



The Yukon Legislative Assembly

Number 4

2nd Session

24th Legislature

HANSARD

Monday, March 12, 1979

Speaker: The Honourable Donald Taylor

Whitehorse, Yukon
Monday, March 12, 1979

Mr. Speaker: I will now call the House to order.
 We will proceed at this time with Prayers.
 (Prayers)

Mr. Speaker: I think, at this moment, I would like to draw the attention of the House to the presence in the Public Gallery today, Mr. Norman S. Chamberlist, a former member of the Assembly, and Mr. Ken McKinnon, a former member of this Assembly, and bid them welcome to these Chambers today.

ROUTINE PROCEEDINGS

Mr. Speaker: Are there any Documents or Returns for Tabling?

TABLING OF DOCUMENTS

Hon. Mr. Pearson: Mr. Speaker, I would like to table the answer to a question by Mr. Penikett concerning funding for the Whitehorse Pipeline Information Centre.

Mr. Speaker: Are there any further Documents or Returns for Tabling?

Reports of Standing or Special Committees.

Hon. Mr. Njootli: Mr. Speaker, I would like at this time to table the Annual Report of the Yukon Health Insurance Services.

Mr. Speaker: Are there any Reports of Standing or Special Committees?

Are there any Petitions to be Read or Received?

Introduction of Bills?

Notices of Motion for the Production of Papers?

Notices of Motion?

NOTICES OF MOTION

Hon. Mr. MacKay: Yes, Mr. Speaker, I would like to give notice of motion, seconded by the Member from Kluane, that this House censures the Government for lack of progress in rectifying the deficiencies identified by the Auditor General in his reports to this Assembly.

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

Mr. Penikett: Mr. Speaker, I would like to give notice of a motion, moved by myself and seconded by the Honourable Member of Riverdale South, that, in the opinion of this House, no public funds should be expended for, lent to, or invested in the White Pass & Yukon Corporation by the Government of Yukon prior to full public disclosure of the corporation's financial affairs including dealings by and with its parent company, Federal Industries Limited, of Winnipeg.

Mr. Speaker: Are there any further notices of motion? **Mr. Byblow:** I give a notice of motion, seconded by the Honourable Member from Campbell, that this Government take steps to assume the responsibility for disposition of all Yukon land under a comprehensive land policy that accommodates the residential, industrial and commercial needs of Yukon communities and individuals, with special consideration for varying degrees of development dependent on land use and with prime consideration for land leasing and purchasing schemes, and in all land dispositions that Government costs be directly reflected in land sales pricing.

Mr. Speaker: Are there any further notice of motion?

Are there any Statements by Ministers?

This, then, brings us to the Question Period. Have you any questions?

Question re: Taxation/Special Considerations

Hon. Mr. MacKay: Yes, Mr. Speaker, I have a question, today, from the Minister of Municipal and Community Affairs. My question is: in view of the defeat of the Tax Appeals in the Yukon Supreme Court last week, and in view of his party's policy commitment to give immediate, special consideration to those people who had excessive increases in property taxes last year, will the Minister now tell the taxpayers of the Yukon what special consideration he is prepared to give them?

Hon. Mr. Lang: Mr. Speaker, in respect to the question addressed by the Leader of the Opposition, we have reviewed, over the last couple of months, the Taxation Ordinance and we came to the firm

conclusion that we should not be making midnight amendments to the Ordinance.

I see, in our presence in the Gallery, we have the former Minister responsible for this department, and he and I know quite well the complications one gets into in respect to the Taxation Ordinance, when you bring in an amendment thinking you are going to clarify a situation and all you do is wind up compounding the situation.

On this side of the floor, Mr. Speaker, we have made the conscious decision that we are not going to be bringing the Taxation Ordinance in this Session. We will be bringing forward a policy paper for the deliberations of all the Members in the House. Legislation will be brought in in the Fall Session.

In retrospect, Mr. Speaker, it would appear from our side of the floor that the assessment that is done in the Whitehorse area, which he is referring to specifically, has pretty well got everybody on the basis of one hundred per cent of the market value on land and also the equivalent of approximately twenty per cent on improvements throughout the Whitehorse area; therefore I would say, if one compares the taxation structure between one given area of the community to another, the assessment is roughly approximately the same in view of the present manual we are following.

Obviously there will be changes in this, Mr. Speaker, and I think it will be corrected.

I do not think, Mr. Speaker, while I am on my feet, anybody should be getting the impression that with the amendments to the Taxation Ordinance, that it is going to be a major change in what one is finally paying. I think, in my estimation Mr. Speaker, there is obviously a misconception that one area will be paying less, while another area will be paying more. Now this will depend on the method of assessment that we will be going on in the taxation year 1980-81, but at the same time, I think it is fair to say that the area of concern from this side of the floor, and it was reflected in the budget, is Government spending. I think this is the area that has to be reviewed to try to keep property taxation down to a level that is acceptable to all citizens of the Yukon Territory.

Mr. MacKay: That did not answer the question, Mr. Speaker, however, if I can perhaps have the opportunity to re-phrase it, there are in fact two groups who are suffering greatly from high tax assessments: these are the people who own rural property, acreages, and those who live downtown in areas which are presently residential but are in fact becoming more and more commercial. These are the two people who have suffered most from drastic increases and these are the people for whom I would like the answer.

Is there going to be any remedy for their increases over the last year and this year from this government?

Hon. Mr. Lang: Mr. Speaker, at this time I would give an answer to the question: no, because, looking at our financial situation, we are in no situation to do that, Mr. Speaker.

Question re: White Pass Freight Rate Increases

Hon. Mr. Penikett: I have a question for the Minister who is responsible for Economic Development: considering that new freight rate increases for White Pass will go into effect Thursday, unless an intervention is filed with the Canadian Transport Commission before that date, could the Minister advise the House whether his Government has taken a position on this latest increase?

Hon. Mr. Tracey: I have to say that no, we have not taken a position on it right now, but I will certainly be looking into it.

Hon. Mr. Penikett: In the last couple of days remaining Mr. Speaker, will the Minister consider having his officials prepare and file an intervention with CTC so that its views on this important matter can be known to the regulatory body?

Hon. Mr. Tracey: Mr. Speaker, I certainly will consider having my department look into it.

Hon. Mr. Penikett: At the same time as that is going on, will the Minister consider having his officials examine the proposed increase with regard to its impact on the cost of living in the Territory?

Hon. Mr. Tracey: Mr. Speaker, yes, I think we can do that too.

Question re: Travel Arrangements/Government Policy

Hon. Mr. Byblow: Mr. Speaker, I have a written question directed to the Government House Leader respecting government policy on travel arrangement: What is the government policy regarding distribution of travel arrangement business between travel agencies in the Territory for client cases and employees of the respective Territorial Departments dealing with the Worker's Compensation Board, the Yukon Health Services Insurance Plan, and the Health and Human Resources Department?

Mr. Speaker: Are there any further questions?

Question re: Game Law Revisions

Mrs. McGuire: Mr. Speaker, I have a question to the Minister of Renewable Resources. It has been recognized in actual fact that designated citizens and special groups, for example: trappers, hunters and game associations, are more qualified than the bureaucratic populace in identifying specific problems that are apparent in present game laws.

Mr. Speaker, will this government guarantee this House that authorized direction be given to designated citizens and special groups throughout the Yukon to participate in the actual identification of problems and making recommendations in the preparation of the Yukon game law revisions?

Hon. Mr. Tracey: Mr. Speaker, we certainly recognize that the people in the Yukon Territory, especially trappers and hunters, know quite a bit about what is going on in the game management area and we certainly will be getting all the information we can. In fact, it is my intention to table the relative papers to generate discussion in regards to a new Game Ordinance.

Question re: Distribution of Grants Department

Mrs. McGuire: Mr. Speaker, this question is to the Minister of Human Resources. There are noticeable under-expenditures in the 1978-79 estimate programs, for example: day care, in the amount of \$20,000 and, in the overall Department of Human Resources of \$130,500.

Mr. Speaker, my question is: is it possible for this government to look into the feasibility of forming a distribution of grants department, using the Human Resources' excess funding to be made available through application to private day cares, private children's homes, youth centres and other such agencies that are operating outside the government's institutional jurisdiction?

Hon. Mr. Njootli: Mr. Speaker, in reply to the question, under my department, we are obligated, under the Child Care Act of Canada, and Juvenile Delinquent Act, and under those Acts, I am only obligated to provide fundings for those areas.

Outside of the government, I would expect applications for such fundings but until such time, I have no definite answer to the Honourable Member's question.

Question re: Transition House

Mrs. McGuire: Mr. Speaker, this is directed to the Minister of Human Resources again. Would this government affect and give special consideration to a detailed proposal concerning the formation construction of a transition house, which is in great need by many desperate Yukon woman?

Hon. Mr. Njootli: Mr. Speaker, I will not make any commitments with regards to the question. I will consider it.

The government now, as it stands with regards to my Department, under restraint measures, has no room to manoeuvre and to build such premises, but with all due respect, I will look into that question.

Question re: Hillcrest Sewer Installation

Hon. Mr. MacKay: Thank you, Mr. Speaker. This question is to the Minister of Highways and Public Works.

In an answer to me on Thursday, the Government Leader assured me that the government will undertake to issue contracts in such a manner and in such small breakdowns that local businessmen would be able to bid on them.

It has now come to my attention that the Department of Public Works is proposing to let a contract on the water and sewer installation in Hillcrest in one lump sum, worth between \$4 and \$5 million. This is, obviously, above the capacity of virtually all Yukon contractors.

Will the Minister give this House the assurance that this contract will be broken down into smaller parcels, in accordance with assurance previously given by the Leader.

Hon. Mr. Lang: Mr. Speaker, this is an area of concern and I think it should be an area of concern to all Members. In the experience of the Territorial Government, the one area that we have had problems with is in the contracting areas for water and sewer.

I think it is fair to say that the track record of the Government of the Yukon Territory has been anything but good, in respect to the contracts that have been let and the way they have been completed.

It is obvious from my perspective that the water and sewer takes a certain amount of expertise to be able to get the job done and get it done in the time that is required in order to have lots available to all our citizens.

I am sure that the Leader of the Opposition would agree that it is very, very advantageous to this Government to get land on the market, lots of land on the market, so that the people who want to build their homes in the Whitehorse area and in other areas of the Yukon, that it is done in a manner that expedites the situation and at the same time puts the lots on the market for the public.

As far as breaking down the contract, at the present time my position is very clear, Mr. Speaker. I would rather see it go in a major contract. Right now, with the number of lots we have available, it is questionable whether or not it is going to meet the supply and demand for this coming year.

It is obvious to me that if we get one contractor in an area, the contractor can go in, he will have the necessary bonding because of the amount of money necessary and he will be able to get in and do the job well, because it is going to be to his benefit and also the fact that he is going to be bonded, then that will necessitate that he has the necessary expertise in order to get that particular project done and completed so that the people of Yukon can have the lots that are necessary for them to build their private homes.

Hon. Mr. MacKay: That answer was in slight contradiction to what was said on Thursday, Mr. Speaker; however, I would ask the Minister if he would not agree that unless and until the Government of Yukon does in fact break contracts down into manageable amounts, we will never develop the expertise in the Yukon in order to be able to handle these contracts properly.

Hon. Mr. Lang: Mr. Speaker, I am not too sure if that was the question or a carry-on of the answer I gave earlier. I think it would be fair to say, at the same time, Mr. Speaker, smaller water and sewer jobs will be coming up and that will accommodate the smaller contractors who want to get in to the water and sewer business. From my own personal experience, in the water and sewer business, as well as from sitting in the Government side of the House in respect to the issuance of water and sewer, it is a very, very technical area and a very difficult way for any contractor to make a living and to do the job well.

Question re: Contract Bonding Requirements

Hon. Mr. MacKay: I am pleased to hear that the Minister feels that he is in the business of issuing water and sewer from this House, here. My final question is in connection with the issuing of contracts of that nature: has there been any change in the Government's policy in respect to the bonding requirements?

Hon. Mr. Lang: Yes, Mr. Speaker, I will be making an announcement tomorrow.

Question re: White Pass/Meeting With

Mr. Penikett: Thank you, Mr. Speaker, I have a question for the Member responsible for Economic Development. For the meeting with White Pass scheduled for later this week, will the Minister obtain assurances that representatives of the White Pass parent company, Federal Industries, will be in attendance?

Hon. Mr. Tracey: Mr. Speaker, we are going to have a fairly large group there. The President of White Pass is also the President of Federal Industries, so Federal Industries will be represented.

Mr. Penikett: I was not just thinking of the man with two hats. Supplementary to that question, in view of the importance of this rail link with tide-water, and in the interests of an independent professional appraisal of the company's finances, would the Minister consider including in the Yukon's delegation, the Leader of the Opposition of this House, who is a Chartered Accountant?

Hon. Mr. Tracey: Mr. Speaker, I am afraid not.

Mr. Penikett: Thank you, Mr. Speaker. Before this meeting with White Pass, will the Minister satisfy himself that there is no evidence that White Pass' assets are being stripped by its parent company?

Hon. Mr. Tracey: Mr. Speaker, I think the Honourable Member knows full well that we do not have the capacity to look into the assets of White Pass or Federal Industries.

Question re: Federal Land/Animal Grazing

Mr. Fleming: Yes, Mr. Speaker, I think I might direct this question to the Leader of the Party, as it deals, probably, with federal lands.

In the area of Ross River and on this side of the Territory's border, there has been a considerable amount of grazing done by animals that do not belong in the Yukon Territory; in other words, horses from the Territory's side. There is some concern in Ross River now, as to just what could be done about it.

Is the Government aware of the situation or have they been made aware of it?

Hon. Mr. Pearson: No, Mr. Speaker, we are not aware of it. How-

ever, if the Honourable Member wishes, I shall try and make myself aware and bring an answer back for him.

Mr. Fleming: Supplementary, Mr. Speaker, if the Government did become aware of it, in some way, from the residents there and it was proven that this was a detriment to the game guides for instance, people who own horses and so forth in Ross River, would this Government be willing to do something with the Federal Government, or in conjunction with the Federal Government, to stop the situation?

Hon. Mr. Pearson: Mr. Speaker, we certainly would be willing to do whatever is necessary to ensure that people in Yukon are protected to the best of our ability.

I am not absolutely certain it would be something with the Federal Government. It may well be something with the Northwest Territories Government, I do not know.

Question re: Federal Lands/Cottage Lots

Mr. Fleming: Another question directed to, again, the Leader of the Party. It deals with federal lands again, in another area.

In the Downey Lake area there were cottage lots available from the Federal Government. I do not know just how long ago, but some time ago, they were withdrawn, apparently. I have an application with me that somebody put in for a lot there and I would like to read, with your permission, Mr. Speaker, the answer that they got back.

Mr. Speaker: I am afraid that is not permitted in Question Period, reading from documents, except to a very, very limited degree.

Mr. Fleming: It is very limited, Mr. Speaker, that is why I wish to read it. However, I will not. The Government merely sends a note to a person saying that the land is no longer available, absolutely no more answer than that. I am wondering, Mr. Speaker, if it is possible for the Territorial Government to check into something like this and see if they could not get an answer, a decent answer, for a human being from the Federal Government side.

Hon. Mr. Lang: Mr. Speaker, if the Member will come and see me in respect to the application, I will follow it up and see if we cannot get a decent answer to the question that has been put forward by the Member.

Question re: Gravel Quarry in Teslin

Mr. Fleming: Another question in the same vein: in the Teslin area, there was an application put in for land for a quarry, a gravel quarry, to the Federal Government, with the same results, the same type of answer, just "Sorry, but we do not allow individuals to have quarries."

Within six months, the Territorial Government has letters, and the L.I.D.'s, where it is going to be turned over to the Territorial Government.

I would ask, Mr. Speaker, the Leader of the Party or the Minister who would be concerned, if it is their objective to just run the country and then say that they wish to have private enterprise involved in as many ways as possible, and when something like this comes up, we find that, you know, this person cannot get a gravel quarry, but immediately, the Territorial Government can get the same quarry.

I am just concerned that --

Mr. Speaker: Order, please. I wonder if the Honourable Member would state his question.

Hon. Mr. Fleming: Mr. Speaker, I will re-phrase it. Will the Minister responsible look into the situation and see that private enterprise does get a fair deal in this country.

H

Any further questions?

Hon. Mr. Njootil: Mr. Speaker, in reply to a question brought forth to me, in particular, by the Honorable Member from Campbell, in relation to providing the names of recipients who apply for Pioneer Utility Grant: my answer to that question is that it is confidential, the service is confidential and I am unable to provide the names; however, I can provide the Honourable Member with some statistics.

We accepted 207 applications during the fiscal year--not me, but the Department--and the total was \$62,100 and out of 207 applications, only six of those were to members of deceased couples and I think that was of great concern to the Honourable Member.

The other question was in relation to eligibility of the spouse of a deceased person to qualify for the Pioneer Utility Grant. There is a problem in the applications and I am quite willing and asked my officials to alleviate that problem by inserting the name of the deceased and the age of the deceased and when the deceased died. I think that will clarify the Honorable Member's question.

Question re: Education/Capital Funds for Riverdale School

Hon. Mr. MacKay: I have a question for the Minister of Education. My question is simply: did the Government of Yukon apply for capital funds from Ottawa to build a new school in Riverdale since the publication of the Stanley Report?

Hon. Mr. Graham: No, it did not.

Hon. Mr. MacKay: In view of the announcement, then, on Friday, resulting from the meeting between the Minister and the Selkirk School Committee, in view of that announcement that busing is now going to occur of students from the Riverdale area to Whitehorse Elementary and in view of the lack of application to Ottawa for funds in accordance with the recommendations of the Stanley Report, will the Minister now tell us if he considers busing a permanent solution to this problem?

Hon. Mr. Graham: Mr. Speaker, we consider that busing students from the Riverdale area to Whitehorse Elementary School will alleviate some of the problem and we are prepared to look again at the situation if this does not prove to be the solution to the problem.

Hon. Mr. MacKay: A final supplementary, Mr. Speaker, the Stanley Report was quite clear in its recommendations, recommending the construction of a new school in Riverdale to accommodate elementary school students and it was also quite clear in its recommendation that the present Whitehorse Elementary should not continue to exist.

In view of these two recommendations and in view of the fact that they have been totally ignored, can the Minister now tell us what it cost the government to receive this report?

Hon. Mr. Graham: The Stanley Report cost roughly \$5,200, Mr. Speaker.

Question re: Cost of Goods moved in to Territory/Study

Mr. Penikett: Yes, Mr. Speaker, I have another question for the Minister of Economic Development. The report of the Railway Task Force said a study was being done on the cost of moving goods into the Territory by way of the Carcross-Skagway Road and how they would compare with the costs of rail.

I am wondering, Mr. Speaker, if this study has been completed and will copies be made available to members of this House?

Hon. Mr. Tracey: Mr. Speaker, no, the study has not been completed and when it is completed, then I would consider putting it before the House, yes.

Question re: Pacific and Arctic Motors/Closing of

Mr. Penikett: Mr. Speaker, the Minister said last week that the government was working on the problem of White Pass in connection with the closure of Pacific and Arctic Motors. Has the Minister anything to report yet, on his intervention on this matter?

Hon. Mr. Tracey: Mr. Speaker, Pacific and Arctic Motors is one of the divisions of White Pass and Canadian Pacific. When they did their study, they said that Pacific and Arctic was not a viable operation and would not be viable in the foreseeable future. They recommended that it be closed down and, subsequently, White Pass has closed the operation down. I have done some basic checking into it and, other than being able to go completely through White Pass and Federal Industries' books, it is impossible to find out whether it was a viable operation. So, there is nothing that the Government can do about it.

Question re: Campbell Highway Paving

Mr. Byblow: I have a question for the Minister of Municipal and Community Affairs. Reference has been made to the continued Klondike Highway paving and I am inquiring if the Minister, at this time, could indicate what consideration, if any, has been entertained with respect to paving any portion of the Campbell Highway?

Hon. Mr. Lang: Mr. Speaker, at this time, the Campbell Highway is not an area that we are looking at for paving purposes. We are attempting to upgrade it and pave the areas of the Alaska Highway as well as the Klondike and I am sure the Campbell Highway, with the acquisition of the property in the Cyprus Anvil area and the possibility of further mining activity, that there could be a possibility in the future, but at this time, I think it is fair to say, from the Government's side, that the Klondike and the Alaska Highway have the priority.

Mr. Byblow: Is the Minister aware of an experimental paving program conducted on the Campbell Highway last summer, experimental in the sense of an eight mile stretch of special material?

Hon. Mr. Lang: Mr. Speaker, I will have to take that under advisement. I am not aware of that.

Mr. Byblow: If the results of that experiment prove favourable,

will the Minister entertain continuation of that program on that highway?

Hon. Mr. Lang: Mr. Speaker, I would, just like anything else. It all comes down to how much money is available and decisions that have to be made in view of the money that is available to this Government to proceed with the paving. Until such time as I actually see the results of it, I could not comment either way or the other.

Question re: Unemployment Rate

Mr. Penikett: Mr. Speaker, I have another question for the Minister of Economic Development. In establishing regional eligibility guidelines for Unemployment Insurance, Statistics Canada now defines the unemployment rate in the Yukon at 25 per cent of the work force. Is the Government's Economic Research and Planning Unit developing its own unemployment rate and when will this be available?

Hon. Mr. Tracey: I would have to take that under advisement, Mr. Speaker.

Mr. Penikett: Perhaps, when the Minister is inquiring on this matter, he could also check into the following matter: federal unemployment rates do not, or did not include, Indian people. Will this Government's estimate include the unemployed Indian people in all Yukon Communities?

Hon. Mr. Tracey: I will have to take that under advisement too, Mr. Speaker.

Question re: Pipeline Job Advertising

Hon. Mr. MacKay: This is to the Minister of Consumer and Corporate Affairs: there is a classified ad in Friday's Whitehorse Star, Mr. Speaker, advertising that quote, "Pipeline and other northern jobs paying two thousand dollars a month". What the reader merely had to do was write to Calgary to find out on how to get in on this bonanza. I will send you a cutting, Danny.

In view of the current unemployment situation and the fact that no pipeline is being built or will be built for some years, can the Minister explain what steps his department might take in stopping such misleading advertising?

Hon. Mr. Tracey: Mr. Speaker, I am not sure who he said put the advertisement out. I have not seen it. Could you clarify that?

Hon. Mr. MacKay: The reply was to be addressed to a Box Number in Calgary.

Hon. Mr. Tracey: Mr. Speaker, I will have my department investigate it and see what we can do about stopping it.

Question re: Land Use Study

Mr. Penikett: Yes, Mr. Speaker, I have a question for the Minister of Municipal and Community Affairs. Can the Minister tell the House when the final draft of the Study into land use of the north Alaska Highway and the Mayo Road near Whitehorse, will be finished and available to the public?

Hon. Mr. Lang: Mr. Speaker, I expect that particular study to be completed within the next month to two months and available to the public. I understand that they intend to have one more public hearing and then draft final recommendations to the Government.

Mr. Penikett: Can the Minister tell the House what progress there is with a similar study for the areas South and East of Whitehorse and when the draft report for that area will be made available for public scrutiny?

Hon. Mr. Lang: Mr. Speaker, I have to take it from memory, but if my memory serves me correctly, I believe it will be ready sometime during the summer and it will be available to the public.

Question re: Home for the aged on the north Alaska Highway

Mrs. McGuire: Mr. Speaker, this question is to the Minister of Health and Human Resources. In view of the fact that we have approximately 50 elderly people residing in the area of Mile 963 to 1202, many who are in dire need of adequate housing and care, Mr. Speaker, does your department and this Government recognize this need and stand ready to commit themselves to building and maintaining a home for the aged and disabled on the north highway area in the near future?

Hon. Mr. Njootli: Mr. Speaker, I will have to have a breakdown of the population that she stated. If, for instance, fifty per cent of that figure is Status Indian then it would fall under the Indian Affairs Department; however, if it concerns Metis or a person who is sixty-five years or older, he would have to apply for assistance under the Human Resources Department.

Question re: Decentralization of YTG Departments

Mr. Byblow: I have a question for the Government House Leader. Does this Government plan to entertain any positive consideration

towards decentralization of YTG departments into the outlying communities?

Hon. Mr. Pearson: Yes, Mr. Speaker, we will be going through the Budget in detail and I am sure that if there are any suggestions from the Honourable Members on the opposite side, we would be happy to hear of them as well.

Question re: Governor-General of Canada/Portrait

Mr. Penikett: Yes, Mr. Speaker, just one brief question to the Government Leader: when will the government be obtaining a photographic portrait of Canada's new Governor-General for display in the MLA's caucus room?

Hon. Mr. Pearson: I do not know, Mr. Speaker. Possibly, that is a question which should be referred to the Chair.

Mr. Speaker: I am afraid that is a question that the Chair cannot be asked and it is not competent for any member to ask questions of the Chair.

Hon. Mr. Njootli: In reply to a question put forth by the Honourable Member from Campbell on Wednesday, the 7th of this month, in relation to health care premiums, he asked the question: will my department enforce the premium plan, the regulations? The answer to that is yes.

The other question he asked was whether my department is willing to look into his situation. I would like to remind the Member that my Department does have a record of his plan, but I am not willing to put it to the House.

Mr. Speaker: There being no further questions, we will now proceed to Orders of the Day and to Government Motions.

ORDERS OF THE DAY

MOTIONS

Mr. Clerk: Item Number 1, Adjourned Debate, the Honourable Mr. MacKay.

Hon. Mr. MacKay: Yes, Mr. Speaker, on Thursday, the Government Leader presented his budget and I would now take this opportunity to put some thoughts across on my reaction to that.

In presenting the Budget last Thursday, Mr. Speaker, the government had the opportunity to take new directions and show some glimmers of purpose and imagination. Instead, I have the impression of a bus driver with nine passengers, one foot firmly on the accelerator, the other foot firmly on the brake, going nowhere with great determination.

It is a standstill budget, Mr. Speaker, and it has serious shortcomings.

In the introduction of the Budget, we heard of a brief summary of the economic requirements of Yukon in 1978. History is useful only as an understanding of the present and as a guide to the future and this Budget deals with the future.

Yet, no where in the speech was there any attempt to forecast the economic requirements of Yukon in 1979. It leads me to think that this Budget was prepared without any thought given to this coming year's problems.

Mr. Speaker, the Yukon economy will experience problems this year in maintaining the momentum of the last few years. The closure of the Clinton Creek Mine in August, 1978, will really only begin to make itself felt now. Dawson City; for example, will certainly have a reduction in its business base. Further delay of the pipeline will cause Foothills to slow its expenditures. Increased costs, particularly in the energy area, will contribute to our problems.

While tourism may increase and exploration activity in mining should hold steady at its high level and Shikwak will make its contribution, the completion of the Skagway and Dempster Highways will mean less wages being earned in Yukon.

Mr. Speaker, I expect that 1979 will see an overall drop in Yukon's economy and what is this government's response to this faltering economy of high unemployment and declining business? Mr. Speaker, a standstill budget, in spite of the fact that the government, according to its own accounts, has racked up a surplus in the last two fiscal periods reported.

We see, then, in spite of this surplus, we see them raise taxes on fuel oil and the health scheme premiums which will take even more money out of the economy.

Freight rates are a subject of some concern to all, as freight rates will no doubt increase as a result of the fuel tax increases and food and other costs will continue to rise. This is not an inflation fighting budget.

There are some visible signs the government is interested in

promoting the economy; for example, the Throne Speech, the creation of an Economic and Tourism Ministry, which has an eighteen and a half per cent increase in this budget. The meetings with Kaiser and White Pass are other good signs.

These are good moves and it shows an awareness by the government of the problem and the need for some action. However, the budget does not follow through.

I feel a more determined attempt should have been made to obtain pre-pipeline funding relating to projects which this government should be building now, in order to be ready for the pipeline when it comes.

This could have helped construction jobs and would have helped fill the void left by Clinton Creek, the Skagway Road and Dempster Highway.

I do not think that adding \$187,000 to the Economic Development budget will do the job in time.

A detailed analysis is not possible at this time of the Budget, until we have gone into the Main Estimates, Mr. Speaker, however, there are a number of deficiencies which could be easily noted.

The first one was: reference was made in the Budget Speech to the strengthening of the office of the Internal Auditor. I would suggest that the first step in that process would be to hire one.

A review of the Budget with respect to the Internal Auditor shows no increase in that area. I hear the Government's words but I see little action.

The Department of Finance, Mr. Speaker, after two solid years of demands by the Auditor General for the strengthening of that Department, will see a point six per cent drop in its budget over last year's actual expenditures, even allowing for the removal of the data processing department. This is not a strong testimony to the government's stated intention to clean up its act.

In Education, the Government tabled the report, last week, of Stanley and Associates on the future school enrolment in Whitehorse. It made several recommendations. One, a new elementary school was required in Riverdale in 1979. Two schools were required in Porter Creek in 1980. The third was that Whitehorse Elementary has served its purpose and should be torn down and a small community-type school be built.

The action we see in the Budget, the government is going to spend more money on Whitehorse Elementary and refuses to build a school for Riverdale. It is a triumph of bad political decision making in the face of sound professional advice.

The parents of Riverdale are very, very angry with that decision which affects the lives of their children so drastically. As an MLA for Riverdale, of course, I have a special interest in this and I am disappointed that the Member for Riverdale North seems to have so little concern for the children of his riding, when he is in a better position to do something about it.

They boast that, despite strong pressures for increased services in the Human Resources Department, this department shows no growth in its staff establishment--that boast is not a proud one, Mr. Speaker. No growth means no help to people in need and I give you an example: the budget of day care subsidy has been cut from \$35,000 in 1977-78 to \$25,000 in 1979-80. I do not think the International Year of the Child has made much impression on that department.

In Health, in the face of Crossroads having great difficulty in keeping its finances in order, the Government has kindly kept the budget the same as last year, an effective decrease of eleven per cent if you include inflation accounting, yet, the liquor profits are going to 4.3 million dollars. Surely, more than two per cent of that could have been spared for Crossroads.

Examples of government waste will no doubt come to light if and when we have a Public Accounts Committee, Mr. Speaker, however, I would like to give a few hints to that Committee should it ever come, on places it should start looking.

In Tourism, we see that we appear to be supporting everybody else's travel budget in Tourism Department because, if you exclude secretaries, it appears each member of that Department will spend \$5,000 travelling this year at our expense.

The Wolf Creek Youth Services Centre, Mr. Speaker, will cost the taxpayer, in operation and maintenance in 1979-80, \$655,000. If the average number of children there, say, is 14, which I believe is the present number, that means that it is costing the Yukon taxpayer \$46,785 per child per year to operate that centre. I might add, to cap it all, that Centre is so isolated it is almost impossible for it to do its function properly.

Finally, in spite of what looks like some pretty cute bookkeeping and some moving of people around, it is possible to determine that

administration costs of the Education system exceeds two million dollars. That is about four hundred dollars per child in the school system--excessive, I would say.

I could go on but I think there are a number of areas which we can get into in a more detailed debate.

In summary, Mr. Speaker, this Budget does not address itself to the fundamental support of Yukon's faltering economy.

I should say, before I finish: it contains some good points. The economic development thrust, which I plea was a Liberal Party idea. The increase in funds to family counselling I note, the re-introduction of the Native Constable Program, the increased effort in native curriculum and a second magistrate--these are commendable actions and I will support that.

Let us hope that because this is a first attempt of this Government to bring forward a budget, that it we see some glaring needs for change, that they will see fit to follow the Opposition's opinions and make the changes.

Mr. Penikett: Thank you, Mr. Speaker. Mr. Speaker, there is an old story about two men and a horse. The first man sold his horse to the other, but later found a need for it, so he bought it back. A while later the second man wanted the horse, so he bought it back a second time. In time the first man bought it back again. Things went on like this for a few years, and the horse changed hands regularly until one day the first man sold the horse to a stranger. "What did you do that for?" protested the second man. "We both made a good living off that horse."

Mr. Speaker, in the last century, governments of Canada have done a lot of this kind of horse trading. The public is one horse that is a little tired of being taken for a ride by them.

The public is frankly tired of being pushed from one harness to the next. I think that the story illustrates it may not necessarily like its new owner any better.

We have a problem, nationally, in our economy. It is increasingly a fact that we belong, or our country belongs, to outside interests, large foreign based businesses who are solely concerned with money and not with people.

Governments, on the other hand, should be people organizations. Their aim ought to be to serve people's needs. Their budgets should be a means to that end.

A Government budget ought to be an instrument to deal with the human aspects of the economy. This budget, the first of the new Tory regime, describes Yukon's economy in business terms. It is a Chamber of Commerce budget. It does not address, in human terms, the plight of the unemployed, or the people whose wages are being gobbled up by inflation.

Mr. Speaker, today's Conservatives, it is often observed, appear to have no ideas about what to do with the hard and immediate realities of the economy. For example, their Federal Leader is a man who wants desperately to have been the Prime Minister.

The economy mystifies him, so what does he want to do about it, he wants to pass the buck, he wants to turn it over to the private sector. He wants to turn the public over, put the public in the hands of foreign financial interests.

Mr. Speaker, the important point here is, that before Canadian sovereignty or Yukon Provincial status can be truly meaningful, we have to regain control of our own economy.

Now, in his Budget Address, the Government Leader touched on the problem of local inflation, but he fled from the topic in a hurry. He did not return to this important subject in his speech.

He bemoaned the closure of the Clinton Creek Mine, but he did not dwell upon the issue of the production agreement, the operators of that mines supposedly have with the Federal Government, and the jobs that should have existed there for the next ten or fifteen years. Clinton Creek was expected to last twenty-five years, producing forty thousand tons a year. In its final year, I would note, it produced something like 140 thousand tons.

Government Leader noted the record year in tourism without a comment on the effects the Alaska Highway Pipeline may have on the fragile Yukon share of the tourist market. Unexplored was the undevelopment of our local tourist industry and the limited prospects for many of our young people in waitressing, chambermaid-ing and dishwashing jobs.

In the section on the Main Estimates, he described continuing departmental reorganization, which, of course, may make it difficult for this House to follow the Budgetary evolution from one year to the next. With respect, Mr. Speaker, if the Tories continue to play musical chairs with Executive Committee, efforts at Ministerial accountability by the Opposition could prove hilarious.

It is amusing to see this Government follow the lead of the Liberal Government in Ottawa, by "holding the line" on spending. There is a current new wave of conservatism in this country, which has placed the total burden of responsibility for unemployment and slow growth on the spending plans and actions of governments.

I would like to comment on this, Mr. Speaker, because it is important. This is a new, and I believe mistaken, orthodoxy, but since large sections of the public believe it, governments play to this error and tell the voters they are being responsible, instead of truly carrying out what I believe to be their responsibilities.

The fact is, Mr. Speaker, the private sector often only responds if the stimulus comes from government. It is unfortunate that the private sector does not seem to understand this. So who is going to invest if nobody is working? Where is the purchasing power going to come from if, in fact, as Statistics Canada claims, twenty-five per cent of Yukon's work force is unemployed.

According to the Government's figures, there were 8,427 permanent full time jobs in Yukon last December. If Statistics Canada is right, that means there are about 2,800 people in the Territory ready, willing, and able to work, but unable to find jobs. This Government's Budget shows no indication of trying to create jobs, at least from what we have heard from the Government Leader's speech.

Look at what happens nationally: in 1974 and 1975, the increase in federal government expenditures was estimated at 28.3 per cent. Unemployment, officially, was at 5.4 per cent. In 1975 to 1976, government spending increased by only 10.2 per cent and unemployment rose to 6.9 per cent.

In 1977-78, the Federal Government held spending down to an 8.2 per cent increase and unemployment rose again to 7.1 per cent.

Mr. Speaker, there is a clear relationship between government spending and unemployment. As government spending goes down, especially in a time of recession, the unemployment rate goes up.

A government has a responsibility, not only to encourage the private sector to do more business and create more jobs, and it says that in the Budget Speech, but it also has a responsibility to do its own part in creating jobs.

What, I ask, for instance, is the effect of a government job in Mayo, or Dawson, or Ross River? Everyone in this House knows that, especially in the small communities, government jobs mean a lot to local economies. It keeps a lot of small businesses going. Where, for instance, would Haines Junction be without the Kluneh Park headquarters? I believe it would do us good to remember that governments are the largest employers in this Territory when we are talking about restraints.

This Continent suffered a severe recession in the 1930's with millions of jobless and millions of poor people. In Canada, the government of the day, the Government of R.B. Bennett argued that government was too big, that government had to be cut down and that matters must be turned over to private enterprise. It did not work in the 1930's. It will not work now; not in Canada and certainly not in Yukon.

So, Mr. Speaker, there is this popular fallacy that government spending causes inflation. The plain fact is that both private and public expenditures can be inflationary. For example, say, to use an improbable example, I were to build a highrise hotel in downtown Whitehorse and commandeer most of the available manpower and materials for this purpose. Then I set room rents at a price that would allow me to break even with a fifty per cent occupancy rate. If my hotel remained half full all year long while dozens of people were clamouring for apartments, then, some might say that, not only was I failing to meet local community needs, but that I was fueling inflation in Whitehorse.

Housing, Mr. Speaker, is one of the few sectors where the law of supply and demand still operates and if, in this case, the government were to build these much needed apartments, it could quite literally drive housing prices down all over town. The point is, that in such a case, government spending could really be anti-inflationary.

The traditional method of fighting inflation is to increase unemployment, but now we have both ailments: wind pains on an empty stomach. So what's the problem?

Mr. Speaker, the problem is waste. Waste of people, education, experience, waste of resources, money and time. Old fashioned governments are prepared to pay people not to work. I prefer people put to work to supply all our growing needs. We have the people, we have the resources and, I believe, the money is available in this country.

But of course, there is waste in government, too. I believe in public involvement in the economy, but in Yukon we are probably

already the most over-governed people in the world. Frankly, I prefer better to bigger governments.

In my view, law is cheap. It is programs that are expensive. And yet, Mr. Speaker, things are not too bad here. There are no radical cutbacks and that is good. Public employees are not being made to take the blame for policy failings of the past. I firmly hope that the hack and slash mentality of the new Manitoba Government, which has caused unemployment to rise so dramatically in that province, does not infect Yukon Conservatives.

The Government Leader said in his speech: "Staff establishments show no growth." But, Mr. Speaker, there is some evidence of an increasing number of senior positions in this government.

I sincerely hope that this does not mean a reduction in the number of lower paying positions at the bottom. The situation of too many chiefs and not enough Indians describes an organization which produces lots of talk and little action. That is not my image of an ideal public service.

Mr. Speaker, as the Leader of the Opposition pointed out, we have an economic lull before the pipeline storm. I believe we must aggressively seek, from the Federal Government, the capital required to carry out labour intensive public works now, while the skilled people are available for we shall not be able to compete for these skills during the pipeline boom. Our economy could use some federal stimuli and I urge the Territory to energetically pursue such funds.

Mr. Speaker, I am pleased Yukon will be developing an economic development strategy. However, from some of the Conservative talk, I perceive some very dangerous economic thinking in the mind of this government.

The danger is what I would call the "big bang theory of economic development". It sometimes appears that they are looking to one huge project as a solution to our economic ills. The one big deal, the magic solution.

It is easy to see the appeal of such an idea for people who quite properly yearn to climb out of an economic rut, but big business will not come here to give us their money. They will come here to make money. They will want a big bang for our bucks and we will be sure to feel that bang.

Mr. Speaker, the history of such magic solutions in the eastern provinces of this country has been a sad one. You just have to look at Briklin in New Brunswick, Come by Chance refinery in Newfoundland, or the heavy water plant in Nova Scotia.

Pipelines, dams and aluminum smelters are not the short cut to economic salvation. When we sit down to play high stakes poker with high rollers who command budgets many times the size of the Territory's we must play our cards very carefully.

Before we anti-up, we must ask ourselves what is in it for us. What will it really cost us? If we do not like the answers, we should have the courage to pick up our chips and go home.

To properly develop our economy, we need a long-range plan. We must have an inventory of all our human and natural resources. We should count our blessings calmly and consider how best to put these riches to work. We should look at each sector of the economy and calculate the investment and social and economic and educational capital required to bring us the desired return. We ought to pace ourselves properly.

The economy must function as if people really mattered. We should not exhaust our potential for a quick buck. Let us look for tomorrow, as well as today.

To this end, I believe we must slow the import of experts and the education of our children for export. We should identify now and train our youth for the skills the Yukon community will need a generation from now.

Mr. Speaker, in this light, I shall later be asking some very specific questions about the government's decision to maintain the Dempster Highway on a year-round basis. As well, like others in the Opposition, I am dying to query the government about its unseemly haste on this health transfer business.

As well, the Auditor General's Report will no doubt provoke some interesting debate in the House.

Mr. Speaker, health care premiums have been announced. This, in my view, is a wrong-headed decision. Health care premiums are a regressive form of taxation in that the burden falls most heavily on those least able to pay. They should not be raised, they should be abolished. Medicare should be funded from general revenues. The pioneers of this program intended that it should form the basis of a high level, comprehensive health service to all in the community. It was not supposed to be merely a collection agency for doctors.

The fuel oil tax increases are also regressive and they will work their inflationary way through the economy into increases in freight rates, food and clothing costs, all to the disadvantage of the local consumer.

Now, Mr. Speaker, I would like to comment on a real doozy. I quote: "Land is quickly becoming a scarce resource in Yukon." I really wonder who wrote that. I am sure he really did not mean to say that, at least he did not say what he meant. There is little but land in Yukon. There is land, land everywhere, but not a lot to buy.

Whitehorse is 168 square miles in area, but less than ten per cent of it is developed. That, Mr. Speaker, is the problem.

I am very, very glad that the budget for land development has been sharply increased over last year. That is good. For only when the supply of land exceeds demand can we do away with the lotteries, line-ups and some of the speculation that has made land sales in Yukon the butt of many unkind jokes.

To my way of thinking, this certainly is not the best budget in the world but it probably is not the worst either. It will be with us for awhile and I hope after we are through with it, the Government will feel compelled to do better as years go by.

One final note, Mr. Speaker: the Commissioner had trouble with her words when talking about this budget the other day--she said she felt it appropriate to have the Government Leader present the budget proposals to the House "since it would recognize that the Government's budget is the repository of all its political decisions".

I found this strange because there is no member of this House responsible for Finance. It is not the Government Leader or any of his elected colleagues on the Executive Committee who holds the portfolio for Finance. Until recently, the Finance portfolio was held by the Deputy Commissioner, now it is the Commissioner--both are paid for by the Federal Government. Before the Deputy Commissioner held a portfolio several years ago, it was the Assistant Commissioner employed and paid for by the people of Yukon, who had the post.

Now, perhaps I am confused but I thought the Government party was committed to rest and control of Yukon affairs from the Federal Government. We now find that it appears to be condoning steps in the opposite direction.

I note, that in instructions to the Commissioner from the Minister of Northern Development, he says that Finance falls under Category Two matters of interest. Category Two matters are "for which there is a special Federal interest or responsibility". The Minister told the Commissioner that he expects her to work closely on these matters; in this case, Finance, with Executive Committee to "accomplish Territorial objectives in a manner that ensures full protection and accommodation of Federal interests and responsibilities".

It seems, Mr. Speaker, there is a contradiction, there, in the Throne Speech and one of course wonders how the governing political party can be fully responsible for this budget when the Commissioner holds the Finance portfolio and the instructions to her, by the Minister, spell out clearly that she must protect the Federal interest in the YTG budget "including all appropriation budget legislation".

I am sure all of us in the Opposition would appreciate some comments on this from those on the other side of the floor.

Mr. Speaker, in closing, I would like to take a little further the image in the opening remarks of the Leader of the Opposition--this bus is not only being driven with one foot on the accelerator, one foot on the brake--I am not quite sure that it is even headed in the right direction.

Thank you, Mr. Speaker.

Mr. Speaker: Is there any further debate?

Mrs. McCall: Mr. Speaker, I am glad to hear that the Honourable Member from Whitehorse West Centre, with notices that there is a wave of Conservatism sweeping the country, acknowledges that.

My family lived in the Yukon during the depression, and in fact Yukon was better off than any part of Canada at that time.

Referring to jobs for Yukoners, I would like to point out to critics of the Budget, that moneys allocated; for instance, for the Dawson water and sewer system will; in fact, benefit that City for years to come and local hire is a condition of the contract, therefore providing jobs. The present system is so ancient that it actually ought to be a historic site by itself.

The system is seventy-five years old and was recently presented with a plaque from the Water and Sewer Works of North America, acknowledging the amazing fact that it is still in existence.

The Klondike Gold Rush and Dawson City remain the focal point of tourism all over the Yukon, so this money is an investment in the future for all of us. Regarding money allocated for the shell of a recreation centre, recreational hall or center in Dawson City, Dawson has benefited very little from the Capital Assistance Fund and at last, next winter, the children of Dawson will be able to skate and play hockey, which surely, in the Yukon, is very little to ask.

The upgrading of the Sixty Mile also benefits Tourism. It provides jobs, therefore the whole Yukon benefits again. Calcium Chloride on the roads is good for tourism, it also provides jobs. The opening of the Dempster means a substantial number of jobs for Dawsonites, in maintenance. As for the big bang theory, Mr. Penikett mentioned, either you have a depressed economy as we have had in Dawson this last winter and then a big bang, or we just have a depressed economy that goes on and on. I guess at this time we would appreciate in Dawson any kind of a bang.

Mr. Byblow: Mr. Speaker, I will confine my remarks to some very general impressions on the Budgetary presentation. Unfortunately, a thorough digestion of this statistical volume is beyond me at the moment, but in the course of the coming days I expect the outspoken Members opposite to show me the light in the areas of fiscal responsibility and calculations.

Mr. Speaker, one general impression is, while offering some healthy and appropriate increases in a number of areas, the Budget does demonstrate an absence of programs that reflect the stated thrust earlier towards economic development. While we can expect a tabling of: a). Comprehensive Tourism Strategy Report, and the Budget certainly reflects corresponding attention towards tourism, I note that nearly all the increase of economical development is absorbed in tourism. What happened to the promotion of the other main industry, mining? What about the encouragement of secondary industry right across the Territory? Will our Government say that it is a Federal responsibility under DREE?

I address these economic concerns that respect industry and business. We look to Government not for handouts, but for the provisions of those standard public services, community aid, cooperative programming, that is necessary for expansion to any economic base. Perhaps, in the course of preparing an economic development strategy, Mr. Speaker, you can expect those concerns to be adequately researched in consultation with a broad cross section of Yukon interests, and most importantly acted upon.

In the meantime; however, there appears to be a vacuum in this year's direct participation toward economic growth. We have a pipeline coming, but in its preparation there is really no stimulation of any industry. Sure, we are engaging in another study, unnecessarily so, but, it is in fact, a growth stall.

Mr. Speaker, I have some reservations in respect to the reflection of other departments in catering to the improvements in the basic services and advancing new and or expanded programs. A number of these reservations have all ready been articulated, but I repeat a concern about the seeming top heavy administration costs without compensatory programs. This is particularly evident in education, where there was a surplus last year, we see a 122 thousand dollar increase in administrative costs, but a decrease in curriculum and school committee support. I submit that this a direct contradiction to the eloquent promises in the Throne Speech, for improved programming and community involvement in education.

I also raise the correlation in figures of the Yukon Vocational and Technical Training Centre. For the six man administrative increase of over 200 thousand dollars, I fail to see the corresponding increase in programming allocation.

Similarly, I raise the very real concern of community skills respecting recreation. Where is the money for this past shortfall? Where is consideration for the implementation of the Yukon Labour Force Development Council? What money will implement the very important result of the Fleming Report, in special education? Mr. Speaker, I also note that the Native Language program presently under a direct Federal Grant has not been supplemented by the Territory and thereby not improved.

I will raise a number of other special questions in the course of budget analysis, but in all honesty, I find a real difficulty in assessing the previous year's actual costs against impending ones. There appears to be a real juggling in the budget of departments of overruns and surpluses and I will have a number of accountability questions to raise.

With all due respect to the compilers of the budgetary data, I find that the method of presenting figures as they are is somewhat misleading. If I ask a lot of seemingly foolish questions in the coming sittings, I hope that I am not alone and I hope that the fault is not all mine.

Thank you, Mr. Speaker.

Mr. Speaker: Is there any further debate?

It has been moved by the Honourable Government Leader, seconded by the Honourable Member from Mayo, that this House approves in general the budgetary policy of the government.

Mr. Speaker: Division has been called. I must advise the House that the bells are not working; however, I will permit a minute for all members before putting the question.

Hon. Mr. Lang: Mr. Speaker, I would like to rise a point of order in respect to the resolution that we are being requested to vote on. I would just like a ruling from the Speaker if it is customary to vote on a resolution of this nature or if it is more customary to adjourn debate on such a resolution.

It is my understanding that in provincial houses, as we are going to party politics here, the understanding is that this carries on for the full life of the budget session. Perhaps you could advise the House on this because it seems to me to be a contradiction of why the resolution was put.

Mr. Penikett: On the same point of order, Mr. Speaker, I understand that it is traditional; in fact, that such a motion simply die, but we do have a problem here as the question has already been called.

Mr. Speaker: Yes, I can only say in a response from the Chair that the Chair only knows what is before the House and at the present time it is necessary that I put the question on the motion.

Mr. Clerk, would you kindly poll the House.

Hon. Mr. Pearson: Agreed.

Hon. Mr. Lang: Agreed.

Hon. Mr. Tracey: Agreed.

Hon. Mr. Graham: Agreed.

Hon. Mr. Njootli: Agreed.

Mr. Lattin: Agreed.

Dr. Hibberd: Agreed.

Mr. Falle: Agreed.

Mrs. McCall: Agreed.

Mr. Hanson: Agreed.

Hon. Mr. MacKay: Disagree.

Mrs. McGuire: Disagree.

Mr. Penikett: Disagree.

Mr. Byblow: Disagree.

Mr. Fleming: Disagree.

Mr. Clerk: The results, Mr. Speaker, are ten yea, five nay.

Some Member: The result is a joke.

Motion agreed to)

PUBLIC BILLS

Mr. Clerk: Item Number 2, standing in the name of the Honourable Mr. Pearson.

Mr. Speaker: Is the Honourable Member prepared to deal with Item Number 2?

Bill Number 2: Second Reading

Hon. Mr. Pearson: Yes, Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 2, entitled Fifth Appropriation Ordinance, 1977-78, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 2 be now read a second time.

(Motion agreed to)

Mr. Clerk: Item number 3, standing in the name of the Honourable Mr. Pearson.

Mr. Speaker: Is the Honourable Member prepared to deal with item three?

Bill Number 3: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 3, entitled Second Appropriation Ordinance, 1978-79 be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 3 be now read a second time.

(Motion agreed to)

Mr. Clerk: Item Number 4, standing in the name of the Honourable Mr. Pearson.

Bill Number 4: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 4, entitled First Appropriation Ordinance, 1979-80, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 4 be now read a second time.

(Motion agreed to)

Mr. Clerk: Item Number 5, standing in the name of the Honourable Mr. Pearson.

Bill Number 5: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 5, entitled Financial Agreement Ordinance, 1979, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 5 be now read a second time.

(Motion agreed to)

Mr. Clerk: Item Number 6, standing in the name of the Honourable Mr. Pearson.

Bill Number 6: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 6, entitled Loan Agreement Ordinance, 1979, Number 1, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 6 be now read a second time.

(Motion agreed to)

Mr. Clerk: Item Number 7, standing in the name of the Honourable Mr. Pearson.

Bill Number 7: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 7, entitled Municipal General Purposes Loan Ordinance, 1979, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 7 be now read a second time.

(Motion agreed to)

Mr. Clerk: Item Number 8, standing in the name of the Honourable Mr. Pearson.

Bill Number 8: Second Reading

Hon. Mr. Pearson: Mr. Speaker, I move, seconded by the Honourable Member for Tatchun, that Bill Number 8, entitled An Ordinance to Amend the Fuel Oil Tax Ordinance, be now read a second time.

Mr. Speaker: It has been moved by the Honourable Government Leader, seconded by the Honourable Minister of Economic Development, that Bill Number 8 be now read a second time.

Hon. Mr. Penikett: Thank you, Mr. Speaker. Before we rush through this in Committee, I wanted to say a couple of words about this measure. I have, of course, no objection to the Government's wanting to convert its measures into Metric formula, Mr. Speaker, but I simply want to object to what this Bill will do to prices in the Territory.

This Bill will increase the cost of diesel fuel by three cents a gallon, gasoline by half a cent per gallon and aviation fuel by one cent a gallon. In good times, these may be reasonable things to ask of the public and the businesses of the Territory but at a time of rising fuel prices and a time of double digit inflation locally, this is unacceptable.

This is inflation, Mr. Speaker, from a Government which promised the electorate that they would do something about inflation. You cannot fight inflation by raising prices. This is an inflationary measure, Mr. Speaker, and the Government, I believe, is making a serious mistake in putting this to us at this time. If anything, it should be reducing the taxes so that Yukoners will be paying prices for fuel more in line with prices in southern Canada. The Government has a chance to actually reduce the high cost of living here but it is causing it to increase. This is not what the government was elected to do and accordingly, I will vote against this Bill. Thank you, Mr. Speaker.

Hon. Mr. Lang: Mr. Speaker, I would like to make a few comments in respect to the measure that is put before the House. It was a very difficult decision for the Government to make and I find the comments that were made from the other side of the floor very entertaining. On one hand, they are asking for more program and on the other hand, they are saying that the problem with government is

that they are having to bring in measures to increase revenues to this Government.

I think it is fair to say, Mr. Speaker, for everybody's information, in respect to just the operation and maintenance of our highways, they have increased approximately \$1,000 a mile in three years.

If one takes a look at the cost of equipment, the cost of fuel, the cost of salaries and this kind of thing, I think it is a logical sequence of events in respect to the expenditures of the operation and maintenance of our highways.

At the same time, Mr. Speaker, I think it is fair to say that the Honourable Member calls for the reducing of our tax measures that can be done in this House. Looking at the broad perspective of this Government in respect to the fact that we are attempting to maintain a service to the public in many areas that you cannot change, I think it is fair to say that this Government is taking a very responsible action to try to bring measures forward that are responsible; at the same time, indirectly reflect some costs that are incurred by this Government in respect to the ever-growing operation and maintenance of this Government.

Mr. Speaker: Is there any further debate?

(Motion agreed to)

Mr. Speaker: May I have your further pleasure at this time?

Hon. Mr. Lang: Mr. Speaker, I would move that the Speaker now leave the Chair and we resolve into Committee of the Whole to study bills, resolutions and other matters.

Hon. Mr. Tracey: I second that.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Minister of Economic Development, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

(Motion agreed to)

(Mr. Speaker leaves Chair)

COMMITTEE OF THE WHOLE

Mr. Chairman: I call the Committee of the Whole to order.

I will declare a short recess at this time.

(Recess)

Mr. Chairman: I call the Committee of the Whole to order.

I notice that we have two witnesses today, Pat Sherlock and Grant Wilson.

Hon. Mr. Pearson: Mr. Chairman, I would like to respectfully suggest to Committee that we start with Bill Number 2, the Fifth Appropriation Ordinance, 1977-78, deal with that and then progressively get into the Supplementary Estimates, Number 1, for 1978-79 and deal with them prior to getting into the Budget for the next fiscal year.

I am sure that having Mr. Sherlock and Mr. Wilson here as witnesses will be of benefit to us in discussing these supplementary estimates.

Mr. Chairman: Bill Number 2, Fifth Appropriation Ordinance.

(Reads Clause 1)

This Ordinance leads from there to Estimates 1979-80, Department of Education, page 4, Vote 03, Establishment 300, Administration Education. This will open general debate and we will go back and go through each clause or each establishment afterwards.

This Establishment 300, Administration Education, the supplementary vote is \$74,800.

Hon. Mr. Graham: Mr. Chairman, this Establishment 300 was over \$74,800 and it was due; in part, to the fact that the Department was requested to process the federal funding of the CYI sponsored Native Language Program. In order to accommodate the federal request, the expense of \$60,000 was charged against the Department's Administration Vote. This expense was fully recoverable and shows up in the Department's revenue section of the Budget for the following year.

The two new positions transferred into the Department from other sections of the Government, the manpower officer and employment liaison officer, did not have sufficient funds transferred in relation to their salary and related support expenses. That accounted for the other \$14,800.

Do you want to move along to 302. I will run through them all if you want, Mr. Chairman.

Mr. Chairman: No.

Establishment 300, Administration for \$74,800.

(Establishment 300 agreed to)

Mr. Chairman: Establishment 302, Schools - Curriculum, Supplies and Salaries, for \$73,400.

Hon. Mr. Graham: Mr. Chairman, YTG policy was to allow a flat nine per cent over base salaries for fringe benefits. This is not always sufficient for actual needs. In the case of teachers' salaries, the actual cost was 9.4 per cent.

The other major area of additional expenditure was substitute teacher costs. In total, these two expenses accounted for the total amount.

(Establishment 302 agreed to)

Hon. Mr. MacKay: I have a question, Mr. Chairman. With respect to substitute teaching, is it not the case in other jurisdictions that, Mr. Chairman, where a teacher does book off for some reason that that teacher has to forego his or her salary to pay for the substitute?

Hon. Mr. Graham: I believe, Mr. Chairman, that this is the case, but only when the teacher takes leave without pay. In instances where a teacher is ill, a substitute must be called in at our expense.

Hon. Mr. MacKay: With respect to man policies of payment of substitutes when teachers are ill, who administers that portion of it or who decides that that is a genuine case of illness or if it is a case of booking off? Is that a departmental decision or is it by the principal?

Hon. Mr. Graham: Well, Mr. Chairman, these people we are dealing with are not children. They are all professional people and I assume that if they call in sick that, in fact that they are sick. I do not know how else I can answer your question. We do not run around and check on them on a daily basis, if that is what you mean.

Hon. Mr. MacKay: Mr. Chairman, what I was getting at is usually, I am sure there is an average which is established over the years for the kind of expense you would anticipate for teachers being sick and here we have an overage. Would that not cause somebody to look at that and wonder how these overages occur?

Hon. Mr. Graham: I am sorry, I do not have any answer for your question.

Mr. Byblow: Mr. Chairman, a couple of questions: could part of the increase for substitute teachers be the result of not hiring teachers who have been released or dismissed or quit.

Hon. Mr. Graham: Sir, I am sorry, I cannot hear you.

Mr. Byblow: My question was, could the result of increased funding for substitute teachers be the result of not replacement of teachers?

Hon. Mr. Graham: There is a possibility, I imagine, but I am sorry, I do not have that particular fact here.

Mr. Byblow: Mr. Chairman, may I beg the indulgence of the House to ask a question about Item 300?

Mr. Chairman: I am sorry, we have completed Item 300 and I cannot go back.

Mr. Byblow: Could there be a little more explanation as to the increased requirements for materials and supplies?

Hon. Mr. Graham: I do not have at this time any further explanation.

Mr. Sherlock: Mr. Chairman, we do have back-up information here. It indicates that they required another \$5,300 for materials and supplies. It is just a case of under-estimating in the first instance and if I may just add that point to the substitute teaching, there was \$109,000 in the original budget last year for substitute teachers. Again, they asked for additional money because they under-estimated the number of substitute days they would require and that is included in the Supplementary of \$73,000.

Mr. Chairman: Does Establishment 302 carry?

I declare 302 carried.

Establishment 302 agreed to)

Mr. Chairman: Establishment 303--School Support Salaries and Supplies for \$201,200.

Hon. Mr. Graham: Mr. Chairman, the cost of utility is an area which is difficult to project, the actual expenditure is dependent on the weather and the stability of the supplier's costs. In the Department's case, the temperature contributed to the increase over projection. The Department also, in conjunction with Highways and Public Works, set up the Selkirk Street Annex utilizing porta-

ble classrooms from throughout the Territory. The total cost of this project was not known to the Department in December, the time at which the fiscal projection was made.

A breakdown of the total \$201,000 increase: materials and supplies. General. The Department, in co-operation with Highways and Public Works, relocated classrooms—the total cost of this project over-ran the allotment by \$23,286. Utility supplies: electrical—this was to provide funds for increased consumption and accelerated cost of electrical services to the amount of \$68,593; heating fuel was to provide funds to increased consumption and accelerated cost of heating fuel—\$103,285; and sewer and water: to provide funds for increased consumption and accelerated cost of sewer and water: \$2,026.

Hon. Mr. MacKay: May I ask the total cost of the Selkirk Street Annex? Twenty-three thousand was additional, what was the total?

Hon. Mr. Graham: I do not have those facts right now. The cost of the project over-ran the allotment by \$23,286 and I will make an effort to get the total cost for you sometime in the future.

Mr. Fleming: You say that fuel increase was \$103,000? How many teaching days is there in school, Mr. Chairman?

Hon. Mr. Graham: There are 190 teaching school days, Mr. Chairman, I believe.

Mr. Fleming: That is \$500 a day. This is for how many schools?

Hon. Mr. Graham: Mr. Chairman, these are for schools throughout the Territory and not only that, I am afraid we cannot only heat the schools five days a week, we do heat them seven days a week and that it is the total cost for all fuel used in all schools throughout the Territory.

Mr. Chairman: Establishment 303 carried?

(Establishment 303 agreed to)

Mr. Chairman: Establishment 304 French Language Program, an increase of \$7,600.

Hon. Mr. Graham: Mr. Chairman, this was to provide funds for the Rural Elementary French Program. The program required additional funds to complete in the amount of \$7,341. it is also fully recoverable.

Mr. Chairman: Does Establishment 304 carry?

(Establishment 304 agreed to)

Mr. Chairman: Establishment 306, Teacher Training Program, an increase of \$41,600.

Hon. Mr. Graham: Mr. Chairman, this is to provide funds for the Teacher Training Program. The contract specifies services will be provided on a University calendar and a third quarter for payment was programmed to fall in 1978-79 Fiscal Year, of \$45,504.

Mr. Chairman: Does Establishment 306 carry?

Mr. Byblow: Under the Teacher Training Program, is the \$41,000 inclusive of the \$199,000 actual Budgetary Estimate?

The expenditure is \$199,200. Is \$41,000. inclusive of that or above that?

Hon. Mr. Pearson: If I could just explain it to the Honourable Member, the vote to date, on that page, on page 4, was in fact what had been voted in previous sessions of the Legislature, either the Main Estimates and whatever supplementaries had gone. This now, is supplementary number 4 that we are dealing with and a revised vote, in fact, is the total of all the monies that has been voted for each one of those establishments, so the 199.3 does in fact include the 41.6 that we are in fact voting now plus the 157.7 that was voted previously.

Mr. Chairman: Does Establishment 306 carry?

(Establishment 306 agreed to)

Mr. Chairman: Establishment 309, Student Accommodation, an increase of \$7,200.

Hon. Mr. Graham: Mr. Chairman, the accommodation for those students and subsequent costs are based on occupancy factors and costs have increased slightly over base guidelines due to a greater than anticipated utilization.

Mr. Penikett: Thank you, Mr. Chairman. The Minister made reference of greater utilization. I wonder if I could be given some idea as to the number of students that the government was accommodating in the year in question?

Hon. Mr. Graham: I do not have those figures here. Perhaps, Mr. Sherlock, do you have them?

Mr. Sherlock: Mr. Chairman, we do not have them readily, but we will certainly see if we can find them. Perhaps we could come back to them.

Hon. Mr. Lang: Mr. Chairman, I think roughly the figures that were used was in the area of between sixty and seventy for the two dormitories in Whitehorse. For an accurate figure you would have to look back.

At the same time, it should be understood, under Regulations, there is the ability of the government to pay x-amount of dollars if a private citizen takes in a student from an outlying area into their care. So therefore, there is that other factor that comes into it, not just the accommodations for students to use the dormitories, but, at the same time, there is the ability, as I said earlier, for private citizens to take in pupils of people that may be friends of theirs; for example, from Pelly Crossing or whatever. Then, therefore, the Government pays on a pro rata basis for the number of students they bring in.

So there is that complicating factor as well, in respect to that particular establishment in the Budget.

Mr. Penikett: I thank the Minister for his answer. I wonder if it would be possible for him to answer or even say from his knowledge if there are students being accommodated anywhere else other than Whitehorse. I think of the possibility of a number of communities that may not have a high school, but may; in fact, have a community with a high school close to them and I wonder if there are any students being accommodated in Dawson; for example, or other places?

Hon. Mr. Lang: Mr. Chairman, perhaps for two years I think there was one or two of them, but in this upcoming year I am not too sure. I could not specifically state for this upcoming year.

Hon. Mr. MacKay: Mr. Chairman, I wonder if I could ask the Minister of Education what is the criteria for paying for student accommodation? Is it any student who decides to come to Whitehorse or to Dawson or Watson Lake who is entitled then to be paid for his accommodation, even though, in fact, there may be classes available in his home community for him or her?

Hon. Mr. Graham: I will have to take that question under advisement until I can get a more complete answer. I have a rough idea, but I think I might be misleading.

I believe Mr. Sherlock has some figures for us.

Mr. Sherlock: The numbers that Mr. Penikett was looking for for that year are 16 and 17, that is females and males. So we are looking at 33 to 35 students during that year.

This year we are looking at about 20 to 22, to total of about 42.

Mr. Penikett: Mr. Chairman, could I pursue that, please? I have a question. The two figures that Mr. Sherlock has just given us indicates some decrease. I am wondering if there is a long-term trend which indicates a continuing decrease in the number of students who are required to be accommodated?

Mr. Chairman: Mr. Sherlock, would you speak a little louder?

Mr. Sherlock: Mr. Chairman, in fact, it is the other way around. There is an increase. For the year under the Supplement, was 16, 17, that is a total of 33 and for this current year we are looking at 20, 22, for a total of 42.

Mr. Byblow: This does not relate to 309, but between 306 and 309, would be 307. Native Languages and I would like to inquire why that additional funding required for administration would not be entered under that category?

Hon. Mr. Pearson: Mr. Chairman, I think the Honourable Member should realize that we are dealing with Supplementary Estimates in respect to; in fact, two years ago now and the only items listed in these Supplementaries are; in fact, those that change in that department.

There are a number of establishments, Mr. Chairman, in the department that are not listed here.

Hon. Mr. MacKay: Relative to Mr. Byblow's question, I notice in the 1978-79 Estimates that Establishment 305, Native Language Program, appears for which nothing was budgeted in that year, in that fiscal period, and yet \$85,000, we are going to be requested to vote for that. It would seem to be an identical situation to the situation in 1977-78, where that Establishment 305 would have been a nil budget and then \$60,000, as was previously pointed out.

I guess, if that is the explanation, I do not know why the question.

Mr. Chairman: Gentlemen, I think we are straying away from the Establishment under discussion. I would like to stay on 309.

Mr. Graham, do you have something to say?

Hon. Mr. Graham: No, not until we get to the next subject.

(Establishment 309 agreed to)

Mr. Chairman: Establishment 313, Special Educational Program for Exceptional Children, a decrease of \$16,000.

Hon. Mr. Graham: Mr. Chairman, the program costs are being restricted in classroom materials due to the inability of the Department to acquire Special Education teachers.

Mr. Penikett: I would like to, if I could, Mr. Chairman, pursue with the Minister the problem of getting Special Education teachers. I would be interested in knowing whether it is a shortage of such teachers, nationally, or an inability of this government to be able to offer the kind of money that would attract such people.

Perhaps he could enlighten me as to how these exceptional children are identified and selected in our school system.

Hon. Mr. Graham: Mr. Chairman, this was two years ago and I am afraid I am not in any position to comment on the availability of teachers two years ago.

As far as how the children are picked for the special education program, this is another question I will have to take under advisement and return with an answer.

Mr. Byblow: Mr. Chairman, does the Item 313 decrease reflect the Fleming Report, which was a commissioned report last fall on special education.

Hon. Mr. Graham: Again, we are speaking of 1977-78.

Mr. Byblow: This is confusing.

Hon. Mr. Tracey: The Fleming Report was in the 1978-79 school year. This is the 1977-78.

(Establishment 313 agreed to)

Mr. Chairman: Establishment 314, Post Secondary Grants and Bursaries, a decrease of \$2,900.

Hon. Mr. Graham: Mr. Chairman, this balance is a result of the cancellation of students in university programs and funds not utilized by students are returned to the Territorial Government.

(Establishment 314 agreed to)

Mr. Chairman: Establishment 319, Recreation, a decrease of \$50,600.

Hon. Mr. Graham: Mr. Chairman, this is a shortfall in the area of Recreation Grants Regulation Program. Applications for assistance were lacking the appropriate information and documentation as prescribed in the Regulations. The returned applications were not returned in time to process them in the current fiscal year.

(Establishment 319 agreed to)

Mr. Chairman: Establishment 320, Administration, Vocational Apprenticeship Training, a decrease of \$1,400.

Hon. Mr. Graham: Mr. Chairman, this total \$1,400 decrease results in the directly received pay out of annual leave of \$2,500 and in December 1977 travel by the Superintendent of Education related to vocational school, and by the director, was expected to increase dramatically. The expected increase occur so we had a savings of \$3,900, for a total of \$1,400.

(Establishment 320 agreed to)

Mr. Chairman: Establishment 321, Yukon Vocational and Technical Training Centre, an increase of \$38,700.

Hon. Mr. Graham: Mr. Chairman, this resulted as a result of a great number of over and under expenditures but the overall over run was a result of the fact that the Vocational School had in reality lost funds on Supplement Number 3. However, when the year closed, expenditure for training allowance and internal rental of Government vehicles increased over projection by \$45,900. dollars. There are about three pages of increases and decreases in this budget. I will run through them if you want.

Mr. Chairman: Does Establishment 321 carry?

(Establishment 321 agreed to)

Mr. Chairman: Establishment 322 Adult Education, night school and continuing education an increase of \$8,800.

Hon. Mr. Graham: This comes primarily as a result of more salaried instructors than anticipated in each activity related to the continuing education program.

(Establishment 322 agreed to)

Mr. Chairman: Establishment 323, Apprenticeship training, a decrease of \$3,300.

Hon. Mr. Graham: Mr. Chairman, this comes as a result of several very small reductions in salaries and fringe benefits, professional services and travel both employees and none employees, a reduction in the long-distance phone bill, advertising, stationery and a reduction in rental of internal vehicles.

(Establishment 323 agreed to)

(On clause 1)

(Clause 1 agreed to)

(On Clause 2)

(Clause 2 agreed to)

Mr. Chairman: We go, now, to the Appendix, which is on the back, Appendix A for the sum of \$380,100.

I declare the Appendix carried.

(On Clause 3)

(Clause 3 agreed to)

(On Clause 4)

(Clause 4 agreed to)

Mr. Chairman: The Preamble and the Title, do they carry?

Some Members: Agreed.

Mr. Chairman: I declare the Preamble and Title carried.

Hon. Mr. Pearson: I move, Mr. Chairman, that you report Bill Number 2, Fifth Appropriation Ordinance 1977-78, without Amendment to the Assembly.

Hon. Mr. Tracey: I second that motion.

(Motion agreed to)

Mr. Chairman: Bill Number 3, Second Appropriation Ordinance, 1978-79. This Ordinance maybe sited as the Second Appropriation Ordinance 1978-79. I would direct you to page 6 of the green books here, Establishment 100, Yukon Legislative Assembly, a decrease of \$26,100.

Hon. Mr. Pearson: Has everyone found their place, Mr. Chairman?

Mr. Chairman: I presume so, that is on page 6.

Hon. Mr. Pearson: Now dealing with the larger green book, Supplementary Number 1.

Funds are available, Mr. Chairman, because of the reduced non-government travel and reduced professional services, which have been partially offset by an increase in MLA salaries, due to additional members and funding for the Special Committee on Labour Standards.

Mr. Byblow: Would there be a figure known for the costs of that Labour Standards Review Committee's work.

Hon. Mr. Pearson: I do not have it, Mr. Chairman. Once again this Government has to defend, but not defend this supplementary estimate. These expenditures were incurred pretty well in whole, not entirely in part, prior to us assuming office. Possibly Mr. Sherlock, might have that figure for us.

Mr. Chairman: Mr. Sherlock, do you have that figure?

Mr. Sherlock: Perhaps I could get the question again precisely?

Mr. Byblow: The request is for the actual cost for the Special Committee on Labour Standards.

Mr. Sherlock: Mr. Chairman, the costs was \$2,440.

Mr. Byblow: Thank you.

Mr. Chairman: Establishment 100, Yukon Legislative Assembly a decrease of \$26,000. Are you agreed?

(Establishment 100 agreed to)

Mr. Chairman: Establishment 110, Clerk of the Assembly, a decrease of \$119,000. Do you have anything to say, Mr. Pearson?

Hon. Mr. Pearson: The Members' Services Board should defend this item.

Hon. Mr. MacKay: I would have to cheer a decrease in the expenditures.

Mr. Chairman, funds are available because of salary vacancies and the transfer Vote 302 of the clerk typist position and funds for the consolidation of ordinances.

(Establishment 110 agreed to)

Mr. Chairman: Establishment 120, Elections, an increase of \$280,500.

Mr. Penikett: I understand that there is a different method of paying for them, but I would be curious to know how this cost compares to the cost of the 1974 election.

Mr. Sherlock: Mr. Chairman, I would like to answer that. We did not actually get a fixed cost for it but the figure that was given to us as a possible at one of our meetings in Ottawa was that it cost \$170,000 before, it cost \$280,000 this time. That is bearing in mind that we are talking 1972 dollars and 1978 dollars, whatever.

Hon. Mr. MacKay: I do not know if it has ever been said publicly

before, but I think, perhaps, that when we were discussing this amount here, that it might be worthwhile stating that, certainly, in my opinion, that was an extremely well-run election, and that there have been no controversies and everybody, apart from one or two little difficulties, seems to be quite satisfied with the manner in which it was run. As a matter of record, I would like to say that congratulations are due to the members of that Committee and also to the civil servants who helped conduct that election.

Hon. Mr. Pearson: Mr. Chairman, I am sure that all Members will be interested to know that we will, in fact, be receiving a report that will be tabled in the House from the Administrator of the Election, making some recommendations, some observations and so on, to the House. That Report will be tabled as soon as it is available.

Hon. Mr. MacKay: I see that we have received funds from Ottawa to pay for this. Does anybody know whether we are going to be so blessed at the next election?

Mr. Sherlock: The negotiations that we had with DIAND and Treasury Board, the matter of future elections was certainly discussed. It was left to the next meeting, at which Mr. Pearson will be present and; hopefully, he will pursue the matter.

(Establishment 120 agreed to)

Mr. Chairman: I refer you now to page 9, Vote 2, Establishment 200, Executive Committee, an increase of \$32,100.

Hon. Mr. Pearson: Mr. Chairman, the increase in expenditure here was due; primarily, to the transfer of a clerk typist position from Vote 1, which was connected with the ordinance consolidation, and professional services, which were; primarily, the expenditures in respect to the property tax review.

Hon. Mr. MacKay: Mr. Chairman, could I ask Mr. Pearson why would the property tax review cost be charged to this budget rather than to that of Local Government?

Hon. Mr. Pearson: Mr. Chairman, I am going to guess here. I think I should let Mr. Sherlock answer this question.

Mr. Sherlock: Mr. Chairman, it was just a matter of where the funds were available. In the past, the Executive Committee has placed funds for professional services for their own use in Vote 2, previously from Vote 1, and that is where the money was available.

So, it was an Executive Committee decision to have the tax structure reviewed so; consequently, the funding came out of their establishment.

Hon. Mr. MacKay: Relative to this Vote, I notice that there are funds in the clerk typists that are being charged here for ordinance consolidation. The ordinances that I have here in my desk have not been consolidated. I am wondering if it is the intention of the government to produce a new set?

Hon. Mr. Pearson: Mr. Chairman, the ordinance consolidation is an on-going program. The blue loose-leaf books are the result of the continuing program of ordinance consolidation. They are being consolidated on a continuous basis, under contract with Ottawa.

Hon. Mr. MacKay: That answered my question, I think. How far behind are they then at any one time? Is this an on-going process on a monthly basis? It seems to me they are two or three years behind.

Hon. Mr. Lang: Mr. Chairman, it is my understanding that the consolidations up to January 1, 1979 should be received sometime this spring and they will be totally up to date.

But as my colleague has said, the consolidation is something that constantly has to be done and completely reworked on an annual basis.

(Establishment 200 agreed to)

Mr. Chairman: Establishment 210, Office of the Commissioner, a decrease of \$26,800.

Hon. Mr. Pearson: Mr. Chairman, these funds are available primarily because we have had a vacancy occur twice in the position of Internal Auditor and we have not been successful in hiring another one or two, yet. It is a priority item. The jobs are being advertised now.

There was a reduction also in the then Commissioner's travel. He did not use as much money as was voted.

Mr. Penikett: Mr. Chairman, I just would like to pursue with the Government Leader; for a moment, the question of the Internal Auditor. Is the Government satisfied that they have been; one, offering enough money to attract such a person; and two, I am interested in how widely they are advertising for this position.

Hon. Mr. Pearson: I am not certain how widely it is being advertised now, but I do know from experience that if we ask the Public Service Commissioner whether we are offering enough money, they will say yes. In fact, they have had the thing back and re-

evaluated it because they could not fill the positions.

Probably, Mr. Sherlock could answer the question more fully for us.

Mr. Sherlock: Mr. Chairman, I can just add a little bit to it. The job descriptions of the internal auditor were reviewed within the last two months to create; in fact, a new position called a Chief Auditor. This was elevated considerably on the salary scale. It is advertised in all of the major papers in Canada and, certainly, Canada West and some of the eastern ones, Montreal, Ottawa, and Toronto are hit for sure.

The matter of the position is just being reviewed right now. I saw the applications, just yesterday, as a matter of fact. They have got a whole pile of them in. Those will be reviewed very shortly.

Hon. Mr. MacKay: How long has the position been vacant?

Mr. Sherlock: Mr. Chairman, the position has been vacant since about mid-July.

Hon. Mr. MacKay: Is it possible to find the reasons for the loss of two the previous internal auditors?

Is there a stated reason for their resignations?

Mr. Sherlock: Mr. Chairman, I am not sure that I can answer that adequately, although I worked very closely with the Internal Auditor. I think that they would probably say that their reasons were personal. I do not think that there was any other reason given in the resignation.

I am not aware of any other reason. Perhaps if you wanted to carry it beyond that, maybe they should, in fact, talk to the Service Commission.

Hon. Mr. MacKay: I could suggest, perhaps, that pay might be one of them, because accountants are quite expensive, Mr. Chairman.

With respect to the Office of the Internal Auditor, mention was made of the possibility of extending this from one to two positions. Could the Government Leader indicate to us what class of professional you are looking at for both positions? What kind of professional person are you looking at to do this job?

Mr. Sherlock: Mr. Chairman, the Chief Auditor position is advertised as a C.A. or equivalent, a fully professional accountant. The second position is also advertised as a fully professional accountant, with slightly less pay. So, perhaps, a junior, a less junior person. The senior person would not only have to be a professional accountant, he would also have to have several years experience in auditing. So maybe that is the difference.

The last submission that I saw from the Public Service Commission, they were also asking for another position. I am not just sure where that stands. So they were looking for three internal auditors.

(Establishment 210 agreed to)

Mr. Chairman: Establishment 224, Inter-Governmental Affairs, a decrease of \$13,100.

Hon. Mr. Pearson: Mr. Chairman, this decrease is due simply to casual vacancies not being filled, the anticipation of having to hire more help and it was not necessary. As a consequence, supplies, this type of thing, were not needed as well.

(Establishment 224 agreed to)

Mr. Chairman: Establishment 225, Land Claims, an increase of \$51,600.

Hon. Mr. Pearson: Mr. Chairman, this is a very difficult establishment to come with estimates because it depends primarily on what is going on with Land Claims and whether we are, in fact, involved or whether we are not at the particular time as to what expenditures would be. Also, in this Establishment, are the costs of the constitutional studies that are being done by the Land Claims Secretariat?

Hon. Mr. Penikett: Mr. Chairman, would the Government Leader be prepared to elaborate a little bit on the nature of these constitutional studies that are being conducted?

Hon. Mr. Pearson: Yes, Mr. Speaker, I would be happy to. One of the studies is "The Role of the Federal Government". One is "Public Property and Natural Resources"; Another is "Local Government"; another is "Financial Arrangements and Economic Development"; and the fifth one "The Administration of the Government of the Yukon Territory". The first of these studies are scheduled to be completed about the end of this month.

Hon. Mr. MacKay: I wonder if I could ask: Will the results of these studies be made public?

Hon. Mr. Pearson: Mr. Chairman, these are in-house studies that we are having done; some of them, in fact, are being done in-house. The ones that I read out are the ones that are being done to some

extent by researchers outside, as well. I just cannot commit myself to making all of this information public right at this time.

Hon. Mr. MacKay: During last year, there was a pamphlet produced by the Government, which I expect was paid for out of this Vote, called "Yukon the Eleventh", a very fancy glossy pamphlet that was produced to try to persuade the electorate that we should become the 11th province. I am wondering if the Government can tell me how much that pamphlet cost?

Hon. Mr. Lang: Mr. Chairman, if I remember correctly, it came out of the combination of the Executive Clerk office when they were combined as one unit. That is where that particular brochure was sponsored. It should be part of that, I think, if my memory serves me correct, in respect to the work that was done for study, there is a Constitutional study that was done and that was tabled, I believe, in the last sitting of our Legislature. I do not know if our Members have availed themselves of that. If they do want to, it is a very worthwhile document and they should, maybe, contact the Clerk's office to peruse it. I think it gives a pretty good indication of what has happened in the past, and where we are, and perhaps where things could fit in in the future.

It is a very worthwhile document, especially to Members of this Legislature.

Mr. Chairman: Does Establishment 225 carry?

(Establishment 225 agreed to)

Mr. Chairman: Establishment 240, Public Inquiries. An increase of \$32,500.

Hon. Mr. Pearson: Mr. Chairman, this is to pay the balance of the Territorial Government's share of the Stratton Enquiry.

Hon. Mr. MacKay: Mr. Chairman, can the Government Leader tell me the total costs of the Stratton Enquiry?

Hon. Mr. Pearson: Mr. Chairman, the Territorial Government's total costs was \$103,495.19. That does not include the Federal Government's share of the costs. We have no idea of what the Federal Government costs were on that enquiry.

Hon. Mr. MacKay: A shocking figure. Would the Government Leader indicate what costs were paid for by the Territory on this enquiry and which costs were allocated to the Federal Government, such as the Commissioner's costs?

Hon. Mr. Pearson: Yes, Mr. Chairman. The Federal Government paid the costs for the Commissioner, the Deputy Commissioner, and their Councils.

Hon. Mr. MacKay: I take it then, Mr. Chairman, that \$103,000. was to pay for Mr. Stratton and for the Legal Council of Mr. O'Donahue, and the court costs?

Hon. Mr. Pearson: Mr. Stratton's Legal Advisor, yes.

Hon. Mr. MacKay: What about the costs of the citizen involved, Mr. Lueck? Has that been included in this?

Hon. Mr. Pearson: No, Mr. Chairman, it has not.

Hon. Mr. MacKay: I understand that has not been paid yet. Is it the intention of this Government to consider paying that bill that was incurred by Mr. Lueck in defending himself in front of a Public Enquiry called by this Assembly?

Hon. Mr. Pearson: Mr. Chairman, No.

Mr. Chairman: Establishment 240, is it agreed?

(Establishment 240 agreed to)

Mr. Chairman: I direct the Members now to page 12, Vote 3, Department of Education, Establishment 300, Administration, a decrease of \$15,100.

Hon. Mr. Graham: Mr. Chairman, these funds are available because of reduced teacher recruitment activity, partially offset by salary requirement, and a community education study on increased travel and communication. I might add, Mr. Chairman, that a lot of this \$15,100. reduction is caused by recruiting teachers from our own Teacher Education Program.

Hon. Mr. MacKay: When we were discussing the Supplementary Estimates for 1977-78, it was indicated by Mr. Graham that \$60,000 had been recovered from the Language Program. Is that valid as a decrease, or where has that recovery been shown, then?

Hon. Mr. Graham: Mr. Chairman, would he repeat the question please?

Hon. Mr. MacKay: Mr. Chairman, when Mr. Graham was explaining the increase of the 1977-78 Estimates, he indicated that, in Vote 300, \$60,000 had been recovered subsequently, from the Native Language Program. Has that been buried in administration or has it been applied against the costs of Vote 305?

Hon. Mr. Sherlock: Mr. Chairman, that particular program in 1977-78 appeared in Establishment 300 because we did not have an Establishment set up for it, specifically. In 1978-79, it appears as Establishment 305, in 77-78, it appears in Establishment 300. There is a little confusion there. It is a new Establishment and a new program and, as it will be ongoing, we set up a new Establishment for it.

Hon. Mr. MacKay: Mr. Chairman, the \$60,000 was, then, in fact, recovered, and was it applied against Establishment 305?

Mr. Sherlock: Yes, Mr. Chairman, it is a recovered amount.

Mr. Penikett: I am curious, and perhaps the Minister will not be able to get an answer right now, perhaps he could attempt to get it. I am interested in the breakdown in the numbers of people in the Department of Education involved in administration as compared with the number of teachers.

Hon. Mr. Graham: I would be happy to get that for you.

Hon. Mr. MacKay: Mr. Chairman, I have a supplementary to that. Would you would also find out the number of people in administration as compared with the number of people being taught; and also, if it is possible, to obtain a comparison of these ratios to say, Alberta and B.C.

Mr. Byblow: Could there be some explanation on the community education study?

Hon. Mr. Lang: In respect to the questions that the members are asking, they not only relate to the Supplementaries but they go into the current budget that we should really be addressing ourselves to. We are dealing with finances that, for the most part, we had very little to do with, if any, and perhaps, rather than delay the Supplementaries, Mr. Chairman, if the Members would agree, perhaps we could go through these areas that do apply to the current budget. Perhaps those questions could be put under advisement and subsequently brought forward when we are discussing the main estimates, so that we can expediate things through the House, Mr. Chairman. Otherwise, we are going to be going back and forth.

Hon. Mr. Penikett: Mr. Chairman, I think the Minister is making a fair point. Perhaps he will understand these questions now, so he will know the kind of questions we may ask on the Main Estimates.

Hon. Mr. Lang: Mr. Chairman, as long as it is clarified that we can continue through and clarify these Establishments with the understanding that this information will be forthcoming, because it all applies to the 1979-80 budget; and it is a good idea to bring up these questions so the Minister can be prepared and come forward with the necessary information during debate at that time.

Hon. Mr. MacKay: Mr. Chairman, I think I can probably speak for my colleagues here on this side. As has already been noted, the questions have been referred over, and I think we have, in fact, agreed to the Supplementary Estimates as they came along, so I think we will probably continue to do that unless it was of a particular nature with respect to that one amount where there was no explanation for it. General questions about the background to these entire expenditures we can wait for answers on.

(Establishment 300 agreed to)

Mr. Chairman: Establishment 302, Schools, Curriculum, Supplies and Salaries, a decrease of \$240,000.

Hon. Mr. Graham: This is basically, Mr. Chairman, due to funds being available because of reduced teacher staff. I might add, that an arbitrator awarded the teachers an increase of 12 per cent, and then the AIB, after this budget had been submitted, rolled it back to six per cent. I think there is a lot of the savings right there.

Mr. Penikett: Mr. Chairman, thank you. Just, perhaps, I do not expect the answer here again, but again, this could be a notice of question. Following on Mr. MacKay's question, I, too, would be interested in the student-teacher ratios, not only presently, but I would be interested in the comparisons from previous years, if it is possible.

Hon. Mr. MacKay: Supplementary, Mr. Chairman. Could these, too, be broken down into rural and urban statistics.

(Establishment 302 agreed to)

Mr. Chairman: Establishment 303, School Supplies, Salaries, Supplies, Leases and Rentals, a decrease of \$140,900.

Hon. Mr. Graham: Mr. Chairman, these funds are available because of reduced custodial staff salaries, facilities and rentals. It is partly offset by the school bus contract.

Hon. Mr. MacKay: With respect to the school bus contracting, my understanding was that that contract was not due for renewal last fall. Is that correct?

Hon. Mr. Lang: Mr. Chairman, perhaps I could rely on my mem-

ory, here. The school contract is under a "five year agreement subject to an annual renewal," and once every five years it must go out to public tender so that the people who are in the business can plan accordingly. In other words, if they are giving good service and their increases are not substantial, after they have been reviewed, then it can be renewed for that year.

There is a principle involved here, that it must go out for public tender once in five years. Now, I believe that five years should, shortly, be coming up, in respect to the busing contract and, perhaps, the Treasurer could perhaps clarify it a little further.

Hon. Mr. MacKay: My question then would be, probably to Treasury, that it was my understanding that that school bus contract did go out on public tender last fall, but the notice was so short that it was impossible for anybody else to try to supply the services of school buses on such short notice, unless they were, in fact, in this business elsewhere. In other words, nobody local could have had a chance to bid on that because of the short notice. Is this correct? What is the background?

Mr. Sherlock: Mr. Chairman, I do not think I should attempt to answer that. I think it might be better if we take that for a written answer.

Mr. Fleming: Yes, Mr. Chairman, if it could be brought in by the government, I would appreciate knowing when the last contract was let out. I know that it started at two years and I do not know what has happened since then. It has never been made public. I do not know, maybe it is five now. I would appreciate knowing that.

Also, I wonder if you could get a breakdown as to what each bus is bringing in in the individual districts. For instance, Whitehorse is one gathering where the price of busing is, and the outlying districts are, entirely different.

In the last Session, we got this very easily from the government. If possible, could you do that?

Mr. Penikett: Mr. Chairman, I wonder if I could plumb the depths of Mr. Lang's memory again to pursue a point that we were dealing with a moment ago?

On the annual renewals that these school bus contracts, I wonder if he can recall if there was any division in the contract to permit the operator to recover from the government, increases in their operating costs, such as wages, and as you may recall, there was a significant increase last year, following the organization of the drivers by the Teamsters Union.

Hon. Mr. Lang: Mr. Chairman, if my memory serves me correctly, and the witnesses from Treasury could, perhaps, clarify it, if I am wrong, it is my understanding with the busing contract that it is for a fixed amount that they have to supply, other than if the government wants to extend a service further than what is envisaged at the beginning of that year.

So, therefore, the amounts of monies that they pay out in salary and that kind of thing would have to be included in that annual bid. In other words, it would be a firm cost, unless it was jointly agreed that there would be an extension of a bus run or this kind of thing. Is that not correct, Mr. Sherlock?

Mr. Fleming: Just carrying it a little farther, Mr. Chairman, I wonder if the government could bring us in a copy of that last contract for the last renewal of the contract?

Hon. Mr. Graham: Could you repeat that, please?

Mr. Fleming: Yes, Mr. Chairman, I wonder if we could have a copy of the last contract that was let out to bid, or the contract that was renewed, or both.

Hon. Mr. Graham: Yes, Mr. Chairman, we will try to get that.

(Establishment 303 agreed to)

Mr. Chairman: Establishment 304, French Language Program, an increase of \$6,800.

Hon. Mr. Graham: Mr. Chairman, this was just to provide funds for the French Language Program.

Mr. Penikett: A question, Mr. Chairman, I have become aware of the passionate interest the present federal government shows to the whole question of bilingualism. I am curious as to whether we have ever made any effort to recover any of the funds for this program from that source.

Hon. Mr. Graham: I believe, Mr. Chairman, it is totally recoverable. Is that correct, Mr. Sherlock?

Mr. Penikett: I raised the point because, under the next establishment, of course, it makes specific reference to the ability to recover the money from DIAND and, of course, the detail on this vote does not.

Mr. Sherlock: Mr. Chairman, the program is not totally recover-

able. For example, later on in the Estimates, you see on page 77, the recoveries, you will see that there is \$102,000 recovered in respect to this program, against the cost of \$114,000.

Hon. Mr. MacKay: I wonder if I could just ask an accountant's question, Mr. Chairman, of the Treasurer? How long does it take to get reimbursed by Ottawa for these expenditures? Is it a monthly reporting thing, or is it once a year, or do they come along two years later and give you the money, or how does it work?

Mr. Sherlock: Mr. Chairman, it depends on the program. Each agreement that is made up between the department concerned in Ottawa and the department here establishes a specific repayment schedule. Most of the schedules are on a monthly basis, that is they pay in advance on a monthly basis, subject to a claim to be placed on a quarterly basis. Generally, that is the way it works. Now, they do not all necessarily work that way, so I am just generalizing.

(Establishment 304 agreed to)

Mr. Chairman: Establishment 305, Native Language Program, an increase of \$85,400.

Hon. Mr. Graham: Mr. Graham, this is to provide funds for the Native Language Program. It is fully recoverable from Indian and Northern Affairs.

Mr. Fleming: I do not know whether I have a question or not, really; however, it is a comment along with a possible question. Does the territorial government ask for this amount of money, or is this more or less given to you as an amount that should be given to you, or just how to you procure this amount, because, I find, it seems to be very, very small compared to what they could possibly give us, I think.

Mr. Sherlock: Mr. Chairman, the program is obviously agreed upon between the Department of Education and, in this case, the Council for Yukon Indians, as to what their requirements and their needs were. That requirement was costed, and in this case, costed at \$85,000. I think that is just about the only way I can answer that.

Hon. Mr. MacKay: My bookkeeper's mind again. Back to this \$60,000 recovery, Mr. Chairman, from the previous year. We are about to vote here, an expenditure of \$85,400, and on page 77 you show the recovery of \$85,300, Native Language Program. We just voted \$60,000 last year, supplementary required. I would have thought the recovery this year would have been \$145,000, to pick up the previous year's over-expenditure, plus this year's \$85,000.

Mr. Sherlock: No, Mr. Chairman, the recovery for 1977-78 also appeared in 1977-78. The \$60,000 was recovered in the same year.

Hon. Mr. MacKay: Mr. Chairman, I just checked this thing and it does not show here, that I could see. Maybe I could be shown where it is.

Mr. Sherlock: Mr. Chairman, if it was not included in the green book, it does appear in the territorial accounts, so it was, in fact, accrued and recovered.

Hon. Mr. Lang: Mr. Chairman, just for clarification from what the Leader of the Opposition is pursuing, the \$60,000 was for the year 1977-78, and, therefore, it is a year separate and apart from 1978-79, and, therefore, would not appear in the supplementaries of 1978-79 because they do not accrue in that year for an average.

Hon. Mr. MacKay: Mr. Chairman, that was, precisely, my point. When we voted for this a few minutes ago, in 1977-78, we were told that \$60,000 was later recovered. I expected to see it come through in the 1978-79 budget.

Now, I do not see it in the 1978-79 budget. My question is, where is the \$60,000.

Hon. Mr. Graham: Mr. Chairman, we are not dealing with the 1978-79 budget. We are dealing with the 1978-79 Supplementary Estimates here.

Hon. Mr. MacKay: I beg your pardon.

Hon. Mr. Graham: Yes, so it may well have been in the Budget, in the 1978-79 Budget.

Mr. Sherlock: Perhaps I could just clarify that a little bit further. Because we are on an accrual accounting system, we have been for the last two years, we have to accrue the revenues and the expenditures in the year to which they relate, so, although the \$60,000 did not appear in that Supplementary as a revenue, as a recovery, it did in fact appear in the territorial accounts for that year.

We should just mention that you are not voting the recoveries. They are in the green book for information purposes. So, we omitted it quite inadvertently from that supplement. There was no intention directly to omit it, but it does not really affect the Supplementary, because you are not voting to recover, you are only voting the expenditure.

Mrs. McGuire: Yes, I would like to know why the Native Teachers

are not paid mileage out of this amount of money?

Hon. Mr. Graham: I am sorry, Mr. Chairman, which establishment are we now talking about?

Mr. Chairman: We are still on 305.

Hon. Mr. Graham: The Native Language Program, I believe, is administered by the CYI, is it not?

Mr. Sherlock: Yes, Mr. Chairman, it is.

Hon. Mr. Graham: We have absolutely nothing to do with that.

(Establishment 305 agreed to)

Mr. Chairman: Establishment 306, Teacher Training Program, a decrease of \$7,500.

Hon. Mr. Graham: Mr. Chairman, this was simply to provide funds for the Teacher Training Program.

Mr. Penikett: Mr. Chairman, I would like to ask a brief question about this, and, perhaps, the Minister might also take notice for a similar question when we deal with the main estimates.

I would be interested in the number of graduates of this program that have been hired by the Department, here. If the Minister would like to provide any other elaboration on his feelings about the success of the program, I would welcome them at that time, too.

Hon. Mr. Graham: Mr. Chairman, I think I can answer for last year's program. I am quite certain this is accurate, but I could be wrong. I think 13 out of 15 were hired by the territorial government last year and that, in fact, reflects in Establishment 300, where the \$15,100 decrease took place.

These 13 teachers did not require transportation from outside, or interviews taking place outside, and that in part is reflected in the \$15,100 savings.

Mr. Penikett: Yes, just to follow that up briefly, Mr. Chairman, the two people who were not hired, were they graduates of the program, or did they perhaps not pass the course?

Hon. Mr. Graham: I believe they dropped out. I stand to be corrected.

(Establishment 306 agreed to)

Mr. Chairman: Establishment 309, Accommodation, a decrease of \$9,000.

Hon. Mr. Graham: Mr. Chairman, these funds were available because of reduced student accommodation.

(Establishment 309 agreed to)

Mr. Chairman: Establishment 313, Special Education, an increase of \$59,200.

Hon. Mr. Byblow: Is this the entry for the Fleming Report?

Hon. Mr. Tracey: Mr. Chairman, I believe that money is from UBC, the money that is for the Teachers' Education Training Program.

Mr. Sherlock: Mr. Chairman, I am not sure that I can answer the question for Mr. Byblow, but I was going to say that Establishment 313 relates to Establishment 302, where there was a decrease of \$240,000. There were some teacher positions transferred to Special Education, and that is the cost of that transfer.

Mr. Penikett: Yes, Mr. Chairman, I must point out that it is certainly a pleasure to have so many former and present Ministers of Education present here to answer these questions. There was some problem indicated in the previous year's Supplementaries about the ability to hire special education teachers. Is that problem continuing, or does that appear to be rectified?

Hon. Mr. Graham: We will have to take that question under advisement, Mr. Chairman.

Hon. Mr. MacKay: One question on that establishment, and I do not want to get into this year's Budget, but I am curious as to why that special education budget would see such a wide fluctuation from 1978-79 from \$634,000 to the \$28,000 we will be looking at next year? I beg your pardon, I am looking at the Special Education Grants.

Hon. Mr. Lang: Mr. Chairman, does the Honourable Member think that we are spending too much money in that area?

Hon. Mr. MacKay: The Honourable Member made a mistake.

(Establishment 313 agreed to)

Mr. Chairman: Establishment 314, Post Secondary Grants and Bursaries, an increase of \$157,900.

Mr. Sherlock: Mr. Chairman, that was primarily due to the change in the Ordinance, which almost doubled the grants and bursary rates, and this was processed through the year, so it had to come through as a Supplementary.

Hon. Mr. MacKay: Now that I have an expert here, I have a lot of

problems advising people whether or not the amounts received in this program are in fact taxable. I am wondering if Mr. Sherlock has any enlightenment for us here?

Perhaps that question might be out of order?

Mr. Chairman: I think it is.

Mr. Fleming: I would like to know that same answer?

Mr. Sherlock: I am sorry, Mr. Chairman, I did not hear the question.

Mr. Fleming: I would appreciate knowing whether the secondary grants and bursaries are taxable, or not?

Mr. Sherlock: Mr. Chairman, based on my own experience, I have a daughter in university, and she gets a T4, so it is taxable, but I think there is a portion of it that is not. Perhaps, I could come back to the legislation, or else I will talk to Mr. MacKay, and maybe he can explain.

Hon. Mr. MacKay: It would be of assistance to the students who are; in fact, receiving this money to know that, and I have on file, in my own office, a letter from a previous Treasurer, indicating that portions of it were in fact non-taxable, yet students are being issued with T4's. I think, if the territorial government were able to ascertain how much of that students' assistance is actually being paid to assist them to travel to where a university is, rather than to assist in the payment of fees, which I think is what the tax department is trying to tax, I think, if you could elaborate some policy in that it would be of great assistance to the students who are leaving the Territory to go to other universities.

Mr. Sherlock: Mr. Chairman, we have been in communication with the Department of Revenue on that and perhaps we could come back with a written reply.

(Establishment 314 agreed to)

Mr. Chairman: Establishment 315, Remedial Tutor Program, a decrease of \$30,100.

Mr. Penikett: I just have a very brief, and, perhaps, far too simple question, Mr. Chairman. I am wondering how a program like this functions without a co-ordinator.

Hon. Mr. Graham: I do not have any answer for you, Mr. Chairman.

Hon. Mr. MacKay: Has a co-ordinator in fact been hired? Is that program being actively pursued with a co-ordinator or staff?

Hon. Mr. Tracey: Mr. Chairman, I believe the co-ordinator was supposed to be supplied by the Indian Brotherhood, or the CYI, or whatever, and they refused to supply the co-ordinator, so this is the reason why we have the reduction in the budget.

Hon. Mr. MacKay: Mr. Chairman, I take it then, that there is nobody co-ordinating this program, and the Department of Education does not intend to hire one.

Hon. Mr. Tracey: The Department of Education, through the regular school system.

Hon. Mr. MacKay: So there is nobody, as such, required then, to co-ordinate the program, is that what you are saying?

Hon. Mr. Tracey: I do not believe there was, Mr. Chairman.

Hon. Mr. MacKay: I am a bit mixed up here. First of all; question one, is it the intention of the Department of Education to hire a co-ordinator for this program?

Hon. Mr. Graham: I will take the question under advisement, Mr. Chairman.

Hon. Mr. MacKay: Perhaps he could answer the question then, along with that one, as to whether one is required?

Hon. Mr. Penikett: I had a supplementary question to add to that. I am getting a little confused about this notion about CYI or YNB nominating, assigning, selecting or whatever, a co-ordinator for a Y.T.G. program. I may be a little confused about this but perhaps you could provide an explanation at a later date as to whether or not this is the Public Service Commission, as I find this a fascinating process of hiring if it, in fact, is the Public Service Commission.

(Establishment 315 agreed to)

Mr. Chairman: Establishment 319, Recreation, increase of \$44,500.

Hon. Mr. MacKay: I would appreciate some explanation for the increase.

Hon. Mr. Graham: There will be a statement issued tomorrow. I will give you fuller details.

Hon. Mr. MacKay: Should we wait before we pass this appropriation?

Mr. Penikett: Yes, I would like to re-emphasize Mr. MacKay's point. Should we wait to pass this Establishment? Will the Minis-

ter's statement be including some words about the meaning of this Pool Program reduction expenditures, or can the Minister provide us with some clarification now?

Hon. Mr. Graham: I am sorry, again, I will have to bring that answer in later.

Hon. Mr. Fleming: Mr. Chairman, are you going to hold Recreation over, Establishment 319, until we get some more information on it?

Hon. Mr. Graham: Yes, Mr. Chairman, we will agree to that.

Mr. Chairman: Is it agreed that 319 be put over?

(Establishment 319 stood over)

Mr. Chairman: Establishment 320, Administration, Vocational and Apprenticeship Training, a reduction of \$1,600.

(establishment 320 agreed to)

Mr. Chairman: Establishment 321, Yukon Vocational Technical Training Centre, a decrease of \$179,300.

Mr. Penikett: Mr. Chairman, perhaps I could just ask this question by way of notice again. By way of a break down. You reduce material supplies, and you increase travel and special contract requirements. Some elaboration on the description, there.

Hon. Mr. Graham: Mr. Sherlock, have you got some further information for us? May I direct a question to the Honourable Member from Whitehorse West? Did you wish further clarification of that Establishment?

Mr. Penikett: Mr. Chairman, yes, I would, partially because the explanation here is not completely clear to me.

Mr. Sherlock: Because of the ups and downs in that Establishment, perhaps we can make this available to Mr. Penikett, and then he can make representation to the Legislature, and they can take it from there.

(Establishment 321 agreed to)

Mr. Chairman: Establishment 322. Adult Education, Night School, and Continuing Education, a decrease of \$1,100.

(Establishment 322 agreed to)

Mr. Chairman: Establishment 323, Apprenticeship Training, an increase of \$1,600.

Hon. Mr. MacKay: In the tradition of auditing, sometimes you pick one insignificant amount and you ask a few questions. It says, "miscellaneous expenditures." Can you give us what the miscellaneous expenditures are?

Mr. Sherlock: Mr. Chairman, Salary was decreased by \$500; Special Services, decrease \$700; Travel and Employees and Non-employees, increase \$1,500; Stationery Supplies, decrease \$300; Rental, extra machinery, increase \$431; and Interim Machinery, \$1,100; and there are several other little adjustments, back and forth.

Mr. Penikett: Yes, Mr. Chairman, I am afraid I did not jump in when we were doing Establishment 323, but I would like to also serve Notice of a Question which I would like to pursue during the Main Estimates. I would be interested in the breakdown of the number of people in the different apprenticeship programs, and for what trades, and since the Minister is also responsible for Manpower, I would like to know what kind of Manpower needs have been identified in areas that we, in fact, may not now be training people for in the coming years?

Mr. Chairman: Establishment 323, is 323 carried?

(Establishment 323 agreed to)

Mr. Chairman: Turn to page 17, Vote Number 4, Establishment Number 400, Consumer and Corporate Affairs, an increase of \$38,500.

Hon. Mr. Tracey: Mr. Chairman, this is to provide funds for the audit of the Credit Union and the electric workshop, Transport and Public Utilities Board's case load increase, contracts, new licence plates, telex and xerox charges and space rental. This was partly offset by the reduced vehicle rental and reduced printing requirement. The largest single increase in this department was licence plates. We were forced by circumstance to purchase licence plates twice in this fiscal year, the reason being was the licence plates were in the Central Purchasing Department and they were transferred back into our department again, so we had the double cost of purchasing licence plates.

Mr. Fleming: I wonder if I could have some explanation, "to provide funds for Credit Union Audit." Does the Territorial Government provides the funds?

Hon. Mr. Tracey: Yes, Mr. Chairman, we audit it every year. There is an Ordinance that requires it.

Hon. Mr. MacKay: I take it that, Mr. Tracey, the cost of the Electrical Public Utilities Board is in here as well? I will address this question to you; although, the answer may be more available, can you tell me what costs were incurred by that board for this fiscal year we are just finishing, so you know?

Hon. Mr. Tracey: I cannot. Maybe Mr. Sherlock can give you that information. Do you have that information available?

Mr. Sherlock: Mr. Chairman, no we do not, we would have to bring it back.

Hon. Mr. Tracey: Mr. Chairman, I could get that answer for the Honourable Member.

Mr. Chairman: Can we go ahead with passing Establishment? Do you want it stood over?

(Establishment 400 agreed to)

Mr. Chairman: Establishment 410, Medical Profession Ordinance, an increase of \$9,900.

Hon. Mr. Tracey: Mr. Chairman, this amount was to provide funds for an inquiry under the Ordinance and that would be the Wigby Inquiry.

Mr. Penikett: Mr. Chairman, is this the total cost to the Territory of that Inquiry?

Hon. Mr. Tracey: I do not believe so, Mr. Penikett. Maybe Mr. Sherlock has that answer.

Mr. Sherlock: No, Mr. Chairman, this is the balance of the cost. We do not have a total cost on it right here with us.

Mr. Penikett: Mr. Chairman, will the responsible Minister undertake to bring us back the total cost on that Inquiry.

Hon. Mr. Tracey: Yes, I will.

(Establishment 410 agreed to)

Mr. Chairman: Establishment 420, Legal Professional Ordinance, an increase of \$6,900.

Hon. Mr. Tracey: This Establishment is to provide funds for an Inquiry under this Ordinance, also.

Mr. Penikett: Which Inquiry?

Hon. Mr. Tracey: Mr. Chairman, Christensen and Kemp, two lawyers who are being investigated.

Mr. Penikett: Mr. Chairman, while we are on the subject of this kind of inquiry and the selection, from time to time, when these unfortunate matters occur, of professional services, I would be interested in having the responsible Minister or perhaps the Government Leader provide this House with some indication of the process by which they come to choose professionals for work like this and especially, perhaps, in particular, legal services from outside the Government.

Hon. Mr. Pearson: Mr. Chairman, under the Legal Professions Ordinance, there is a commission or committee established that does, in fact, conduct these inquiries. They are all outside lawyers. I think, they are all Alberta lawyers.

Hon. Mr. Penikett: Mr. Chairman, just supplementary to that, I am also particularly curious, from time to time in matters, not particularly to this Ordinance, but matters relating, the Government may, from time to time, feel it needs to call upon outside legal advice and I would be interested in the process by which they come to choose the professionals in that case.

Hon. Mr. Pearson: I am not sure that the Member is looking for an answer now?

Mr. Penikett: No.

Hon. Mr. Pearson: Okay, thank you.

(Establishment 420 agreed to)

Mr. Chairman: I would now direct you to Page 20, Vote 5, Human Resources, Establishment 330, Administration, an increase of \$12,700.

Hon. Mr. Njootli: The increase is to provide funds for contract requirements, communications, vehicle rental, partly offset by salary vacancies. The number of vehicles is two or three; the contract requirement is the Carcross Community social services worker.

Hon. Mr. MacKay: Mr. Chairman, perhaps I could ask a general question: I do not know if Mr. Njootli will want to answer this: it seems to me that the Government has a fleet of cars painted a nice black and orange colour, yet persistently, we seem to see charges going through here for vehicle rent. What is the policy of the Government with respect to owning their own vehicles or leasing them?

Hon. Mr. Njootli: I would like to direct that question to the Gov-

ernment Leader.

Hon. Mr. Pearson: Mr. Chairman, the departments are, in fact, charged rent, by the car pool, for the cars they use.

Hon. Mr. Lang: When you go through the Budget you will see charge-backs throughout the Budget. It is similar to the budgeting process in the Government for space rental. It will be charged back, so much per square foot; for example, DPW administers that side of it, in respect, to the office space and it is charged back to the department proper and it is refunded to DPW. So you will see further on in the Supplementaries when we see charge-backs, actually DPW does not pay that money out; they just administer it and they receive that money back through the various departments.

Hon. Mr. Pearson: I do not want to mislead the Honourable Member, this is not just for car pool cars. Saying that does not preclude the possibility that, maybe, it was necessary to rent a vehicle from a private entrepreneur in Watson Lake or in Dawson City where somebody had work to do, there is not a pool car available, then, of course, they are rented from the rental agencies.

(Establishment 530 agreed to)

Mr. Chairman: Establishment 531, Child Welfare Services, a decrease of \$41,000.

Hon. Mr. Njootli: Funds are available because of Child Welfare placements' having higher cost did not materialize as early as anticipated, partly offset by gratuitous or compensation for loss of payment to the Mayo Group Home parents. Supplementary to that, just to give an example: children at the treatment centres may cost the Government approximately \$40,000 for two or three children in Saskatchewan or Alberta and these estimations are made several months in advance and sometimes do not materialize as projected, so we end up with monies left over.

Hon. Mr. Penikett: Mr. Chairman, I wonder if I might just direct a small question to Mr. Sherlock on this item. What exactly is a gratuitous payment to Mayo Group Home parents in this question.

Mr. Sherlock: Mr. Chairman, it is a payment made as a result of losses in fire.

Hon. Mr. Njootli: The compensation is \$5,000 for the Mayo Group Home.

Hon. Mr. MacKay: I am interested in this item of Child Welfare payments because as I understand it, Mr. Njootli was saying that this was to help send children outside the Territory for treatment. Is that what you were saying? If that is the case, what is the criteria that is used for that? Is it only children who are on welfare who get government assistance, whose parents are on welfare, to go outside for treatment which is not available in Yukon or is there a policy of the Government to allow any child with a particular problem to get assistance outside the Territory.

Hon. Mr. Njootli: Well, the Government of the Yukon Territory, in the past, have not made any efforts to bring institutions up to standards with regards to child welfare so we have no alternative but to send the individuals out to specialized homes or else it could be worked out vice versa where we could bring specialists in but it is cheaper to send them out.

Hon. Mr. MacKay: Would this appropriation include the area where children are put up for adoption and go outside as well?

Hon. Mr. Njootli: The Director of Human Resources automatically becomes parent of the adoption which goes through court procedures but not all individuals go through court proceedings, they are psychologically analyzed and they are referred and assessed accordingly.

(Establishment 531 agreed to)

Mr. Chairman: 532 Social Assistance, an increase of \$167,100.

Hon. Mr. Njootli: The \$67,000 of this over-expenditure is a budgeting error from the previous year and as a result, the base figure at the start of the 1978-79 fiscal year was under-estimated. Two factors for the increased costs are: firstly, for the higher caseload, for 1978-79 caseload, was an average of ten cases for fifty-one individuals over the previous fiscal year; secondly, the higher expenditure in the area of housing and hospitalization, higher housing costs as a result of rental increases and a move by some clients from sub-standard to adequate housing; patients who remain in Whitehorse General Hospital due to lack of other facilities who have their expenses paid by the Department of Human Resources under the Social Assistance Ordinance at the rate of twenty-four dollars per day.

Some of the clients are put in good, adequate housing and I do not want anyone to be mislead and say we are putting them in some great housing, but we are putting them in standard and adequate

housing. I can say that the rent increases are probably increasing.

Mr. Penikett: Mr. Chairman, I wonder if I could give notice of a question to the Minister to which he might be able to provide an answer for us at the time we are dealing with the Main Estimates.

I would be interested in knowing where the caseload under social assistance is located by community, if it were possible to provide the number of cases per community throughout the Territory that the department has handled, Social Assistance cases, that is.

Hon. Mr. Lang: Mr. Chairman, would it not be a little bit apropos to have it urban and rural, rather than a breakdown of community by community. You get into some awfully small communities. I do not know how finite the Honourable Member wants the information, but you know you get into an awful small community and then everybody is looking at everybody else. I think that, in all fairness to the situation, perhaps you would want to have it broken down between urban and rural and maybe that would allow the Member to continue his line of questioning rather than getting into too finite a detail.

Mr. Penikett: Mr. Chairman, I do not want to delve into it as such that we might be invading the privacy of any individuals in some small communities, but I am interested in, if I can, relating the presence of employees of the department to the number of cases in their workload in the areas they serve. If information could be provided in that form it would be acceptable.

Mr. Fleming: Yes, Mr. Chairman, we are, in fact, in Establishment 532, are we not?

Mr. Chairman: Yes.

Mr. Fleming: I am wondering, in the matter of adequate housing, when the social assistance is put in, for instance, they happen to be living in Government housing, and, of course, as you know, last year, not too long ago, the Yukon Housing Corporation raised their rent extensively. Is this not reflected in a budget like this?

Hon. Mr. Njootli: Mr. Chairman, I am going to have refer the question over to the Finance Department because they have been here longer than I have. I know, for a fact, that there are increases in Government housing as well as private housing.

Hon. Mr. Lang: Mr. Chairman, perhaps I could clarify this a little bit further and Mr. Sherlock can correct me if I am wrong. If my memory serves me correctly, the people that are apt to resort to welfare, whether it be for an interim period or an individual, through circumstances, has two or three children and cannot provide for them themselves, we provide assistance through the Yukon Housing Corporation called a rent supplement; therefore, the difference between what the occupant pays as opposed to what the government pays is taken into consideration in respect to the money paid through whatever means, whether it be by working or whatever.

CMHC and the Housing Corporation split, under an agreement, if my memory serves me correctly, I believe it is a fifty-fifty split between what the CMHC provides in the area of housing, as well as the Yukon Housing Corporation, so, therefore, that is reflected in the Housing Corporation's budge.

Furttee to this particular item in the budget, as my colleague explained, it should be pointed out that, I believe it was about six months ago, when the rate, under the schedule were increased in line with the other provinces, so that would also bring into account the fact that there has been an increase for a supplementary in this area because of the increase through the regulations by the previous administration which brought it in line with the other western provinces, what we pay for the cost of living in this country.

So, if Members look in the Regulations, they will see a schedule that totally outlines how the Human Resources Department pays out money for so many dependents for clothing, et cetera. It is broken down into four or five different areas. You can analyze that from the figures that are given in that particular schedule.

Hon. Mr. MacKay: Perhaps I could also serve notice of a question that will come up under the Main Estimates. I would like to know, in totality, the total caseload for the last three years including this coming year. I should say the last two years, plus this coming year, what is budgeted for this coming year and what was the actual experience for the last two years.

Hon. Mr. Njootli: Can I ask the Opposition Leader to rephrase his question again? Does he want a written question or does he want a reply now?

Hon. Mr. MacKay: If I could clarify that, I guess what I am looking for is the total number of cases handled which involved the rendering of social assistance in each of the previous two years, plus what is anticipated for this coming year.

Hon. Mr. Njootli: I thought you made a comment on that in your

reply to the budget.

(Establishment 532 agreed to)

Mr. Chairman: Establishment 533, Day Care, a decrease of \$20,000.

Hon. Mr. Njootli: With regards to the subject at hand, the over-expenditures are as a result of fewer applications than anticipated because anticipated day care increases were not as high as projected. You have to note that this is a day care allowance paid to a parent on social assistance whose children are in day care and it is not a payment to day care centres.

Mr. Fleming: My question has now been answered.

Hon. Mr. Penikett: Mr. Chairman, perhaps I am anticipating Mr. Fleming a little bit but I wondered if the Administration had considered possibly paying out these surplus funds directly to the day care facilities in the Yukon. I suppose it could be argued that it might achieve the same end.

Hon. Mr. Njootli: It seems to me that this is becoming Question Period. If you are referring to a Day Care Ordinance, I am looking into it; I am going to pull it out this year sometime but I am not prepared to subsidize the day care centres. I am prepared to put out the Regulations at a rate of the minimum standard so that it does not cost the Government a lot of money. If you impose strict regulations then you would have to pay for a lot of day care centres.

Hon. Mr. Penikett: Supplementary, Mr. Chairman: I, of course, feel bound to make the point that if Government imposes strict regulations, that is bound to increase the cost for parents of day care and I would only ask the Member to consider again the possibility of funding centres directly.

Hon. Mr. Lang: Mr. Chairman, this is a question more for the Main Estimates than for the Supplementaries. I think the Honourable Member would be very upset if we arbitrarily hauled off, turned around and started granting money willy-nilly without the concurrence of the Legislature so therefore it follows, Mr. Chairman, that if the Government makes a decision with regard to granting money to anyone, that it would follow from parliamentary procedure, that we should be coming to this House requesting it. If the Honourable Member is alluding to the fact he would like us to take that prerogative, then we will take it under advisement in areas that this Government is concerned with.

Hon. Mr. MacKay: I cannot understand how my colleague let him get away with that. Everything that is not an under-expenditure is some money that has been appropriated willy-nilly without the permission of this Assembly, that is why we are discussing it.

Hon. Mr. Lang: Mr. Chairman, just on a point of order here, I do not think that is correct. If one looks through the Supplementaries, the majority of the money here has been voted in good faith and, overall, does follow the guidelines in the Budget. It is a case of the the operation and maintenance costs of the Government ever-increasing.

Some Members do not take the time to look at a budget and then realize over the course of the year, NCPC comes in for the nine per cent increase and subsequently, for an example, to the Department of Education, it may well cost between sixty to one hundred thousand dollars that has not been budgeted for because it was not foreseen.

Mr. Chairman, I think in all fairness to the Supplementaries, although we were not a part of it, I think it is fair to say that the money does follow the guidelines for the Budget.

Hon. Mr. MacKay: I did not mean to put the Member opposite in the position of having to defend his own Budget. Further to the day care thing: it seems a paradox to me that on the one hand we are budgeting for much higher increased caseload from the previous vote. You would have expected a similar increase, I think, when it came to providing assistance to mothers for day care.

Is there any explanation for this paradox? Is it an over-budgeting or is it a fact that people do not know how to apply for the money? Where does the discrepancy arise?

Hon. Mr. Njootli: That is a fair question. I am going to have to give you the answer at a later date, but I am sure you are going to hear a lot more about day care. You will have the opportunity to ask those questions then.

(Establishment 533 agreed to)

Hon. Mr. Pearson: Mr. Chairman, as all Members are aware, we adjourn now for supper and come back at 7:30, but our witnesses have, in fact, worked their full day already. I would like to ask them, on behalf of the House, if they would mind coming back this evening and sitting with us. I am sure it would prove beneficial to all of us.

Hon. Mr. MacKay: Perhaps before Mr. Sherlock answers that, I would appreciate that but it would not go against the wishes of this side of the House if, in fact, the House did not sit this evening, the reason being that, in the course of preparation over the weekend for the budget speeches and so forth, I find that the quality of the questions we ask perhaps are not as high as they should be and if we could have more time to consider these matters, because the government has had the opportunity for some months, three months to peruse these numbers, we have only had three days; therefore a little more time would be appreciated. It would also save our Treasurer having to come back this evening.

Hon. Mr. Lang: Mr. Chairman, I cannot agree with the comments made by the Leader of the Opposition. I think that we have struck hours that the Legislature should be sitting. We do have an obligation, I believe, to the electorate, to get on with the work of the Legislature and we cannot do that unless we take the hours that are provided to us and I think in all fairness to everybody concerned, I think we should get on with the supplementaries so that we can get on to the Main Estimates. That is primarily a major concern of this government so that we can get on with expediting the work of the Legislature so that the government can continue functioning.

Hon. Mr. Njootli: Mr. Chairman, it is not 5:30 yet. I do not know what the official time is, mine or that one up there. I have got five minutes and that one has seven minutes to closing time.

Mr. Chairman: I suggest that rather than stop in the middle of an establishment we finish one establishment and I do not think we have time to do the other one. The way you are talking we will be here for the extra five minutes, I am sure.

Mr. Sherlock: I am sorry I cannot be here tonight, but I have to go to a coroner's inquest, but Mr. Wilson will be back. I have to go to an inquest at 7:00 o'clock, but I will be pleased to come back tomorrow. Mr. Wilson will join you tonight.

Mr. Chairman: Thank you.

Hon. Mr. Graham: Mr. Chairman, taking into consideration the Opposition's feelings, I think that our side would like to sit tonight and get on with the important business at hand.

Hon. Mr. MacKay: Members opposite would not believe that I had any ulterior motives other than the fact that I am concerned about the ability of the Opposition, on the short notice available, to be able to ask sensible questions.

Hon. Mr. Pearson: Mr. Chairman, I think that their questions have been quite sensible.

Mr. Chairman: At this time I will recess the House, until 7:30 this evening.

(Recess)

Mr. Chairman: I call the Committee of the Whole to Order.

As a witness this evening we have Mr. Grant Wilson. We have just finished Establishment 533. I will go on to Establishment 534, Social Services Agency, an increase of \$11,000.

Hon. Mr. Njootli: Mr. Chairman, the Social Services Agencies were provided, in the summer of 1978, with a three year grant for the Yukon Hostel Association. The Yukon Hostel Association was in the process of expanding its program into the communities outside of Whitehorse. The 1978-79 grant was \$16,000, of which \$5,000 was paid by the Department of Education, and \$11,000 was paid by the Department of Human Resources.

Hon. Mr. MacKay: Mr. Chairman, I notice that that brings the total budget of that Vote up to \$47,700. I was just wondering if I could be enlightened as to what the balance of the budget was for, the \$36,700.

Hon. Mr. Njootli: Would you mind repeating that question.

Hon. Mr. MacKay: On page 20, on Social Services Agencies, there is a figure that was originally voted of \$36,700, and I would just like to know what agencies were paid that money?

Hon. Mr. Njootli: Mr. Chairman, may Mr. Grant answer that?

Mr. Wilson: Mr. Chairman, the full \$36,700 was a grant to the Yukon Family Services Association.

Mr. Fleming: Mr. Chairman, is this just a typographical error or you are meaning the same thing: you have Social Service Agency, and over in the Main Estimates you have Grants, and that is written in. Why the discrepancy there?

Mr. Wilson: Mr. Chairman, during the year the department incorporated the grant to the Yukon Hostel Association. Initially, 534 was Social Service Agency, and subsequent to the grant to the Hostel Association, we decided to change the name to Grant instead.

(Establishment 534 agreed to)

Mr. Chairman: Establishment 535, Children's Group Homes. I do not have to do anything with that one.

We will go down to 536. Youth Services Center and Senior Citizens' Facilities, a decrease of \$60,700.

Hon. Mr. Njootli: Mr. Chairman, the funds are available.

Mr. Chairman: One moment please, Mr. Njootli. May I ask the witness, why the Group Home is in this Estimate when there is no Supplementary Estimate?

Mr. Wilson: Mr. Chairman, it is for information only.

Mr. Chairman: Thank you.

Establishment 536 is Youth Services Center and Senior Citizens Facility, a decrease of \$60,700.

Hon. Mr. Njootli: Yes, Mr. Chairman, the reason for moneys being available, I gather, is that the Youth Services Center and Senior Citizens' Facilities projected relief costs for staff absences. The absences were lower than anticipated in the Youth Services Center and the two lodges we operate on a 24-hour-a-day basis, and by virtue of a program, all absences are covered by relief staff. Also, there are under-expenditures in areas of materials and supplies for food.

Mr. Byblow: Mr. Chairman, may I enquire as to the nature of the contracts? What is involved in the contracts?

Hon. Mr. Njootli: I refer that question to Mr. Grant.

Mr. Wilson: There is a term position, Mr. Chairman, a position that was used to provide training availability to the individuals working at the Group Home. In other words, they set up a program of training for the staff.

Hon. Mr. MacKay: Yes, Mr. Chairman, I do not want to ask any specific questions on this, but just give notice of questions I will be asking in the Mains.

I would be concerned on the Youth Services Centre to know what the average population of residents of that facility was in this last year, and what you are projecting for this year.

I would also be wondering if there is any study being undertaken, or has been undertaken, with respect to the cost effectiveness of this facility, and whether the Minister, in the Mains, will be able to give us some explanation of this seemingly large amount in the total budget.

Hon. Mr. Njootli: Mr. Chairman, the population of the Youth Services Centre averaged ten. I was going to say 10.4, but maybe you will think I mean ten teenagers and one baby.

But we are going to be doing some studies into the Youth Services Centre. I knew that there was going to be some concern with regard to the Youth Services Centre, not only from the Opposition, but from the Party itself. We have to look at an overview of it, make an intelligent decision on it, not immediately, but in the next few years. I think, with the pipeline coming, and the increase in crime, I think that it is not only up to me, but with the help of my colleagues and my support staff that we can come up with something that is concrete in the future.

I will be willing to discuss this further in the Mains.

(Establishment 536 agreed to)

Mr. Chairman: Establishment 537, Senior Citizens Programs, an increase of \$61,400.

Hon. Mr. Njootli: Mr. Chairman, the money is there because \$60,700 was approved in June of 1978. The Legislative Assembly approved the Pioneer Utility Grant and we are now utilizing those grants.

Mr. Fleming: Mr. Chairman, I want a little more clarification on the \$61,500. Does this not fall a little short of paying off what is needed, and if this is a supplement, is this on top of some other money, or is this the total moneys, because this is within \$1,000 of the total moneys that are needed for the program right at the moment?

Hon. Mr. Njootli: Mr. Chairman, the \$60,700 in an outright grant is spent already. We have overspent, I believe \$3,000, but that \$3,000 is coming out of some other sources.

Mr. Fleming: Would it not be advisable that we know where this other source is, or where the money comes from?

Hon. Mr. Pearson: Mr. Chairman, the Honourable Member, if he looks on page 20 will see that there was in fact \$100 voted for this program at the beginning of last year. The actual cost was \$61,500. We are now voting the \$61,400. You were right when you intimated that that was just about the total cost of the program. There was only \$100 voted in the Main Estimates.

(Establishment 537 agreed to)

Mr. Chairman: I now refer you to page 24, Vote 6, Establishment 600, Administration, a decrease of \$2,600.

Hon. Mr. Lang: Mr. Chairman, I think that is quite obviously very straight forward. It is a case of classifications within the department, and in the final analysis, Establishment 600 was \$2,600 less than what was projected.

(Establishment 600 agreed to)

Mr. Chairman: Establishment 601, Community Planning and Land Disposal, a decrease of \$71,900.

Hon. Mr. Lang: Mr. Chairman, there are a number of reasons for the decrease in this area. As you can see, we run a very tight ship if you look all the way through the Supplementaries, we always give money back, which I am sure the Leader of the Opposition will note.

Going further into this, there are a number of reasons for the decrease in this particular establishment. There was less advertising done this last year than was anticipated. There were a couple of vacancies within the department, a draftsman, as well as a land disposal officer. Further to that, Mr. Chairman, there was an under-expenditure in the area of travel, which combined to a total of \$71,900.

Hon. Mr. MacKay: What we would appear to have here, Mr. Chairman, is a chronic case of over-budgeting, which has produced some nice looking figures here.

Mr. Chairman: Order, please.

Hon. Mr. MacKay: Mr. Chairman, what kind of advertising would you reduce?

Hon. Mr. Lang: Mr. Chairman, it would be a case of land sales and this kind of thing, in respect to the department.

Perhaps the witness from the Finance Department could elaborate further, but also advertising for positions as well, I gather, and this type of thing, Mr. Chairman.

Mr. Wilson: Yes, Mr. Chairman, the Branch advertises to indicate numbers of lots that are for sale. In addition, once lots have been sold, quarterly there is an advertisement in the papers indicating who has purchased what lot.

(Establishment 601 agreed to)

Mr. Chairman: Establishment 602, Protective Services, a decrease of \$13,800.

Hon. Mr. Lang: Mr. Chairman, this area is just in respect to some of the positions within this area of the department being vacant for a portion of the year. That included the Building Inspector, as well as the Electrical Inspector.

(Establishment 602 agreed to)

Mr. Chairman: Establishment 603, Assessment Services, a decrease of \$17,500.

Hon. Mr. Lang: Mr. Chairman, this, once again, refers to positions vacant within the department, that of one assessor, as well as the reduced travel that was down in this particular department from the original estimate.

I would like to further go on to say that the government is taking a fairly hard line in respect to government travel, and I think that this reflects in the budget as well.

Hon. Mr. MacKay: Mr. Chairman, I am very interested to see that there was a vacancy in the assessment department. I am wondering if the assessment that should have been carried on throughout the Territory, as I understood it, was going to continue last year, having done its worst in Whitehorse, Mr. Chairman, was going to proceed to the rest of the Territory. Mr. Chairman, has that proceeded with, or because of the vacancy is it behind.

Hon. Mr. Lang: Mr. Chairman, I could not exactly say where they are at the present time, but I would say that in respect to hiring assessors, it is a very difficult area to find people for this type of employment. It is like trying to employ chartered accountants, they are very difficult to come by. I do not know if it is a case in respect to the fact that the monies are not enough to bring them up, but I do know that, my predecessor to this portfolio had to go to the point of even hiring people by contract from the Province of Alberta. I am hoping that this will not happen again, Mr. Chairman. I cannot foresee the future, but it is a very difficult area to find people who are willing to take this type of job on, and at the same time have the necessary qualifications. Further, I think that it is interesting to note that, approximately, a year ago, one of the members of the House said that if he had a son or daughter who was growing up and wanted to make sure that they could have employment forever and a day, they should go into the assessment field, because it seems difficult to get assessors.

(Establishment 603 agreed to)

Mr. Chairman: Establishment 605, Municipal Services, a decrease of \$22,700.

Hon. Mr. Lang: Mr. Chairman, this once again refers to positions that were vacant over the course of the year, that of planner and land development officer that were not filled over a period of a year, and at the same time, the reduced utility costs in unorganized communities basically refers to Dawson City, which I am sure the Member from Klondike would be interested to hear. This is where the Government takes the responsibility of covering the deficit over and above what the taxpayers in Dawson City pay for their water and sewer installation.

(Establishment 605 agreed to)

Mr. Chairman: Vote 7, Tourism and Economic Development, Establishment 702, Tourism, an increase of \$56,500.

Hon. Mr. Tracey: Mr. Chairman, these funds were mainly to provide for the great increase in literature that was demanded this current year. There was an increase in literature of \$36,000 and this was mostly for the great increase in requests for literature.

I will give you some examples: from January to July, 1977, there were 396 bulk requests for literature, and in the same period in 1978, there were 985. This is shown throughout the whole Tourism Department. The demands on the department were much greater. One of the other major areas was familiarization tours. We had an estimated deficit of \$13,980. This was the same reason, we had far more familiarization tours than in the previous year.

Hon. Mr. MacKay: Perhaps I do not understand the proper jargon, Mr. Chairman, what is a familiarization tour?

Hon. Mr. Tracey: A familiarization tour is when you bring in a group of travel agents from some other area to familiarize them with the Territory and try to get them to send their tours here.

Hon. Mr. MacKay: The deficit in that area was \$13,900.? What was the total budget for that area?

Hon. Mr. Tracey: Maybe Mr. Wilson could answer that.

Mr. Wilson: Yes, Mr. Chairman, the budget was for \$7,500 originally. They were looking at three tours at \$2,500.

Hon. Mr. Tracey: Further to that, Mr. Chairman, we had seven tours; we had 140 agents and we had seventeen media visits, which would be writers or whatever and eight wholesalers. The total came to \$22,480 which gave us a deficit of \$13,000, almost \$14,000.

Mr. Byblow: Could we have an explanation on the Joint Marketing Program?

Hon. Mr. Tracey: Mr. Chairman, the Joint Marketing Program is a program that the Territorial Government has with the Yukon Visitors Association. For every dollar that the Government puts in, the industry puts in another dollar, so we actually double our advertising dollar every year.

Hon. Mr. MacKay: Just to pursue what I would likely call "promotion and entertainment fund", rather than "familiarization", of \$21,400, that seems to me a terrific excess if you go twice over the budget. I am wondering if there has been any remedial action on the part of the Minister to ensure that this kind of overrun does not occur again?

Hon. Mr. Tracey: Mr. Chairman, I think if the Honourable Member of the Opposition would care to check the records of the Tourism Department, there has been an increase of approximately 70,000 people to the Yukon Territory, with a great increase in money that is generated in the tourism industry and \$13,000 is a fairly small amount to put into recovering the money that we get out of tourism.

Hon. Mr. MacKay: I appreciate Mr. Tracey's remarks. I do think that they should buy a round, occasionally, though. It looks like we are buying all the rounds.

The other question I have with respect to this overrun is increased travel. Can you tell me what that amounted to over the original budget and what the original budget was?

Hon. Mr. Tracey: Mr. Chairman, the increased travel was for such things as the Federal Minister's Task Force on Tourism which we had to attend, the Dempster Highway co-ordinating committee meeting in Yellowknife, and also to the increased escorts on familiarization tours.

Hon. Mr. MacKay: Yes, I just would like to put some dollars to this though. How much does that come to? Does Mr. Wilson have that figure?

Hon. Mr. Tracey: Mr. Chairman, the increase in that, primary, was \$1,394.

Hon. Mr. MacKay: Mr. Chairman, and the original budget was?

Hon. Mr. Tracey: I do not have those figures here with me right now.

Mr. Chairman: I believe Mr. Wilson has the figures. Could you supply them to us, please?

Mr. Wilson: Yes, Mr. Chairman, the original budget was \$30,700.

Hon. Mr. MacKay: I am very concerned about this particular overrun. It seems to me there is a fair bit of sloppiness in it.

During the last year there was a tourism development strategy development, as I understand it. I am wondering if the cost of that is in here as well?

Hon. Mr. Tracey: Mr. Chairman, the cost of the tourism development strategy is not in these supplements.

(Establishment 702 agreed to)

Mr. Chairman: Establishment 705, Economic Research and Planning, an increase of \$61,900.

Hon. Mr. Tracey: Mr. Chairman, the reason for the overrun in this department was to provide funds for special surveys. The economic development model for the Yukon Territory, which we are currently working on, a grant to the Yukon Chamber of Mines, and a vast increase in space rentals that was not budgeted for.

I can give you some of the breakdowns. The statistical surveys overrun was approximately \$25,000 and this was to do things like consumer price statistics, rental increases and real estate prices. Another was the wage and price control contingency plan, which we had to enter into under the AIB. The economic model was \$35,000 and the grant to the Yukon Chamber of Mines was \$3,000.

We have an annual budget of \$1,500 for a grant to the Yukon Chamber of Mines, but it was dropped during the year and then reinstated, which would give us the two years in one.

Hon. Mr. MacKay: Mr. Chairman, there seems to be a paradox here. We have fewer people on staff on this than originally budgeted for, yet we have, as was mentioned, a very large space rental increase. Now why would that occur?

Hon. Mr. Tracey: Mr. Chairman, during the course of the 1978 year, we installed the computer and the library, which takes up a lot of space that was not budgeted for under that department.

Hon. Mr. MacKay: In view of the large number of these surveys which this department issues, and in view of what, in my opinion, the mostly useless information that it contains, is there anywhere, Mr. Chairman, where this department has got a process of evaluation going on with respect to the usefulness of these reports?

Hon. Mr. Tracey: Mr. Chairman, it would not bother some Members at all to say, really, that the information that we do gain is of great benefit to us. One or two of us might look at a rental survey and say that that does not mean anything to us, or that where one or the other statistical things do not mean anything to us, but whenever a department of government gets down to trying to put some plan together, they need this information, so we are forced to do it. We have to keep the statistics.

Hon. Mr. MacKay: I would just point out one area that, perhaps, the Minister might want to look at is the price of an average house survey, which is produced every month. Unless it is related to a cost per square foot, it does not mean anything at all. I suspect that it is a waste of the taxpayers' money, producing that number.

That is not a question, I guess, Mr. Chairman.

Hon. Mr. Tracey: Mr. Chairman, perhaps the Member does feel that the price of a house in Yukon does not mean anything to him. According to Mr. Penikett, he made fairly good use of that information the other day, so perhaps maybe we should quit producing it, but it does have a benefit to the Economic Development Department in projecting what is going to be needed in the future.

As you know, in the paper right now, we are advertising for a director, a deputy head of the Economic Development Department and all of this will come under his pervue and perhaps some of these programs will be dropped. We will be looking at them all the time.

Hon. Mr. Lang: Mr. Chairman, I think it should be further elaborated in this particular area that, I found quite interesting, is the Economic Development Unit, which is a unit that was put together by the University of Saskatchewan, which is really advanced calculus, but uses all the information collected by this government so we can project the future.

It is interesting to note that the economic development model was produced for in the area of \$35,000 and the way I understand it, at least in the terms of the area where economists work, they think that is a very good price for what we did receive from the University of Saskatchewan.

Also, it is my understanding that we do have the utilization of the University of Saskatchewan's computers if ours cannot accommodate what we are trying to project into the future. But, in order to be able to use this model, we do need certain statistics and try to keep this data up to date in order that, for an example: for land projections and this kind of thing, we can look at the base for the last five years or ten years. As long as we are continuously keeping updating this, we can put it in the economic model, look at areas where, perhaps, the status quo is remaining in the mining fraternity, tourism is going on an incline, whatever, and it can give a certain amount of justification to the government in respect to decision-making for future resources.

So there is a definite benefit, in all fairness to the Economic Unit, for this data that is being compiled on an on-going basis. It is all tied together for the advent of this economic development model and using this to try to project what will happen in the future.

Of course, it is just as good as the data that is put into it, as well as the assumptions, but it is something more than what we have had in the past.

(Establishment 705 agreed to)

Mr. Chairman: I refer you to page 30.

Vote 8, Department of Justice, Establishment 800, Legal Services, increase \$19,400.

Hon. Mr. Graham: Mr. Chairman, this was basically to provide funds for a new man year in the Public Administrator's Office, whose workload has increased tremendously over the past year. It was a Clerk I position and the increase in coroner's fees, which was the first increase, I believe, in four or five years, partially offset by salary vacancies.

(Establishment 800 agreed to)

Mr. Chairman: Establishment 801, Court Services Branch, an increase of \$44,700.

Hon. Mr. Graham: Mr. Chairman, I am going to ask Mr. Wilson at this time to give us some background information.

Mr. Wilson: Mr. Chairman, funds are required for contracts basically relating to deputy magistrates, increased number of court cases have required increased requirements for deputy magistrates on a contract basis.

In addition, because of increased court cases in the outlying areas, more circuit courts have taken place, resulting in travel requirements being increased. During the year also, there was the Magistrate vacancy for six months, resulting in salary savings.

Mr. Fleming: Could I have some explanation on non-government travel?

Mr. Wilson: Mr. Chairman, this is for travel of the deputy magistrates on contract.

Hon. Mr. MacKay: I am not sure how I can ask this question, if indeed it is a question and not a statement.

I think probably what I should say to Mr. Graham is that when we get into the Main Estimates, I think what I would like to be able to find out is the cost per day of a court day and if there are any figures from previous years with which we can make some comparison.

The kind of thing that I am concerned about, Mr. Chairman, is the cost of bringing in witnesses to the Territory. Of course bringing in the substitute magistrates and so forth has been quite expensive as well. I think what I would like to be able to see is some kind of economic justification for the second magistrate, how will the economics work as compared with previous years?

Hon. Mr. Pearson: Mr. Chairman, I certainly hope that the Leader of the Opposition is not suggesting that we have to start putting a price tag on justice. I mean, we just cannot do that.

The bringing in of witnesses, the supplying of court rooms and court facilities are an absolute requirement of the government. We must do that. The law requires that we do that and it is a very, very expensive proposition. I am sure we can come up with the per day cost. We would be happy to table that for the Honourable Member's information, but we are going to have to be very, very careful about trying to put a price tag on how much justice does cost, because it is expensive.

Hon. Mr. MacKay: Yes, I appreciate that. Perhaps I can illustrate to the Honourable Government Leader the kind of thing I was concerned about and that was the case, Mr. Chairman, not too long ago, in which all of the witnesses, apart from, I think, one, were located in the southern United States, in Florida. All of these people were brought up here to testify and the kind of thing I would be concerned about would be, would it not have been better for the magistrate, it was a preliminary hearing, for the magistrate to go down there and just take the evidence there, with the assistance of

the U.S. court system. That kind of consideration, I think would enter into it.

Hon. Mr. Lang: Mr. Chairman, I would just like to make one comment. If I was the defense and the magistrate was going down to Florida, I would have some trepidation of just exactly what was being said without my being there. I think it would naturally flow that the defense plus the legal counsel, or whatever, should also have the prerogative of going through and interviewing witnesses.

As the Government Leader has outlined, it is a very difficult area, but at the same time, justice being what it is, everybody has got to get their fair shot at it and whether we like it or not, those are expenses that come along with our present judicial system throughout Canada.

Hon. Mr. MacKay: Without debating the point all night, which we probably could, it is fair to say that justice is like any other government department, it should be subject to the rules of good economy and non-wasteful expenditures. I am not suggesting that it should be subject to special rules that would cut its effectiveness.

However, I point out that one example is something that could be looked at with respect to cutting the costs.

Mr. Byblow: I just have question on figures. Is \$734,200, the amount voted to date, the Main Estimate for 1978-79? (Establishment 801 agreed to)

Mr. Chairman: Establishment 802, Legal Aid, an increase of \$35,200.

Hon. Mr. Graham: Mr. Chairman, as indicated, this is to provide funds for legal aid case growth. I might point out that we do cover, or we do make an attempt to recover, some of these funds from applicants; when their financial situation changes after the time they were granted legal aid, but this amount is still an overrun. I do not know if Mr. Wilson has any further backup information.

Mr. Wilson: Mr. Chairman, we receive a recovery from the Federal Government on 50 per cent of our total costs.

Mr. Byblow: Just for the sake of information, could I enquire what the qualifying parameters are for legal aid?

Hon. Mr. Graham: Mr. Chairman, we have a board that considers each applicant and determines whether or not they should receive legal aid on that applicant's merits.

Hon. Mr. MacKay: Mr. Chairman, included in that increase is there any increase in the fees charged by the legal profession to perform this service?

Mr. Wilson: Mr. Chairman, I am not certain, the information I have is that the over expenditure is a result of increased number of eligible applicants only.

Mr. Fleming: Yes, Mr. Chairman, I wonder if I could ask, Mr. Chairman, how many lawyers have actually taken up with this, and are willing to carry on with it?

Hon. Mr. Graham: I will make an effort to find out that information and direct it to the Honourable Member, Mr. Chairman.

(Establishment 802 agreed to)

Mr. Chairman: Establishment 803, Police Services Agreement, an increase of \$140,600.

Hon. Mr. Graham: Mr. Wilson, do you have some more back-up information on that?

Mr. Wilson: Yes, Mr. Chairman, the Police Services Agreement is an agreement whereby the Government of Yukon pays a percentage of the total cost of operating the RCMP force in Yukon. The estimates that we have at the beginning of the year are exactly that, estimates, and once the Federal Government gets into the year they can determine more readily what the actual cost will be. The \$140,000 is an approximation of that actual cost.

Mr. Fleming: Could you tell us what the percentage is?

Mr. Wilson: Mr. Chairman, it is fifty-four per cent for 1978-79.

Hon. Mr. MacKay: Mr. Chairman, I notice the rider of 1978-79, is this a percentage, Mr. Chairman, that is variable from year to year?

Mr. Wilson: Mr. Chairman, it is not so much variable, as it is increasing. The formula provides in 1979-80 for fifty-five per cent sharing, it started at 50 per cent a number of years back, and is working up, I believe, to sixty per cent over the period of the life of the agreement. This is the same percentage as would apply to all provincial governments.

Hon. Mr. MacKay: I do not know whether the statistics would be available, but again it is a general inquiry at this point, but I would like an answer to it later on. What is the number of policemen per capita in this Territory? Mr. Chairman, I am concerned about what seems to me a very high number of policemen in the Territ-

ory. It seems to give rise to increased Legal Aid requirement, and so on, all the way through. If Mr. Graham could perhaps let us know that figure, and if the information is available over a five year period as well, that would be useful.

Hon. Mr. Graham: Yes, Mr. Chairman, we will make that information available.

(Establishment 803 agreed to)

Mr. Chairman: Establishment 804, Criminal Injuries Compensation, an increase of \$16,600.

Mr. Fleming: Mr. Chairman, if there is an explanation for this Establishment, I would be glad to listen to it. I see it is just a small item of \$16,700. Could you just give us a rundown on just what it was?

Mr. Wilson: Mr. Chairman, I do not have the names of the recipients of these awards, however, there were three awards made during the year.

Mr. Byblow: Were there any additional applicants, beyond those given the awards?

Mr. Wilson: There are additional applicants. They may come through this year; however, it is anticipated they will be coming through next year.

(Establishment 804 agreed to)

Mr. Chairman: Establishment 805, Court Workers Program, an increase of \$33,100.

Hon. Mr. Graham: Perhaps Mr. Wilson could give us some background information, again.

Mr. Wilson: Yes, Mr. Chairman, during the year, approval was given to expand this program, resulting in a new agreement being entered into between the Government of Yukon and the carrier agent, with increased funding, as a result requiring this additional \$33,100.

Hon. Mr. MacKay: Just one question, who is the carrier agent?

Mr. Wilson: Mr. Chairman, I do not know.

Hon. Mr. Lang: Mr. Chairman, there is a society formed, with some members of the Bar and some representation from the native community, that oversees this particular program.

(Establishment 805 agreed to)

Mr. Chairman: Establishment 806, Administration, a decrease of 2,000.

(Establishment 806 agreed to)

Mr. Chairman: Establishment 807, Native Special Constable Program, a decrease of \$40,000

Hon. Mr. Graham: Mr. Chairman, this decrease is simply because the Native Special Constable Program never did get off the ground and, for the information of those Members present, we are now attempting to rekindle some interest in the program, and hopefully we will have some results in the near future.

Mr. Fleming: As I understand the Minister, the program never got off the ground and yet, you mean we do not have any special native constables? Or are they being paid in some other fashion, the ones we do have?

Hon. Mr. Graham: I am not sure, Mr. Chairman. I will have to get some more information. I realize there are special constables here in Yukon at the present time, but I am not sure under what circumstances.

Mrs. McGuire: Is it perhaps the takeover by the Territorial Government that it did not get off the ground?

Hon. Mr. Graham: Again, Mr. Chairman, I am not certain.

Mr. Hanson: I do not think the Territorial Government has anything to do with this.

Mr. Chairman: Will you please, sir, address the Chair?

Mr. Hanson: Mr. Chairman, I do not think the Territorial Government has anything to do with this. It is under the RCMP. We have a special constable in Mayo, a native person, who came in from Ross River last week, but there were other people from Mayo trying to get into this course, and they were turned down for one reason or another.

Hon. Mr. Graham: Mr. Chairman, I am quite certain that this Native Special Constable Program was a program to initiate special constables in the bands. This was not to do with the RCMP program, as such. I could be mistaken, but I am quite certain this is so.

Mrs. McGuire: In talking with Sergeant Levy today, to clarify this, it is my understanding that the Territorial Government is taking over the administration of funding of an on-going program, which has been in progress for the last few years.

Hon. Mr. Lang: Mr. Chairman, just for the Members' clarification, there was a paper before the previous Legislature here, if my memory serves me correctly, approximately a couple of years ago. It has always been in concert with the RCMP, under the administration of the YTG. To a certain extent there has been a working relationship built up between the RCMP and the YTG, and if my memory serves me correctly, maybe Mr. Fleming could clarify it, but I think it is just strictly training money and after that they are taken into the police force and paid through the RCMP.

So, perhaps this last year there were no applicants, but prior to that time I think there are some native people that have gone through the course.

Mr. Fleming: Mr. Chairman, if I may, yes, there are. There have been six constables in the Territory. I would presume that they are being paid, probably, through the RCMP, and then the money probably comes out in the agreement somewhere. I was just questioning because the \$40,000 had not been spent, and I was wondering why. I thought it was our responsibility, but apparently it is not. If the government would just undertake to find out, I would be quite happy. That is all I ask.

(Establishment 807 agreed to)

Mr. Chairman: Establishment 808, Corrections Branch, an increase of \$103,400.

Hon. Mr. Graham: I think I am going to ask Mr. Wilson to answer this one.

Mr. Wilson: Yes, Mr. Chairman, funds are required for additional man years. During the year, five corrections officer positions were created, one accounting clerk and a half man year clerk typist.

In addition, revote of training funds, \$5,000, was not expended in 1977-78, and was brought forward to this 1979 year. There are various other over and under expenditures that I could elaborate on if there were any specific questions.

Hon. Mr. MacKay: Yes, the Minister perhaps could give us a brief explanation of what community service work program involved the dollars and the kind of things that were done with these dollars, and also what the inmates were paid on an hourly basis.

Hon. Mr. Graham: Mr. Wilson, do you have the facts? I do not.

Mr. Wilson: No, I do not have any information on the community work service program. The amounts budgeted for inmate pay, however, I do have a figure on that. We are looking at, on the average, it ranges between fifty cents a day and two dollars a day.

(Establishment 808 agreed to)

Mr. Chairman: On page 34, Vote 9, Department of Highways and Public Works, Establishment 900, Administration, an increase of \$31,100.

Hon. Mr. Lang: Mr. Chairman, this particular establishment is very straightforward. We did have some increases in salary requirements, and along with that, the VHF radio, which is an on-going expense to this government. It was partly offset by reduced travel within the department, which came down to a total of \$31,100.

Hon. Mr. MacKay: I would like to comment that this department does not seem quite so tightly run as the one we previously looked at.

The \$31,100, the salary requirement, can we be told, was that an additional man year there, or was it just additional pay to people who were already there?

Hon. Mr. Lang: If my memory serves me correctly, and clarify it if I am not correct, Mr. Wilson, it is my understanding that it is not a new man year, it is within the department. Is that not correct?

Mr. Wilson: That is correct, Mr. Chairman.

Hon. Mr. Lang: In other words, Mr. Chairman, there was not any increase in man years over the course of the year.

(Establishment 900 agreed to)

Mr. Chairman: Establishment 901, Building Maintenance, a decrease of \$68,600.

Hon. Mr. Lang: Mr. Chairman, just to clarify the Leader of the Opposition's earlier remarks in respect to this particular budget, I would like to point out that the major increase in this area is in the following establishment, 902, which actually was an agreement that came into effect after the passage of the budget last year. Therefore, if one looks through the budget, you can see that, in most cases, most establishments have been run rather tightly.

Further to that, in Establishment 901, Building Maintenance, it has been minor areas that have all accumulated to add up to a total that allows us the luxury of being \$68,600 over and above what was

voted last year. As you can see, it has been partly offset by VHF radio requirements, as well as equipment rentals and labour maintenance.

Hon. Mr. MacKay: Perhaps I could have an explanation of why the VHF radio appears to be in Administration and also in Building Maintenance.

Hon. Mr. Lang: Mr. Chairman, perhaps the witness could respond to that question.

Mr. Wilson: Mr. Chairman, the VHF costs are costs to rent VHF equipment. The actual cost to operate the VHF system is under Establishment 915, but each department who uses a VHF radio requires rental of that radio within their particular jurisdiction.

(Establishment 901 agreed to)

Mr. Chairman: Establishment 902, Highways Maintenance, an increase of \$465,000.

Hon. Mr. Lang: Mr. Chairman, this is to upgrade the Beaver Creek area. It was under, I believe, the Engineering Services Agreement, and it came into effect after the Budget was passed last year. Subsequently, it had to be shown as a Supplementary. As you can see from the explanatory note, you will note that it is recoverable from the Department of Public Works.

(Establishment 902 agreed to)

Mr. Chairman: Establishment 903, Weigh Scales, a decrease of \$12,500.

Hon. Mr. Lang: Mr. Chairman, this is once again a case of reduced costs for this particular establishment, which in turn was partly offset by the salary requirement printing costs.

(Establishment 903 agreed to)

Mr. Chairman: Establishment 905, Third Party Services, a decrease of \$28,000.

Hon. Mr. Lang: Mr. Chairman, the Third Party Services Agreement is basically the Establishment which outlines where the government will rent out services. For example, a machine to clear an individual's property or whatever, for example, a roadhouse, and then they charge back the costs for that work. It is a very difficult area to project just exactly how much money is necessary for this particular service. As you can see, it is strictly a recovery, and this year we have recovered \$28,000 less than what was projected.

Hon. Mr. MacKay: Mr. Chairman, if I could point out something there. The total budget of expenditures will now be \$200,000 on that Third Party Services, and the total budgeted recoveries seem to be \$210,000, so we have a grand total profit of \$10,000 on the rental of \$200,000 worth of equipment.

I wonder if the government might perhaps look at its rates carefully to ensure that in fact it is charging a reasonable rate in terms of what is available in the private sector.

Hon. Mr. Lang: Mr. Chairman, I cannot let those allegations go by. I would suggest that the Department does have reasonable rates in respect to the equipment that they rent out. They try to do a job as the best they can and, at the same time, I would suggest that it is not the intention of this government to go into competition with private enterprises in the areas where there are privately owned machines that are available.

Subsequently, the government machines are there, and therefore are requested to do the work. As I said, for example, if there are around one of the highway lodges, they will go and clear out the driveway for them and then charge them back. So it is not a case of where the government wants to get involved. It is a case of necessity for those people in those particular outlying areas where there is just no equipment available.

So, it is not a case of this government going into competition with private enterprise, or anything of this nature.

(Establishment 905 agreed to)

Mr. Chairman: Establishment 906, Northern Exploration Facilities, a decrease of \$60,000.

Hon. Mr. Lang: Mr. Chairman, to clarify this particular Establishment, it should be pointed out that this is an ongoing program. It has been in existence for quite a few years, and it's granted to mining development companies, exploration companies and others for the development of access roads. At one time, I believe, it was called the Tote Trails Recovery Program, and this assistance is granted on a percentage of actual costs in accordance with guidelines administered under the program. The committee consists of both Federal and Territorial employees. They scrutinize each application as it comes forward. It should be pointed out that in respect to this area, there is a substantial decrease, and I think it is fair to say that it is a case of where they are scrutinizing each application very closely to see that where there is a road going or

Tote Trail actually in existence, close by to where the mining company is actually doing their exploration, they will request that particular mining company to utilize a trail that is already in existence, rather than let them build a new one. At one time, it was pretty helter-skelter, where in some cases, if you were to fly over the country nowadays, you will see where there are five or six roads pretty well going to the same area. So, it is scrutinized quite well, but, at the same time, we are still making other assistance available to the mining fraternity, which is a very important element in our economy, in fact, it is number one.

Hon. Mr. MacKay: Can the Minister give us some idea of the number of applications we receive during the year, and how many were accepted?

Hon. Mr. Lang: We will bring that information, perhaps, during the Main Estimates, as there is an item in the Main Estimates where we can discuss this, and I will see that I have that information when we are debating that particular point.

(Establishment 906 agreed to)

Mr. Chairman: Establishment 910, Office Accommodation, and increase of \$40,500.

Hon. Mr. Lang: For the office space within the Government, there is an Office Space Allocation Committee, which scrutinizes any requests for accommodation internally from within the Public Service. Any leasing of office space from the private sector is negotiated and administered through this particular Establishment. Perhaps Mr. Wilson can clarify it, further, in respect to the Establishment 910, just, exactly the amount of money that is budgeted in this particular area. During the past year, the previous administrations made the decision to move one or two of the departmental offices out into the private sector, utilizing some lease arrangement. Perhaps Mr. Wilson could clarify it a little further.

Mr. Wilson: Mr. Chairman, there is an actual over expenditure of \$44,000. In addition, the recoveries were less by approximately \$3,500, resulting in the \$40,500 requirement. The information that Mr. Lang, indicated is correct. With the advent of the the Department of Justice moving to a building downtown, we require more rental money than was originally anticipated.

Hon. Mr. MacKay: Yes, if I could just follow up on that. As I understand it, a department, such as the Department of Health, will be charged on the square footage which it occupies within this building, and this is really the clearing house, then. This department is the clearing house through which these costs are funnelled. Therefore, this \$40,500, net, would be the result of space that is not being utilized by any Government department. Is that correct?

Mr. Wilson: Mr. Chairman, not necessarily. During the year there may or may not be a surplus or deficit budgeted, but in most cases we have a zero budget, meaning that we intend to offset, by means of charging departments, the costs of operating the office accommodation. During the year, if there are expenditures that exceed what was anticipated, unless they are tremendously high, there is no adjustment made to the department charge-out rate. What we do, is the year following, we will make the adjustment.

Hon. Mr. MacKay: So if I tie this one down then, this is a result of the Justice Department moving over to a building on Main Street, and not having their charge adjusted as a result?

Mr. Wilson: In that particular instance the department was not charged the full cost in this current year.

Hon. Mr. MacKay: Mr. Chairman, just so that I understand how this works then, you say that this is not being charged this year. We are about to vote these funds as being expended? Does that mean that when the Department of Public Works charges the Department of Justice next year that \$40,000, that their budget would show a \$40,000 surplus next year?

Mr. Wilson: Mr. Chairman, the full \$40,000 is not relating to the Department of Justice. It is a number of factors. The amount that would be related to Justice would be fairly small, probably around the area of \$5,000. That particular amount may or may not be charged directly to the Department next year. The policy is that we will combine the total cost of properties throughout a particular area, and average those rates over the square footage used and make that charge out. This current year we have a \$7.00 rental rate. Next year we are looking at \$7.23.

Hon. Mr. MacKay: I am going to understand this yet. This deficit, or shortage, is it gone, or is it built into your \$7.50 rate next year?

Mr. Wilson: Mr. Chairman, the forty thousand dollars is being voted this year. It will not show up next year.

Hon. Mr. MacKay: Perhaps we should continue this subject in private but I understood the witness to say that this would be partly recovered from justice next year. Now he is saying that it is not going to be included in the rates that are going to be charged to

justice next year. Can you please explain where I am not understanding this?

Mr. Wilson: Yes, I am sorry, I indicated incorrectly that the charge would be made next year. The forty thousand dollars is a charge to this current year. The fact that the Department has moved to another building, that Department will then be paying a higher rate depending on the going rate at the time, for next year.

The forty thousand dollars will not be charged to the Department in the following year.

Hon. Mr. Lang: Perhaps for more clarification, perhaps this particular item, this office accommodation in respect to where the witness is referring to, maybe it should have been more clarified by putting it in the Department of Justice in respect to the fact that they had expended the money as opposed to the Department of Public Works.

I think this is what the Leader of the Opposition is getting at.

In the final analysis, the Government has to pay for it, Mr. Chairman. Is that not correct, Mr. Wilson?

Mr. Chairman: This is a matter of what is simplest at the time. The forty thousand, as I said, is not directly related to one department. It is a large number of departments. To have to go back to adjust all departments for forty thousand, it was not felt worthwhile, especially when we are spending approximately one million dollars on office accommodation.

Hon. Mr. Lang: Mr. Chairman, in reference to that, that is in respect to the whole Territorial Government, not just one department.

Hon. Mr. MacKay: I would suggest, Mr. Chairman, that this is what we call in the accounting profession, a plug.

(Establishment 910 agreed to)

Mr. Chairman: Establishment 915, for information only. We will carry right on to Establishment 916, Revolving Fund right-offs, an increase of \$1,200.

Hon. Mr. Lang: Mr. Chairman, I am going to take a stab at this and I do not have any information in front of me, and I will ask the witness to clarify it for me. If my memory serves me correctly, I believe this has to do with the revolving fund that is set up in respect to the purchasing of equipment and selling of equipment. This has been on-going for many years, with the Government of the Yukon Territory. It has to do with the highway maintenance side of the budget.

Subsequently, as you can see, we are managing very well in view of the right-offs we have. Perhaps Mr. Wilson could clarify it a little further.

Mr. Wilson: Yes, Mr. Chairman, during the year, if, through the revolving fund, in this particular instance, the garage revolving fund, if there are parts that are found to be no longer useful, then they are written off. The total \$1,200 is represented by those parts that are written off during the year.

Hon. Mr. MacKay: It is perfectly clear, Mr. Chairman.

(Establishment 916 agreed to)

Mr. Chairman: I now refer the members to page 38. Vote 10, Establishment 1000, Public Service Commission, an increase of \$199,400.

Hon. Mr. Pearson: Mr. Chairman, the increase is one of those uncontrollable items that this government runs across. It is primarily attributable to the cost of recruiting for new positions and replacement positions. There is a mention of the Brex III Exercise in here. It was a minor exercise under the Emergency Measures organization. The \$199,400 is partly offset by salary vacancies and reduced professional services in the Department of the Public Service Commission.

Hon. Mr. MacKay: Yes, Mr. Chairman, could I have some details of this overrun, with respect to how much of this was removal costs and how much was advertising, and can you give me the breakdown.

Mr. Wilson: Yes, Mr. Chairman, of the total overexpenditure, removals came in \$160,200 over budget; advertising \$56,500 over budget. There are other smaller areas, pluses and minuses.

Hon. Mr. MacKay: Perhaps Mr. Wilson could tell me briefly what the total budget for removal costs was if \$160,000 is the over run?

Mr. Wilson: The original budget was \$202,800 for removal. The supplementary budget for that is \$364,000. For advertising, the original budget was \$93,500, ending up at \$150,000.

Hon. Mr. MacKay: In view of these very large overruns, which have occurred here, it would be a fair question, I think to ask the government Leader whether these types of expenditures are anticipated for this coming year, and if there is any particular reason

for last year to be so high.

Hon. Mr. Pearson: I do not think there is any particular reason, Mr. Chairman, other than it did seem that this government did embark on a couple of new programs, the establishment of the Renewable Resources Department being one, that necessitated the hiring of staff during the course of the year. It was not budgeted for, previously.

Hopefully, it will not happen again this year. I cannot foresee it happening this year.

Hon. Mr. MacKay: Would it be useful to request a response that if the direction was given to the Public Service Commission, if such directions in fact are possible to give to this body, that special preference should be given to those people who are resident in the Territory, in the event of a hiring situation, for two reasons. One is that it develops our own expertise within the Territory.

The other one is that it might save us \$364,000 worth of moving costs.

Hon. Mr. Pearson: Mr. Chairman, this government is very, very interested in the program of local hire. We are hopeful of being able to encourage local hire more and more all of the time. We are hopeful of being able to steer budget money into local training programs. I am prepared to do just about anything to get out of this business of having to hire all of our staff from outside, because it is very, very expensive.

Mr. Byblow: What was the Brex III Exercise?

Hon. Mr. Pearson: Mr. Chairman, it was a program under the Emergency Measures Organization auspices.

(Establishment 1000 agreed to)

Mr. Chairman: I now direct you to page 41. Vote 11, Establishment 1100, Office of the Pipeline Co-ordinator, a decrease of \$69,200.

Hon. Mr. MacKay: Mr. Chairman, perhaps we could have a brief explanation of this.

Hon. Mr. Pearson: I did not think there would be one necessary, a decrease of \$70,000. The major reason is the delays, the unscheduled delays of the pipeline. It was not felt that it was necessary to go ahead with certain programs in that office. I think it will become evident in the new Budget that this government puts a bit more priority on making sure that we do have this preliminary work done.

Mr. Fleming: Could I have a little explanation as to why this transfer of study funds to Vote 7, and where?

Hon. Mr. Pearson: Yes, Mr. Chairman, that was, I believe, a study of land use in respect to the pipeline.

Mr. Fleming: Mr. Chairman, in Vote 7?

Hon. Mr. Pearson: Mr. Chairman, perhaps Mr. Wilson could answer that.

Mr. Wilson: Yes, Mr. Chairman, it went through Vote 7 under Economic Research and Planning Unit. It was indicated professional studies. That is where that land study did go, under pipeline.

Hon. Mr. MacKay: Would this be the vote under which funding would have been provided for the pipeline impact information centre?

Hon. Mr. Pearson: No, Mr. Chairman.

Hon. Mr. MacKay: Perhaps the government could enlighten me as to which vote that would have come out of, had it been funded?

Hon. Mr. Pearson: Mr. Chairman, had the funding for the pipeline information centre gone ahead, it would have been reflected as a separate item in the Supplementary Estimates. There has not been money voted yet.

Mr. Fleming: Yes, Mr. Chairman, because of the reduced salary requirements, I did not think that there was that many working on the project even to get a salary reduction. Could you clarify where the reduced salary was?

Hon. Mr. Pearson: Mr. Chairman, to my knowledge, for the major portion of the year, the pipeline office, the Office of the Pipeline Co-ordinator, has functioned with one body, plus a half man year support staff.

Now, I do not have the 1978-79 Main Estimates. I cannot tell you, I am sorry, possibly Mr. Wilson can, exactly what kind of man years were estimated for in that Budget.

Mr. Wilson: Yes, Mr. Chairman, the actual reason for the reduction is secretarial man year, which was a fulltime man year in the Budget, however, during the year it was determined that only part-time was required.

(Establishment 1100 agreed to)

Mr. Chairman: Vote 12, Finance, Establishment 1200, Treasury,

an increase of \$40,900.

Hon. Mr. MacKay: I do think that we should be provided with some explanation of the new man years, and what these people were doing, and how many there were.

Mr. Chairman: Mr. Wilson, have you the figures available?

Mr. Wilson: Yes, I do. Mr. Chairman, during the year, an assistant Treasurer position was approved. In addition, financial planning and special projects officer, as well as financial assistance development manager.

These are as a direct result of suggestions by the Auditor General in his review of the territorial financial affairs.

Hon. Mr. MacKay: The creation of the Assistant Treasurer's position and these two others, did these create vacancies in this department by reason of promotion of people from within the department?

Mr. Wilson: Mr. Chairman, the Assistant Treasurer did not. That position was hired from outside the government. The Financial Planning and Special Projects Officer was hired from within the Department of Finance, resulting in a vacancy. The Financial Assistance Development Manager was not hired at all.

Hon. Mr. MacKay: So we had a net gain of one person in respect of the man years to this department.

Contract requirements, could I perhaps have an explanation of what these are?

Mr. Wilson: Yes, Mr. Chairman, during the year, as anticipation for response to the Auditor General's requirements or suggestions, we contracted with the Bureau of Management Consulting to arrive at the report, a direction that the Department of Finance would go. In addition, we contracted with a number of other people for small amounts for specific work relating to the development of manuals, financial manuals.

Hon. Mr. MacKay: Could you outline -- the Bureau of Management Consulting, I presume is a government body with the Department of Supply and Services, is that correct?

Mr. Wilson: That is correct.

Hon. Mr. MacKay: Yes, Mr. Chairman, perhaps the witness could tell us what additional information this kind of report would have given in addition to the requests of the Auditor General's department?

Mr. Wilson: The Bureau of Management Consulting prepared a work plan for us and it was done with the Department of Finance personnel to determine how we might go about responding to the Auditor General's comments.

Hon. Mr. MacKay: I am having fun with this one. Could I be informed if this study has now been completed.

Mr. Wilson: Mr. Chairman, there are a number of projects within the terms and the projects are in progress, a number have been completed, a number are anticipated, to take over a period of one year and some over a period of two years.

(Establishment 1200 agreed to)

Mr. Chairman: Establishment 1201, Data Systems and Computer Services, a decrease of \$14,000.

(Establishment 1201 agreed to)

Mr. Chairman: Establishment 1202, Supply and Services, an increase of \$102,400.

(Establishment 1202 agreed to)

Mr. Chairman: Establishment 1207, Electric Rate Equalization, a decrease of \$210,000.

Hon. Mr. MacKay: Yes, perhaps, Mr. Chairman, we could have an explanation, in these times of rising energy costs and cold winters, how the Electrical Rate Equalization fund can be reduced.

Mr. Wilson: Well, Mr. Chairman, in the Estimates, we anticipated \$1,125,000. The amount probably would have been expended had not the federal government brought through their power subsidy program. What that did was reduce the cost to the YTG rebate plan in outlying areas, outside of Whitehorse.

Hon. Mr. MacKay: Is that the same thing as saying, as Mr. Fleming will no doubt be about to say, that as the federal government has increased their subsidies the Yukon government withdrew theirs?

Mr. Wilson: Mr. Chairman, the Yukon subsidy did not change. The method of subsidizing for areas outside of Whitehorse is to bring the first 300 kilowatts to two cents.

Now, because the federal plan brought the rates in the outlying areas down to the average Whitehorse rate, it meant that we were bringing the cost down from a lower base. In other words, instead

of \$0.17 in Old Crow, we were paying the difference between \$0.04.5 to \$0.02.

Mr. Fleming: It is very confusing to me anyway. I never got a real answer from that. I do not think we ever will for awhile, because I do not really agree with the program. However, as I said the other day, I would like to make another comment. I think that possibly it is approximately 20 per cent, what was voted and what is now not used, and I would say it is because, actually, that nobody really has a clear picture of what is needed in that area, or the vote may have been a little bit clearer at the time, and been a little evenner than that.

It think that because of the fact that you have a different price in all areas, and you are trying to equalize a program such as that, that you can never get a true picture, and then vote on it. I am sure you will not get a try picture until such time as you know exactly what you are charging in every area.

Hon. Mr. MacKay: I would not like this moment to pass without some recognition of the largess of our friends in Ottawa, who occasionally come through, also to note that this largess was the result of some pretty hard work by some people in the Chamber today. The question I have is with respect to this Electric Rate Equalization fund. I believe there is a fund from which these monies come, and I would like to know how much is left in it.

Mr. Wilson: Mr. Chairman, I do not have the exact amount, but during this current year, the fund will be in a deficit.

Hon. Mr. Pearson: Mr. Chairman, the Honourable Member from Campbell was very, very close to the mark when he said that no one really has a handle on this thing. Although the largess of the Federal Government was very much appreciated in the Territory, it did muddy the water in respect to equalization or subsidization of electrical rates. We hope that we do in fact have a handle on it now, and that we will be able to place before this Legislature a comprehensive plan that we can afford to live with.

(Establishment 1207 agreed with)

Mr. Chairman: Establishment 1208, Heating Fuel Equalization, a decrease of \$4,800.

Mr. Fleming: I have a question or two on the equalization, and I will have to give you an example. The program was a little mixed up before. In the last Legislature, we got that straightened around so that it is now a subsidy to the outlying districts for the actual freight costs. That is what it is now, as I understand it, anyway.

If you live outside of Watson Lake, for example in Lower Liard, and your fuel comes from Texaco, or comes from almost any supplier down there, not from the one supplier who is in Whitehorse here, because when it comes out from here it is a simple question because it just goes out and the freight comes back to you. In this case, what if one person in Watson Lake ordered the fuel from White Pass and had it delivered to his house down there, and the freight is twelve or thirteen cents, to be returned to him if he sends his bill in, and the other person gets his fuel at Watson Lake from the proprietor there, and his freight is possibly two cents and does not even come to the amount that the other person paid to start with. It could be an entirely different figure, and it is. This is what is going on, and I think that program needs some more looking into, too. Could you give me any clarification on that?

Mr. Fleming: Mr. Chairman, I dare say that it might have dropped down due to that very thing that I was mentioning now. In Watson Lake, they are buying their fuel possibly cheaper than we are here. However, I am just mentioning the fact to the Government to be sure to look at that program as it stands now and see if some people are not applying from areas such as Watson Lake because they are buying their fuel from, possibly, Whitehorse, and maybe getting money that really they do not need either. They can buy their fuel down there. The fact is that the program is in effect and it can be messed around with and it should be looked at.

(Establishment 1208 agreed to)

Mr. Chairman: Establishment 1209 is for information only. We shall go on to Establishment 1210, prior year's adjustment, an increase of \$50,000.

Mr. Fleming: May I ask a question on 1209. I see nothing there. I just wonder, I am wondering how that comes out exactly even. I might be a little confused on how this is actually done. All of these others are not quite, they are either over or under. Why would that one, on this page, and I think there is another one, the insurance, for instance, I think I could see that, how could somebody estimate that right on the nose?

I just do not see how that can be done.

Hon. Mr. Pearson: Mr. Chairman, we have got the estimator right here with us so we will ask him.

Mr. Wilson: Mr. Chairman, based on the applicant at the time that the supplementaries were made, the information indicated that we had as much chance at being at 460 or plus or minus a couple of thousand, the supplementaries are exactly that, they are an estimate. There was no reason to change it.

Mr. Chairman: We will go on with 1210, prior year's adjustment, an increase of \$50,000.

Hon. Mr. MacKay: Mr. Chairman, I enjoy prior year's adjustment so I would like to hear the story on this one.

Mr. Wilson: This is an estimate with no basic support other than in 1976-77, we had \$109,000 in prior year's adjustments. In 1977-78, we had \$16,600. Fifty thousand is a ballpark figure. It could range up or down. The item worth noting, however, is that the prior year's adjustments are statutory and in fact, we are showing a \$50,000 item just based on the past history. We have no information to date. The information would be obtained during the year-end closing determining the Territorial Accounts.

Establishment 1210 agreed to

Mr. Chairman: Establishment 1211, an increase of \$50,000.

Mr. Fleming: May I have an explanation of a doubtful account. It may be mine.

Mr. Wilson: Mr. Chairman, a doubtful account or doubtful accounts provision is actually a write-off of bad debts. The amounts in 1976-77 amounted to fifty-seven thousand. In 1977-78, thirty-five thousand. The fifty thousand is an estimate once again. Most of these are related to taxation.

Hon. Mr. MacKay: It is difficult to understand how funds can be written off on taxation. I would tend to suspect that in the event that somebody refused, or was unable, to pay his property taxes, that the government would just merely take a tax lien on the land and repossess it. Is the value of the land taken back considered when accounting for the bad debts?

Mr. Wilson: Mr. Chairman, under the Taxation Ordinance, that is correct. We do try to obtain the land back, however, unless we can resell this land at a later time, the amount that has been set up as a receivable for the tax is written off.

Hon. Mr. MacKay: That leads me, then, to the question of how much land is sitting in the name of the Territorial Government and where might I find records of that in the Territorial Government accounts, how is it valued and what procedures do you have to keep track of it?

Mr. Wilson: The land that is recovered, there is a record of that within the Lands Branch within the Department of Municipal and Community Affairs. I do not know what land is available from this source, if there is much at all.

Hon. Mr. MacKay: Perhaps I could just follow up with one final question, this is to the Government Leader, it has been my experience that tax lien procedures have been sloppy, to say the least, in some jurisdictions, and that it is not properly followed up and enforced. It may result in considerable lost revenues to the government. Could this be an area, perhaps, when we get into the Main Estimates, we could have some kind of indication as to whether or not there is a problem in this area?

Fifty thousand seems rather a lot to be writing off.

Hon. Mr. Lang: Mr. Chairman, for further clarification from the witness on this, is not just strictly in the area of taxation. This is also in the area, for example, where, under the Education Ordinance, for example, school accommodation, you charge "x" amount of dollars and, in some cases, you do not get the individuals paying the amount that they are supposed to pay.

At the same time, the Ordinance says you shall send your child to school. So, I do not think you should get the impression this is strictly in the area of tax liens. There are also other areas within the government where an individual will get a government service and not necessarily pay it back.

So, I do not think that we should attribute this totally to tax liens. I do not know exactly what the breakdown is, but I am sure that I would be very surprised if the area of taxing took up even 10 or 20 per cent of the total. Am I not correct, Mr. Wilson?

Mr. Wilson: Mr. Chairman, we do have write-off of bad debts for such accounts as ambulance fees. Mr. Lang mentioned a number of others. I do not know the exact, or the approximate, breakout as each year would be different. We would have to take a look at 1977-78 actuals. We could provide that information to indicate what of that \$35,000 was for what areas. That breakout is certainly available.

The \$50,000, as I mentioned is an estimate. I have no idea what amount would be applied to the various receivables.

Hon. Mr. MacKay: I do not want to belabour it too much. Perhaps we could have that breakdown made available to us. The point I was making was that it is hardly known anywhere in Canada for a government to lose money in taxes, as far as I am aware, simply because they have such sweeping powers in order to be able to recover that kind of thing. So, the only place I have ever known to have bad debts from property taxes is Dawson City, and so I am suggesting that this is an area, perhaps, where the government could look further.

(Establishment 1211 agreed to)

Mr. Chairman: Establishment 1212, Revolving Fund Write-off, an increase of \$27,000.

Mr. Fleming: Yes, Mr. Chairman, I wonder if we could have a little explanation. There is no other real explanation except to provide funds for Revolving Fund Write-off, and I find it rather ironic, that this is \$27,000, and that the Department of Highways and Public Works write-off amounted to \$1200. I find quite a difference there. Can we have some explanation there for the \$27,000.

Mr. Wilson: Yes, Mr. Chairman, in the Central Stores Revolving Fund, over the past number of years, I am not quite sure how far back it goes, there is a number of sandbags, for emergency measures requirements, that were listed in the inventory. Of that amount there were actually 120,000 sandbags that were written-off.

Hon. Mr. MacKay: The Yukon Taxpayers have been sandbagged again. This is the entire write-off, this \$27,000 from Central Storage?

Mr. Wilson: That is correct.

Hon. Mr. MacKay: I would like to congratulate the Department on such tight control, if that is all they have.

(Establishment 1212 agreed to)

Hon. Mr. Lang: Mr. Chairman, in view of the hour, perhaps I should move that you report progress on Bill Number 3, Second Appropriation Ordinance, 1978-79, and ask leave to sit again.

Mr. Chairman: You have heard the question are you all agreed.

(Motion agreed to)

Hon. Mr. Lang: Mr. Chairman, I move that Mr. Speaker, to now resume the Chair again.

(Motion agreed to)

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

May we have a report from the Chairman of Committees.

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 2, the Fifth Appropriation Ordinance, 1977-78, and directed me to report the same without Amendment. The Committee also also considered Bill Number 3 Second Appropriation Ordinance, 1978-79, and directed me to report progress on the same and begged leave to sit again.

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

(Motion agreed to)

Mr. Speaker: When shall Bill Number 2 be read a third time?

Hon. Mr. Pearson: Next sitting day, Mr. Speaker.

Mr. Speaker: So ordered. May I have your further pleasure?

Hon. Mr. Lang: I would move that we do now adjourn, seconded by the Honourable Member from Tatchun.

Mr. Speaker: It has been moved by the Honourable Minister of Municipal and Community Affairs, seconded by the Honourable Minister of Economic Development, that we do now call it 9:30. Are you now prepared for the question?

(Motion agreed to)

Mr. Speaker: The House now stands adjourned until 1:30 p.m. tomorrow.

(Adjourned)

The following Legislative Return was tabled:

Whitehorse Pipeline Impact Information Centre Funding

The following Sessional Paper was tabled:

Yukon Hospital Insurance Services and Yukon Health Care Insurance Plan Annual Report for year ended March 31, 1978