he is very legitimate in suggesting that Faro, as a vocational apprenticeship training centre, is quite an ideal area for certain specific trades.

But, if we limit it to that, that is all we are going to get. If we leave it as amended, then I am very, very much afraid that there are certain trades that are not being offered as part of the mining system at Faro, that the vocational school in Whitehorse will want to expand here to accommodate those, and I do not feel that there should be any expansion of the vocational training centre within Whitehorse, at the present time.

Those are two different areas that we are addressing, and if we leave this resolution the way it is being amended, we can accommodate the study for the specific apprenticeship vocational training and then also for the other vocational training that may need to be expanded upon from the present facilities. And let us make sure those present facilities here in Whitehorse are not where the expansion will be, that it will be another satellite community in Yukon.

So, I am going to be supporting the amendment, Mr. Chairman.

Hon. Mr. McKinnon: Mr. Chairman, I do not blame the Honourable Member for trying at all for the study only to encompass the Faro area. However, I think that if he looks at it practicably, he will see that this amendment really strengthens the Honourable Member's motion from the arguments that he used.

There are so many plusses going for the Faro area, regarding this type of vocational training, and this type of examination of further vocational facilities, that I think the Honourable Member, once the study has been done, will be satisfied that they will come to the same conclusion as the Honourable Member has already, that such facilities and extensions should be in the Faro area, Of course, then the Honourable Member can answer the Honourable Member from Haines Junction and Klondike and from Ogilvie and from Teslin and from every other area that it should have gone here or it should have gone there, with a report saying that because of all the plusses and all the arguments, it should have gone where it deserved to go and that was in the Faro area.

I think that it provides far more flexibility, as the Honourable Member from Kluane has stated, and that in essence it really does give more strength to the Honourable Member's motion in the arguments that he has used, that the Faro area is the practical area for such facilities to be located, and Mr. Chairman, I will be supporting the amendment to the Motion.

Mr. Chairman: Any further discussion?

Mr. Berger: Yes, Mr. Chairman. I will support the amendment, but first I would like to educate the Minister of Education when he questioned why I seconded the original motion. In most industrial areas, industry themselves create

training centres for vocational training, except in Canada, and I shink that first, there is the possibility we would create a vocabnal training centre with industry, industry oriented, and fulfill the industrial need of mining. It is not only mining, but we are talking about millwrights, we are talking about mechanics, we are talking about carpenters, we are talking of a whole lot of trades, and there is a possibility that with the help of industry and government working together, we could get a very good vocational training centre in Faro. With the expertise and the monies possibly available by the mining company, this government could make themselves millions of dollars in establishing a new training centre as the Honourable Member from Faro had pointed out.

I have nothing against you putting in a study of other areas in the Yukon, and I think that the Committee or the Economic Planning Unit are going to find that Faro is the most suitable place in the Yukon for this type of training centre.

Mr. Fleming: Yes, Mr. Chairman, I will be supporting the main resolution, and I also support the amendment. I think the main resolution is calling for an indepth study, and that is all that means. We will have the study, there will be a time come when it is said that we will put an apprenticeship training centre in Faro or wherever and I think the Honourable Member from Faro has spoken well on what could be there and I feel that way myself, that Faro is a spot where there is industry and where you could get apprenticeship training and on the job training with private enterprise involved with the government and not just straight government schools, that this is the type of thing that would go very well there.

I do not think that the amendment hurts the Member in any way, because if he can prove that Faro is the place for it, I will vote for that if I am still here and he is still here.

Mr. Chairman: Are you ready for the question?

Mr. Chairman: The resolution will now read, as amended, THAT IT ISTHE OPINION OF THIS HOUSE THAT the Economic Research and Planning Unit, in co-operation with Territorial and Federal agencies, commence an in-depth study and a detailed cost analysis as soon as possible for the purpose of establishing a new vocational apprenticeship training centre in a community other than Whitehorse; and

FURTHER that such study form an integral part of the Economic Research and Planning Unit's report on Yukon Economic and Social future.

Mr. McCall: I think it should say "in a Yukon community other than Whitehorse", instead of "in a community other than Whitehorse".

Mr. Chairman: In a Yukon Community.

Motion agreed to

Mr. Chairman: Mr. Hibberd has a paper that he would like to table.

Hon. Mr. Hibberd: Mr. Chairman, seeing as we will probably be discussing conflict of interest guidelines, I have a report that Members might like to read before we do get into that this afternoon. So, if I could distribute it now.

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

Mr. Chairman: It was the intention of the Committee to introduce Bill Number 102 this afternoon and the amendments that we had prepared some time ago. As you recall, we had difficulty with a couple, or two or three sections when we met before.

re did have some amendments prepared dealing with these particular sections but also a number of Members of the Assembly and of the Committee had been receiving representations from the public dealing with other aspects of the Bill and

we thought that probably, for better understanding of alternatives to what our amendments proposed, that Mr. Clegg, who is here as a witness, would give us some idea of what alternatives are available and we can then consider these overnight and tomorrow, when we introduce the Bill with the amendments that the Committee has prepared, there could be a possibility that other amendments might be forthcoming from Members of the Assembly.

So with that, I will ask Mr. Clegg to give us some of the alternatives and what other provinces have done or are doing in connection with conflict of interest.

Mr. Clegg: Thank you. This is a very difficult area of the Bill because there is no clear line which is indicated from precedent. There is no other province or jurisdiction which has, by any standard or token, a satisfactory set of guidelines in this regard. From my study of them, it is my opinion that they have, probably by design, declined to open up their own legislation to try to seek a better solution to what they have, although the guidelines they, themselves, have are generally unsatisfactory, in some respects being far too strict and in some respects being far too lax. I think they have declined to do that because they have found the task to be very difficult.

I just want to open my remarks on the alternates open to you to commenting that I do not see an easy route to be found and that it does seem to be a very difficult area and that we are attempting something here which other provinces have either failed to attempt or have not been willing to open up because it is not an easy task and would inevitably cause differing opinions to be raised which are not easy to rationalize.

The bill which is before you at the moment as a result of a number of meetings of the Committee, is based on a number of precedents drawn from Provincial legislation and some ideas from other Commonwealth countries. Generally speaking, the attempt has been made to make the guidelines more relevant and more up to date and more tied to modern society than the other precedents.

In the main, the precedents in the other Provinces have been unchanged for a number of years, and all that has been done has been to add, year after year, the odd additional clause to exempt from disqualification somebody who would otherwise be disqualified, usually because some development has occurred in the way in which society governs itself, which has resulted in catching somebody who would not otherwise have been caught.

There has not been any novel work done in this field except the work which is being done in Saskatchewan, and, as I understand, is still being done in studying in this field. In Saskatchewan, the Legislature, their Institute of Law Reform and Research and other bodies have looked into this but they have still failed to complete the operation of coming to an agreement about what should be done and puting it into the legislative books.

The basic problem at the moment revolves around the provision that there should be no contracts with the Government. This is a fairly straightforward proposition, until one looks at a number of examples, particularly in a jurisdiction like Yukon where the government itself is by far the biggest element of enterprise and business, and a very large amount of activity in the Territory is government originated. The result is that a very, very high proportion of all people who have any private business at all do in fact do some business with the government or would want to.

There are a number of ways of approaching this. The Bill, as it stands at the moment, contains a number of exemptions which would prevent a person being disqualified on the basis, for example, of accepting a benefit which he gained in common with other people, but that does not come to the root of the problem with government contracts for providing specific services to government.

The alternates open, which the Committee might consider to rationalize the different viewpoints, which I understand they have received, about the appropriateness of the present guidelines, there are three options which I see are open and I will try to summarize these in an objective and neutral way and give my opinion of their advantages and disadvantages to potential candidates and to the public, considering two aspects of the purpose of conflict of interest guidelines.

The first aspect is the desirability that every member should be independent, should be single-minded in the interests of the Territory and should not be influenced by his own affairs in the carrying out of his duties as member, that being the first consideration.

The other consideration being, particularly in the light of the structure of Yukon and the amount of government business which is carried on in Yukon, that it is desirable that as many people as possible, from as many sectors of the community as possible, should be capable of running as elected members, and that once they are elected, that they should be able to continue, to a degree to be determined, in their business life, as they were before

Inevitably, of course, they will have to change certain aspects because of the demands placed on them by their positions as members. Life will never be the same after they have been elected, but the same consideration is, again, to make the financial impact of becoming elected less onerous by making the restrictions a little bit less severe.

So, those are the two sides, the independence of the member and the attracting candidates aspect. I will just refer to them in those general terms.

The first solution is one which would substitute public disclosure of a person's assets and business dealings in place of having a particular prohibition against dealing.

This could also be used as an additional requirement, added to the present forms of the Bill, but at the moment, I am talking on that topic as a substitute for the prohibition against contracts.

A provision could be made that, upon being elected, a person would file with the Clerk a statement of his assets, which, in general terms, would include his land holdings, any contracts or agreements which he held, any interests in companies or partnerships which he held, whether those partnerships and companies had business with the government or whether they were just trading in Yukon in general terms.

Such a statement would be kept as part of the public record by the Clerk and would be available for public inspection at all times. It would also be up-dated. It would be a requirement that a member would do this within a certain deadline, perhaps 30 days, otherwise he would cease to be eligible to be a member.

The advantage of that system is that it would then be possible for the public to see exactly where that person stood, what his personal interests were, where his financial interests lay, and it would be possible for the public to see whether that person was acting in the public interest when he was debating or whether he was acting in his own private interests. Whether or not they were able to make an accurate judgment of that person's performance depends upon how careful a study they made of what he did and said and whether they had studied his record of assets.

The disadvantage of the system is that it is merely a provision for publicity and is not a provision for making it illegal to act in a conflict of interest. The consequence of a person voting for something which would benefit his private business interests would merely be that it would be seen by the public that he was acting in his personal interests. It would not be that he had breached any provision of the Ordinance.

The sanctions against him then would be public criticism and taking his chances at the polls next time for having acted in this

way. He would not, as such, have breached any term of the Council Ordinance. So, those are the two advantages and disadvantages of that system.

The second alternate is the provision for placing business interests into a blind trust as opposed to forbidding dealings with the Government.

Obviously, in those circumstances it would only be necessary to place in trust those business interests which did in fact raise a conflict problem.

The term blind trust is one which I should define, by my understanding of it, or as I would propose it should be handled. It is a term which is used widely but does not have a statutory definition, does not have a very well established definition in law. By blind trust, I mean a trust in which the trustee rung the business or holds the stocks and shares or determines the dealings with the assets of the trust, without instructions from the member who is the beneficiary of the trust, that he is not entitled to ask the member for advice, nor is the member entitled to instruct him as to what to do.

Without these two provisions the trust is meaningless because, if I were a potential member and I were to place my affairs in the hands of a person and say, "Okay, you are my trustee, you will do this, you will do that, you will sell this, you will buy that," it would make absolutely no difference to my conflict position.

The other provisions of a blind trust would be that certain people should not act as that person's trustee, such as family members, an MLA or a member of the public service, so you would have to have an independent person running your business assets for you as best he could, taking outside information but not being advised by you. He would account to the member for the profits and dividends or any other profits from the trubut not in such a way as to reveal what the dealings of the trust had been.

Then the advantage of the blind trust system would be this, that it would be very difficult, it would be impossible for a member to speculate with his assets, to buy and sell short term, as a result of information which came to him as a member, or to conduct himself in the Assembly and to vote on things which had a bearing on the assets which he held in a certain way. That is limited because, depending on what the assets were it is quite likely that there would be very little dealing with them. If one owned a number of shares in a family company, you would probably be rather surprised if you found that the trustee had sold them all, you rather hope he would not and therefore sitting in your place in the Assembly you would probably know that those assets were still there and that anything you did which benefited that particular industry or field of endeavor would also benefit your own assets.

Of course, when you cease to be a member and when the blind trust expires, the benefits to the trust assets would be left for you to receive. So to summarize, the blind trust cuts out short term speculation generally directed towards public stocks but does not prevent a member from seeking to benefit the long term assets which he will know fairly well are being held in the trust.

It takes him out of the main management of the assets there.

The third option which is open to you is one which is not such a basic provision as the others, but which is an adjustment to the present Bill, and that is one which would provide that a person who contracts with the government on the basis of being the low bidder on a public tender, would not be disqualified by having that contract.

The advantages of that system are that the member wooknew won his contract by making the most attractive to the government, and it has some advantages for the public in that the public is entitled to have the money of the Territory spent in the best possible way and providing the public tender is prop-

erly held, which one seems it would be, the best way is to let the lowest qualified bidder have the business.

The argument in favor of public tender would go that it would not be in the interests of the Territory to have the best qualified person removed from the arena, merely because he was an MLA.

The disadvantage of the tender system is that it leaves the Members in the center of trading with the Government in a situation where they would perhaps be in a conflict position. The other disadvantages might only flow if there were other impropriteies, which one would hope would not be. Obviously, if a Member had prior knowledge of some work coming up he might be able to prepare his tender more accurately that other people, but that is perhaps not too relevant a comment because it assumes some other impropriety, and it is not fair to assess one proposal having assumed an improprity in another area.

So the main disadvantage is that it does not in fact remove the conflict, but it makes sure that the Member is not using his influence to obtain business. He is continuing to trade with the Government but not in an unfair way. He has, after all, made the best offer and therefore perhaps he is the best person to do the job in the Territory.

So those are the three options open: public disclosure, to be a deterrent on a behavioural basis, and not as a way of actually forbidding anything; blind trust, which removes the Member from the front line of the management of his own business, but does not prevent him from collecting the benefits at the end of the trust, providing the trust has not been wasted; and allowing public tender.

The forth option is to leave the Bill substantially as it stands, with some adjustments on the basis that the form in which the Bill now stands is a more sophisticated version than other Provinces have and we seem, with this Bill, to have come further to a realistic approach towards a compromise between the two demands, the demand that the Members be independent and the demand that there be a reasonable approach towards impediments in the way of people standing.

That is my summary of the courses of action open, Mr. Chairman,

Mr. Chairman: Do any Members have a question? We do not intend to get into a debate with Mr. Clegg on this, but if there is any further information—

Hon. Mr. Lang: Mr. Chairman, Thank you, Mr. Clegg, for your analysis of the options that are open. I would like to refer back to your comments in respect to the possibility of looking at public disclosure, and if I recall correctly, you stated that there would be no penalty in legislation, it would be strictly left to public scrutiny to decide whether or not that individual had been using his position. Would it not be possible, with public disclosure, to have a penalty section inserted in legislation so that where an individual is using his influence and it is found out, then that improprirty can be taken care of under legislation, rather than just strictly leaving it to four years hence and public criticism.

Mr. Clegg: Mr. Chairman, that would be possible. Of course, the present form of the Bill is an attempt to clarify what is proper and what is not proper.

There would be two ways of approaching the matter, as the Member suggests. One would be to leave the present provisions of section 8 in, which would be a clarification of what was proper and what what was not, and add disclosure. The other would be to add a general clause to permit, probably the Assembly or a Committee of the Assembly, to consider any complaint that a Member had used his influence to better his personal position, and to take what steps it saw fit to do after that.

It is quite possible, I think, that the Assembly could do this anyway, and there are other provisions in the Assembly, in the Council Ordinance which provide that a Member who takes

any compensation or reward for services rendered to any other person, and I am looking at Section 32.

For the benefit of Members, Mr. Chairman, if I could read this out:

In Section 32 of the Bill, at the moment, says that no Member of the Council shall receive or agree to receive any fee, compensation, or reward, directly or indirectly, either alone or with another, for services rendered or to be rendered to any person, either by himself or another, in relation to the drafting, preparation, or promotion of any Bill, Resolution, Question, Petition, Proceeding, Controversy, Charge or other matter before the Council or Committee thereof, or in order to influence or to attempt to influence any Member of the Council or a Committee thereof.

That section could be used to discipline a Member who had in fact benefited from the way in which he had promoted business in the House. It could be used in conjunction with the publication, the public disclosure system. The public disclosure system would be a way of producing adequate evidence under which a prohibition hearing could be brought up. Whether or not a Member would become disqualified on the basis of this would be a matter which would be determined by the provisions of Section 32, 33 and 34 which enable any person to bring an action in the Supreme Court against somebody who had done this. This, essentially is a basic bribery provision but it could be used for somebody who had not merely set out to help somebody else for a bribe but in fact had done something to assist his own personal assets.

That is not the primary purpose of this prohibition section. This prohibition section was drafted on the assumption that there would also be a separate prohibition against contracting with the Government.

Hon. Mr. Lang: Mr. Chairman, following it further, and possibly I should ask one of the Members on the Committee: in your opening remarks, you suggested that there would be amendments coming forward to the Bill from the Committee and I am wondering if prior to the end of the day if all Members could receive copies of those to review those at the same time as the Bill, prior to coming into the House tomorrow.

Mr. Chairman: I think we could do that, yes. The amendments to the Bill that the Committee is proposing are just the ones that were discussed when we discussed the Bill before. They are very simple amendments.

Mr. Berger: Yes, Mr. Chairman, a question to the witness: Section 8.2(b) says that a Member could be a shareholder of less than 10 percent of a company. Now 32.(l) says that he should not receive any compensation or reward or fee. Now I can picture an Ordinance being passed in this House and just by merely passing an Ordinance, a person could get a personal gain in that corporation in which he has less than 10 percent of interest. Would that also apply to Section 32?

Mr. Clegg: Generally speaking, the provisions of an Ordinance are independent except where they are expressed to be dependent on each other. The provision in Section 8.(2)(b) is a saving provision which prevents a person from being automatically disqualified on the ground that he owns less than 10 percent of the shares of a company that has a contract with the Government.

The importance of this is that a certain line has to be drawn at which point the person's shareholding becomes less than that level which he would direct the company and at a level where he would not gain a very substantial benefit. Some people might feel that this should be set at one percent and some people might feel that it should be set at 20 percent, but obviously if one has a tenth of one percent of the shares in a large company which happens to have a contract with the Government, then the benefit to you is pretty small in material.

The other thing that it is designed to protect is to protect against inadvertance. Many Members will hold shares in public

companies, to a very much lower extent than ten percent, maybe in many cases it might be lower than one tenth of 100 percent, but unless there was a provision in here that shareholders were not disqualified, you could become disqualified by an act of the Board of Directors of which you had no knowledge and which you could not control.

Now, I think I am drifting away from the question. The question was what is the relationship between this and Section 32. 8.(2)(b) saves from automatic disqualification a person whose company, or a company in which he has a small shareholding, contracts to the Government. Nevertheless, if a Member does promote for benefit or for personal gain, something in this House, he would be in conflict with Section 32 and could lose his seat on that basis, even if his shareholding in the comoany was one percent.

For example, if you were to be the shareholder to the extent of a very very small percentage in a large company, your gain might be quite substantial if you managed to gain a large benefit for that company. If you had nine percent of the shares in a large Y ukon mining company and you actively promoted legislation which doubled their profits, you would make a lot of money, and if you did that for that purpose, then you would be in conflict with Section 32, even if you were not automatically disqualified by Section 8.(2) (b).

Ms Millard: Mr. Chairman, I understand that of the options we are given, that of course they are only suggestions, I am sure, that there is the possibility that we would use options one and two together, that a person could put things into a blind trust and make a public disclosure of that. Is that a possibility?

Mr. Clegg: Yes, that would also be a possibility, and then the advantage of that would be that everybody would know what you had, and that you would not have direct control of your assets. The disadvantage again would be that you would still be in a conflict position in that you would still benefit from the improvements in your assets as a result of your actions in this House.

Ms Millard: But people would know.

Mr. Clegg: People would know, and also you would not be able to speculate, because you could not buy or sell your shares in the Yukon International Consolidated Services on a daily basis.

Hon. Mr. Hibberd: Mr. Chairman, as a point of clarification, when the witness was discussing the public disclosure and the questions with regard to what Mr. Lang was asking, do we not have provisions, Mr. Clegg, for a person who has an apparent conflict, cannot debate or vote on that issue?

Hon. Mr. McKinnon: He can debate but he cannot vote.

Mr. Clegg: Mr. Chairman, there are two things which control a Member here. One is Section 9, which prevents him from voting on an issue which leads to a contract for which he would be disqualified if it was not for one of the exemptions provided in Section 8, and there is also your Standing Order which prevents a Member from voting on a matter for which he has a pecuniary interest.

Hon. Mr. McKinnon: Mr. Chairman?

Mr. Chairman: Mr. Fleming is next.

Mr. Clegg: Mr. Chairman, may I add a comment? It has been suggested that public disclosure would be a substitute for the no contract rule. If that was the case, then Section 9 would no longer prevent a Member from speaking on contracts because, as it stands, it only prevents you from speaking on matters for which you have an exemption. If public disclosure was provided, the Standing Order would be the main sanction against a member and he would not be allowed to vote on the issue. It would be possible to provide that also in the Legislation.

Mr. Fleming: I am just wondering why the provinces, though, did not have too much on it and I think I can very well

understand that, because there is just a trick in it and I am asking if I am not right, that no matter whether you have a one per cent interest, a ten per cent interest, a 50 per cent interest you own the whole thing, it does not make any difference actually. If you are in this House, the possibility is there that you could gain by something going through here. Therefore, the only real actual way to go is to have the guidelines as to what happens if you do and if you declare your interests at the beginning and that is the end of it.

I would ask if that is not, possibly, the best way to go and I think, you know, one of the better ways to go. Forget all this trying to get so many things in there that nobody is going to be able to run.

I said it before and I say it again, I think that is just exactly where we are going. We are going to just legislate ourselves right out of business entirely if we keep on fooling around with it

Mr. Chairman: What was the question, Mr. Fleming?

Mr. Fleming: Am I right or wrong, Mr. Chairman.

Mr. Clegg: Mr. Chairman, that is a question which I prefer this House to determine. I try to be very meticulous in a voiding expressing opinions as to which is the best course of action and I do not want to be promoting one course or the other.

As I have said, there are advantages and disadvantages to public disclosure.

Mr. Berger: Mr. Chairman, I want to go back to the original question I asked here, because I realize in Section 9 we do not allow a member, as described in Section 2.(b), to vote on the matter, but a member could be quite an influential person in a large corporation, multi-national corporation or any large Canadian corporation, for that matter, and has a nine point eight interest in the corporation and, just by speaking on a subject, could make a personal gain on it, could possibly influence some other sympathetic, and especially since we are goin on a party system, could influence some party members. This alone, to me, the person obtain a large potential gain through his share-holding in the corporation.

I said it before and I say it again, I think either we have an Ordinance here, in which we lay down the law and say there should not be any interest, or we throw it wide open.

I personally go for no interest whatsoever, give it to a blind trust.

Hon. Mr. Lang: Mr. Chairman, I have a question for the witness, and I refer to Section 9.(1)(c) and I have a question: is it common practice in the provinces to include a parent in legislation. I always thought that when one was at the age of majority that he or she was on their own.

Mr. Clegg: It is quite true. That is, this is not a section for which you will find a precedent in other legislatures. The theory upon which this sub-clause was drafted was that if an issue was before the House that was to benefit either you or your family, your direct family, either ascendent or descendent family, then you should not vote on it. That is the theory behind it. It is not something which is prohibited in other Houses.

Hon. Mr. Lang: The way this Bill is constructed at the present time, and I am looking for a legal opinion, would it not be fair to say that when one is considering the Budget and if one is looking at, say for an example, the Department of Public Works, and if you had a parent who was involved in the construction business or if you had a son or whatever involved in the construction business, and contracts, money was voted for various contracts and they bid on those contracts, would it not be fair to say then, from a legal point of view, that a Member could be disqualified, due to the fact that he discussed the particular Vote in its broadest parameters and then subsequently voted on it one way or the other?

Mr. Clegg: Mr. Chairman, my feeling on that question is that if the financial projection went in the normal way, that

money was first of all appropriated to a purpose, this House voted \$70 million for road construction and, subsequent to that, a member's family company bid on some business which is ultimately paid for out of that Vote, that member would not be in conflict and would not be forbidden from voting for that because the vote that he participated in was one which appropriated money for a purpose and had no bearing on whether that money went to his family company or not and, at the time he voted, there was no contract in existence.

I would think it would be quite rare that this House would be considering anything which directly impinged upon a particular contract. Generally speaking, this House is debating legislation or appropriations of certain sums of money to a particular purpose, rather than to a particular person.

There will be rare occasions where your Legislation, or your legislative proposals are so specific that they, in fact, only effect one corporation or one very smal! group of corporations or one profession.

In that case, I think it is for a member to determine personally whether he has to refrain from voting. But in the particular example the Member mentions, I think he would not be in conflict and he would be able to vote on that appropriation.

Hon. Mr. McKinnon: I would just like to ask a question on 8.(1)(C) which is the section that gives me all kinds of problems in the Bill. It seems to me that would be the easiest thing in the world and the simplest legal agreement between a lawyer-client relationship which would never become public for a person owning ten per cent more of the shares, say, "Look, draw up a legal agreement and I will give you forty percent of the shares on such and such a date. When I am no longer serving, you give them back to me." I know it is done all the time and I have seen such agreements and there is just no way shape or form under this, that that just would not be a normal practice, so all you do is go out and circumvent the law, rather than having something like a public disclosure where, at least, it is out in the open.

It is the simplest thing in the world to derive and sign a legal agreement. Would not Mr. Clegg agree that that is just the simplest, one page agreement to circumvent the terms of this Ordinance

Mr. Clegg: Mr. Chairman, I would agree that it is very simple to draw up such a document and to do it. In fact the difficulty which this creates is the fact that it is not discovered. In fact, if the existence of such a document were discovered, I would believe that unless such a document was an absolute transfer of the interests to another person, which could not be enforced in reverse, then the person would be deemed to be holding that interest in trust for the member and therefore the member would still be the beneficial owner of it and would still be in conflict.

As with many things, it is very easy to break the law, it is very easy to rob a bank, the difficulty is in not being caught. It is not necessarily a criticism of provision though it is very easy to break it, or to attempt to break it. I do not think there is a loophole here, because if you take your assets and say to somebody, "I make these assets over to you on condition that you make them back to me in a year's time", then you are still the beneficial owner of them, in general terms.

One can only give an opinion on a specific document, but any document which gave you adequate security to make sure that your lawyer did not run off with your assets and say "To hell with you, I now live in post office box 1, Hawaii, with your assets." To make sure he could not do that, the security you would need would be the security which would hang you and make certain that those trusts were really being held, those assets were being held in trust for you.

It is the same kind of consideration which arises when a person makes his assets over to somebody else to avoid having them foreclosed, when he is in business difficulties. Either he abandons his assets totally to the other person and cannot

recover them or he puts in enough safeguards so he can get them back but, so that also the trustee in bankruptcy can get them back. If such a document does come to light it can generally be fixed one way or the other, either the member has truly lost that interest, or he is still fixed with them.

Hon. Mr. McKinnon: Mr. Chairman, the one point that Mr. Clegg did not cover on an expert analysis of the different situation, is the right eventually, of the House to dicipline its own members, regardless of what conflict of interests, regardless of what public disclosure or regardless of what legislation is there. And it is used, and it is exercised if a member goes beyond the bounds of what the other members think to be proper conduct.

Is that not correct, that that is really the eventual discipline of all Houses of Parliament.

Mr. Clegg: That is true, Mr. Chairman, within limits. The House can only discipline its members on the basis of an infraction of its own Standing Orders or its own constituting legislation.

I do not believe that the House has the power to expell a member merely because they consider that he has been in conflict of interest, unless they can point to a particular provision in legislation or in the Standing Orders which the member has breached.

Most expulsions or suspensions have been for breaches of privilege or gross behaviour in the House, such as physically beating the Speaker of something like that, or for being in breach of a Standing Order. For example, voting on a matter in which the member had a pecuniary interest.

There is no doubt that the Assembly would have certain powers and quite considerable powers to suspend a member if there was nothing about conflict in this Ordinance at all and they merely relied upon the pecuniary interest Standing Order.

But, it would be at the option of the House whether to do this and the reason why the Ordinance has a greater strength is that it is an absolute standard which is to be applied to everybody, whether or not a majority of a House or a House committee chooses to act up it.

Ms Millard: Mr. Chairman, I am curious about the relationship with the Executive Committee regulations on conflict of interest. We have never had those in front of us, as far as I know, I have never seen—

Hon. Mr. McKinnon: It is in the purpose of this Ordinance Ms Millard: I shall look it up because I am curious, but at this moment, I am curious because it seems that we could end up with the Territorial Council Ordinance having more punishment involved, than people on the Executive Committee. For instance, if we go the whole hog and say that anyone to be a member should have public disclosure and that they also should put everything into a blind trust, at this moment I understand the Executive Committee only puts everything to a blind trust, but it does not have to have public disclosure.

Now, I may be wrong in that, however, I am just curious about what would happen if we put a pretty heavy option on an ordinary MLA, but less of a responsibility on the Executive Committee, which would supersede? We could do that if we really go into making it very strict.

Mr. Chairman: Which comes first, the chicken or the egg? Ms Millard: That is exactly what I would like to know.

Mr. Clegg: Mr. Chairman, the egg comes first because the-

All Members of the Executive Committee, the elected Members of the Executive Committee, I think perhaps are the ones with whom you are concerned at the moment. They are all also MLA's and they would have to comply with this first. So they would have to comply with both requirements and, therefore, they would be fixed with whichever was the most onerous.

If it turned out that this Ordinance required them to do more than the Executive Committee regulations, then all the Members of this House would still be in the same position, whether or not they were Members of Executive Committee, because the Executive Committee members would still be fixed with this.

Hon. Mrs. Whyard: Mr. Chairman, this has actually led into what I wanted to bring up, which is the requirements laid on Members of the Executive Committee, the elected Members. For the benefit of the Members who haven't read that Commissioner's Order, which is available to one and all, we do disclose all holdings, and I do not happen to have anything to put into a blind trust, but if I had any it would be there.

But Mr. Chairman, with indulgence, I would like to ask the witness if I may, since I am sure he is familiar with the requirements of the Executive Committee Members, whether or not he can tell us, because I have not been a member of the Committee and I have not had an opportunity to study the other jurisdictions and their requirements. Can he tell us, Mr. Chairman, whether or not other Provinces require the same things of their Cabinet members, as we do here, of elected Executive Committee?

Mr. Clegg: Mr. Chairman, my answer here can only be rather general, because I do not have a detailed analysis of Cabinet requirements from each province. Generally speaking, there are guidelines for the cabinet members in most provinces, and I am only speaking from most general knowledge and not from specific knowledge at the moment, and those include, in some provinces declaration, and in some provinces declaration and placing in trust. But I am sorry, I am not in a position to give you a specific analysis. I believe that it has been claimed that Y ukon Executive Committee ground rules in this respect are the strictest in Canada, and I must say I do not know of any other province which has stricter ones.

Hon. Mr. McKinnon: They are by law, not by guidelines.

Mr. Clegg: And for those also, another comment 1 should make that many provinces have guidelines which are just that. They are issued by the Premier, and he personally sees that the members of the Cabinet comply with them, but there is nothing that the man in the street can do if the Member of the Cabinet does not comply with them, because they are not embodied in the law or in the regulations. I think that is a fact which makes yours most unique.

Hon. Mrs. Whyard: Thank you, Mr. Chairman, I did want you to bring that out, to reassure the public that there is nothing barring any member of the public of the Yukon from going in off the street and asking the person who has in his care our disclosures, our declarations of whatever, and that person is the Justice of the Territorial court, at the moment, because of our peculiar formation, neither fish, filesh nor fowl as a province, or an Attorney General or a Premier to have them do these things. And the Justice has in his possession those documents, and there is nothing to bar any member of the public from asking what is filed and it is up to Mr. Justice Madison at the moment, to examine the documents and determine whether or not there is a questionable matter there.

So I really think it is a pretty water tight system here for the elected Members of the Executive Committee, and I am just saying that in order to step one step higher into Executive Committee, Members who stand as candidates for any election to the Assembly this fall, should really bear these things in mind, no matter what guidelines you accept in this Ordinance, because as the witness has said, Mr. Chairman, I do believe that they are the most stringent in Canada.

Hon. Mr. Lang: Mr. Chairman, I have two questions of the witness. Section 8.(1), and I want to draw a comparison here, it says "by the indirect interest or a loan with another, by himself or the interposition of a trustee or third party".

The way that section reads today, would that not apply if a

person were, for an example, in a welding business and he were to be a subcontractor with a major contractor on a government contract? That would make him ineligible to sub-contract a portion of that particular work that had to be done for the Government. Is that not correct, the way it reads at the present time, if he were a member?

Mr. Clegg: I think that the answer to that is a little difficult. His position would be that of a subcontractor. His contract would be with the primary contractor and not directly with the Government. I do not think that that is the intent of the words "interposition of a trustee or third party".

I believe the intent of that is if the contract is held by one person who sublets the total contract or stands in the middle as an agent. For example, if you have a local agent who says, okay, I will take the contract and I will have it carried out by Jim's Welding Services, he would be merely a third party in the middle. But if a primary contractor, Yukon Contractor's Limited, signs the prime contract, takes responsibility with the Government for doing the work and takes the payment from the Government and concludes subcontracts for various parts of the work, the welding, the glazing, the roofing, then there is no direct contractural relationship between the member who is operating Jim's Welding and the Government.

I think there would be a very strong argument for saying he was not in conflict with that particular contract.

Hon. Mr. Lang: Mr. Chairman, then, therefore, reading from what you have said, a contractor would then be ineligible, the way this legislation is written, to have a \$10,000 direct contract with the Government, but through another company, he could have a \$100,000 indirect contract with the Government.

Mr. Clegg: Well, Mr. Chairman, the reason I said that is that because his contract is not with the Government, his contract was not in the hands of the Government grant. The amount of the money is one aspect, but the other aspect is who made the decision that he was to have the business and to whom is he accountable and from whom does he get his money?

If he is truly a subcontractor, then he is answerable only to the prime contractor. He gets his money from the prime contractor and the decision to employ him and to give the contract to him was that of the prime contractor.

If, in fact, the Government is reaching over the shoulders of the prime contractor and saying you give it to Jim's Welding, then, in that particular case, he would not be a true subcontractor. The prime contractor would merely be a third party intervening.

I think the test is who made the decision, who was the person who had the right to decide that he should have that business. If the Government retained the right to approve the subcontract or nominated the subcontracts, then it is not a true subcontract, it would be a conflicting contract.

If it is truly an independent subcontract, as theoretically subcontracts should be, then it would not be a conflict within the terms of this section.

Hon. Mr. Lang: Mr. Chairman, I think that I am one step ahead of myself.

In the Government, or when you bid on contracts, you generally have a primary contractor in that bid. In many cases you have subcontractors. You may have building a bridge as one section of the contract and dirt moving as a section of the contract. Therefore, the compilation of those two amounts of monies for the contract would make up the total bid. It may be under one major contract.

This is prior to the Government issuing the contract. This is submitted to the Government for their consideration for public tendering, not after, where the contractor goes out looking for subcontractors he has already procured prior to going to tender.

Would it not be, if for an example I was a Member and had a t moving company, would I not be, under the terms of this Section, in a conflict of interest position because it would be a situation where it is confronted straight with the Government under the terms and conditions of the contractor outlining who is going to do the work, how much work and the amount of money for it?

Mr. Clegg: I think, Mr. Chairman, in those circumstances, if your participation in the contract as a subcontractor, if you had directly undertaken a part of the contract with the Government, if you are accountable to the Government for carrying that out, then you would be fixed with the conflict, then, in fact, you would be dealing directly with the Government.

There are various different degrees of this kind of relationship. You can either have a contract which is put together in pieces and organized together and the Government is letting out four sections of that to four different companies. Those are not truly subcontractors, they are all contracting separate parts, but the only thing which I would accept from this is the simple and perhaps not too common situation, although I would think it would be fairly common, where a principle contractor signs up for the whole job and says, "Okay, I will take responsibility for the whole thing. I will build this building and I will undertake to do the whole thing." Or he may have made his decisions in advance. Normally, of course, when you submit a tender, you have received tenders from the subcontractors to make sure that your own tender is going to be achievable, but he will make separate arrangements with people to carry out segments of the work.

If he has a completely independent contractural relationship with them to which the Government is not a party and to which the Government has not had any input, then and only then all the subcontractor be free of conflict.

Hon. Mr. Lang: Mr. Chairman, so following this through, and if you read this, a person, in other words an elected member, just a sitting member in the House and he has a construction business, who "executes or undertakes, holds or enjoys any indirect interest in any contract or agreement with the Government of the Yukon Territory with respect to the public service of the Yukon Territory under which any public money has been paid to and accepted by such person, is not eligible to be a member of the Council".

If he was a subcontractor in that initial contract that was submitted into the Government in writing and how much money and work he was going to do, the way this is written, could it not be interpreted that he would not be eligible to be a member in this House?

Mr. Clegg: I think he would only be ineligible if there was a direct contract with him, because although he was going to be a subcontractor, he does not have an interest in the prime contract. His only interest is in the subcontract, and they are different contracts.

In other words, if they are drawn in such a way that the Government can enforce the contract against him, then he has a direct relationship with them which would disqualify him.

But, if the Government's sole contractural relationship is with the prime contractor, and he in turn turns around and has a separate contractural relationship with a subcontractor, then there is no privity of contract, in other words, no direct contractural contact between the subcontractor and the contract.

There is a break at the point where the prime contract ends and the subcontract begins and his subcontract is not an interest in the prime contract, but is a separate contract.

on. Mr. Lang: Mr. Chairman, and I do not mean to get have debate in this, but I am talking about indirect interest. I am not talking about direct.

Mr. Clegg: Well, I believe, I understand the point and I believe it is arguable and it depends very much on the exact nature and wording of the contracts concerned. The argument

in favour of the Member's proposition is that certain types of subcontract constitute an actual interest in the prime contract.

The other argument is that they are not in interest, the subcontracts are not interested in the prime contract but are separate blocks, separate contracts which, although they support the prime contract, are not a part of it. I think that the determination of a circumstance like this would depend on the provisions of the contracts.

Hon. Mr. Lang: A guy could go to court over it.

Mr. Clegg: I think that is true.

There are so many different kinds of contracts, it is probably impossible to draw a particular line and say that this is the way that we will carve it up. But, if the contract which the Member holds is not, legally speaking, an interest in the prime contract, then he does not have any contractural relationship with the Government and is not in conflict.

Now, in some cases, he will have a direct interest in the contract and in some cases he will not. In the end it depends on the accountability and the legal contractural relationship between him and the government. In some cases there will be done at all.

One of the tests is that if the work is not done, who does the Government sue? Does the Government have the right to sue the subcontractor as well? In many cases, they will not. They can only sue the prime contractor. The prime contractor can then turn around and sue him, but there is no direct line of legal accountability, in some cases.

In some cases there will be because it will be a divided contract rather than a subcontract.

Mrs. Watson: Yes, Mr. Chairman, I have a question for Mr. Clegg. When you were defining or giving us the alternative on disclosure, disclosure with no disqualifications in the Bill itself, just disclosure of assets and there would be no enforcement of anything, just public opinion, then, people have been saying, well, disclosure in those areas where there is a conflict with the areas, these conflicting areas must be put into blind trust.

Now, am I correct in assuming that the blind trust concept would be more realistic with a company or individuals or partnerships who have larger contracts, larger blocks or contracts worth more money with the Government? For an example, \$100,000, \$200,000. Then it would be worthwhile for that member to put things into a blind trust.

But you take the other person who would have a conflict because he does have a \$10,000 contract with the Government, that is his livelihood, he has a couple of small contracts with the Government during the year for some service, \$10,000 to \$15,000. It would not be worth the while for that person to put these small \$10,000 contracts into a blind trust. So, the blind trust concept really benefits one segment more than it does the other.

Also, the person who has a conflict, he discloses his assets, he has a conflict because he serves gas to Government cars, he provides rooms and meals for Government employees. Now, he cannot put that into a blind trust so he cannot then provide that service at all or he is in conflict.

Yet, the person who has the \$200,000 contract, because he is able to put it into a blind trust, he can continue to reap the benefits of the business, whereas the little guy cannot. Is that not a correct interpretation of the usefulness of a blind trust?

Mr. Clegg: Mr. Chairman. I do not want to comment on that. I do not think it is really a legal opinion. It is judgmental. In some cases, the more complex the business the harder it will be to transfer it into a trust. On the other hand, a very small local business, it is very hard to find somebody willing to act as trustee for something small. But then again, I think it will be quite difficult to find a person who is willing to act as trustee, particularly in a blind trust for any business affairs because of

the onerous duties and the responsibility for taking all the decisions. I leave it for the members to decide for themselves whether they think it is harder for the big company or the small company.

Mrs. Watson: Mr. Chairman, may I have a supplementary on that?

Mr. Chairman, of course there is the fee. There is a fee for the trustee of a blind trust. Who would be in a position to pay the fee more than the larger company who goes into a blind trust? They would be in a position to get a better type of classification of trustee to operate their blind trust than the little guy who is looking at a \$10,000 contract. Being realistic, a blind trust on a \$10,000 contract would hardly be worth while, would it?

I am asking Mr. Clegg because I am not that familiar with a blind trust operation.

Mr. Clegg: The responsibilities of a trustee, Mr. Chairman, would be to manage the assets, and I think it is more a question of complexity than size. I think if a business is very small and complex, in other words, if running that businesss consists of a large number of small day to day decisions, if the person who is running a small business every day has to make ten, twenty dollar decisions in the running of his business and only occasionally a very large one, that is probably just as time consuming for a trustee as one where he has every week to make a one thousand dollar decision and every month to make a twenty thousand dollar decision. The trustee sometimes works on a percentage basis.

In fact the trustee arrangement would reflect the complexity of the business and it may be, and I do not want to comment, it may be more difficult for a person, particularly in a remote location, to find somebody who will adequately be trustee for his business.

Mr. Berger: Yes Mr. Chairman, I would like to go back to that third party contract once again. It happens on a number of occasions where the main contract, because of a low tender, ran out of money towards the end of the contract. And the subcontractors, quite often, have to apply directly to the government to get the fundings for the work he performed. Now, where does it leave this small contractor as a third party contractor?

Mr. Clegg: The answer to this question depends very much on the details of the case. In certain cases, if a prime contractor fails to complete the work, the owner of the business, or the Government in this case, will take over the position of prime contractor and conclude, make a direct deal with the subcontractors. In that case, the subcontractor would find himself in a direct dealing position with the Government and if he was a member, he would find himself in a conflict position.

In other cases, the Government would elect not to get into the business of contracting and would bring in another prime contractor to handle the business, depending very much on the stage of the project. If the project was nearly complete, they might say, well, we are quite happy to deal direct with the subcontractors and get them to finish the work and we will pay them. They will have lien hold-backs on the work, which they can be paid out of, but that money, that lien money, does not constitute a direct payment in the normal meaning. It is money held in trust for the subcontractors, in case the prime contractor does not pay them. That will always be the case. It is a special kind of payment. It is not a direct provision for payment direct to the subcontractors, but it is quite true, if the prime contractor fails and if the Government elects to step into the shoes of the prime contractor, then the subcontractor, if he is a member, will have to say that he is in a difficult position. He cannot make a direct arrangement with the Government because he is a member, and he would be in a conflict position.

He has subcontracted to Yukon Consolidated Contracting Limited and Yukon Consolidated has gone bankrupt, but he cannot make a direct deal, and he would be in an awkward position in those circumstances, yes.

Mr. Lengerke: Yes, Mr. Chairman, my question was respect to 8.(1) as well, the third party interest or the direct interest in those contracts.

I recall during Committee discussion I did ask that question and, with no disrespect, Mr. Clegg, certainly the assumption that a person would be in conflict if he was a subcontractor to a contractor having a contract with the Government.

I am glad to hear that there could be a different interpretation on that because this would open certain areas up, but I really question if, in fact, this is what people do want. Do they want, in fact, a member, an elected member to be able to be a subcontractor on a Government contract. I think that is the question that has to be answered.

Mr. Clegg: Mr. Chairman, 1 do recall that I had been asked this question before, and I cannot honestly recall whether I had answered it differently, but it does stick in my mind that the distinction was, was there or was there not a direct contractural relationship. You cannot have a contract without a——now, maybe the word, the use of the word "direct" there is confusing, but there is, in fact, no contractural relationship, not even an indirect one between the subcontractor and the owner, or the Government, because there is a break, there is a line drawn at the end of the prime contractor and the beginning of the subcontracts and it is my belief that this would be interpretted to say that a subcontractor would not be in conflict.

The question is whether he should be in conflict and, to analyze this, it is useful to look at the nature of the contractural relationship and whether there is any potential for anything being done which is incorrect or unethical.

Obviously, in the case of a direct contract, there is direct negotiation between the prime contractor and the Government. There is immediate accountability and responsible There is immediate money being paid between them and the is a very wide scope for influence, which a member could use if he was a prime contractor with the Government.

The point about a subcontractor is that he is legally entirely separated from the Government.

The Government has no course of action against him if he does not produce the work, in contract. Their only course of action is to bring legal action against the prime contractor, because he is the only one responsible.

Also, in the negotiation, the Government negotiates with the prime contractor. The subcontractor is not a part of that negotiation and is not accountable to the Government.

So, there are some arguments for saying there is nothing wrong with a Member subcontracting Government work from the point, in that situation, there is very little scope for him bringing personal influence to bear and benefiting himself in an abnormal way, because he is not in direct relationship, he does not have a direct contractural or financial relationship with the Government.

Of course, he is benefiting, certainly he is benefiting indirectly from an expenditure of public money and that is undeniable.

Mr. Lengerke: Mr. Chairman, just further to that, generally, when a Government contract is called, they usually say in the specifications that they require a list of the subcontractors. Does that constitute any sort of a direct link or indirect link, as you are using here in this clause? Could you interpret it as being a conflict just by the virtue that they do call for a list of the subcontractors?

Mr. Clegg: Mr. Chairman, I do not think that that would create a direct link in that it would not raise any relationship between the Government and that person which could be forced legally.

I believe the purpose for asking for a list of subcontractors is

to show that the contractor has made some arrangements on h he can rely and is merely a demonstration of the predness which the prime contractor has entered into for carrying out the work.

As I said before, there are arguments to be made for either side of this, but it is my belief that the word "direct or indirect interest in, by himself or with interposition of a trustee or third party", were not intended, when they were written, nor were they intended by myself when I drafted them, to include the subcontractor, because there is no legal interest, no legal contact, no contractural contact at all between the owner of the property and the subcontractor who has his contract only with the prime contractor.

That is quite an important and basic element of the law of contract. There is no privity of contract between the subcontractor and the Government.

Mr. Fleming: I think that, possibly, I have almost got the answer, not entirely though, because my two questions were: one was the personal blind trust for a person who does not own a company, that is personal, has a small business. I do not have to ask questions to find out that you cannot do these kinds of things very well, because of not having a large company and large money and all the rest of it, but I was a little concerned as to actually what the blind trust is itself. I would like to know just what is the blind trust, because I know one thing, if I put my business away there, I am not going to give it away. So, I would have the same conflict of interest with a trust or not trustn I think.

Now, I would like an explanation as to what actually the blind trust is, first. That is all on that one.

On that third party contract, I have to disagree, although I am not debating. I am just going to ask you a question of contract and you almost answered it with Mr. Lengerke and the what Mr. Lang was getting at, I think, that contracts are let from the Government and on those contract papers, it states that you must list your subcontractors, not all of them but some of them, and the Government accepts those subcontractors, as working for you, of course, being paid by you, but they accept them

Are they not on that contractP They are definitely contracting with the Government.

Mr. Clegg: Well, taking the last part first, I thinkn unless there is a direct contractural relationship made or a specific contractural relationship created, which I do not think there would be merely by listing them, I do not think that this would be a conflict, no. It would not be a conflict to subcontract, even if the tender showed your name, because I think that the purpose of that is to show, first of all, that you are dealing with people, that you have prepared yourself and also that you are dealing with people that the Government knows to be capable or financially sound or both, hopefully, but I do not think that in itself creates any relationship between the two.

I would like to come back and answer your first question and that is a little bit more about the nature of blind trust. As I said, a trust is exactly what the trust document says it is. In other words each trust is a little different. The trust is created by the trust document, the deed, it specifies the powers of a trustee.

The intention, in talking about a blind trust, and this would have to be defined in the legislation, is that the trust will be ne in which the member could not intervene or interfer with he running of the business. He would, of coursen have the right terminate the trust at any time, and he would automaticall that immediately upon ceasing to be an MLA, because the would be no purpose in the trust once he ceases to be an Minary and he would not tell the trustee what to do with the business, which is not that.

He would be blind, he would not know what was going on with the assets, theoretically. Now, obviouslyn the bigger the business you put in trustn the more obvious it is to the public what is going on.

If you have a painting contracting company and you put it into blind trust and it is a condition of that trust that you are not told what the dealings are and if you were driving around town and you see that the company with your name on it has got its trucks parked outside MY Motel, you know you have got that contract and if you see it parked outside the Highways Building, you know you have got some contract to do with Highways. So, it is very difficult, particularly in a relatively small community, to hide the activities of a blind trust, particularly if it is a large one.

But the trust is blind in that you cannot see what is going on inside, nor may you direct, but, of course, you have he absolute right to terminate it and you can get your assets back, or the assets that are in the trust, after they have been dear withn back at any time, as are left.

Of course, any benefit which has flowed to the trust flows to you when you terminate the trust.

Mr. Fleming Then this brings up another question in private enterprise and, of course, a personal business, and you brought it up when you said painting, for instance a painter that is more or less doing his own work, maybe himself and one or two other people. The moment he put that into a blind trust, he could not then take a Governmnt contract of any kind, but it would also put him in the position that he could not even go back and work for his company to paint for it because he could not have anything to do with the painting or anything else when it was in the blind trustm

Am I right?

Mr. Clegg: If the Bill were amended to substitute blind trusts for contracting with the Government, which is one suggestion, one alternate, thenn of course, if something is in a blind trust, there is nothing to prevent the trustee dealing with the ggovernment. If the blind trust provisions are added on to the Bill, without removing the provision which forbids dealings with the Government then, of course, he could not deal with the Government.

So there are two ways of dealing with this. You can either have no contracts and blind trusts, or you can have no contracts or blind trusts. The blind trust provision could be put entirely in place of the contracts, in which case there would be nothing illegal about contracting with government providing it was through a blind trust.

A person who put his assets in a blind trust and then sought to become an employee in his own company, it would be very difficultm I think it is one of those things that might defensible from a purely legal standpoint if he was a hired, paid employee with no direction in the firm, but it would not be seen to be a particularly hands-off arrangement. Probably it would not be practicable, and I think that is an example where it would be very difficult for a small businessman who is actually working physically in the operation of his own business, because if he puts a manager in, he is out of a job.

Mr. Berger Yes, Mr. Chairman, I always seem to be one step behind here. But I would like to go back one again to subcontracting and contracting. If the main contractor wants to bid on a contract, he usually goes to a subcontractor first before he makes up the bid on the contract to see what the submission is from the subcontractors. Nown in this particular case, would not the subcontractor be directly involved in the contractn because he is determining some aspect of the project, by setting the price to the main contractor? Now I could see being a subcontractor if he is not directly involved in setting the price after the main contractor eceives the contractn then he would have no conflict of interest, but if he is listed on the main contract and approved by Government, he has a direct interest in this contract because he is determining part of the price.

Mr. Clegg: Mr. Chairman, I do have some difficulty with this, I recognize it is an arguable point. If the Government

made it a condition that he was employed as a subcontractor, a condition, then I believe he would have an interest in the main contract. If the policy of public tendering is that you have to provide a list of your subcontractors, then it becomes a condition of the prime contract that you sign those subcontracts, then you have an indirect interest in the prime contract, and then you are cought with a conflict. But if the list of subcontractors is provided purely for information, to show that you have done your homework and that there is some reason and logic behind your having arrived at your two million dollar bid, and not just a finger in the air and an "I hope I can make it" kind of thing, and after having listed the subcontractors, there is no compulsion on you to subcontract with them, if that is the situation, then I still think that it would probably be the correct interpretation that there is no interest in the main contract.

Now, just to revert, if it is a condition placed on theprime contract by the Government that the subcontractors are contracted with, a condition, then the subcontractors have an indirect interest in the prime contract.

I think, as I said, it depends very well on the terms of the case. If it is an area which is not consistently handled in the public service, if Members wish the matter to be made more clear one way or the other, then I would advise some revision of the wording to make it clear either that a subcontractor was entirely free or that he was entirely fixed with a conflict.

Mr. Clegg: That is one course of action, to full down one side or the other. But in some ways it might be best to leave it as it is, recognizing that only where there is a condition placed on the main contract, that the subcontractor was signed up, would he be fixed with a conflict, and if the prime contractor was free to contract with any qualified person, then there would be a complete separation

One can go further down the chain and have sub sub trades and sub sub sub trades. If these people are all fixed with the conflicts of the prime contractor, then the disqualification provisions will reach out very very far into the community, and you will find that you have contracted to do a job and you had no idea that you were subcontracted to a subcontractor who has the prime contract from the Government. It may be for example, that the work is being done on private property, but it is being done under an improvement grant from the government and somebody has signed a contract to redevcelop some land or to do some work, or to even do some work in a municipality by the Yukon Government, and by a series of subcontracts, this work is being done locally. And I feel that this Bill may have wider repercussions than were intended, if Section 8.1 was re-written so as to automatically include subcontractors.

Hon. Mr. Lang: Now we are getting into specifics here again. Earlier in your comments, you referred to the option of disclosure, and I am just wondering if it would be possible if, with your expertise, if you could prepare some amendments so that we can look at the concept of disclosure and the mechanism of how it would work with the concept of supplying the Clerk with the information, updating the information, and at the same time including a penalty clause that if one uses, and in referring specifically to these sections, that if he uses his influce as a Member to procure Government contracts, and whatever, because I think we are going around and around, and I would like to have a look at another option, at the concept of public disclosure and just see how it would work.

And also, at the same time, before I sit down, Mr. Chairman, if can include specifically the section that I believe now is 9, in respect to voting, that one cannot vote. Would that be possible, Mr. Chairman?

Mr. Chairman: We have an amendment here that we are going to pass around showing an amendment that would give disclosure. While we are in the midst of doing that, I will declare a brief recess.

Recess

Mr. Chairman: Would Committee please come to orde We will just continue from where we left off. We had just passed around an amendment for people to read and I think Mr. Lang had a question that he had not asked yet probably.

Hon. Mr. Lang: Mr. Chairman, this partially answers my question earlier in respect to to looking at the concept of a disclosure and how it worked. I notice that it really does not have a section in there in respect to a penalty clause for people who are using their position to further their own ends.

I understand that that was in Section 9.(2) but I think if we were to use this there should be a specific following penalty clause in respect to that and also at the same time, there should be the concept of the voting to flow through this section, if we were to go this route. For more clarification to the Bill, rather than having to go further through the Bill to see just exactly what a person can do or cannot do. I think it should flow along with that. Could that be drafted, Mr. Chairman?

Mr. Clegg: Mr. Chairman, the provisions of this amendment contain an adjustment to Section 9 in Item B of the amendment on the second page, which adjusts the voting provisions to bring them into line with the provision for this closure. There are several items upon which a Member should not vote, one of them being contracts and another being offices or employment held by that Member's family. At the moment the drafting is contained in one section, Section 9, which is the one which deals with voting rights consequent on other interests.

As to enforcement, the proposed Section 8 contains only an enforcement in that a person who fails or refuses to file the statements would not be eligible to sit in the Council. There is no specific provision in here for disciplining a Member who uses his office to gain a benefit in one of the assets which is contained in the statement. The sanctions available under \$\infty\$ tion 32 of the Bill under Prohibitions would apply in this case.

Mr. Clegg: It would also be possible to put a specific provision in the Bill near to Section 8 or 9, and if the Committee wishes, I will conider a proposal in those lines, for the Committee's consideration, which would add dome more teeth to this proposal.

Mrs. Watson: Mr. Chairman, is that on the proposal of disclosure?

Mr. Chairman: This is the amendment which was passed around but this is not a Committee amendment. If this is going to be an amendment, it would have to come from a Member, because these are just things that we had tossed to us today, and Mr. Clegg's explanation of different courses of action, but we could not get consenses on the Committee of any way to go and so that is why Mr. Clegg has made his presentation, and this is the suggested method of disclosure and of course, it probably would need some addition to it but I don't think it would come as an amendment from the Committee itself, it would have to come as an amendment from some Member of the Assembly, who wants to propose it, because as Chairman, I would not sponsor it, I do not agree with it at all.

Hon. Mr. Lang: Mr. Chairman, going further, would it be possible as the witness has outlined, to look at putting more teeth, as he said earlier, in respect to a penalty clause, flowing along this line of this disclosure for Committee's consideration tomorrow?

Mr. Clegg: Mr. Chairman, I would like to have some time to further consider how effective Section 32 would be. Section 32 is the one which deals with prohibitions and this type of activity, and undue influence. Section 32 is primarily drafted to deal with the situation where a Member is giving a service to another person, for a regard, but it is still possible as it sta

now, with some minor adjustments, that Section would cover a Member benefitting himself from his influence in the Council. I can revert on that point after further consideration. It is a question of drafting where that should be located in the Bill. At the present time, the prohibitions are contained in Section 32 onwards, because they are methods of dealing with the consequences of a breech in one of those prohibitions, following in Sections 33 and 34. But I could revert on that point and advise whether I think that something should be added in here or whether that section should be amended.

Mr. Chairman: Anything further?

Hon. Mr. McKinnon: Mr. Chairman, Just as a...looking at Section 32 in the penalty section, which would seem to be rather minimal. It would just be the sum of \$1,000 and the amount of value of the fee, compensation, or reward received or agreed to be received by him, it would seem to me, Mr. Chairman, I don't know whether Mr. Clegg agrees, if 32(1) is going to be the section which is the prohibiting section of feathering your own nest while you are a the Member of the Assembly it would be in that section that there should be some method of you no longer being a Member of the Assembly. A \$1000 fine it would seem to me would not be the type of penalty that we would be looking at. We would be looking at that person not being eligible to be a Member of this Assembly any longer.

Mr. Clegg: Mr. Chairman, if I may refer the Member to Section 34, it reads that "if judgment is recorded against a member under Section 33", which is following somebody having been found guilty of infringing Section 32, "or if by resolution of the Council it is declared that a member has been guilty of a violation of Section 32, this gives either the court or the Council the power to find him guilty under Section 32, the seat of the Member becomes vacant".

So, this is a fairly powerful provision which enables either the Council by resolution or by the court, the Member's seat becomes vacant.

Mrs. Watson: Mr. Chairman, I have a little trouble with the prohibitions. Really, the wording, it applies to the influence being exerted in relation to drafting, preparation or promotion of any bill, resolution, question, petition, proceeding or controversy, but it does not relate to any area that would be open to abuse, possibly, in the situation of a contract.

For example, where a person is contracting and is a Member and it is possible for them to have a contract with the Government, and the accusations could well be made that the specifications of a contract are written for a specific contractor and this would not cover that, or would it?

Mr. Clegg: It is possible it would not, because Section 32 is principally designed to prevent a member for acting on somebody else's behalf in the Assembly and promoting a particular issue in the Assembly for somebody else's benefit.

I have undertaken to review this to see if it is adequate to police the situation of a Member using undue influence to benefit his personal contracts with the government, but it would catch a person who promoted an issue or promoted a matter in the Assembly. But it would not prevent a Member from using his position outside the Assembly and trying to use his influence as an MLA to have some member of Government handle some public matter which would come to his benefit. That is a more remote thing.

That is reaching outside the affairs of the Legislative Assembly. Generally speaking, this Ordinance deals with what goes on in this House and the way in which Members of this House should conduct themselves in relation to their dealings in this House. What disqualifies them from being members here and does not generally touch on members' dealings with other public servants in an unofficial context.

But I would draw the Committee's attention to Section, I believe it is Section 109 of the Criminal Code, which makes it a Criminal Code offense to bring in influence or bribe a public

servant to your benefit, if you are in any position, whether or not you are an MLA. If you were, in fact, an MLA and attempted to bring pressure to bear on a member of the Yukon Territorial Government, then the *Criminal Code* provisions would certainly be enforceable against you.

Mr. Chairman: Anything further?

The way we have proposed to deal with this Bill tomorrow is I intend to, as Chairman, to withdraw and Mr. Hibberd intends to withdraw the amendments that were proposed and then we will go ahead with the new amendments that the Committee has prepared and at that time, it might also be possible for another Member to propose an amendment along the lines indicated by Mr. Lang, that he is interested in.

So if there are no further questions for Mr. Clegg, perhaps we could have Mr. Speaker resume the Chair.

Mr. McCall: Yes, Mr. Chairman, I would move that Mr. Speaker do now resume the Chair.

Mr. Fleming: I second that.

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

Motion agreed to

Mr. Speaker resumes the Chair

Mr. Speaker: I will now call the House to order.

I would like, at this time, to introduce to the House a new Page who has been with Committee of the Whole today. Her name is Lynn Mostoway, and she is visiting us from her native province of Saskatchewan, where her father sits as a Member of the Saskatchewan Legislative Assembly, and, on behalf of the House, I would like to welcome our new Page to this sitting.

May we have a report from the Chairman of Committees.

Mr. McIntyre: Mr. Speaker, the Committee of the Whole have adopted Resolution Number 18, respecting relocation of the Department of Tourism and directed me to report the same.

The Committee also considered Resolution Number 14 and directed me to report the same, with amendment. This motion now reads: THAT IT IS THE OPINION OF THIS HOUSE THAT that the Economic Research and Planning Unit, in co-operation with the Territorial and Federal agencies commence an in-depth study and a detailed cost analysis as soon as possible for the purpose of establishing a new vocational apprenticeship training centre in a Yukon community other than Whitehorse; and

FURTHER that such study form an integral part of the Economic Research and Planning Unit's report on Yukon Economic and Social Future.

The Committee has also considered Bill Number 102, An Ordinance Respecting the Council of the Yukon Territory, and directed me to report progress on the same and ask 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 move that we do now call it five o'clock.

Ms Millard: I second that, Mr. Speaker.

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

Motion agreed to

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

Adjourned

Þ

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

78-1-36 Pipeline Expenditures (Written Question No. 6)

78-1-37 Whitehorse Taxation Deadline for 1978 (Oral Question - April 19, 1978 - Page 355)

78-1-38 Acorn Lumber (Oral Question - April 27, 1978 - Page 481)

International Women's Day (Written Question No.4)

# The following Sessional Parers were Tabled on June 26, 1978

Stratton Report

78-1-46 Correspondance between Stratton and Musgrove

Interim Report, June, 1978, Conflict of Interest and Bill 102, an Ordinance respecting the Council of the Yukon Territory.

> 78-1-36 LEGISLATIVE PETTERS

(1978 First Aussian)

Mr. Sceaker, Members of the Assembly

on March 13th, 1978, Mrs. H. Walson asked the following

What is the Territorial Government's position in their negotiations with intuwa with require to what persentage or ratto or part of the property rax which will be realized by Yukon from the pipeline will be offset against the deficit grant and what part of the property revenue will be revenue to be used at the discretion of the Yukon?

Has the government developed a position or policy with regard to what types of pipeline impact expenditure should be funded to the Yukon as a loan from the 200 M. dollar line of credit?

The answer to the question above is as follows:

The percentage or proportion of the revenues from the pipeline property tax that will be transferred to the Heritage Fund and used at the discretion of the Government of Yukon will be a matter of federal-territorial negotiation, which has not yet begun.

The Territorial position is that the Heritage Fund should be allowed a percentage of the property tax that will allow such a fund to be capitalized to a minimum of 200 M.

The federal cabinet has decided that the Heritage Fund should be allowed a percentage of the property tax that will allow such a fund to be capitalized to a maximum of 50 M.

The government has developed a position and a policy with regard to pipeline related expenditures. This position will form the basis for negotiations with IGC during meetings to be held in Ottawa in May of this year.

Signature

18-1-37

Perbers of the Assembly

-- -- 19<sup>79</sup> . On April 19th

What is the deadline date that the City of Whitemorse has to strike a mill rate for the trustion  $g_{\rm cor}^{-1} {\rm L}^{1/3} {\rm L}$ 

The answer to the allows emertion is as follows

- 1. Section 50(a) of the Taxation Ordinance requires the Council of every Municipality to levy taxes not later than March 1st, annually,
- 2. By virtue of Section 2 of the Ordining respective Assess ont : the City of Whitehorse, date extension, are normalized for the  $13\%\,$ tax year.
- 3. Commissioner's Order 1928/94 extends the date for the leading at themby 150 days; therefore takes is the Dity of Whitebeek hunt be levied no later than July 29th, 1927.

May 12th 1:10

the first person

LEGISLATIUE RETURN 1978 FIRST SESSION 78-1-38

The facts of the Assembly 19 78 April 27th Mr. Lengerke

LEGISLATIVE RETURN 60 78-1-9d the fell

Rr. Longerke made several inquiries concerning the status of the  $L_0$  arm tumber site. (i.e. Is the government requesting that the transfer convers class up the area?)

the color to the Covernment on College:

While there is a clause in the lease which states "on termination of this base the lease will deliver up procession of the land in a condition satisfactory to the Commissioner", no steps to this effect have been taken as the site is still under lease to Keorn Lusber Ltd. The excity date is decorber Ltd, 107.

We have not considered termination to date as:

- 1. The leavee has constructed \$50,000, worth of increva entrace per large terrat-
- 2. the lend has been kept in a reasonably real and fiely condition; and
- 3. Being term rate no specific medium of continuous manifolds with-

Assuming the fidding model of consisted to action to convolutions of smooth deal attentional two years become increasing to which in this resulted with a model that the interest of the control of the admitted action in the control of the control

May 9th

LEGISLATIVE RETURN 7 Y -1 - 3 7 1978 (First) Session

Mr. Speaker Members of the Assembly

q

On March 6, 1978, the Honourable Member from Ugilvie asked the following question:

"In view of the fact that International Women's Day is March 8th and in response to the urging of the Minister responsible for the status of weakn, and in the interest of furthering hazan rights, would the Government tell us how far along they are in the following areas of concern to women:

- marital property law which reflects the reality of women's contribution to the material assets of marriage;
- day care legislation which would regulate the construction and operation of day care centres, which will be more prevalent with pipeline activity;
- civil service expenses for single parents who must travel in their work and pay child care expenses while away;
- encouragement of promotion of women to senior management positions:
- review of the state of equal pay for work of equal value in our government."

#### The answer to the above question is as follows:

 No Yukon Ordinance relates specifically and exclusively to the issue or problem of division of property between spouses.

Therefore, in the Yukon, division of property between spouses, whether during the course of the marriage or upon divorce, is an issue determined by both general common and statutory has related to property rights and contracts and also by those aspects of that body of has that relates specifically between spouses. For example, there is a substantial body of common has relating to the creation of trust and that body of las has specific rules that apply only to the relationship between spouses.

whom law could benefit from an Ordinance enacting provisions similar to the amendments Saskatchewan made to its Married Momen's Property Act in 1975. These amendments expressly recognize and compel evaluation of the real contribution, both mometary and non-mometary, of both spouses to the acquisition and maintenance of material assets of the nurriage. Hose amendments also permit the spouses the flexibility of determining for themselves by the reality of their conduct the division of property between them, in relation to both home and household assets, savings and investments, and business assets. Those amendments were consistent with and largely the result of a strong recommendation of the Saskatchewan law reform Commission and were also intended to ensure that the mesopected result in the notorious Nurrock vs Mardock Supreme Court of Canada decision would not be duplicated.

No propositions have yet been put forward in view of reforming the Yukon's matrimonial property laws. Officials of the Department of Legal Affairs report that:

- (a) The Yukon is too small to be able to afford the extensive kind of law reform research being done in many provinces, with the result that the usual practice is to wait until everyone else has finished researching the subject and reached conclusions;
- (b) There have been no public pressures in the Yukon to have the laws changed.
- During the past two years, the Haman Resources Branch has been working with the Yukon Child Care Association in the development of child-care standards and regulations. These are now in a draft form which requires little change and with which both the Branch and the Association agree.

Negotiations have been underway between the Federal and Provincial/ Territorial Governments with respect to block funding of social services to replace existing, open-ended shared-cost agreements. The Yukon Child Care Association was aware of this and agreed that any proposal on day care should be deferred until it was known just what the funding mechanisms would be under the new Federal proposal. Y.T.G. is currently urging DLND and Health and Welfare to apply special condition funding north of o to enable implementation of a subsidy program for day care.

While we are cognitant of the need for regulations to govern the construction and operation of child-care facilities, it would be impractical to bring in regulations establishing standards of care without the necessary financial incentives to permit the achievement of these standards.

- Procedure Directive 3/100 outlines expenses payable when an employee is absent from his headquarters area on Government business. There is no provision within this procedure directive for the payment of child care expenses, regardless of the employee's marital status.
- All employees, including women, within the Yukon Government are encouraged to seek promotional opportunities for which they are qualified.
- The Yukon Government pays employees equal pay for equal work. The Public Service Commission and the Unions continually examine the question of equal pay for work of equal value.

Date May 1/18 Signature

A.

.