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Speaker: The Honourable Donald Taylor

Whitehorse, Yukon

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Mr. Chairman: I will call Committee to order.

Hon. Mr. Pearson: Mr. Chairman, if I may, I had distributed to each Member, yesterday, a package of material in respect to the Northern Pipeline Bill that is before the house and in Committee at this time. This is just background information we anticipated would help when we come to discussion of this Bill.

Mr. Chairman: I welcome tonight's witness, Mr. Sherlock.

Tonight we are going on the First Appropriation Ordinance 1979-80. We are on vote 6. The vote we passed was 603. We will continue on to 605, Municipal Services, \$2,920,000. The information is on page 122 and 123.

Hon. Mr. Lang: Mr. Chairman, before we begin, I would like to take this opportunity on behalf of the Members to welcome Mr. Lengerke to the Chambers, who was a former Member, as well as Mr. Alan Nordling from Dawson City who is the president of the KVA.

Mr. Chairman, you will recall, earlier last week, some questions were raised by the Leader of the Opposition, as well as the Member from Whitehorse West, and it had to do with land development. I have distributed that information to all the Members desks so that they can peruse it, and perhaps, we can have discussion on it during the Capital Budget.

I would just like to make a few introductory comments in respect to establishment 605. If you will note on page 123, you have various programs outlined vertically on that page there, Administration, Municipal, LID, and Unorganized Communities Special Programs. I would like to make a few comments in respect to the administration to begin with.

This branch provides municipal and LID inspections and advisory services to those two areas. It administers revenue sharing programs with the LID's and Municipalities, Community Planning, responsible in the area of land development, municipal research, and it is a legislative responsibility, and Administrative Services and Unincorporated Communities. The staff consists of 1 municipal services supervisor, 2 local government advisors, 1 community planning advisor, 1 land development co-ordinator, and a clerk typist.

As mentioned earlier, the increase in 605 salaries is due to the transfer of two positions from 601, Land Disposal, trying to consolidate it under one Establishment.

It should also, be pointed out that Primary 20, under Administration, includes Municipal Legislation Consolidation in the amount of \$3,500. You will recall that we are reviewing all of our ordinances with the concept of consolidating and updating the laws that are in effect.

At the same time, the provisions for the subregional planning in the Kluane area and the Carcross Valley, which is \$30,000 and community planning updates for Haines Junction and Watson Lake.

In the area of the municipal finances, for a total of \$1,579,000, Primary 20 is basic municipal administration, for example, training courses that the Department puts on for secretary-treasurers of the L.I.D.'s and, if necessary, the municipalities.

Primary 20 is \$5,000. It is to establish plans for Mayo, if the Honourable Member from Mayo is listening, and Teslin, for the amount of \$25 each for cemeteries.

The operating grants to the L.I.D.'s amount to \$628,000. This is based on need to operate and maintain community services. The budget is negotiated and approved by the Department and the Commissioner, prior to the beginning of each financial year.

The Local Improvement District Ordinance restricts the debt level to more than \$5,000 per L.I.D. and reallocation of approved budget allocations must receive prior approval by the Department.

L.I.D.'s are subject to annual independent audits.

The 1979-80 budget allocations for Haines Junction is \$129,000; Mayo, \$155,000; Teslin, \$120,000; Watson Lake, \$224,000.

The unincorporated communities, which amounts to \$229,000, the department provides and delivers services to all communities not having municipal or L.I.D. status.

As you can well imagine, the details are fairly phenomenal and I will just generalize by saying that the funding provides for the operation of fire departments, water delivery systems, sewage education services, road maintenance, snow removal, street lighting, waste disposal, pipe sewer systems, dust control, et cetera.

Communities involved are Carcross, Carmacks, Ross River, Keno City, Upper Liard, Old Crow, Burwash, Destruction Bay, Beaver Creek and Pelly Crossing.

We also provide summertime maintenance for the cottage lots subdivisions and things of this nature.

The special programs are programs of general application and are not specific to municipalities, L.I.D.'s or unincorporated communities. There are provisions for the mosquito control program of \$78,300. Professional and special services is broken for an appointment of a supervising etymologist, which is \$17,500. Travel is \$5,000 for this particular program. Aerial application, which covers about 14,000 acres, amounts to about \$23,100. Rental of equipment, and this kind of thing, transportation of chemicals is \$4,000; materials and supplies is \$28,738.

So, Mr. Chairman, I think that pretty well covers it for the members, and I would like to entertain some of their questions.

Mr. Fleming: Yes, Mr. Chairman, just a question on the L.I.D.'s, Teslin in particular. Was the budget that was presented to the government accepted in full and approved as it was put forth?

Hon. Mr. Lang: No, Mr. Chairman. They submitted a preliminary budget. The members of the local improvement district, along with the department, go through it, and they try to pare it down to keep it within the confines of the financial constraints this government is under. I think, we are providing the amount of money that is necessary for them to operate.

Mr. Fleming: I wonder if the Minister could inform me what the budget finally ended up at, for the Teslin L.I.D.?

Hon. Mr. Lang: I just stated it, Mr. Chairman, a little earlier. It was, I believe, \$120,000.

Mr. Fleming: One more question, Mr. Chairman, that is all. I just sat down when the Minister said something about, I think, about cemeteries, and I did not quite get it, for Teslin.

Hon. Mr. Lang: Mr. Chairman, this government is in the habit of taking care of the living and the dead and we are providing funds for the areas of Mayo and Teslin to plan and implement a cemetery.

Hon. Mr. MacKay: I might add that this government is beginning to look like the living dead, too.

Mr. Chairman, thank you. I have a number of questions with respect to this area. It seems to me that one of the areas in this Territory which is going to require the most attention is the area along the pipeline route. I wondering what, in the community planning end, is being done, specifically to Beaver Creek and Burwash Landing, Destruction Bay, Haines Junction, Watson Lake and Teslin?

Hon. Mr. Lang: Mr. Chairman, there has been a fair amount of planning. As the Honourable Member well knows, the pipeline has been delayed, but I should point out, for example, in Haines Junction there is - I take it that the Honourable Member is referring to land development moreso than anything else. We are looking at acreage developments, for example, in Destruction Bay. In Haines Junction we are looking at a residential area and an industrial area. Teslin had, I understand, a subdivision put in last year. There is a possibility in the next couple of years that there could be more land made available, depending on what happens in respect to the pipeline.

In Watson Lake there has been a great deal of work done in the

last couple of years and it is the feeling of the department that we are ahead of the game as far as land is concerned.

Also, it should be pointed out in respect to the capital assistance program, Haines Junction is slated, depending on how things go, for provisions for a sewage lagoon in that area. There has been an upgrading of their recreational facilities.

Watson Lake, over the last four or five years, has had major upgrades in that area. So I think, yes, I think that we are going ahead, but at the same time, Mr. Chairman, we have to understand that these communities have to be upgraded anyway, whether they be on the pipeline route or otherwise. The only area that we really have to watch closely is going to be the land development area, to ensure that we have land available if it is needed.

Hon. Mr. MacKay: Yes, under the municipal area, we have \$155,000 for utilities. Could we have some explanation of that, please?

Hon. Mr. Lang: If my memory serves me correctly, I believe that has to do with water delivery, and this kind of thing. I would have to refer to the witness.

Mr. Sherlock: Mr. Chairman, I have not located it yet, either. Can we come back to it, Mr. Chairman, after I have located it?

Mrs. McGuire: Concerning the O and M charges of L.I.D.'s, how are deficits on O and M expenses recovered, or is it reflected in any way back to the community, or does the YTG absorb this deficit? How does it work?

Hon. Mr. Lang: Mr. Chairman, we absorb it under the Capital Assistance Program, improvements are put in, the community has so much responsibility, then we take over the difference of the deficit.

I should like to point out that the \$155,000 refers to Dawson's sewer and water deficit. If the Member recalls, I believe, earlier in debate sometime last week, I was speaking about the water and sewer system in Dawson. The property owners have to pay so much per month and then there is an agreement between the YTG and the Municipality of Dawson to pick up the deficit.

Mr. Fleming: I might ask the Minister, in the subdivision, and I think that there is a contract out already for cleaning the area or something, the new subdivision, not the acreage lots, but the new subdivision that is proposed in Teslin in the five year plan that they have submitted. Is that contract which I think has been let now, the work on those properties, is that reflected on this page here, somewhere in the L.I.D. Finance?

Hon. Mr. Lang: No, Mr. Chairman. Land development is a separate section in the Capital side of the budget.

Mr. Chairman: Mr. Sherlock, do you have the answer we are looking for?

Mr. Sherlock: Yes, Mr. Chairman. That refers to Primary 57 under Municipal. That \$155,000 refers to Dawson water and sewer deficit.

Mr. Byblow: I did not catch the two man additional complemented administration. What was that for?

Hon. Mr. Lang: It was a transfer, Mr. Chairman, from Section 601 to 605 to actually reflect where these people put most of their time and this was in this Establishment.

Hon. Mr. MacKay: Yes, Mr. Chairman, the Professional and Special Services, I have to apologize to the Minister I did not catch quite all of his explanation, he was going fairly fast. But the \$43,500 under Administration, is there any particular projects they are working on on that? If they are special services, why would they not be allocated under any of the other headings?

Hon. Mr. Lang: Mr. Chairman, could the Honourable Member repeat his question?

Hon. Mr. MacKay: I guess I was going too fast, too.

Mr. Chairman, the \$43,500 under Professional and Special Services, I am curious if they are professional and special services that are not of a recurring nature, presumably, that they would be under one of the other headings, Municipal, L.I.D., unorganized or special program.

Hon. Mr. Lang: No, Mr. Chairman. It is overall government responsibility. If the Member recalls, I was referring to the consolidation of legislation, the update of all our Ordinances, the sub-regional planning that is going on in concert between ourselves and the Federal Government, and Community Plannings, for example, in the areas of Haines Junction and Watson Lake.

Mr. Penikett: Mr. Chairman, I wonder if the Minister can elaborate on that for a moment. Who is doing this consolidation of the Ordinances? Is that in-House work or is that being farmed out to professionals.

Hon. Mr. Lang: Mr. Chairman, Ken Smith and Associates are doing it from British Columbia. They are doing all the updating.

Mr. Byblow: With the additional complement of two man years in the administration under Municipal Services and Land Development under 601 remaining at 7, is it the intention perhaps, of the government to do more engineering and planning in-House rather than turning it over to consulting firms.

Hon. Mr. Lang: No, Mr. Chairman. You must fully understand that the engineering side of the land development is done through the Department of Public Works, not through the Department of Municipal and Community Affairs. A good portion of it is tendered out to private enterprise, but there is some work also, done in-House during the winter months.

I think Members should realize that the reason that this is done is because of the nature of the job. You contract for a certain piece of work to be done, it is finished, it is completed. It is not a case of bringing a lot of people on staff and having that many more members of the public service permanently in position.

Hon. Mr. MacKay: Yes, is this area of L.I.D.s is one which seems to be in constant flux, can the Minister give us an explanation of how the appointment of a fulltime manager in Watson Lake worked this year, and is that Watson Lake L.I.D. now progressing towards municipal status?

Hon. Mr. Lang: Mr. Chairman, I do not think that there is any doubt in anyone's mind that Watson Lake is approaching municipal status. As they well know, there was a plebiscite held approximately a month ago and was narrowly defeated.

I understand that with the advent of the manager, it has been successful. I should point out that one of the problems that you get in these outlying communities and just like any municipality, you start putting in sophisticated sewer and water systems and all the amenities, you have to have someone there to manage the day to day problems that are encountered in that kind of a situation.

Mr. Byblow: Perhaps, the Minister explained this and I did not catch it, could he go through Primaries 30, 50 and 61 under Special Programs?

Hon. Mr. Lang: Mr. Chairman, there are a couple of other things that I should have mentioned as well. You have the mosquito control program which is \$78,300; you have the TV systems which we are committed to for \$136,000. All Members will recall that we are negotiating with Telesat Canada to see whether or not we can purchase this equipment rather than paying an annual rental. There are six earth receiving stations and three translators, and communities contribute a thousand dollars annually towards to O&M.

I should point out as well, Mr. Chairman, that \$8,000 is for sewer education which is a flushing unit, which visits communities at least twice annually and we provide a kilometre to a private contractor and this is done on a bid basis.

Mr. Byblow: Mr. Chairman, I am not sure if the Minister answered what rental under 61 is covered for special programs?

Hon. Mr. Lang: That is rental for aerial application for the mosquito control program.

(Establishment 605 agreed to)

Mr. Chairman: I now refer the Members to page 125 and page 126, which are there for information only. We will go to the Capital Estimates, under Vote 6. The first one is 650, Roads, Streets and Sidewalks, for \$150,000.

Hon. Mr. MacKay: Which communities will be receiving this?

Hon. Mr. Lang: Mr. Chairman, I believe I have it here. This is for the various communities throughout the Yukon for upgrading their streets, roads and sidewalks. I believe it is between the L.I.D.s and the unorganized communities. Is that not correct, Mr. Sherlock?

Mr. Sherlock: Mr. Chairman, there is a sheet here, that appears to cover it. Do you want me to read off the amounts, Mr. Lang?

Hon. Mr. Lang: I do not think that is necessary, Mr. Chairman.

Mr. Fleming: I would appreciate a breakdown of what communities it is in, if it does not take too long.

Mr. Sherlock: Mr. Chairman, the figures indicated here are: Beaver Creek, \$5,000; Carcross, \$25,000; Carmacks, \$5,000; Destruction Bay, \$16,000; Haines Junction, \$18,000; Mayo, \$20,000; Old Crow, \$15,000; Ross River, \$5,000; Teslin, \$25,000; Watson Lake, \$15,000; Upper Liard, \$1,000, for a total of \$150,000.

(Establishment 650 agreed to)

Mr. Chairman: Establishment 651, Local Services, \$100,000.

Hon. Mr. Lang: Mr. Chairman, this is money for Carcross for \$2,000; Destruction Bay, \$15,000; Mayo, \$5,000; Teslin, \$20,000;

Watson Lake, \$40,000; and equipment and supplies in general are \$18,000.

Hon. Mr. MacKay: To whom does this equipment belong once it has been purchased and turned over to L.I.D.s? Is it still the government's property?

Hon. Mr. Lang: Mr. Chairman, I would say that it would depend on each particular community. Overall it would belong to the Government of the Yukon Territory.

(Establishment 651 agreed to)

Mr. Chairman: Establishment 652, Fire Equipment, \$50,000.

Hon. Mr. Lang: Mr. Chairman, this is an on-going program with the outlying communities upgrading their fire equipment.

At the same time, I think it should be pointed out that I think, the Department does a very good job in training the fire fighters in all the communities. It is a program that is constantly being updated and I think, it is a real credit to the department.

(Establishment 652 agreed to)

Mr. Chairman: Establishment 655, Community Assistance Program, \$3,416,000.

Hon. Mr. Lang: Mr. Chairman, we have had some discussions on the Community Assistance Program. As you know, this is by legislation. We had \$3.4 million, \$1.4 million is allocated to the City of Whitehorse and they make their own priorities.

Right now the schedule is tentative and we have to accept that because it all depends on how things go throughout the year. I would like to outline basically, our plans for this coming year.

In the Beaver Creek area, we will be looking at the outdoor skating rink and a garbage dump, in the area of \$50,000. Carmacks, there is sewer to be put in, which is \$12,000. Dawson City, we have a budget in the area of \$650,000 for their recreation facilities. Destruction Bay, you have a water and sewer design for that area which is in the area of \$45,000. Faro, you have lagoon, which is \$350,000, a cemetery for \$10,000. Haines Junction, you have a garbage dump and swimming pool for a total of \$45,000. Keno City is scheduled for work to be done for their garbage disposal, \$5,000. Mayo, you have a sewer upgrading of \$20,000. Your community recreation facilities are being upgraded for a cost of \$40,000, a sewage lagoon for \$40,000 and major upgrading in the sewer and water for \$225,000. Old Crow, you are looking at a garbage dump for \$15,000, the predesign of a water supply for \$15,000, and an outdoor skating rink for \$40,000. The Pelly Crossing has fuel storage for \$2,000, water storage tank for \$15,000. Ross River, you have a garbage disposal for \$8,000. Swift River, \$5,000 for the same amenity. Teslin, you have a fire hall garage apron for \$5,000, a dog pound for \$8,000, a predesign water supply for \$20,000, and the swimming pool that the Honourable Member was referring to the other day is scheduled for upgrading in the area of \$40,000, for a total of \$53,000.

Watson Lake, you have a dump for \$20,000, water extension for \$150,000, 9th Street realignment for \$30,000, lagoon for \$20,000, swimming pool for \$40,000.

As I said earlier, that is for a total of \$260,000 for Watson Lake. Whitehorse is scheduled for \$1.4 million, which adds up to a total of \$3,416,000.

Mr. Penikett: Mr. Chairman, I wonder if the Minister can as yet, provide us with any idea about the long-term future of the Capital Assistance Program?

Hon. Mr. Lang: Mr. Chairman, as you know, I just took over the portfolio a couple of months ago. It is a concern. It is one that is going to be raised over the course of the year in negotiations with the Government of Canada.

Mr. Byblow: Could I have explained to me why the City of Whitehorse is given a 1.4 non-priority basis grant?

Hon. Mr. Lang: Mr. Chairman, my understanding was, prior to coming to office, that this has been the practice in view of the population of the City of Whitehorse as compared to the other communities and it has been the practice and is one that we maintained for this forthcoming year.

Mr. Byblow: I am still curious as to the basis of why that amount, is it a pro-rated establishment on something?

Hon. Mr. Lang: Mr. Chairman, the way I understand it, was roughly 3 to 3.4 million dollars allocated every year and the decision was to allow a third that was going to be available to the City of Whitehorse and the remainder would be for the outlying communities.

Hon. Mr. MacKay: Mr. Chairman, on this amount then, the Minister indicated that this was a tentative schedule, I have two questions.

Who sets the priorities of the requests, these are coming from the communities, I take it, is that correct?

Hon. Mr. Lang: That is correct, Mr. Chairman. They put in applications to the Department along the guidelines of the Capital Assistance Program then each one is reviewed and taken into account when the budget is committed.

Hon. Mr. MacKay: The funding for this program, I understand, is coming from the Federal Government on a direct basis. Why the amount of 3416 this year as opposed to the \$3 million last year and can we expect a similar type of increase in 1980-81?

Hon. Mr. Lang: Mr. Chairman, that was the amount that was put into this particular program and as I said earlier, I cannot speak for next year. I cannot make any commitments for next year.

Hon. Mr. MacKay: In the event that, say, we only manage to spend 2.5 million this year of this fund, will the 916 then be available for the following year?

Hon. Mr. Lang: My understanding, and I would have to refer to Treasury, but I do believe it is carried over, is that not correct, Mr. Sherlock?

Mr. Sherlock: Mr. Chairman, it can be carried over, but it is not necessarily carried over. The money is third party money so it is gone down as it is required.

Mr. Fleming: I was interested that the Minister did not mention Haines Junction, is there not a sewer project going on there? Or a lagoon project?

Hon. Mr. Lang: My understanding, there is, Mr. Chairman, it would depend on how far things get along in respect to that particular project.

Mr. Fleming: Mr. Chairman, I do not have a real question now, I would like to applaud the Minister a bit, I think that he has done very well for the outlying communities. However, the Ross River Project, I am going to knock that down a little. I was hoping on the Ross River Project somewhere we could have had something, possibly a thousand or two thousand out of this budget to try and repair and help the situation up there before somebody gets hurt on the bridge. Otherwise, it is very good.

Thank you, Mr. Chairman.

Mr. Byblow: Just a general question, with all due respect to the Honourable Member from the riding, could the Minister answer as to whether the \$650,000 is allocated for Dawson is under the constraints or the restrictions spelled out in the Capital Assistance Ordinance, or is it some additional moneys?

Hon. Mr. Lang: This is under Capital Assistance Program, Mr. Chairman. In fact, it is the first time, I believe, that Dawson has taken advantage of the Capital Assistance Program.

Referring back now, I think that one time they did take some for their water and sewer, about three or four years ago.

(Establishment 655 agreed to)

Mr. Chairman: Establishment 660, Whitehorse Sewage Treatment, \$200,000.

Hon. Mr. Lang: Mr. Chairman, this provides for the completion of that project. As you know, the project was in the area of \$5.3 million and it was similar to the water and sewer project that was in Dawson City, over and above the Capital Assistance Program.

(Establishment 660 agreed to)

Mr. Chairman: On page 128, Establishment 665, Dawson Water and Sewage Treatment, \$6,608,000.

Hon. Mr. Lang: Mr. Chairman, as all Members realize, there is an Ordinance in place for the installation of this project. It is one that I feel that has to go ahead. As you well know, the contract has been let because vote authority was given last year.

As you know, the Honourable Member from Klondike spoke the other day and talked about the system that was seventy-five years old. I would like to point out that under the Dawson City Utility Replacement Ordinance, the residents pay \$10.60 per front foot for water and \$13.55 for front footage for sewer.

At the same time, there are provisions for connections between the street and to the homes that are there.

To give you an example from when that decision was made until now, to the escalating costs in water and sewer, the frontage charge could actually be reflected in the area of \$17 to \$18 per front foot for sewer and \$18 for water. So, it just gives you an idea of how the inflationary spiral is definitely catching up with everything in Yukon as well as national.

Hon. Mr. MacKay: I do not want to be frivolous, but it has been drawn to my attention that the contractor who is looking at doing this particular work is planning to run the dirt that he takes up from

the streets through a sluice box. I bring it to the Minister's attention, because there may well be some artifacts or some other things of value that may be of interest to this Government or to the City of Dawson itself. I would ask him to keep an eye on that one.

Hon. Mr. Lang: Mr. Chairman, it is my understanding that artifacts are protected, but at the same time, gold is of interest, I am sure, to all Members of this House in respect to government spending, so we will take it into consideration.

(Establishment 665 agreed to)

Mr. Chairman: Establishment 670, Whitehorse Escarpment Control, \$690,000.

Hon. Mr. Lang: Mr. Chairman, this is the end of the escarpment control program, I believe, this year. It is my understanding that, for various reasons, the money that was voted last year, I do not believe any of it was spent. I believe, it will be all spent this coming year for the various houses that are affected by this program.

The Member from Whitehorse West asked who owned the land. I think it is fair to say, Mr. Chairman, there is a real cross-over between Federal Government, the Territorial Government and the City, in respect to the land situation there. The Federal Government owns the cliffs there. The streets and that kind of thing, I understand, are the responsibility of the City, and I believe we own the land though, as far as the streets are, except that the City does control it. I believe that the purchase of the actual property does revert to the City.

Mr. Penikett: Just one question, is the Minister confident that these will be sufficient funds to pay for the expropriation or sale of the remaining properties, because, of course, as he has observed about inflation, we have had considerable inflation in the housing market, too?

Hon. Mr. Lang: It is my understanding that it will cover it. I think, it is in the total of \$1.2 million. We have \$600,000, but I believe that other \$690,000 will be carried over, that was not spent.

(Establishment 670 agreed to)

Mr. Chairman: Establishment 675, Land Development, \$7,500,000.

Hon. Mr. Lang: Mr. Chairman, if all Members recall, I did pass information that was asked earlier in the week. As I have already pointed out, it would appear that the \$7.5 million will not be enough if we are going to go ahead with the projections that we would like to go ahead with this year. We may have to come in with supplementaries or an enabling piece of legislation for borrowing outside the government, depending on our financial situation. The decision has yet to be made.

I would just like to inform Members that in July, it would appear that we are going to have 154 lots in the Crestview area ready for sale. Porter Creek, it is going to be later in the fall, there will be 172 lots. In approximately July, the Porter Creek Industrial area will be providing 38 industrial lots. Hillcrest, if things go ahead with Hillcrest the way we are hoping they are going to go ahead, it is tentative. We are looking at 400 lots in November. There is a possibility of the MacPherson expansion. Of course, I think this depends on the City of Whitehorse, whether or not they want to continue the concept of acreage lots. That would provide the possibility of 30 there.

We were doing work in Dawson City for the industrial subdivision, which is 15 lots. Destruction Bay is tentatively scheduled for approximately, July, for the acreage subdivision there, which will be in the area of 21 lots.

Faro, I understand that the acreage subdivision will be available for sale in August of this year. Haines Junction, I believe, you refer to a Camsell Road, I believe, is 33 lots in July. The trailer, mobile home area would be 30 to 42 lots, in September in the industrial subdivision, which would provide 18 lots for that community due for distribution in September.

In Mayo, you have twenty lots for July and industrial subdivision; and 9 for April of the following year. Teslin, a commercial subdivision of 5 lots due to go out early this year in April. Watson Lake, the Campbell Subdivision, is 76 lots and the acreage of 33 lots for a total of over 100 are due this spring to be released.

Hon. Mr. MacKay: I am sure the Minister would like the House here, to join with him in sending our congratulations to the former Minister for his fine planning work, it is really pretty good. I think that we are going finally catch up and overtake the demand.

I believe, the other areas in which we have had subdivisions developed in the rural areas still have a surplus of lots available, in Beaver Creek, for example. I believe some other places, too, so I think that this is becoming under control. My only reservations is, as I stated yesterday, I hope the administration of the Department is strong enough to carry this very, very large program out.

Mr. Penikett: Yes, Mr. Chairman, I was curious about reasons for the Minister describing the Hillcrest expansion lots as being tenuous. Could he elaborate on that, is there some new circumstance that has arisen?

Hon. Mr. Lang: It is all a matter of money, I think that when you look at the 7.5 millions dollars, a lot of that money has already committed. For example, area A, d-1 and d-2 in the Porter Creek area, if you recall asphalt has not been laid in those areas, those lots have been sold, but we have to go ahead and put the asphalt in.

So there are various areas that money is already committed in. It would appear that actually the program we are looking at is in the area of 10 million, not 7.5 million. I would not say it is tenuous, it is just a fact that a decision has to be made after we find out how we are going to procure the money.

Mr. Byblow: Mr. Chairman, am I of the correct assumption, when I assume that 601 is tied directly into 675?

Hon. Mr. Lang: It is definitely related, in fact, I think it is fair to say that there is a fair relationship with the whole budget with this item because it does touch municipal services, L.I.D.s, so there are local advisors, everybody is involved in one stage or another, in respect to the planning, design and the actual tendering of the contract.

Mr. Byblow: Beyond the development of organized subdivisions, is the Minister entertaining any other type of development, perhaps relating to this afternoon's debate?

Hon. Mr. Lang: Mr. Chairman, that of course, depends upon the final report and the recommendations contained in it for the area just outside of Whitehorse, to the north of us.

I think it is fair to say, Mr. Chairman, that we would like to get into the area of perhaps, recreation lots, and this kind of thing, of course, it is subject to negotiation with the Government of Canada and at the same time we have the pending Land Claim and this is the situation that we find ourselves in.

I noticed earlier in debate, Mr. Chairman, well we need this type of life-style and that type of life-style. All Members of the House might as well be honest, there is only so much we can do with the land we have, unless the City of Whitehorse is entertaining the concept within the boundaries of perhaps, going in a major rural direction. Perhaps, the Honourable Member from Whitehorse West could reply to that.

Hon. Mr. MacKay: I am curious about the Minister's remark respecting the lack of funds to develop this. It seems to me that we generate our own funds in that as soon as you develop something you bring in an item saying, we have this much land, we are going to sell, so is it a shortage of working capital we are looking at?

Hon. Mr. Lang: Yes, Mr. Chairman, if you take the Hillcrest subdivision, there is a lot of what you would term upfront money. In other words, major trunk lines, all this kind of thing that have to be put in, in order to get the subdivision underway. This is cost-shared between the City of Whitehorse and ourselves, on a 90/10 split, but we have to have that money to go ahead with it, and this is the problem that we are running into. It is not a case of just an extension of a subdivision on to some main trunklines and you develop the land and sell it over a period of a year or two years and regain the money you invested.

Mr. McGuire: Even though 601 is directly related to 675, the \$245,000 is not recoverable, through the sale of land. Is that not what you said?

Hon. Mr. Lang: No, Mr. Chairman, we do not reflect the cost of our administration in the cost of the development of land. The only area that we do, is in the Department of Public Works where perhaps, during the winter months, we get some in-House work done by our own engineering staff. That would be charged to the project, but other than that, it is an overall umbrella government department and we do not reflect it in the sale of the lots.

(Establishment 675 agreed to)

Mr. Chairman: Page 129 it is there for information only.

Mr. Fleming: Mr. Chairman, just a question that has always bothered me, because somehow or other I am not a bookkeeper and maybe, I should ask my auditor friend, he might be able to clarify it, or maybe the Minister can.

I have a problem with, for instance the Dawson Water/Sewage Treatment, funds are recoverable through frontage charges, connection charges, and mill rate provisions under the Dawson City Utilities Replacement Ordinance. I just wonder how you get 1,500,000 out of something like that, is that recoverable over a 25 year period?

Is that what that actually means?

Hon. Mr. Lang: I believe it is a 20 year period. But it is a recovery, the actual cost of the system is going to be in the area of 8 million dollars and we are recovering over a million dollars from the property owners in that area.

Mr. Chairman: Seeing there are no further questions we shall go forward to Vote 7, Page 133, Economic Development, Establishment 702, Tourism. The information is found on 134, 135, for a total of \$924,100.

I will now anticipate debate on Vote 7.

Hon. Mr. Tracey: Mr. Chairman, before I start, I would like to make it clear to the House that this is not the Department of Economic Development. The actual name of it is the Department of Tourism and Economic Development.

This is where the Department of Tourism and Economic Development represents, for the first time, a serious Yukon Government commitment to the development of economy for the long term benefit of Yukoners.

In consideration of this government's stated priority for the economic stability, I feel it is essential to put an end to the many misconceptions respecting the administration's proposed role in the economic development programs, and to carefully lay the groundwork necessary for Yukoners to achieve economic autonomy and the direct benefits of an enlarged economic base.

First of all, the budget for the Tourism and Economic Development Department is designed to provide for two basic programs. Number one, increased support for the tourism industry and, number two, initial work in commencing the difficult task of establishing economic development policy in preparation of the Yukon's first economic development plan.

This planning process, undertaken in a time of economic uncertainty, is vital to the future social, political and economic aspirations of all Yukoners. We have identified the Territory's grown tourism industry as the cornerstone of this administration's economic thrust. However, it is not in the intention of this government to develop tourism to the detriment of the Yukon's other economic resources or to attempt to create an economy which is not consistent with the lifestyles of Yukon residents.

The tourism estimates for 1979-80 reflect this government's direct response to a number of long, outstanding resolutions put forward by both the Yukon Visitor's Association and the Tourism Advisory Board and others who have provided the valuable input into this administration's decision to increase support for the visitor industry.

YVA's resolutions calling for an elected head of tourism is now a reality and the industry's desire for an expanded convention sales program will be accommodated in the estimates of the tourism program.

The Tourism Advisory Board recommendation urging dust control on the Klondike Highway for the past four years will be undertaken in 1979. In addition to the positive reaction to this long standing resolution, the request for tourism legislation consideration of pipeline impacts on tourism, development of attractions, highway signing and improvement in visitor information centres will be undertaken in the budget year.

The Department of Economic Development will undertake an immediate review of the former small business loans program, with the objective of assuming full responsibility for this program from the Federal Government in a form which will provide viable long-term financing for Yukon businesses.

During the next fiscal year, the Department will prepare a tourism subsidiary agreement under the Yukon's General Development Agreement, which will provide for the first major investment of government capital in Yukon's tourism infrastructure.

All these programs are consistent with the stated intent of the government to provide a climate for the development of a viable Yukon tourism industry, business investment opportunities and a general stable economy for the future.

Our ultimate objective is to provide for a balanced economy which will not be subjected to negative influence or short-term prosperity solely dictated by decisions made outside of the Territory.

In introducing the estimates of the Department of Tourism and Economic Development, it is essential to put an end to the many misconceptions respecting this government's support of the tourism industry.

In 1978, tourism generated \$33 million for Yukoners, or a per capita figure of \$1,350 for every resident of the Territory. Tourism employed 1,800, almost 20 per cent of our total labour force. Capital

investment by Yukon businessmen and tourism facilities last year amounted to over \$2 million and total capital investment in tourism infrastructure at the present time is estimated at over \$70 million.

Tourism is big business. It is growing faster than any other economic endeavor in Yukon and at time when the benefits of pipeline are still remote and both transportation and mining are experiencing difficulties, tourism holds the best immediate and long-term economic prospects.

Tourism can no longer be regarded as a short-term undertaking by the government or the private sector. It is a business that we must take seriously, if we are to achieve maximum potential in benefits.

In a statement last year, the Minister of Indian and Northern Affairs said that his department would direct its energies to the development of a more broadly based economic strategy for northern development. His remarks made specific reference to tourism as the only industry which could meet this objective by capitalizing on existing human and natural resources.

However, before our tourism potential can be realized, we must recognize some fundamental realities. First, we have to recognize tourism as a distinct separate economic endeavor which can achieve certain objectives for Yukoners.

This recognition must come from government and from the Yukon economic community.

Second, tourism development needs strong organized private sector input to build a plan which will attract and hold Yukon visitors.

Thirdly, the government must mount meaningful programs for the co-ordination, planning, development and marketing of the tourism product.

We have made some progress in this area, but we still have a long way to go.

At the present time, Yukon suffers from being a long way from its major markets, a lack of developed attractions, seasonality, unavailability of reliable labour force in the service sector, high construction and operating costs and bottlenecks in certain facilities and services.

These programs are being addressed and solutions will be found through government and industry co-operation. In recent years, major benefits to the industry have been realized as a result of the government working closely with the private sector. Consistent with this policy of supporting private sector endeavors, the Yukon Government will again enter a contract with the Yukon Visitors' Association.

The value of the contract will be increased by 56 per cent, in order that the YVA may assume the important role of convention promotion and co-ordination.

This support for the tourism industry's private sector is not unfounded. Recent cooperative efforts have produced excellent results, which somewhat destroys the myth that government and industry cannot work closely together in the achievement of common goals.

Over the past year, the Department of Tourism was involved in a variety of marketing projects, including familiarization tours for travel agents and media, exhibits at consumer travel shows, sales seminars, hospitality training programs, convention sales and a variety of projects designed to sell Yukon in the worlds' travel markets.

In terms of efficiency, tourism investment of public funds in marketing alone returned a ratio of \$94.28 for every dollar spent. It is our intention to maintain the same level of activity as last year, with the exception that additional funds will provide for a spring 1980 advertising campaign.

I should point out that the department has not undertaken direct consumer advertising for the past two years, because of lack of funds. This situation must change if we are to compete for the visitors.

I must challenge a statement made recently by the Honourable Leader of the Opposition who inferred that the travel budget of the Department of Tourism was extravagant. He also hinted of waste in this Department's programs to develop a viable tourism industry. It is regrettable that the question of promotional travel by tourism officials continues to be raised in this House from time to time.

It is obvious that the originators of the question are not only uninformed, but do not speak for the Yukon's tourism industry.

For the information of the Opposition, tourism promotion is not a mail order business which can be undertaken by telephone or by

correspondence. It is fundamental that tourism staff make sales calls on potential customers the same way any profitable sales organization must do so if it is to remain profitable.

In the 1978-79, travel represented only 4.3 of the total tourism budget. In 1979-80, promotional and business travel will represent 3.8 per cent of the total tourism budget.

Travel to sell travel is a fundamental requirement of tourism and the excellent results produced by this investment are the best measures of its cost effectiveness.

Tourism today, is a highly competitive and complex business, requiring a great deal of sales expertise. In order to remain competitive in a growing world travel market, it is essential that the department continues to develop and carry out programs which will attract, satisfy and hold visitors.

It is with these objectives in mind that the budget for the Department of Tourism and Economic Development is being presented.

Thank you, Mr. Chairman.

Hon. Mr. MacKay: Yes, Mr. Chairman, I would like to congratulate the Minister on a very fine ice-breaker speech on his new portfolio. My compliments to the author.

However, I think that it is time we did have a few words about tourism and I think, there are a number of very positive things in this budget, and I will not hesitate to say them. I think the increased assistance to the YVA is carrying through with an election pledge, which I think all Parties were agreed upon and I am pleased to see that.

The appointment of an elected head in the department will, no doubt, increase its importance in the considerations of the Executive Committee. Perhaps, with the appointment of an elected head, the tourism branch will gain some support and will take its rightful place as one of the major cornerstones of our economy.

While all of these things are great, Mr. Chairman, it does not preclude us from taking a fairly critical look at their budget. This is our function. Here we have to examine and scrutinize carefully, to see that the sum of money which is still short of a million dollars is, in fact, being invested in the best place, and I hope that the people in the Department will not take that as a personal affront that we should do so and we will continue to do our job here to dig in to these things.

I have addressed the general nature of tourism. It certainly is an area that, I think, is one of the few areas left in the economy, where one can happily predict growth from year to year, all things being equal, that is not anything you can say about mining, about transportation or about any of these other things. Tourism is a very positive and growing area. Yukon has unique assets. I think that we will continue to increase our share of the market with the help of a very fine staff that we presently employ in this department.

I will leave any further questions in case anybody else wants to say something.

Mr. Penikett: I too would like to thank the Minister for a fine first speech in this new portfolio and quite honestly and genuinely wish him well, because I think it is an important new ministry and one, if things go well, I think should prove very fruitful for the people of the Yukon.

I will have some specific questions with this budget, but I would like to, if I could now, Mr. Chairman, lay them out in a general nature so that the Minister would be aware of them and perhaps, he may want to respond to them in a general way before we get to a particular item.

I notice in the budget that we are talking about spending something in the neighbourhood of \$300,000, \$297,500 on advertising, which is fine, but I would be interested to know if the department has done any kind of assessment to measure the effectiveness of the money spent.

I suppose, one of the obvious checks on that of course, is to see how strong a relationship there is between the areas where the money is spent and the point of origin of the tourists who are coming here. I do not know whether there has been any information obtained on that kind of thing, a check of hotel registries or any kind of study at all. If there has, I would be very interested in that, because that is obviously a very elementary test of the cost effectiveness of such an advertising program.

The Minister had, I think, some unkind words to say about the criticisms of the Opposition about the travelling habits of his officials. I think it is a great pity that he should take such a negative attitude to such positive and well meaning criticism but I want to, and I do apologize for this, ask another question about the same subject.

The Opposition Leader has mentioned the increased grants to the Yukon Visitors' Association, and that is great. I wanted to advise the Minister about a rumour that is going around town and ask him if he could confirm it or not.

That is that some travel, by YTG employees will be financed by the YVA and, in fact, from some money given by the government to the YVA for that purpose. If that is just malicious and untrue gossip? I would certainly like to have it put to rest and very soon.

Also I would like to, before I sit down, just ask a general question, which the Minister may not be able to answer now, but I would certainly like to alert him to it so that we can deal with it properly when we come to it and that is Establishment 750. I would be interested to know what the Legislative authority is for the Tourism Grants there? I am curious about the authority for capital funding of the museums.

I think, as we know, that most of the operation and maintenance costs of such facilities comes out of a department of the senior government, in fact, a branch of DIAND, in this case. I would just like to serve notice of those questions if I could, to the Minister, and if he could answer some of them right away or get back to this later when we do know the details on it.

Mr. Fleming: I have no problem in saying that the Minister has done a fair job, and I will not belittle him, however, I was very interested in the fact that they were going to do something with the small business loans in that area, the marketing area. I realize this is fine, it is something that you have to have but it all boils down, it has for years and years in Yukon Territory, you cannot sell a horse if you have not got one. You can advertise all you want, but if you do not have the goods when the customer comes in, you cannot sell it to him.

If you do not get into the area of the loans to be sure that they are all long term loans, and can be paid back, so the people can build establishments that are respectable along the Alaska Highway, which has not been done in the past, which I have spoken about for the last four years here definitely, there is no use marketing something you have not got.

I would hope that this is the way the government goes before they spend too much money on advertising as we have been doing. We have been spending quite a considerable amount even before, because there was nothing really to advertise except what we have here and what God gave us. We have also got to build ourselves, for tourism.

It is not enough to just have a river with fish in it, this and that and another thing, wild animals, this is there, but it will gradually disappear. If you want to have Tourism and visitors you have got to put forth a place for them to stay that is good, which they can possibly get maybe, in the City of Whitehorse, but which is a problem on the highway, I am sure the Minister, himself knows of that problem.

Other than that he has done very well.

Mr. Byblow: I, too, have very little difficulty taking issue with the primary thrusts of this department. I am certainly encouraged with the direction the government is taking toward establishing the secondary industries. Perhaps, I have some reservation with, as was stated earlier, I am not sure that enough is directed towards the development of the economy, in the mining sector, however, I am sure I can live with the very positive approach of developing an economic policy and strategy and will certainly be observing closely, its development.

Hon. Mr. Tracey: Mr. Chairman, I would like to make a remark in answer to Mr. Fleming's remark there, that he feels that we should develop the industry before we develop the market. I think perhaps, the Member is putting the cart before the horse.

If we have the people here, we have the market, the industry is going to build, because they know that the customers are there, whereas, we are going to have a very hard time trying to build a plant, if we do not know the customers are coming, so you know, it is a chicken and egg situation.

Hon. Mr. MacKay: Yes, I might want to ask some specific questions now.

The Minister mentioned in his opening remarks the Tourist Subsidiary Agreement, is that the same thing as a tourist development strategy?

Hon. Mr. Tracey: Mr. Chairman, the tourist development strategy will be the basis for which we will work our Tourism Subsidiary Agreement from. That will be our working paper that we will use to develop the strategy.

Hon. Mr. MacKay: Is this tourist development strategy, I may be ignorant, but has this been made public?

Hon. Mr. Tracey: Mr. Chairman, I will be tabling that development strategy in the house tomorrow. I was going to table it today, but I did not get enough copies to table it.

Hon. Mr. MacKay: I am looking forward to that. I take it this is another of the items out of the \$400,000 which we are now seeing.

Hon. Mr. Tracey: No it was not, Mr. Chairman, it was a separate contract with an outside agency.

Hon. Mr. MacKay: In the course of this subsidiary agreement, without stealing your thunder tomorrow, you said that the government would be making investments in the infrastructure. Do I take this to mean roads, this kind of thing, picnic grounds, or are we talking about actually getting into the business of tourism?

Hon. Mr. Tracey: No, the government certainly has no intention of getting in on the business of tourism. The infrastructure would be the roads, campgrounds and related facilities.

Hon. Mr. MacKay: With respect to these specific amounts though, the professional and special services under marketing and development, could we have a detailed breakdown of that?

Hon. Mr. Tracey: The \$35,000 in Tourism Marketing was to provide funds for the co-operative marketing with the Yukon Visitors' Association. This is matched on a dollar for dollar basis. For every dollar we put up, the industry puts up a dollar.

On Tourism and Development, there is a \$70,000 contract for the Yukon Visitors' Association to carry out tourism and development projects and \$12,000 for cooperative development projects which are cost-shared with CGOT, which is the Canadian Government Office of Tourism, and other agencies. Examples of such projects would be the economic impact of tourism, employment in the tourism industry, resident travel and package tourism, and different related things.

This contract with the Yukon Visitors' Association, there is \$45,000 there that we have a contract for doing specific things and \$25,000 is for convention coordinator to promote conventions.

Hon. Mr. MacKay: On the \$35,000 for promotional marketing, is that strictly for advertising, or is this going to involve the travel of groups? I am thinking in terms of the promotion of the Frantic Follies when they went east a year or so ago. Is this the kind of thing we are doing with this money?

Hon. Mr. Tracey: Most of this is direct advertising, on a dollar for dollar basis, some of it is promotion.

Hon. Mr. MacKay: Yes, perhaps, you could lay to rest Mr. Penikett's concerns in respect to travel bills being paid out of this budget for tourism department employees?

Hon. Mr. Tracey: I am not aware of the YVA spending any money paying for travel for government people, however, I will investigate it.

Hon. Mr. MacKay: The convention coordinator's duties, that is \$25,000 that is being set aside for that, can we have a brief description as to how he is going to set about doing his job?

Hon. Mr. Tracey: Mr. Chairman, I suppose he would be doing it the same as any other convention coordinator, he would be looking for areas and organizations which would be willing to come to Yukon and try to convince them they should come here, and also, if they show any willingness to come, would be to coordinate it while they were here.

Hon. Mr. MacKay: I appreciate that there is a general way of doing these things. These funds are being given to the YVA, no doubt they will spend them in the way they see best in order to do it. However, the government is supplying the funds, so has the Minister given any guidelines to them as what they would like them to do, such as: ensuring that this coordinator might accompany a group that goes to another convention where they are lobbying for a return convention? Is this in the program?

Hon. Mr. Tracey: Mr. Chairman, it is a specific contract and it is all laid out on paper. I cannot give you the exact details at this time. I could provide it to you.

Hon. Mr. MacKay: I would appreciate that at some point, but it is not necessary to hold up the debate on this, though.

No mention has been made at all of the KVA and any cooperation between this department and KVA, could the Minister describe if there is any going on or any planned?

Hon. Mr. Tracey: Mr. Chairman, no there is no direct money given to the KVA; however, the Territorial Government does grant the KVA a licence to print money practically by running their gambling business, so I think they do fine by this.

Hon. Mr. MacKay: Which leads me to the next question of, are you prepared to allow them to print money, as you call it, although I

call it more community endeavor in trying to better themselves and doing it very well, are you going to continue to allow them to do that without raising their licence fees or making any other levies on their profits?

Hon. Mr. Tracey: Mr. Chairman, we are negotiating with the KVA right now, to try to set up some program where we do have some measure of control over their profits. We feel that some of those profits should be directed to marketing or some other areas and we are at present negotiating on this.

Hon. Mr. MacKay: I would be hesitant, if I were the Minister, to tread too far into that area, because it is an area in which the local people there, have shown a great deal of initiative, I would hate to see it killed off by too much government interference. While we are on the subject, there was a green paper issued last year, I believe, on the subject of casinos and their viability in other parts of the Territory. Has the Department looked into that green paper and do they intend to take it any further?

Hon. Mr. Tracey: Mr. Chairman, I was not aware of a green paper; however, I am aware that quite a few studies have been done on gambling in the Yukon Territory. In fact, when Mr. Lengerke was a Member of this Executive Committee, he was very interested in this. We, at one time, approximately three or four years ago, had the RCMP and quite a few other organizations do a real in-depth study of gambling in the Yukon.

The conclusion was, at that time, that we would be making a serious mistake if we ever enlarged the gambling in the Yukon Territory. All we would be doing would be inviting criminals to come here, because as soon as there was a profit to be made, we would certainly have those types of people here, to get it.

Hon. Mr. MacKay: I think that kind of judgment should be left to the church.

I would comment that the particular green paper that was there was not, in my opinion, a valid study, because the economics of it were based on a year's operations of the KVA, Mr. Chairman, a year in which they made hardly any profit whatsoever. Therefore, the economic conclusions that were extrapolated out of that were quite invalid. The two years since then, in which the KVA has done extremely well, would be a much better basis on which to look at this subject.

Hon. Mr. Tracey: Mr. Chairman, it had nothing, absolutely nothing to do with the profit of the KVA or any other organization, and to get back to the KVA, it is certainly not the intention of this government to throttle the KVA. It is only the intention of this government to have some type of policy that the KVA is going to follow. It certainly is not going to be a throttle to try to take all her profits away or whatever.

But to get back to extending gambling throughout Yukon, you made the statement that it should belong to a church or something, but that is not true. A lot of us were very interested in extending gambling throughout the Yukon Territory, and we did a very in-depth study of it. The recommendation came from every area that we dealt with, that we should not have gambling. I would suspect that today it is still the right way to go.

Mr. Penikett: Mr. Chairman, is it the case that the government studies into gambling in Dawson indicate that the majority of clients for this facility are, in fact, local residents, rather than tourists?

Hon. Mr. Tracey: Mr. Chairman, I would not like to guess on that, but I would suspect that a pretty good percentage is local, anyway.

Hon. Mr. MacKay: I will pass on from gambling with just the thought that, if we are looking at extending the tourist season, and if we do want to avoid the mistakes of Las Vegas, we can look to the way the KVA is operated in a very fine manner, and from which the profits are being put to excellent use in the tourist area. If one was to look at how they do spend their funds and how they allocate them, I think, it is a fine example for the Territory, and I would not be afraid of seeing such an establishment in Whitehorse at all, on a seasonal basis.

Carrying on, travel government employees, a figure of \$35,600.

I am interested in receiving some clarification of these amounts. For example, \$12,000 in travel for administration purposes.

Hon. Mr. Tracey: I can give you a general run-down of the total. The Travel Industry Association of Canada holds an annual meeting, and the director usually goes to that, that is \$1,500. The Canadian Conference of Tourism Officials is held annually, in Ottawa. We send two delegates to that, the director and assistance director usually attend. We have full provincial status in this one and we make sure we go every year. That is another \$1,500.

Federal-Provincial Tourism Ministers Conference: this year the conference will be held in Newfoundland, and it is attended by all

ministers and deputy ministers to formulate national tourism policy. The director attends this, and that is another \$1,500.

Alliance of Canadian Travel Associations: the 1979 Conference will be held in Calgary. The assistant director attends this, and that is \$800.

The Alaska Visitors Association: the 1979 Conference will be held in Seattle. This is an annual meeting to discuss tourism in the north and Alaska. The director attends that, for \$1,200.

Canada West, which is a meeting with deputy ministers of tourism of Alberta, B.C. and Northwest Territories, which jointly markets tourism throughout the world for western Canada: the director attends that, and that is \$2,000.

The Dempster Highway Management Committee: meetings with Northwest Territories officials to formulate a management policy for the Dempster Highway. Meetings alternate between Yukon and Northwest Territories. The director attends this for \$500.

Yukon Government Information Office in Vancouver, liaison: two visits by the director or assistant director per year, that is \$1,000.

Unanticipated outside meetings, it could be any meeting that comes up all of a sudden, \$1,000. Internal travel to liaison with communities and tourist industry, and also includes the YVA conference, \$1,000. That gives a total of \$12,000.

Hon. Mr. MacKay: I am sorry, I was adding up.

Mr. Chairman: Are your questions on 702 or 705?

Hon. Mr. MacKay: On 702, Mr. Chairman. Under marketing, without knowing who is going where, just where are they going for \$16,000?

Hon. Mr. Tracey: Shall I read two or three pages for you?

Hon. Mr. MacKay: Just tell me where they are going.

Hon. Mr. Tracey: Marketing is the one I just gave you. You want development.

Hon. Mr. MacKay: That was administration for \$12,000. I am now, looking along the same line at \$16,100 for marketing.

Hon. Mr. Tracey: The Alliance of Canadian Travel Associations, the marketing officer attends for \$800. Canadian Government Office of Tourism—

Mr. Chairman: Order, please.

Hon. Mr. MacKay: Sorry, Mr. Minister. I am just curious as to where these meetings are, rather than who is going and what it is for. Just where.

Hon. Mr. Tracey: There are a couple of them that I can not give you. They are almost the same meetings as the Director attends. The Alliance of Canadian Travel Associations is in Calgary, the Canadian Government Office of Tourism, Ottawa; Canada West, I cannot tell you exactly where that meeting is going to be held. There are travel agent seminars held in a hundred U.S. and Canadian cities. There are travel shows which are held in Chicago, San Francisco, Edmonton, Toronto and Minneapolis. The Alaska Visitors Association, which will be held in Seattle. Convention promotion, which is to provide for marking representation at conventions to attract other types of conventions to the Yukon, \$1,000. Rendezvous Canada, I cannot tell you where that will be held either, and the rest is Yukon Travel.

Hon. Mr. MacKay: Mr. Chairman. Mr. Penikett raised a question which I would like to raise again with respect to the advertising budget. What research has gone into the placement of these ads? Is it just a matter of the experience of the tourist department or has there been any underlying studying done as to the new markets you want to break into, the existing markets you want to keep?

Hon. Mr. Tracey: Mr. Chairman. Yes they do. They keep an updated record of markets. They keep track of all the requests for information that they get back, and also, when they do their border crossing studies, they keep track of where the people come from and where they are going. This way they find out how their marketing is working. They also look at different markets. This year we are starting to move into Germany and Australia, so we are constantly developing new markets and trying to keep statistical track of our old markets.

Mr. Penikett: Mr. Chairman. I also asked a question about the travel by Y.T.G. employees on the Y.V.A. budget. Would it be possible for the Minister to get an answer to that question tonight, even if it is necessary to take a short recess to obtain it.

Hon. Mr. Tracey: Mr. Chairman, I stated that I did not think that there was any Y.V.A. budget going to promote travel for government employees. However, I can get that information for you without a recess.

Mr. Penikett: I will explain Mr. Chairman, I did just slip out and check with one of the sources of my rumour and they insist that the rumour is true.

Hon. Mr. MacKay: Yes, Mr. Chairman, on Primary 90, to whom are the \$20,000 grants going?

Hon. Mr. Tracey: \$20,000 is given to the Tourism Advisory Board, and they hand it out to worthwhile projects throughout the Territory over the course of the year.

Mr. Penikett: I wonder, just to pursue the question that I asked originally, and Mr. MacKay just asked right now, the department obviously, has right now, some considerable experience with different kinds of advertising and marketing programs, and some of them must have worked, and some, perhaps, have obviously not been successful. Could the Minister briefly give us some indication of what new markets, apart from Germany that he mentioned, do look promising, but also what others may have been completely unsuccessful?

I have in mind my experience, which was brief, in the hotel business, but during that time I noticed an inordinate number of octogenarian Californians coming here, but a depressingly small number of people from our own country, for example.

Hon. Mr. Tracey: Mr. Chairman, there are some areas in the United States where we have not been very successful. California is one very good, successful place.

However, we are moving into Canada now. As I stated, we are doing travel shows in Toronto and we are putting a lot of effort into Canada. We are also getting quite a few results.

We are moving into Germany and Australia. We have a major market in Japan, but we are even afraid to touch it, because if we ever did touch it, we would not know what to do with all the people who come. So we are staying away from there.

As to other areas that we have not been successful in, I could not tell you at this time. I would have to get the information from the department.

Hon. Mr. MacKay: Mr. Chairman, just a couple of questions, is there any directive or attempt within the department, Mr. Minister, with respect to trying to direct the contracting of printing of the various things you produce to local people? Is there a preference being given?

Hon. Mr. Tracey: Could you repeat that? I did not catch it.

Hon. Mr. MacKay: I am concerned about the printing bills of advertising material and this kind of thing. Can the Minister assure us that he is trying to get the maximum amount done within the Yukon Territory on that?

Hon. Mr. Tracey: Mr. Chairman, printing is put out for contract and goes to the lowest bidder. If we get the lowest bid from the Yukon Territory, we certainly will. Not only that, I, myself, would like to see the work done in the Yukon Territory. In fact, I was talking about it tonight, with one of the people who are involved in the business. I will be looking at it. I would certainly hope that we could keep as much here as possible.

Hon. Mr. MacKay: The mention was made by the Minister with respect to the lack of a trained labour force to be able to service the tourists as they come. I am wondering, if he has made any connection with his colleague in the front bench in the Department of Education with respect to directing Vocational School training in that area?

Hon. Mr. Tracey: Mr. Chairman, at the present time there is a study going on for continuing education and the vocational school. One of the areas that we are looking at is, perhaps, mobile type vocational school units, which would be very beneficial in training the type of people that we need in the service industry. So we certainly, are looking at it.

Hon. Mr. MacKay: Finally, Mr. Chairman, this department came under some discussion previously, as being a prime target for a decentralization move, and the movement of employees and the department to the City of Dawson, the home of the tourist industry. Could the Minister tell us if this is still under consideration, or where that study is?

Hon. Mr. Tracey: Mr. Chairman, yes, we have done a study. My Economic Research and Planning Unit did a study and, in connection with the tourism department, we felt that it would be very foolish to move the whole department to Dawson City. However, it would be possible to move one or two people there, especially in the marketing sector. They could be utilized in the summer for tourist promotion in Dawson, and in the wintertime they could be involved in marketing.

That is about as far as we felt we could go to move the Department of Tourism out of Whitehorse. Whitehorse is the centre of the

government, and to have one department 300 miles away would be almost a physical impossibility.

Hon. Mr. MacKay: This was something you were looking at. Is this something that is now going to happen, Mr. Chairman?

Hon. Mr. Tracey: Mr. Chairman, I cannot say it is going to happen. We are looking at it and we will be taking a very hard look at it.

Mr. Fleming: Mr. Chairman, I take it from the remarks of the Minister that there is not going to be much done in that area. The past government of this House did pass a motion to have this done, and I think some of those requests have been ignored. If the government did decide to move anybody to Dawson, for instance, is there any reflection of that in this budget, in monies?

Hon. Mr. Tracey: No, Mr. Chairman, there is nothing reflected in this budget. However, it would amount to some supplementary money if it did go ahead. We would have to supply facilities in Dawson, so, it is something that we are studying. We have not made any commitment, so we could not put the money in the budget if we have not committed ourselves to it.

Hon. Mr. MacKay: Sorry, Mr. Chairman, I think Mr. Penikett wanted to hear the answer to his question before they carried the vote. He just slipped out. He had to pick up some materials. I think he is on his way back.

Mr. Chairman: Maybe, we can stand 702 over and go on with 705. Establishment 705, Economic Research and Planning, \$273,300.

Hon. Mr. Tracey: The Economic Research and Planning Unit, provides an in-house economic research planning and statistics service to government, the private sector and the general public.

During 1978-79 fiscal year, projects that have been, or will be, completed consist of 14 editions of our survey reports, two editions of the Yukon Economic Review, one edition of the Yukon Data Sheet, one edition of Yukon Labour Statistics, and various other special studies.

For 1979-80, our regular reports will continue to be published, plus studies currently in the process of being done, and new studies, as requested throughout the year, will be completed.

At present, the Unit is involved in three major projects, namely a study on the feasibility of decentralizing the Yukon Vocational School, the feasibility of establishing a government owned insurance company, and community economic development potential studies.

The Unit is also actively involved in monitoring and assessing pipeline impact.

Within the 1979-80 fiscal year, the Unit will be concentrating its efforts to produce an economic development strategy for Yukon.

Due to the development of an adequate data base over the last couple of years, and the development of new analytical tools, such as the Yukon Economic Model, the provision of a long-term development strategy in the near future is not an unrealistic objective.

The Unit will continue to act in an advisory role to the government, particularly in the areas of mining, energy and economic development, and would also continue to provide information to the private sector and the general public.

These inquiries currently average about 100 written and verbal requests per month.

The Unit's 1979-80 budget shows an increase of approximately \$89,000 and one man year. Most of the increase is accounted for through the provision for wages and salaries for the deputy head position. The remainder involves about \$25,000 to continue to collect and analyze and publish statistical surveys, and a small amount for library acquisitions, a grant to the Yukon Chamber of Mines and an increase in rent costs.

Hon. Mr. MacKay: Mr. Chairman, in speaking to this area generally, I may have appeared somewhat harsh in my comments the other day with respect to the value of some of the statistics issued by this department and I do not retract all of that. I would like to say that it is balanced, of course, by a lot of good information which they do produce. There is just some of it which I have some doubt as to its validity on a statistical basis.

I think that the formation of this department is a very valuable tool for government, and I am very pleased to see that it is continuing, and also, that it has now come under the direction of an elected person and can be used in developing the strategies for economic development.

I have a specific question that, I guess, I can leave in case some other people have something they would like to say.

Mr. Penikett: This may be a technical question, but I am curious as to why the department which is doing a great deal of work on the

cost of living in the Territory has not yet developed a full cost of living index similar in format to the Stats Canada one which will enable us, I think, to make a very effective comparison with the national rate of inflation, especially as regards to things like food, housing and utilities which, I think, would be of some considerable interest to us.

Hon. Mr. Tracey: Mr. Chairman, I think the Economic Research and Planning Unit is getting as much statistical information as it can possibly get right now, with the manpower that we have. As far as statistical information along with what Stats Canada has, I do not think that we have the capabilities of doing that, and we certainly do not have the ability to gather the information which is one of the reasons why we will be bringing out a Statistics Ordinance in order to gather that type of information that is needed.

Mr. Penikett: I do not want the Minister to misunderstand my question. I was not suggesting that they do more work, I just wondered if it were done in the same format as the Stats Canada cost of living information, if the data might be more easily comparable. But perhaps, as he points out, it is impossible for staffing reasons.

I may know the answer to this next question, but I would be curious if there is some other reason than the one I imagined. As I understand it, the Cyprus Anvil Corporation does its own cost of living surveys in that town and I am wondering if that is the reason why ERPU does not do any food price surveying in that place.

Hon. Mr. Tracey: I could not give you the answer to that, Mr. Chairman. I do not think that ERPU does the food costs surveys in Whitehorse either, that is done by the Consumers' Association and we get the information from them, I believe.

Mr. Penikett: I think, what the Minister says is correct of course but it does not really answer my question. The point is that, in the surveys that are released by the department, they do include the Whitehorse figures as they do for the other communities, and there is no information about Faro, and I just wondered if the reason for that was because Cyprus Anvil were doing their own figures and they were not comparable or if there was some other reason.

Hon. Mr. Tracey: I could not give an answer to that Mr. Chairman. It could be either way.

Mr. Fleming: Yes, Mr. Chairman, something I have been interested in for years and years and years and I think, the Minister spoke of is the possible research into some type of government insurance. I must say now, I guess the seed has been planted for years and years, and I would ask the Minister if he thinks it will grow now, possibly?

Hon. Mr. Tracey: I will certainly take a hard look at it, Mr. Fleming.

Hon. Mr. MacKay: Just in case we are nurturing a weed, what kind of insurance did you have in mind to study, was it Ottawa insurance?

Hon. Mr. Tracey: I believe the insurance, I had a preliminary report cross my desk, that they are studying it. The insurance is Ottawa Fire, Home Insurance, pretty well everything. Mostly, they have to get an awfully lot of paper work from other areas of Canada in order to get the study done, so it takes quite a while.

Mr. Penikett: I just wanted to say to the Minister that is wonderful news, and I look forward to the results coming to the House and I just hope that the results indicate the kind of results I would like to see.

Thank you, Mr. Chairman.

Hon. Mr. MacKay: I may not be quite as ecstatic as my friend. I have a lot of good friends here, and constituents who actually make a living off insurance under strict government regulations, I can see it.

Other areas that you mentioned, that you are going to study, I am sorry, I cannot read my writing, can you tell me what it was - there were two other areas you were studying this coming year, apart from government insurance.

Hon. Mr. Tracey: We were studying the feasibility of decentralizing the Vocational School, the Government Insurance and Community Economic Development potential studies. That is to study the potential of the communities, how they would develop or what size they would become in certain period of time.

Hon. Mr. MacKay: Will these studies be tabled in the House as they are completed? Is that the generally accepted way of doing it, Mr. Chairman?

Hon. Mr. Tracey: No, I do not believe we will table them in the House but; however, they will be available to all the Members in the Planning Unit when they are done.

Hon. Mr. MacKay: I look forward to that. Last year I believe the

Unit undertook a study on the potential of this government to control food prices. I am wondering if that particular study has been laid to rest somewhere with lots of dust on it.

Hon. Mr. Tracey: I hope so, Mr. Chairman.

Hon. Mr. MacKay: On the dollars now, Professional and Special Services is \$30,000 can we have an explanation of that?

Hon. Mr. Tracey: Yes, Mr. Chairman, there was a Yukon Mining Activity Letter from Archer Cathro and Associates, three publications at \$400 each, that is \$1,200. The terminal for Data Processing, our computer terminal, there is \$98.56 per month, the maintenance contract for the terminal \$21.50 per month.

Lease payment for the terminal and the data phone, \$40.20 per month, computer time charges and long distance charges at \$439.74 per month. The total is \$600 per month for \$7,200. The data collection for the Yukon Spatial Price Survey, in contract with the Consumers' Association six times per year at \$700 is \$4,200. The Yukon Spatial Price Survey, the Yukon Rent Survey and the Yukon Real Estate Survey and the contract for the survey coordinator will be renewed. A coordinator is required to organize these surveys, supervise the collection activities of the Consumer Association of Canada, compile the results and produce the finished reports.

The Yukon Spatial Price Survey is conducted six times a year, the Yukon Rental Survey four times a year, the Yukon Real Estate Survey four times a year. A full time survey coordinator has been on contract since December 1977. Contract fees, plus fringe benefits at \$17,700 which gives a total of \$30,300.

(Establishment 705 agreed to)

We will go back to Establishment 702, you have the information, Mr. Tracey.

Hon. Mr. Tracey: Mr. Chairman, the YVA and the YTG have participated in a cooperative marketing program. This is an annual program, which we carry on every year with the YVA.

The Tourism Marketing Committee decides how industry and government dollars will be spent and also decides who will participate. The YTG officials participate along with the private sector in the cooperative marketing. If this requires travel, they travel. The committee consists of four private sector members and two government from the Department of Tourism, which would mean if this committee decided that some members have to go to say, California it might be one government and one private sector, the money would have to come out of the YVA marketing, so it could, in effect, possibly be sending a government official.

Mr. Penikett: Mr. Chairman, I think the industry-government cooperation is a wonderful thing I want to make that clear, but I am a little concerned in terms of accountability to this House, that there may be travel by employees of this government, which is not being accounted for, accurately in this budget. I would hope that if there are YTG employees travelling under funds granted to YVA, we will have some accounting of it. The Minister will understand that it totally distorts the picture about the question, that I think, Mr. MacKay was raising earlier about staff travel because, if you will forgive me, the Minister was being very defensive about it, but I think if we are to accurately assess it and to accurately assess the benefits, we must know the whole picture. If some funds are hidden, I use that word advisably, in the YVA Grant I think we ought to know the extent of that.

Hon. Mr. Tracey: Mr. Chairman, there certainly is not any money hidden anywhere in this budget. The money that goes to the YVA is right there in the budget, and it is paid on a dollar for dollar basis with industry.

The industry has four members on this board, and the Government two. The Government participates in the joint marketing program. That is what it is called, joint marketing. So, if the money is taken out of that to send one of the government officials, as well as the private sector, it is completely covered in this budget. There is not anything that is not covered.

Mr. Penikett: Mr. Chairman, I do not want the Minister to get upset now or angry. All we are asking for here is some accounting, an accurate accounting, of the amount of money spent for employees of this government on marketing and promotion of tourism. That seems to me a reasonable enough request.

Now, some of that expenditure is under an item which is not specifically categorized here for that. If it is under the umbrella of some grant to some other organization, it would seem to me perfectly appropriate, and a reasonable request from this side of the House, to know exactly the amount of that money.

Hon. Mr. Tracey: Mr. Chairman, the amount of money that would be spent in travel under the Joint Marketing Program would be

very little, and inconsequential to what the Member is alluding to as our travel budget.

Certainly the Member does not think that we are giving the YVA \$45,000 to finance the travel of government employees, because certainly the YVA would not take the money under those conditions. I cannot understand what the Member's problem is.

Hon. Mr. MacKay: Perhaps I can help the Minister understand the problem. The Minister stood up earlier today and said that he had no knowledge of any funds being used for travel under this other budget. Now he is telling us he has no reason to feel there is anything wrong. I suggest that there is a contradiction there. We have pointed out something to him, and we are not meaning to be offensive about it, we are just saying that if it is for travel, why not call it travel and get it in there. That is all.

Hon. Mr. Tracey: Mr. Chairman, I am not trying to be offensive about it, and I am not taking it in an offensive manner, but if we were to call that travel, and still give the \$45,000 to the YVA, we would actually be increasing our budget, and the amount of travel that would be done under this Joint Marketing Program would be very little. Most of it is dollar for dollar paid advertising in magazines and other areas.

There is some travel involved, certainly, but I cannot really understand what the Member's problem is. However, if you want to know how much travel was done, I can give you the figure.

I can bring that information to you.

Mr. Penikett: Thank you, Mr. Chairman. Mr. Minister, that is all we are asking. Just to put the Minister's mind to rest, we are not suggesting that all the \$45,000 has to be spent on government employee travel, nor I think would we ever suggest it. I hope nor would anybody on that side of the house.

Obviously when you are just talking about a global figure like that, we do not know what it is being used for and if a significant quantity is being used for government employee travel, then at some point, it seems to be a legitimate question that we may ask on this side, is why we are not just including it in the departmental estimates and, in fact, giving the organization the grant to do something else.

(Establishment 702 agreed to)

Mr. Hanson: I move, Mr. Chairman, that you now report progress on Bill Number 4, and ask leave to sit again.

Mr. Chairman: You have heard moved by Mr. Hanson that we report progress on Bill Number 4.

(Motion agreed to)

Mr. Hanson: I move, Mr. Chairman, that the Mr. Speaker, do now resume the chair.

Mr. Chairman: It has been moved by Mr. Hanson, that that Speaker now resume the chair.

(Motion agreed to)

Mr. Speaker: I will 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 4, First Appropriation Ordinance, 1979-80 and directed me to report progress on same and beg leave to sit again.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure.

Mr. Hanson: Mr. Speaker, I move, seconded by the Member from Hootalinqua, that we call it 9:30.

Mr. Speaker: It has been moved by the Honourable Member from Mayo, seconded by the Honourable Member from Hootalinqua, that we do now call it 9:30.

(Motion agreed to)

Mr. Speaker: This House now stands adjourned until 1:30 tomorrow.

(Adjourned)

Whitehorse, Yukon**Thursday, March 22, 1979 - 1:30 p.m.****Mr. Speaker:** I will now call the House to order.

We will proceed at this time with Prayers.

(Prayers)

Hon. Mr. MacKay: Mr. Speaker, I rise under the provisions of Standing Order 31 on a matter of urgent and pressing necessity.

Mr. Speaker, moved by myself and seconded by the Member from Whitehorse West, that a special committee of this Assembly be established to investigate and report on the circumstances surrounding the resignation of the Director of Corrections, that the said committee consist of the Member from Whitehorse South Centre, Mayo and Whitehorse Riverdale South; that the chairman of the said committee be the Member from Whitehorse South Centre, and that the committee have the power to call for persons, papers and records to arrange for verbatim transcripts and to sit during inter-sessional periods.

Mr. Speaker: The motion proposed by the Honourable Member will require, under Standing Order 31, the unanimous consent of the House. Does the Honourable Member have unanimous consent?

Some Members: Agreed.**Some Members:** Disagreed.

Mr. Speaker: The Honourable Member does not have unanimous consent.

ROUTINE PROCEEDINGS**Mr. Speaker:** Are there any Returns or Documents for Tabling?**TABLING OF DOCUMENTS**

Hon. Mr. Tracey: Yes, Mr. Speaker, I have two documents for tabling here. One is the Interim Dempster Management Plan and the other is the Yukon Tourism Development Strategy.

Hon. Mr. Lang: Mr. Speaker, I have for tabling the answer to an oral question by the Honourable Member for Campbell concerning highway signs.

While I am on my feet, Mr. Speaker, if I may, I believe we forgot the Introduction of Visitors. I would like to draw members' attention to the Gallery, where Mrs. Gene McCowan, who is a very active citizen in the Porter Creek area, is in attendance with her daughter.

Mr. Speaker: Are there any further Tabling of Returns and Documents?

Hon. Mr. Graham: Mr. Speaker, I would like to table the answer to a written question by Mr. Byblow, on March 13th, regarding vocational training.

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

Petitions?

Introduction of Bills?

Are there any Notices of Motion for the Production of Papers?

Notices of Motion?

Are there any Statements by Ministers?

MINISTERIAL STATEMENTS

Hon. Mr. Lang: Mr. Speaker, I rise to inform the House today that the Administrator on the advice of the Advisory Board in Dawson City, recommended to the government earlier this week, to set a date for the election in Dawson City. The Municipal Election has been set for April the 11th.

Hon. Mr. MacKay: Yes, Mr. Speaker, I was very pleased to hear that announcement. The continuation of Dawson City as a municipi-

pal entity is very good thing for the Territory and I am very pleased to hear the date of the election.

Mr. Speaker: Are there any further statements by Ministers?

This they brings us to the Question Period.

QUESTION PERIOD**Question re: Justice Department Internal Investigation**

Hon. Mr. MacKay: Thank you, Mr. Speaker. My question is for the Minister of Justice with respect to the internal investigation being carried out within his Department, this is in connection with the resignation of the Director of Corrections, could the Minister tell us if this investigation will be carried out by the Deputy Head of that Department?

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

Hon. Mr. MacKay: Could the Minister tell us if the investigation will be carried out by another Member of that Department?

Hon. Mr. Graham: Mr. Speaker, the investigation will be carried out by myself in conjunction with the Public Service Commission.

Hon. Mr. MacKay: If the Minister is having an investigation carried out, which he is, in fact, carrying out himself, will he be reporting it to anybody?

Hon. Mr. Graham: Mr. Speaker, this investigation that I am carrying out is for my own information to assure myself that the circumstances leading up to and surrounding the resignation of the Director of Corrections were entirely within the terms of reference of the deputy head.

Question re: Rising Prices

Mr. Penikett: Thank you, Mr. Speaker. I have a question for the Minister of Economic Development.

The Conference Board of Canada recently predicted labour unrest in Canada this year, because rising prices are eroding the earning power of many working people.

Considering that Yukon is back into double digit inflation, can the Minister advise the House what plans, if any, this Government has to combat rising prices in the Territory?

Hon. Mr. Tracey: Mr. Speaker, we have very little power to stop the rising prices in the Yukon Territory. It is governed by things that are almost totally outside of our control.

Mr. Penikett: Thank you, Mr. Speaker. Will the Government be introducing the most effective short term measure within this legislative competence and that is rent control legislation?

Hon. Mr. Tracey: Mr. Speaker, at this time, I would say no.

Mr. Penikett: When rents rise dramatically again, as they are bound to do with pipeline inflation, will this Government then be prepared to introduce rent control legislation.

Hon. Mr. Tracey: Mr. Speaker, if that occasion does arise, we will look at it at that time.

Question re: Teaching Staff/High Turnover

Mr. Byblow: I have a question for the Minister of Education. It has come to my attention that there is some concern among rural people that the teaching staff turnover will be significantly higher this year than in previous years. Could the Minister undertake to ascertain whether this is correct and report it some time later to the House?

Hon. Mr. Graham: Mr. Speaker, I have some figures in front of me that indicate to me that my Department does not consider the numbers of resignation this year. They do not think at this time anyway, that the number of resignations will be a great deal higher than they have in previous years. In fact, in 1975-76 the number of resignations were in the low seventies. Again in 1976-77 they were in the low seventies. Last year, this dropped to around 51 or 52 resignations and this year we expect between 50 and 60.

Mr. Byblow: In recognition of the rural turnover being significantly and consistently higher than in urban Whitehorse, could the

Minister be sure to relay this concern accordingly, to his recruitment team.

Hon. Mr. Graham: Mr. Speaker. As the Honourable Member well knows, we have no control whether teachers in the rural areas wish to resign. In all cases, when we recruit teachers for rural areas, we attempt to pick people who will be staying with the Department for an extended period of time. We hope to do this in the future as well.

Mr. Byblow: I am wondering if the Minister could compile some comparative statistics of turnover, particularly separating urban from rural, and relay this to me?

Hon. Mr. Graham: Mr. Speaker, in the past, the hiring of teachers has been a duty of the Public Service Commission and as such up until last year, the Department of Education did not have any records, which is why I gave you only estimates for 1975-76 and 1976-77.

For last year and this year, when the time comes, I will give you exact statistics prepared by my Department, but in previous years it is very difficult.

Question re: Medicare

Mr. Fleming: Yes, Mr. Speaker, a written question to the Minister of Health regarding Medicare: could the Minister give me the answers to these questions?

Number one, the total number of cases taken to court for collection under the Medicare Ordinance, if any, the cost of such action if any action has been taken, the amount of moneys recovered, if any, and the amount of moneys outstanding at the present time.

Question re: Transition Home Brief

Mrs. McGuire: Thank you, Mr. Speaker. I will put this question to the Minister of Municipal and Community Affairs. The reason I am putting this question to this particular Minister is because it involves Yukon Housing.

In reference to the Transition Home Brief that the Minister has in his possession, which contains proposed social sanctuary and services of vital importance to people in need and which has been recommended and supported by many of the YTG's social service departments, including the Department of Human Resources, Mr. Speaker, I will put these questions to the Minister.

Has the Minister read and accepted the responsibility of the obligations set forth in the said brief and will the Minister table the said brief during this Session?

Hon. Mr. Lang: Mr. Speaker, I am just presently reviewing the brief. In respect to tabling it in the House, I would, if the Member could wait, I will have to get the permission of the people that presented the brief.

Question re: Canada West Foundation

Hon. Mr. MacKay: Yes, Mr. Speaker, this question is to the Government Leader, Mr. Speaker.

Will the Government Leader confirm that the Western Separatist Foundation, called Canada West Foundation has been invited by this Government to do research in this Territory in 1979?

Hon. Mr. Pearson: No, Mr. Speaker, I am not aware that they have been invited by the Government to do research.

Hon. Mr. MacKay: If the Government Leader were to discover they were doing—, no I am sorry, no hypothetical questions.

Could the Government Leader find out from this foundation with which they seem to have such a close relationship, whether or not they are going to do research in this area this year?

Hon. Mr. Pearson: Yes, Mr. Speaker.

Hon. Mr. MacKay: If this research is in connection with forming a blueprint for a separate western Canadian nation, will the Leader of the Government under take to withdraw any invitation for them to come to this Territory?

Hon. Mr. Pearson: Yes, Mr. Speaker.

Question re: Land Sales

Mr. Penikett: Thank you, Mr. Speaker, I have a question to the Minister of Municipal and Community Affairs.

I would like to ask the Minister, at the next Territorial land sale, what method of distribution will be used, lotteries or lineups?

Hon. Mr. Lang: Mr. Speaker, the method of disposition of land is presently under review, and I am hoping to bring forward a new policy in the near future.

Mr. Penikett: Thank you, Mr. Speaker, and I thank the Minister for his answer. I would like to ask him, is the Minister considering a standing registration system for lot applicants until such time as we have a bank of serviced land?

Hon. Mr. Lang: Mr. Speaker, we are reviewing all sorts of options at the present time and once we have made a firm decision I will report to the House.

Question re: Tourism Advisory Board Appointments

Mr. Byblow: I have a question for the Minister of Tourism and Economic Development.

It has been brought to my attention that the Tourism Advisory Board has not yet been appointed for the term.

Can I be told why?

Hon. Mr. Tracey: Mr. Speaker, the reason it has not been appointed for this term, is we have just changed the method and number of appointments to the Board. There will be eight people appointed to the board now, and I just yesterday, got the names recommended by my Department across my desk.

Mr. Byblow: Could the Minister explain why the practice of MLAs each nominating a person from their riding to sit on the board is not being followed?

Hon. Mr. Tracey: Yes, Mr. Speaker, the reason is because, if we stayed with the process we had of each Member appointing a member to the Tourism Advisory Board, we would have a nineteen member board which would be a very unwieldy board, not only that, it would be very expensive for the Government. The Tourism Advisory Board recommended that it would be much better if we had a smaller board consisting of people that were really and truly interested in Tourism in the Yukon Territory.

Hon. Mr. Njootli: Mr. Speaker, yesterday, during the long question period, the Honourable Member from Whitehorse West asked me a couple of questions regarding women requiring her husband's signature if she wanted to be sterilized and vice versa.

The answer to both questions is no, neither need the consent of the marriage partner. There is no legislative authority governing that type of thing.

Question re: Klondike Visitors' Association/Government Control of Profits

Hon. Mr. MacKay: Yes, Mr. Speaker, my question is directed to the Minister of Tourism and Economic Development. My question is: will the Minister confirm if his department is presently negotiating with the Klondike Visitors' Association to assume some control of the profits of that community organization?

Hon. Mr. Tracey: Mr. Speaker, we are negotiating with the Klondike Visitors' Association, but that is not to assume some control of the profits of that organization, it is to set guidelines for consultation with the organization.

Hon. Mr. MacKay: Thank you, Mr. Speaker. Could the Minister tell the House what things that the KVA has done incorrectly in the past that has led him to require this kind of consultation?

Hon. Mr. Tracey: Mr. Speaker, the KVA has done nothing in the past to require this. The reason it is required is because, we felt and I am sure many of the people of the Yukon Territory feel that, with the promotion that is done for Dawson City and the amount of money that the KVA is generating, that we are going to run into problems from other people in the Yukon Territory requiring or requesting the same advantage that Dawson City has and, in order to control some of that, we have to have some kind of a consultation process.

Hon. Mr. MacKay: Thank you, Mr. Speaker. The bee is attracted to the honey, I think.

Would the Minister, if he is going to undertake this responsibility for the rest of the Territory, undertake to the KVA that, in the event that they lose money in some future year, if he would subsidize it?

Hon. Mr. Tracey: Mr. Speaker, no, that is not the intention.

Question re: Whitehorse Indian Band Relocation

Mr. Penikett: Thank you, Mr. Speaker. I have another question for the Minister of Municipal and Community Affairs. Can the Minister advise the House if this government has resumed negotiations with the Whitehorse Indian Band, the City, and the Federal Government towards relocation of the Whitehorse Indian Band?

Hon. Mr. Lang: Mr. Speaker, the way I understand it, this is a committee that was struck by the Minister of Indian Affairs and Northern Development. We do have an official from my Department on that committee and there are, I understand, some discussions underway.

I think the Member well knows that they also have representation by the City.

Mr. Penikett: Thank you, Mr. Speaker and I would like to thank the Minister for his answer, and just ask him if he could be a bit more specific about the progress of the negotiations, and ask him if the transfer of lands in the site selected by the Band is proceeding

at this time?

Hon. Mr. Lang: Mr. Speaker, the discussions right now, are very preliminary and no decisions have been made.

Mr. Penikett: If delays in this relocation continue, has the Minister initiated discussions with all concerned with a view to a possible provision of some housing and some of the essential services in the village which are presently lacking?

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

Question re: Fire Arms Control

Mr. Byblow: I have a question for the Minister of Justice. Can the Minister tell the House if any direct or indirect Federal aid is being received, or is to be received for the purpose of increased administration costs to enforce provisions of firearms controls under Federal Statute Bill C-51?

Hon. Mr. Graham: Mr. Speaker, as you know, we are not receiving any Federal aid.

Mr. Byblow: Mr. Speaker, on the assumption that the Territory will have to enforce the Federal Bill within the Territory, can this House assume the present government favours the Federal legislation on fire arms control?

Hon. Mr. Graham: Mr. Speaker, I believe the Honourable Member is incorrect when he says that we will enforce the law. We will not. This is a Federal law enforced by the RCMP. We will, in this House, have to pass enabling legislation if we hope to take advantage of the Federal cost-sharing agreement to administer the gun control law.

Mr. Byblow: Will the Minister consider supplementary legislation for the Territory to permit special concessions to fire arms control North of 60?

Hon. Mr. Graham: Mr. Speaker, we cannot make legislation that would supersede the Government of Canada's laws presently in force in Yukon. This Government, I am sure, would be willing to request that the Federal Government exempt the Yukon from fire arm control laws, but at this time, I think that is all we are able to do.

Question re: Contractors' Unpaid Bills

Mr. Fleming: Yes, I have a question to the Leader of the Government or the Minister for Legal Affairs. In the case of contractors, outfitters, whatever, who leave the Territory after jobs or after the hunting season, and there are bills left outstanding, wages left outstanding, and these people who are doing the contracting live in BC or Alberta somewhere. Is it the intention, or is the Government moving towards a reciprocal agreement with Alberta or BC or any of the provinces so that these people who have lost money can collect or can bring those people to court?

Hon. Mr. Pearson: Mr. Speaker, I am not sure of the incident that the Honourable Member is referring to. However, I would be happy to hear about it from him and we will certainly find out where it is at.

Question re: Tourism Development Strategy Report

Hon. Mr. MacKay: Yes, Mr. Speaker, my question is to the Minister of Tourism and Economic Development, with respect to the report which has been tabled here today, called the Tourism Development Strategy.

Can the Minister tell us what the cost of this report was?

Hon. Mr. Tracey: Yes, Mr. Speaker, the final cost of the report was approximately \$78,000.

Hon. Mr. MacKay: Can the Minister tell us how many, if any, of the recommendations of this report have been accepted by his Department?

Hon. Mr. Tracey: Mr. Speaker, that report is going to be the basis of our tourism subagreement under the General Development Agreement.

Hon. Mr. MacKay: Could the Minister confirm that this report has been approved by the Executive Committee?

Hon. Mr. Tracey: Mr. Speaker, this report has not been approved in total by the Executive Committee. We are using it as a working document to develop the subagreement.

Question re: Unemployment Insurance/Job Creation Projects

Mr. Penikett: I have another question for the Minister of Economic Development.

Since there is \$8 million annually, coming to Yukon in the form of UIC payments and large sums of other money being spent by this Government on welfare, can the Minister say if he is planning to meet with Federal Government officials to consider ways in which some of this money could be converted into job creation projects?

Hon. Mr. Tracey: Mr. Speaker, I will leave that to my honourable

colleague to answer. It is in his Department.

Hon. Mr. Graham: Thank you, Mr. Speaker. The Department of Manpower, which is within the Department of Education, is actively pursuing and, in fact, is meeting on an on-going basis with UIC officials and with other officials in the Manpower Department, in effect to attempt to coordinate all of these programs and create more jobs within Yukon for Yukoners.

Mr. Penikett: Thank you, Mr. Speaker, I look forward to hearing more from the Minister on that subject.

Can the Minister of Economic Development confirm that the Federal estimate of twenty-five per cent unemployment in the Territory has yet been confirmed or disproved by his officials?

Hon. Mr. Tracey: No, I do not have the answer yet, from my Department. I can not confirm it or deny it.

Question re: Land Claims Negotiations Delay

Hon. Mr. MacKay: Yes, Mr. Speaker, my question is to the Government Leader.

Yesterday, the Government Leader indicated that part of the reason for the delay in the Land Claims Negotiations may be due to the CYI carrying out a nationwide advertising campaign. Mr. Speaker, I have ascertained by the device called a telephone, that the members of the CYI negotiating team are actually in Whitehorse at this time, about one mile from here. In view of this new information, would the Government Leader be prepared now, to contact these people to see if they can sit down and discuss the impasse?

Hon. Mr. Pearson: Mr. Speaker, once again I have to reiterate, we are part of the Federal negotiating team. That is the one and only way that we can get to that negotiating table. Quite frankly, the CYI, is not prepared to speak to the Territorial Government in respect to Land Claims as a separate entity. The arrangements for any negotiations, are conducted and are decided upon by the Federal Government and by the CYI, and it is up to us at that point to make sure that we are there.

Hon. Mr. MacKay: Thank you, Mr. Speaker. The Government Leader has said in no uncertain terms that the CYI is not prepared to sit down with the Territorial Government. Can he tell us in certain terms that the Territorial Government is prepared to sit down with the CYI?

Hon. Mr. Pearson: Mr. Speaker, I would think that the Memorandum of Understanding that has been entered into between the Territorial Government and the Federal Government, might preclude us from now sitting down with the CYI; however, we have attempted in the past, and are continuing to attempt, to have meetings with the CYI, with personnel within CYI, just to try and get some kind of a dialogue going.

Question re: Fuel Tax

Mr. Penikett: I too, have a question for the Government Leader. Could he inform the House if his Government has examined the impact on government spending this year, of the forth coming increases in fuel tax?

Hon. Mr. Pearson: I am sorry, I missed it, Mr. Speaker, was it the impact in government spending?

Yes, to a degree, we know roughly what that cost is going to be.

Mr. Penikett: I would like to put the supplementary, Mr. Speaker, either to the Government Leader or to the Minister of Economic Development. I would like to know if the Government has instructed ERPU to study the effect that these increases will have on other sectors of the Yukon economy?

Hon. Mr. Tracey: Mr. Speaker, no, I have not instructed ERPU to do a study.

Mr. Penikett: Yes, Mr. Speaker, this is to the Minister of Economic Development. Is it possible, through the use of the new computer economic model in the hands of the Government to examine the full inflationary impact of such an increase on the Yukon economy.

Hon. Mr. Tracey: Yes, Mr. Speaker, it would be possible through the use of the economic model to project what effect it would have on the economy.

I do have some information, for trucking firms it was estimated that the three cents a gallon on tax increase on diesel fuel would represent a .4 per cent increase in direct operating costs, and if the tariff direct cost ratios are maintained, an increase of .6 per cent in freight rates.

Incidentally, Mr. Speaker, it would have a .2 per cent increase on the operation of the railway.

Mr. Speaker: There being no further questions, we will then proceed to Orders of the Day.

There being no Government Bills and Orders, may I have your further pleasure at this time?

Mr. Hanson: I move, Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

Hon. Mr. Graham: I second that.

Mr. Speaker: It has been moved by the Honourable Member from Mayo, seconded by the Honourable Minister of Education, that Mr. Speaker do now leave the Chair and that the House resolve into Committee of the Whole.

(Motion agreed to)

(Mr. Speaker leaves the Chair)

COMMITTEE OF THE WHOLE

Mr. Chairman: I shall call the Committee of the Whole to order. At this time I will declare a short recess.

(Recess)

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

I would like to welcome Mr. Grant Wilson as our witness today.

We are working on the First Appropriation Ordinance, 1979-80. We will finish up where we left off last night, which was Vote 7, Economic Development. We have one more Establishment to carry. It will be found on page 140, under Capital Estimates, Establishment 750 for \$30,000.

Hon. Mr. Tracey: Mr. Chairman, I will answer that question in regards to the legislative authority for the museum grants. We do not have the legislative authority to make those grants; however, it has been a practice for years now, and I will leave it up to the honourable Members opposite whether they want me to take that out of the budget or not.

Mr. Penikett: Mr. Chairman, I am the guilty party who asked the question. I suppose the Minister is certainly not going to persuade me to ask me to remove the item, but could I politely suggest to him that he ought to, at some point, come to this House and seek legislative authority for spending this money?

Hon. Mr. Pearson: The Members opposite had better realize that we are seeking legislative authority here and now. When we said that there was no legislative authority, we mean that there is no legislative requirement.

Hon. Mr. MacKay: I do not suppose that the Members opposite would appreciate the sense of responsibility and restraint we are showing in the face of having all of \$30,000 at our disposal for one brief minute.

(Establishment 750 agreed to)

Hon. Mr. Tracey: Before we leave this Vote I would like to have the Activity Report of the Yukon Visitors Association distributed.

Mr. Chairman: I shall now direct the Members' attention to page 143 Vote 8, Department of Justice, Establishment 800 for \$447,200. I will now anticipate general debate.

Hon. Mr. Graham: Mr. Chairman, first of all I would like to give a brief overview of the Department of Justice.

In July 1977, the resigning Director of Corrections Branch recommended that the Government should consider integrating the Corrections Branch into another department, preferably either the Department of Legal Affairs or the Department of Social Welfare.

A committee was established to study the matter and the study commissioned by Mr. Francis Prevost, presently the administrator of the National Task Force and the Administration of Justice.

The Prevost report recommended that the Corrections Branch be integrated together with the Department of Legal Affairs into a single department which would contain all of the legal, adult corrections and probation, and all court services and administrative functions. This report was accepted and instructions issued to make the reorganization.

By April 1, 1978 almost all the legal and corrections functions of the government were integrated into a single budget vote. But Corrections and Legal Affairs continued to be administered separately. In January of 1979 the Government decided to complete the integration of all legal and corrections functions and the necessary legislative orders and regulations were made effective January 19, 1979.

Under the reorganization, the new Department of Justice came under a single deputy head and the department was divided into three branches: legal services, courts and the administration, and corrections. The various duties of these branches are as follows:

Legal Services comprises the legal advice and services, the public administrator, coronor services, land titles and legislative drafting services and the registrar of regulations.

The Corrections Branch is comprised of adult correction services and adult probation services.

The recommendation of Mr. Prevost, that juvenile probation and juvenile correctional services should be transferred to a new youth services division of the Department of Human Resources had been acted upon on April 1, 1978.

The Corrections Branch now consists of a medium security correctional centre designed to hold 60 male and female prisoners and the adult probation services. The main function of the Corrections Branch is to carry out the sentences of the court, and in carrying out these functions, the branch is responsible for carrying out a number of comprehensive programs for the care and treatment of adult offenders, including those imprisoned and those on probation.

Special programs operated by the Probation Service include the Community Work Service Program, where offenders and probationers undertake community work programs as part of their probation order. The Impaired Drivers' Program is operated in conjunction with the Alcohol and Drug Services Branch. The Courts and Administration Branch, administer all of the Yukon courts and the legal programs, including the RCMP police contract, Legal Aid, Court Worker Services, Justice of the Peace Courts and Services, Compensation for Victims of Crime, Citizenship Court, Native Special Constable Program, and the Justice Counsel Program. This branch also provides the central core of administrative and financial functions for the whole department.

If the present departmental budget is approved, there will be 107 man years in the department. This is an increase of 15.5 man years over the last year, due in main to the addition of another Magistrates Court and the Legislative Draftsman.

Thank you, Mr. Chairman.

Hon. Mr. MacKay: On a general note I think that the addition of one Magistrate is an excellent move and I do not think I will be trying to oppose the additional expenditures that go along with that.

The separation of the Corrections Branch seems to have worked fairly well, and with respect to the provisions within the ambit of the Justice Department, but certainly a number of settling down problems seem to have occurred in this process, which we hope to hear more of later, which are not necessarily of a financial nature.

I am hopeful that the Native Special Constable Program will get off the ground this year, and I was hoping to get a specific assurance on this from the Minister. With respect to the Police Services Agreement, the concerns expressed by the Member to my left with respect to foot patrols, I have found an echo in various places and I hope this would be something the Minister would be discussing with the RCMP prior to the next signing.

Mr. Penikett: Just very briefly, Mr. Chairman, there is very little to argue with, I think, in the increases for the Department. They are warranted, I think, if for no other reason than we must begin to prepare for some of the problems that maybe associated with pipeline construction.

I would like to serve notice to the Minister of a couple of questions that I would like to deal with when I get to the specifics, of course, I guess I am curious about the one year man increase in Legal Services, an increase of \$140,000 and the increase of \$100,000 for Solicitors, exactly what this covers?

The Minister has spoken generally about the problem of correctional institutes before, but I would like to hear him address this issue a little bit further in terms of the budget, because we have talked about the expense involved and I think, there is probably a continuing concern about the quality of rehabilitation that goes on in such institutions, the notion particularly of incarcerating large numbers of people who cannot continue their schooling or require much training or really do very much to prepare themselves for returning to society.

I think, inside that same question, there is the continuing worry about the increasingly larger percentage of the population in such institutions who are in there because of alcohol related offenses. I think, in my own mind, it is more and more a question of usefulness of putting such large numbers of people there, although, I recognize that we have to deal with the laws of the land as they are given to us by the Senior Government.

I certainly hope that the Department of Justice is starting to look at alternate methods of perhaps, punishing or incarcerating offenders of that kind.

I will also be asking the Minister about the criminal injuries

compensation plan and I am particularly interested in knowing whether there have been any cases, or applications, or any payouts from that scheme in the last year.

On that point, Mr. Chairman, I would just say that I think, generally, the increases we see here, are probably perfectly defensible. I just, as I say, have a few questions on some of the specifics.

Mr. Chairman: If there is no further general discussion, Establishment 800, Legal Services, \$47,200. The information pages are 145 and 146.

Hon. Mr. Graham: Mr. Chairman, perhaps, I should give a small overview, starting with the Solicitors' activity.

The Solicitors advise the Commissioner, Executive Committee and departments of the Government on all matters of law connected with their affairs. They also, supervise all government measures of a legislative nature. They represent the interests of the Territory before boards, commissions and judicial review and provide prosecution in Territorial ordinance fractions.

This Branch has, I believe, a two man year increase over last year, due to the transfer of the legal draftsman and a clerk typist from Vote 1. The other increases are simply salary increases.

Mr. Penikett: Mr. Chairman, I have a specific question. Obviously, as has been pointed out a number of times in the past couple of weeks, we are in a new ball game here with party politics, it has been traditional, of course, for some of the offices and services that were provided in the government, in terms of drafting legislation and so forth, to be available for all Members of this House.

The law clerk position was, I think, abolished from the Clerk's Office, so I would, if the Minister could, like to get some kind of advice as to how opposition Members might now proceed if we needed some assistance in terms of preparing Private Members' Bills or complicated amendments to legislation?

Hon. Mr. Graham: Mr. Chairman, the legislative draftsman is not available to either the government members or the opposition members on a personal basis. The only recommendation that I can give to you is that the funds that have been available to you for research people, I could be mistaken, but I understand those funds are also available for researching legislation and that kind of thing.

Mr. Penikett: I do want to nail the Minister down on this, if I may, Mr. Chairman, because what we are talking about here is not really research but, I think, specific legal skills, drafting skills that we may from time to time require and, I think, it is a different kind of thing from, if you like, legislative research.

Hon. Mr. Graham: I can understand the Member's concerns but, at this time, the legal draftsman, as I said, is not available on a consulting basis to either the opposition members, the government backbenchers or any private person. The legislative draftsman is concerned only with drafting government regulations and ordinances.

Hon. Mr. MacKay: Yes, Mr. Chairman in answer to the Member's question, I think the Members' Services Board, of which I was a member, took a decision to allocate funds away from the law clerk position in preference to hiring researchers, knowing full well we would be exposing ourselves to having some difficulty in drafting legislation, but feeling that the transfer at this point was a more necessary one.

I am hopeful that in any future discussions that we do have in that committee, that this kind of question can be looked at again. I think there may, in fact, be some room for some small amount of legal fees for this kind of purpose.

Mr. Penikett: Mr. Chairman, I should explain that I originally asked my question because I did note the fairly considerable increase in this item from \$150,000 to \$250,000 for the estimates.

Hon. Mr. Graham: Did you want me to explain?

Yes, Mr. Chairman, for the Solicitors Establishment, we have roughly \$179,700, as indicated, strictly for salaries and \$16,100 for fringe benefits.

Moving on down, Primary 20 is the \$2,000 for independent legal advice, opinions and counsel before boards, commissions, tribunals and courts. They expect roughly, ten days at \$200 per day over the next year.

The Primary 30, Travel - Government Employees, this is for the director to attend the Uniformity of Law Conference and the Canadian Bar Association, consultations with Federal Department of Justice staff and the departmental solicitor attending the Young Persons in Conflict with Law, in Ottawa and Federal Court attendance, all amounting to the amount indicated.

Primary 31 is strictly transportation for consultants. Primary 32

is, as indicated, telephones and charges, communications.

Primary 60 is the YTG administration rent. The 61 is the Mag Card typewriter that came with the legislative draftsman from Vote 1. Primary 62, Car pool mileage.

Primary 99, Miscellaneous, is the membership in the Canadian Bar Association, Yukon Law Society membership and Saskatchewan Law Society membership.

Hon. Mr. MacKay: I am sure that it was just an accident, but the Minister did miss the most significant increase in the whole list here, being the Primary 41, \$27,000 for office supplies.

It seems rather excessive since it was only \$2,000 last year.

Hon. Mr. Graham: I am sorry, Mr. Chairman. That reads, I believe, Office Supplies and Services. The Services are the Ordinance Consolidation. That accounts for roughly \$25,000 out of the \$27,000 increase.

Mr. Penikett: The two new man years, are they carrying out new functions or is that just a reflection of some kind of increase in workload?

Hon. Mr. Graham: No, these are the additions of the legislative draftsman and his clerk typist from Vote 1, as I indicated.

Hon. Mr. MacKay: Yes, moving on to the next column, on Primary 20, there is \$43,000 under the Public Administrator's budget for Professional Services as opposed to \$25,000 last year.

Hon. Mr. Graham: I am sorry, I did not catch that one.

Hon. Mr. MacKay: Primary 20, under Public Administrator, is \$43,000 budgeted as opposed to \$25,000 last year. Is there some explanation for this increase?

Hon. Mr. Graham: Yes, Mr. Chairman, this is basically due to an increase in coroners' fees and also just the fact that, as the population of Yukon increases, there are more deaths to be investigated and just higher expenses in the Public Administrator's office. The main increase though, is in the coroners' fees, the first increase, I might add, in six years.

(Establishment 800 agreed to)

Mr. Chairman: Establishment 801, Court Systems Branch, \$861,700.

Hon. Mr. MacKay: Under Supreme Court, we have Professional and Special Services. Could we have an explanation of that?

Hon. Mr. Graham: This is basically for an increase in the Supreme Court reporting contract, which the Supreme Court reporting contract totals roughly \$63,000 of the \$82,000. The others are professional witnesses, lay witnesses, specialists required to give evidence in court, roughly \$5,000. Accused sent outside of Yukon for observation, transcripts at the British Columbia scale of fees, 1,000 pages, roughly a year, and a law student for legal research projects.

Hon. Mr. MacKay: Does the Salaries and Wages include the judge?

Hon. Mr. Graham: No, it does not. It includes the Clerk of the Supreme Court, a clerk steno, a clerk III and a deputy clerk.

(Establishment 801 agreed to)

Mr. Chairman: Establishment 802, Legal Aid, \$122,100.

Mr. Penikett: Mr. Chairman, could I ask at the outset here if the Minister is ready with the answers to questions we asked in the Supplementaries on this?

Hon. Mr. Graham: I am not sure, Mr. Chairman, which questions you were requesting. I have the answer to one question, when the government requires outside legal advice how is the lawyer chosen.

Mr. Penikett: No, there were a couple of questions on this side, Mr. Chairman, about the number of members of the legal profession who are participating in the Legal Aid program.

Hon. Mr. Graham: Mr. Chairman, I understand that all Yukon lawyers, or almost all Yukon lawyers, do participate in the Legal Aid Program, unless they are extremely busy and refuse a case, but under the present conditions, I believe that all Yukon lawyers are given a chance at Legal Aid.

Hon. Mr. MacKay: Yes, perhaps the Minister could give us a brief outline of what kind of cases qualify for Civil Legal Aid?

Hon. Mr. Graham: Mr. Chairman, I am just speaking of one that came to my attention just recently concerning a Civil Legal Aid, where one party was felt that another owed a sum of money due to the fact that the phone had been used without their consent and run up quite a bill and this person did apply for Legal Aid. Due to the fact that they were eligible under the Legal Aid terms and conditions, they were given Legal Aid. This person in turn went to a lawyer, requested that that lawyer proceed, under civil action,

against the party in question. They received a judgement and the party who had been wronged got her money.

Mr. Chairman, I believe that one of the questions requested of me before was how many cases received Legal Aid last year, roughly 340 last year, and we expect approximately 400 applications for Legal Aid this year.

(Establishment 802 agreed to)

Mr. Chairman: Establishment 803, Police Services Agreement for \$2,285,000. The information on that will be found on pages 151 and 152.

Hon. Mr. Graham: Mr. Chairman, this provides for the funding of the Yukon's percentage of the cost of RCMP's presence in the Territory, for the purpose of giving effect to the Territorial and Federal Laws pursuant to an agreement between Canada and the Territory.

This year, Mr. Chairman, I believe we pay 54 per cent of the total cost of the RCMP bill. This is on a scale, next year we will pay 55 per cent and one per cent additional per year up until we reach a ceiling of 60 per cent.

Hon. Mr. MacKay: Is the 60 per cent the generally accepted level in the provincial jurisdictions?

Hon. Mr. Graham: Yes, Mr. Chairman, in fact this contract was negotiated prior to the Yukon actually getting into the negotiations. The provinces had agreed with Ottawa that this would be the scale. Ottawa wanted to up the scale in one year and the provinces negotiated to have a one per cent increase per year over a specified number of years, and we, in turn, had to go along with the same agreement.

Mr. Penikett: Do we, Mr. Chairman, have any voice in the establishment that the RCMP maintains here? It has been observed from time to time that, like many branches of the government, they seem to have a lot of people working in offices and very few people who are positions more visible to the public. Is that a question in which we have some input, or is it just something where the RCMP make their own decisions about how many people they need here, and then we participate to the extent of the contract?

Hon. Mr. Graham: We do have some control over the number of RCMP officers in the Yukon, in fact, recently I believe, they requested an additional two officers, and it is currently under review by my department. In effect, they must request first of all, our permission to add an additional two officers to the present staff in Whitehorse. As far as the administrative staff within their own building here, I am not certain. I do not believe we have a great deal of control over that.

Hon. Mr. MacKay: Does the Minister have any statistics respecting the number of RCMP officers presently in the Territory, that we are paying for as compared with, say, how many there were five years ago?

Hon. Mr. Graham: Yes, Mr. Chairman, I do. The RCMP personnel under the Territorial contract are as follows:

In 1974, regular members - 56; civil members - 4; special constables - 5; public service - 7, for a total of 72. In 1975, 60 regular members, in 1976 - 65; 1977 - 71 members and in 1978, we have 73 members, for a total of 94. We have 73 members of the RCMP, eight civil members, six special constables, seven public service which has not changed since 1974, for a total of 94 personnel currently in the Yukon.

Mr. Byblow: I am a little unclear as to whether there is any delineation of responsibility respecting Territorial and Federal laws. I was led to believe from a question earlier this morning, that in fact, the Territory is not responsible for Federal law administration. Yet I would assume from this contributory participation, that there is a responsibility there.

Hon. Mr. Graham: I do not quite understand exactly what you are getting at. The laws of the country, be they Territorial or Federal, are being upheld by the RCMP. Now I understand the one you are talking about in particular is gun control legislation or fire arms control legislation. That is a Federal law. The RCMP will enforce that law. We may participate if we sign an agreement with the Federal Government by which we will administer the law.

In other words, we will issue certificates for the purchase of fire arms and that type of thing. Under an agreement with Ottawa, hopefully, the salaries associated with the administration of such law would be recoverable from Ottawa, whereas, if the RCMP administered the law, only 45 or 46 per cent is recoverable this year.

Mr. Penikett: Mr. Chairman, on that point I think, the constitutional principle, if I am correct, is that under the BNA the provinces are responsible for the administration of justice and it is the federal power that makes the Criminal Code and appoints the

judges.

Hon. Mr. Graham: Mr. Chairman, I believe at this time, the Yukon is merely purchasing the police services from the Federal Government.

Hon. Mr. MacKay: I note from the statistics given earlier from the Minister that there has been about a 30 per cent increase in the number of RCMP officers in the Territory since 1974. While I do not have any grounds to criticize the RCMP, and indeed, would not dare, my concern would be that there has not been a 30 per cent increase in the population of the Territory in this time and I am concerned. Is there some reason for this growth other than just natural growth of population? Is it a stricter enforcement of law policy that we are getting into? Is it just that there are more laws to enforce or what are the reasons for this increase?

Hon. Mr. Graham: Mr. Chairman, the Honourable Member is correct in estimating the number of RCMP officers per population has increased. In 1974, the ratio was 368.4 people per RCMP officer, and in 1978 it has been reduced to 330.3 people per RCMP officer.

Mr. Chairman, I think it must also be pointed out at this time, that the number of crimes per thousand population has also increased dramatically in the Yukon over that period of time; consequently, I believe that this increase in RCMP supervision is necessary.

Mr. Penikett: Thank you, Mr. Chairman. Yesterday, I asked the Minister a question about the next round of negotiations on the police contract, and I raised the question of the possibility of some provision being made for a foot patrol or beat policemen in the downtown area of a city like Whitehorse, where it is obviously needed. I would like to ask the Minister if it would not be possible, under the present agreement where we have 94 officers here, for the Government to make some kind of intercession in the interests of justice and civil order to see if we could achieve that right now, rather than waiting until the next negotiation.

Hon. Mr. Graham: Mr. Chairman, we will in fact be negotiating with the RCMP next year, and at this time, I believe I can assure the Member opposite that we will definitely look into it and actively pursue it.

Mr. Fleming: There were six special constables under the Police Service Agreement, that would have nothing to do with your Native Indian Special Constable Program in 807, would it?

Hon. Mr. Graham: No, it does not, Mr. Chairman.

Mr. Falle: I would like to know what the per capita is across the rest of the country for policemen. It seems to me, I do not know, I might be wrong but I do not know how many police we have here on staff, RCMP officers that are down there, but Mr. Graham is right, it is approximately 65 to 69 for 22,000 or 25,000 people. Is that right?

Hon. Mr. Graham: Mr. Chairman, we have 73 regular members for 24,114, which is the Statistics Canada figure, for an average of 330.3 people, as I already indicated, per RCMP officer. As for the ratios across Canada, that is something that perhaps my Department can look into and take this into consideration during the next round of negotiations, but I believe that they are, at the current time, looking into it essentially, to decide whether or not we need the two members we currently are being asked for.

Hon. Mr. MacKay: If you are looking for any recommendations from this side of the House, the answer is no.

The 1976-77 budget for the RCMP which had 65 members was something like \$1.4 million, and now we are up to \$2.88 million for only eight more members. While I appreciate that we are paying one per cent higher per year, there does seem to be a fairly outrageous increase.

Hon. Mr. Graham: Mr. Chairman, we do not really have a great deal of control over the bill that we are given by the RCMP. They present us with a bill and request payment. Members of my department are currently investigating the possibility of having the RCMP become accountable for the bills which they present, not only to us, but we hope, to negotiate through, or with, the other provinces, because I think, the other provinces are in the same boat. They would like to know what exactly our \$2.885 million is being spent on.

Mr. Falle: Mr. Minister, I cannot accept the fact that there is one RCMP to every 330 Yukoners when the average, I understand, is about 500 in general, one to 500 and in some places, one RCMP or one police constable to 1,000 people. I cannot accept the fact that we are three to five times worse or more criminally inclined than the rest of the world. I just cannot accept that. I would like the Minister to turn around and put some facts down somewhere, because it seems to me we are looking at a police state.

Hon. Mr. Graham: Mr. Chairman, one thing that does not seem to be taken into consideration here, is that there was a major staff

increase in 1975, of course, and that was due to the fact that headquarters was transferred from Ottawa to the Yukon. We now have our own staff headquarters here in Yukon. That is one of the reasons why, perhaps, the number is slightly higher than it might be in the provinces, if in fact, it is higher.

Mr. Penikett: I am just wondering, Mr. Chairman, if the Minister knows if part of the reason for the extra million bucks that we are forking out might be that we are paying for that new building of theirs? Is that possible?

Hon. Mr. Graham: I do not know where you get the other million dollars. No, Mr. Chairman, this is for the personnel contract.

Hon. Mr. MacKay: I think the Member from Hootalinqua has brought up a pretty valid point here, and I think there is a degree of jocularity that we are going into about it, but at heart, I feel there is a basic problem and that we are over-policed to a certain extent and I think this should be looked at. I know we have to rely on the professional judgement of the RCMP in doing this, but in view of the statistics that we have heard, it seems to me that we are in danger. The whole thing flows through, you know, all of a sudden we need two Magistrates, next we have a larger prison population, the whole thing gets into a very large expenditure. While I am not for letting criminals go untouched, I am certainly not for that, I am wondering if a more preventative kind of approach, rather than closing the door after the thief has taken the horse would be a better approach for the RCMP to take.

Hon. Mr. Graham: Well, all I can say, Mr. Chairman, in reply to all of the Members present is that the Department is actively investigating, as I said, in conjunction with the other provinces, and as soon as I have some facts and some figures I will be only too happy to bring them back to this House.

At the current time, we are given a bill for \$2.885 million, for a total of 94 members present in the Yukon Territory and we are requested to pay that bill.

Mr. Hanson: When I came here quite a few years ago, in the little town of Mayo, we only had one policeman and he never even bothered putting on his uniform. Now we have three policemen and a special constable. The simple reason is that the last time we talked to the police, there are 70 - 80 break-ins a year there, but what the hell? I mean, there is your answer.

Mr. Penikett: Thank you, Mr. Chairman, that sounds to me more like a question than an answer, but anyway.

I would like to pursue the point made by my honourable friend to my far right here. I think, it has been often observed that Canada, I think, has the highest per capita prison population in the western world. It may be that we are putting all sorts of people in jail because we have created crimes that are really part of normal, healthy human behaviour and that is one possibility. Of course, we have got lots of policemen to go around chasing and catching the people who are doing these enjoyable things. We are probably going to end up having our jails full.

I would like to ask the Minister if, to his knowledge, when we have been negotiating these police contracts in the past, if there has been much discussion, and I know it is not included in the agreement, but much discussion about the particulars of the service that we are going to be getting from the RCMP. I have in mind, for example, that it might be the view of the community, to use the example I previously made, that we should have a lot more people on foot patrol and less people riding around in cars.

I know that the police's professional judgment might differ on this question, but I would like to know if we have had, in the negotiations, much input into that kind of thing, not only about the quantity of the service, but the quality of the service and the nature of it.

Hon. Mr. Graham: Mr. Chairman, I cannot speak for what has happened in the past, as the Honourable Member fully appreciates, but I will say that in the future, yes, in negotiating this contract, we will have some input.

Hon. Mr. Lang: Mr. Chairman, I just would like to make one comment to the Honourable Member from Whitehorse West when he is putting everybody out of the cars and on the beat, I hope he does not forget where Porter Creek is and provide them with a car to get out there when it is necessary.

Mr. Penikett: Mr. Chairman, I did not want everybody out of the cars and on the beat, I am just talking about a couple.

Mr. Chairman: Order, please.

Mr. Falle: I do not know, I did not know there were 31,000 in Yukon. Are there? It is a question.

No, okay. The point of it is, is that there are 94 constables now. Well, according to your last statement there were 94, or 94 man

years or people with the RCMP. That puts our ratio up a heck of a lot further than 330, or a lot lower if you want to get it down. I am no mathematician, but why?

Mr. Fleming: Mr. Chairman, it seems like all the good people want policemen and the bad people just do not want policemen.

However, I wonder--

Mr. Chairman: Order, please.

Mr. Fleming: I wonder if I could ask the Minister more or less a direct question? We find sometimes in the smaller communities, and I will give you an example, such as Teslin, Carcross, small places, that we maybe have two policemen and a special constable, three in that small area. I am wondering if the Minister would have a ratio as to the Whitehorse area and the outlying districts by any chance. Could he possibly get that for me?

Hon. Mr. Graham: Mr. Chairman, I do not have it broken down into urban and rural areas. It is just overall, the Yukon as a whole, but I will attempt to get them and, if the Honourable Member wishes, he can come by my office sometime.

Mr. Falle: If there are 22,000 people in Yukon and 94 constables, it is around 235 per capita. To me, I do not know, I just cannot see there being that many police and if there are that many police per capita, I would like to really know the reason why. Are we that bad? Do we need them? I would like to get the comparison figures across the country.

Hon. Mr. Graham: Maybe I had better start back at square one.

There are 24,114 people currently residing in Yukon according to the last statistics that were available to us. There were, at the time that these statistics were available, 73 regular members of the RCMP resident in Yukon, which gives us a ratio of 330.3 people per RCMP regular officer.

We then have an additional 21 support staff and these 21 support staff and other members include 8 civil members, 6 special constables, 7 public services, which gives you a total of 21, for a grand total of 94 members presently covered under the contract.

(Establishment 803 agreed to)

Mr. Chairman: Establishment 804, Criminal Injuries Compensation, \$100, the information is on page 152.

Hon. Mr. Graham: This vote is simply to provide compensation for victims of crime. It is a cost-sharing agreement that is in effect between the Federal Government and Yukon to compensate innocent victims of violent crimes.

The Supreme Court of Yukon examines all claims and is empowered to make awards which are cost-shared 75 per cent by the Federal Government and 25 per cent by the Yukon Territory.

(Establishment 804 agreed to)

Mr. Chairman: Establishment 805, Court Worker Program, \$80,400.

Hon. Mr. MacKay: Does this program show that the increase is due to having another Magistrate on board?

Hon. Mr. Graham: Mr. Chairman, the native court worker program, I will give you a brief definition. It is the carrier agent known as the Yukon Native Court Worker Services Society, provides advice and counselling services other than legal advice and counselling, to persons charged with an offense under any Federal or Territorial statute or municipal bylaw, in order that such persons may receive information about court procedures, and that type of thing, and also be told of their rights and referred to legal aid or other sources.

In the past, this program was administered by the Skookum Jim Hall. It is currently, as I stated, being administered by the Yukon Native Court Worker Services Society and we have a contract with the Society.

In the past, there were two native court workers associated with the court. At the current time, we have two native court workers, plus one supervisor, Jeffrey Choy-Hee, who used to be an employee of Skookum Jim Hall.

This program is cost-shared with the Federal Government to the extent of 50 per cent.

Mr. Fleming: Yes, just a question to the Minister, are the court workers used extensively? In other words, do they have many caseloads?

Hon. Mr. Graham: Yes, Mr. Chairman, they do. In fact, when the Magistrate Court tours to the outlying communities, a native court worker, or a court worker, goes with the touring Magistrate.

(Establishment 805 agreed to)

Mr. Chairman: Establishment 806, Administration, \$319,400. The information is on pages 155 and 156.

Hon. Mr. Graham: Mr. Chairman, the Administration provides funding for departmental and branch supervision and includes financial management and personnel administration functions for the Department of Justice as a whole.

You will notice, Mr. Chairman, that there are no increases in man years over last year. Actually, there is no increase in man years voted compared to last year.

The total increase in the budget is basically the negotiated increase in wages, and there is not a heck of a lot else.

Hon. Mr. MacKay: Yes, I am surprised to hear that there is no increase in man years because if there is not, there is a 40 per cent increase in salaries in this Department. Can the Minister elaborate?

Hon. Mr. Graham: I am sorry, that was last year's voted man years.

Hon. Mr. MacKay: What kind of personnel are included in this \$229,000?

Hon. Mr. Graham: Mr. Chairman, we have in the Administration a Clerk III, a Judicial Administrator, a Clerk IV, Clerk Steno, Administrative Officer, another Clerk Steno, an Accounting Clerk, and two Clerk Typists and an Administrative Assistant.

I may have missed one Clerk II, that is half a man year, I am sorry.

(Establishment 806 agreed to)

Mr. Chairman: Establishment 807, Native Special Constable Program for \$40,000.

Hon. Mr. Graham: Mr. Chairman, I must apologize, I mislead the House during the Supplementaries when this \$40,000 was deleted from last year's budget. I was under the impression then that the Indian Special Constable program had not got off the ground; therefore, we were not asked to put in our 40 per cent split to the program.

In fact, Treasury Board approval has not been processed for this program. There are, I believe, four natives, in this program currently and the cost is being paid by Ottawa in total, because of the fact that we have never signed an agreement with them. Technically we should be operating on a 60/40 split but we are not at the current time. The \$40,000 will probably be expended this year because we will probably be signing the agreement.

Mr. Fleming: I do not know, Mr. Chairman, I am not quite so sure that I understand the Minister properly. This a Native Indian Special Constable Program. There are four in the program now. You say that there are four in the program now?

Hon. Mr. Graham: Excuse me, Mr. Chairman, if I may. I have a brief overview here. In 1971-72, the Federal Government examined possible policing available to Indian communities. The reported task force policing on reserves recommended a number of options which were available to the native communities.

In 1973, as a result of the agreement between the Indian Association in some provinces, it was agreed that a special branch of the RCM Police be created and charged with the responsibility of policing Indian Reserves and surrounding land. This became known as Option 3B and in June of 1973, cost-sharing agreements were made with Treasury Board and the provinces concerned.

On the latter date, as part of the approval, it was stipulated that the financial contributions by the Federal and provincial Governments be 52 per cent and 48 respectively; that a maximum of 150 Indian Special Constables be employed and that an interim evaluation of the program be conducted.

Because of extra training requirements, and as an incentive to provinces, the department agreed to pay an addition 8 per cent of the costs, which is where the 60/40 split comes from.

In late 1976 and early 1977, negotiations were commenced with YTG and the Department of Indian Affairs for the implement of the 3B program in Yukon. As a result, in April 1977, we engaged our first native recruit under the 3B program. Currently, there are four native constables in Yukon who were engaged under the terms and conditions of the 3B program. Those members of the force are assigned to Mayo, Beaver Creek, Teslin and Carcross detachments.

Subsequent to the original agreement with the provinces, Treasury Board program officers interrupted the original mandate to include only provinces and not territories. We understood that Yukon participation was being looked into and that Treasury Board program officers were awaiting the results of an evaluation study of the national program before extending it North of 60.

Mr. Fleming: The four now, I am sure I am correct, I think there are three now, I am not going to go into that at this time. However, I

am slightly confused as to this Native Indian Special Constable Program here, you have the \$40,000, whereas now, these four, and now the RCMP are training others who are not of native ancestry. I must have got the two programs mixed up somewhere. Maybe the Minister could explain the difference between the two programs.

Hon. Mr. Graham: I believe you could be mistaking, or confusing the Native Special Constable Program with, I believe, just the Special Constable, which I think we have six or seven in the Territory at the present time.

(Establishment 807 agreed to)

Mr. Chairman: Establishment 808, Corrections Branch, \$1,889,700.

Hon. Mr. Graham: Probation headquarters is in Whitehorse with field officers in Watson Lake, Mayo, and at the Whitehorse Correctional Institute. The probation officers provide a diagnostic service to the courts and supervise probationers with regard to the conditions on the probation orders. Probation officers are also involved in programs designed to counteract delinquency, are officers of the court and peace officers.

If you wish, I will go on to the two or do you want to deal with them one at a time?

The Correctional Centre operates as a medium security centre, and is responsible for the custody and care of both sentenced male and female prisoners serving up to two years less a day, detention and care of persons remanded for trial, sentencing, immigration and deportation and also people awaiting appeal hearings and custody and care of prisoners awaiting transfer to federal penitentiaries or mental institutions.

Leadership training, I talked this program over just briefly with justice officials, and I believe, this is the program where some inmates of the Correctional Institute are released on passes and they were involved in things like the rock-climbing program, where Selkirk Street School students combined with the inmates, and went on a training program in rock-climbing and that kind of stuff. When we get to that area, perhaps I will have a little more success in finding the information.

Mr. Falle: Yes, I would like to ask the Minister how many inmates did this \$1,600,000-some million accommodate this year? What is our cost per inmate?

Hon. Mr. Graham: Well, Mr. Chairman, that is kind of a tough question to answer, because the amount of inmates, as you can well appreciate, fluctuates greatly throughout the year. As well, we do not only deal with inmates within the Correctional Institute. We also have a community service program and various other things.

So, the current population of the Correctional Institute, I believe, fluctuates somewhere between, in loose figures, of 45 to 65.

Mr. Penikett: Does the Minister know off the top of his head what percentage of those people are there for alcohol-related offenses, as opposed to criminal convictions?

Hon. Mr. Graham: Mr. Chairman, I am sorry, I do not really have that information available to me at the current time, but the current population of the Correctional Institute is 49 and I see from just a brief overview I have here that it has not gone above 52 this month. I could get additional information if the Member so requires.

Mr. Falle: I feel certain that up at the Correctional Institute they count people as they are coming in and out, so Mr. Graham probably has the answer here. I would like to have it, on how much it costs per person, on the average, the overall average of \$1,600,000. How much does it cost us for every person up there?

Hon. Mr. Graham: Well, Mr. Chairman, I thought I had made it reasonably clear. I imagine, we can come up with the cost per man day, but to say how much does it cost per inmate in the Correctional Institute when the number of inmates probably fluctuates between 45 and 65, as I said, I find it very difficult to say how much it costs to support one man per year in the Correctional Institute. I am sorry, I just do not have that number available.

Mr. Wilson: Mr. Chairman, we budget the Whitehorse Correctional Institute on the basis of sixty inmates. The \$1,409,000 could be divided by 60, if that was what he was interested in, \$23,500.

Mr. Falle: Per inmate?

Mr. Wilson: Correct.

Mr. Penikett: Mr. Chairman, it would be cheaper to send them to university.

Mr. Fleming: Yes, Mr. Chairman, there was a problem in the past of the young offenders of school age going in for a year or two years or so and then, during that time, not really having the opportunity to carry on with their education while they were in the correctional centre or whatever.

Now, I am wondering if the Government has corrected that situation in any way? Is there any teaching staff for the young offender now?

Hon. Mr. Graham: Mr. Chairman, in the case of the young offenders, the Corrections have a program known as the Community Work Services Program, and this is becoming very popular with the courts as an alternative to short-term jail sentences. I would assume that that is what you were speaking of, instead of long-term jail sentences.

This, as I said, acts as an alternative and the program is based on the general principle that the community should be compensated for the offense through work by the offender, and that the opportunity for the offender to contribute responsibly to the community can be more beneficial than incarceration and long-terms of probation in terms of both social and financial costs.

I speak from personal experience with this program because of my previous employment with the City. I did, in fact, have a few of these fellows that were serving Community Work Service sentences and we found that they not only preferred to do the community work service, but I think that they had a much better attitude after working with the probation officials and knowing why they were doing this kind of community work. It allowed them also to carry on with their normal lives, go to school, in some cases if they were a little older, work, and I think it is an excellent program and one which should be continued.

Mr. Fleming: Yes, I think that is very good. I believe my question was answered at the last. You do say that they now can be going to school during the time they are serving their sentence? They do get their schooling, they do not get behind and lose that year or two or whatever it is?

Hon. Mr. Graham: Mr. Chairman, I may be mistaken, but I believe that there are currently, some inmates attending the vocational school on a day to day basis. I could be wrong.

Mr. Wilson: That is correct, Mr. Chairman. Some inmates are attending the Vocational School.

Hon. Mr. Graham: I do not believe we have anyone currently, in the Correctional Institute that is attending high school.

Mr. Falle: What I am trying to get at, Mr. Chairman, is Mr. Graham has already told us it cost us \$23,000 roughly, to keep each and every inmate down. We are passing a budget of \$6-odd million for 24,000. It costs every manjack in the Yukon Territory about \$275 per year for justice.

I would like to have some figures, if this is a national average. To me it just seems very high. It seems to be way out of proportion and maybe, our whole justice system has to be shaken up, I do not know. I cannot really think, I cannot swallow the fact that we have to spend that much money on it.

Hon. Mr. Graham: Well, Mr. Chairman, as probably everyone here knows, justice is expensive. You know, saying that it is costing us \$23,000 on the average to keep a person in jail for a year seems to me to be a bit shortsighted.

If you would rather, I guess the alternative is let all these people out and it will not cost us a cent for the Correctional Institute. We will let them all out, but the amount of damage they will do, both property damage and social damage, it makes you wonder if it is worth it.

As far as national averages, I have maintained from the day that I was elected that you cannot very well compare Yukon to a national average because of the fact that there are only 24,000 of us up here, and we have 207,000 square miles of Territory. It is very difficult for me to equate numbers in Yukon and try and apply them to the Vancouver area. How do you compare the two? It is like comparing apples and oranges.

I am sorry, but these are the costs. The Department of Corrections tries to keep the cost down. They initiate new programs and, I think, they are doing an extremely effective job.

Hon. Mr. MacKay: Does the Corrections Program keep any track of people that go in there that are repeaters?

Hon. Mr. Graham: Mr. Chairman, I do not have that information available. If it is available I would be happy to attempt to pass it on to the Honourable Member.

Hon. Mr. MacKay: I hope it would be available because that is the only way you can tell if you are having any success in rehabilitation. I will look forward to that.

One question that has not been asked, is the man years in this branch has increased from 42.5 budgeted last year to 52 this year.

Hon. Mr. Graham: Mr. Chairman, just before I answer our query, I will just give you some rough numbers that have been passed on to me.

Currently in the Yukon, we estimate the cost at \$47.67 per inmate per day in prison. The Federal cost is roughly \$64.06 per inmate per day. If we can do it at a cost of \$47, it seems to me that we are administering our corrections system very very efficiently.

Mr. Penikett: Mr. Chairman, I hope the Minister does not think from the tone of some of the questions, that we are being frivolous about this subject.

I am sure that from the public's point of view, the idea that the kind of per day cost or the kind of monthly costs or annual costs that we are talking about may seem pretty frightening, and I am sure that people would certainly be struck by the fact that at those numbers and at those prices it would be cheaper to send the people on holidays outside the Territory for 6 months or a year or two years, which would solve our problems, but perhaps not some other part of the country's.

I think people are obviously going to be concerned about this cost, especially because, I think, there is a growing and deepening awareness of the fact that the rehabilitation that goes on inside penal institutions has not fulfilled all the original liberal aspirations for it. I think the fact of the matter is, I do not know the statistics, but I remember seeing them from other jurisdictions, that something like 80 per cent of the people who are incarcerated once, end up becoming repeaters. In that way it becomes a kind of lottery, if you get caught once, do you then become some kind of criminal forever, I do not know.

I know when you talk about crime statistics, the whole thing gets confusing because if you look at the big picture, what really is indicated there, is that the younger the population you have, or most of the crimes committed by people are in sort of the 18 to 30 year old age group. If you have a large number of people in that age group as Yukon does, you are going to have consequently, a higher crime statistic.

I think the population of the rest of Canada, the mean age, is getting a little past that and I think, probably, the crime rate, as a result, will go down. Ours may stay high for awhile and will almost certainly increase during a period of great economic excitement like the pipeline.

I think the serious question, though, that we have to address, is this problem of rehabilitation. Are the institutions functioning that way? Are we succeeding in rehabilitating the people who are spending time there? Are we managing to return young offenders to society as productive participants? Is the trust of the department going to be more in this community work type program, which seems to me a good idea?

I think the crunch question is, in the end, that we are obviously committed because of certain laws which we have no control over, to incarcerating people like impaired drivers on the second or third offence within a certain period of time, and other people for minor drug offenses and so forth and so on.

We have to incarcerate them, but it is an expensive business, it does not seem to serve society particularly well. It does not seem to serve the offenders very well, and I guess that in the coming years, increasingly, we are going to have to come to grips with that costly business and looking for a lot of imaginative ways of buying our way out of that kind of problem.

I think the Minister is obviously new in this portfolio and cannot have the kind of statistics we need for that debate now. I would certainly hope that the Minister, before he comes back next year with his Estimates, will have had his officials look very thoroughly at the whole range of possibilities that may be open to us in terms of dealing with young offenders and incarcerating people for alcohol-related offenses and so forth. Such people, in my view, are not criminals in the classic sense, they may be, in fact, people with a problem.

We now have a new bylaw in the City of Whitehorse, which could cause people to be fined and, if they cannot pay the fines, ultimately jailed for public drinking. I find it a little bit disturbing, the notion that people who may be basically sick, may be finding their way into our penal institutions. I think that it is not the place to be looking after such people.

I stated, I guess only as a general concern, obviously, any experiments in this field are going to cost money, but I, for one, would rather spend a little more money now, experimenting with alternatives than being stuck in the same old treadmill forever, of locking people away at great public expense, probably to no positive good.

Hon. Mr. Graham: Mr. Chairman, if I may, first of all, perhaps, I will answer Mr. MacKay's question, as to the increase in staff. In fact, five of these staff members, were granted, at the beginning of last year, and I believe, we had a supplementary for those five people.

The other additions were in conjunction with the work program. There was one cook and the others were work camp supervisors.

Perhaps, I can give you a brief outline of that program. It is a program established basically for outlying communities and as an alternative to putting people in jail, they would be sent into these work camps. I am not certain again, as to how the program works, I, as he said, am new at this job.

It is an alternative to putting people in jail along with the community work program. I think, at this time, and there again this is just off the top of my head, it seems to be working. At this time, last year we had a population in the Whitehorse Correctional Institute of around 90 people and at this time this year it is only 49. So perhaps, we are moving in the right direction, we are keeping people out of the Whitehorse Correctional Institute, trying to get them out into society, acting with society.

We have another program where the work takes the form of paid employment where the individual goes out each day and work is done, and a wage is actually paid, the money is used for restitution, room and board at the institution and to keep his family.

Other work is performed for the community, and members are referred to the monthly government newsletter, copies of which are attached. In this newsletter, we have short work projects away from the centre, YTG Campground Services, workshop for residents who are there for a total of 651 man years expended. Wood recovery, eight residents were involved in that program. Dog mushers' track, another resident was involved in that program, the outdoor skating rinks, two residents were employed there, and the Whitehorse Boys and Girls Club employed three residents. This is just, by example, for monthly statistics: total resident earnings from outside employment for January was \$892, which may not sound like a lot, but it is a contribution.

Room and board was paid to the institution in the amount of \$160, family support \$320, payment on past due bills \$89 and the remainder went to resident accounts. So the Correctional Institute is making an honest effort to find employment rather than sticking people in the jail and leaving them.

As I become more involved with the Justice Department I will hope to continue these programs.

Hon. Mr. MacKay: The Minister's report was very satisfactory, and I would like to echo many of the concerns that my friend to the far left has indicated. I would, as a post script to this whole discussion, say that it is a matter of great regret when this Department seems to be moving ahead in so many good ways, that the Director of it has now left the service of the Government.

Mr. Falle: I am glad to see at least we are trying to get some people back into the stream of life, when they are committed to the institution, some sort of rehabilitation is taking place.

One thing I question about our society, or our justice system is if, hypothetically, my car was stolen, it is smashed up and the guy gets 50 days in jail or three months in jail, at a great cost to all the taxpayers, as I have pointed out, the fellow with the broken car or anything else, he does not get paid a darn cent. Now, I do not know, the guy takes his 30 days in jail or whatever, and now we pay the bill and I just wonder who is getting the shaft, the prisoner or us.

I tend to think that our whole justice system should be shaken up a little bit and when a crime is committed against society, the thing that generally hurts most is, I do not think a stretch in the Crowbar Hotel, I think a little work and the pocket book might pay the line, I am not too sure.

I just do not seem to think that, well I do not know, I have heard it called many things, rest home, Crowbar Hotel, hooscow, you name it, it does not seem to be working like it used to. I think we should have a look at it.

(Establishment 808 agreed to)

Mr. Chairman: I refer the Members to pages 161 and 162. This is for information only, we shall continue onto page 163.

Mr. Fleming: Please, may I ask a question on Fine, Territorial Court and Revenues?

I am just wondering, the estimated revenues of \$90,000 does not seem like very much for the amount of fines. Are the fines for drunken driving and so forth all involved in this figure here?

Mr. Wilson: Mr. Chairman, the fines that go into the Yukon Consolidated Revenue Fund are those relating to Yukon Ordinances only. The example given, that is a Federal statute relating to driving while drinking.

Mr. Chairman: If there are no other questions, we will get over to page 163, Capital Estimates, Establishment 850, Corrections Equipment, \$70,000.

(Establishment 850 agreed to)

Mr. Chairman: Establishment 851, Whitehorse Correctional Institute Renovations, \$238,000.

Hon. Mr. Graham: I will give you a brief rundown seeing as this is a little bit bigger.

These funds are earmarked for renovations and repairs to the Whitehorse Correctional Centre. The breakdown of usage is as follows: fire and life systems, these were in the maximum security cells, the provision of padded cells, \$12,500; the life and fire systems was \$87,000; replacement of glass in the medical area, \$1,000; replacement of electrical fixtures and rewiring, \$125,000.

(Establishment 851 agreed to)

Mr. Chairman: Establishment 855, Court Reporting Equipment, \$18,000.

(Establishment 855 agreed to)

Mr. Chairman: Establishment 856, Court Room Furnishings, \$7,000.

(Establishment 856 agreed to)

Mr. Chairman: We will continue on to Vote 9, page 167, Highways and Public Works, Establishment 900, Administration.

I will now anticipate general debate.

Hon. Mr. Lang: Mr. Chairman, as all Members will note, the request is for a budget of approximately \$19.5 million for the operation and maintenance purposes and \$6.1 million for the capital projects.

The operation and maintenance estimates for 1979-80 reflect an increase of \$1.9 million or 10.8 per cent over the 1978-79 year. This increase is low considering new programs that were added for the coming year. The new programs include the winter maintenance of the Dempster Highway, estimated at a cost of between \$500,000 to \$600,000; calcium chloride treatment for the Stewart Crossing Road at a cost of \$150,000; summer maintenance of the Skagway Road including the operation of the new Fraser Maintenance Camp which was completed last year. The Estimates were prepared under strict guidelines of financial restraint and as a result reflect a bare minimum requirement to maintain a high standard of quality.

I should point out that we have made two additional positions in the department. One of these positions is connected to the transfer of the Sign Paint Shop to Highways and Public Works from Supply and Services, resulting in a corresponding reduction of one position in that branch. The second new position is for the property management section of the department to provide custodial work for buildings in the industrial area in Whitehorse, which includes a newly constructed Supply and Services building.

You will also note, Mr. Chairman, on the reverse side, we have eliminated, in the O&M section of the Highway Maintenance section, seven positions due to the closure of the Boundary Road camp and one that is reflected in the Dempster Highway area. The net effect of the additions and deductions is a decrease of five positions in the department.

I would just like to take a few minutes to inform Members of what has happened in the past with the department. For those Members who are relatively new to Yukon, the Territorial Government took on the responsibilities for Highways on April 1st, 1972. Since that time, there has been attrition of over 100 "man years".

While these reductions are mainly the result of the elimination of duplication of existing services, and this is what happens when you get two governments interchanging in respect to the same administrative responsibilities.

I think, the officials in the department should be given a lot of credit for the work that they have done to attempt to make the department more efficient and at less cost to the taxpayer.

Capital requirements of the department cover such annual and on-going items as the purchase of road equipment, sundry equipment, garage tools, and also, the provisions for funds for the Territorial pre-engineering and building contingency funds are carried over for the completion of the Tagish Bridge.

Two new items, and this reflects this Government's position in respect to the conservation of energy, is the insulation in the schools.

As in previous years, the Federal Government provides, under the Contribution Agreement, 100 per cent recoverable basis, funds for road and bridge work.

Three million dollars in 1979-80 have been allocated as follows: for the construction of the badly needed sidewalk on the Yukon River Bridge at Carmacks, construction of upgrading and paving

in 1981 of a further section of the Klondike Highway between Whitehorse and Carmacks; for the commencement of a two-year program to upgrade the Dawson Boundary Road from the Clinton Creek turnoff to the Yukon-Alaska boundary; and some pre-engineering and miscellaneous minor projects.

Briefly, Mr. Chairman, those are our highlights of the budget. Thank you.

Mr. Chairman: Order, please. I think at this time I will declare a short recess.

(Recess)

Mr. Ponikett: We are in general debate on Vote 9, I guess. This afternoon we received a copy of the Dempster Highway Interim Management Plan. It is dated November 16, 1978.

I would like to make a couple of comments while we are under general debate on this report. None of us of course, have had a chance to study it in detail but I do notice that Item Number 6 in it says that the highway should have been closed this winter, but that Item 7 says that it should also be closed from April 15 to May 30 from kilometre 29 to the Pelly River. I would be curious to ask the Minister if this is going to be done.

On page 3, it says that the Dempster Highway working group is to prepare a comprehensive long term management plan by September 30, 1982. I am also curious as to whether this is being done. There was also supposed to have been an interim management plan for the past winter, which they did of course, but I would be interested in knowing what about the next few winters?

Page 9 report says, the plan is to regulate activity and development in the 60 mile wide Dempster corridor until a final management plan is drawn up. It says that the road, I guess, should have been closed and it does not really give any reasons there, why the recommendations for the next winter should not hold as they were for the last winter.

Page 23 says, and I quote: "The issue of winter operations should be reviewed and a decision made as to whether a new policy is needed for the winter of 1979-80 based on findings made between now and then." On Page 25 it says, "The Dempster Highway Working Group feels that the best approach to take is to err on the side of caution during interim period. We do not have adequate information to make hard and fast decisions."

Now these are notes, of course, on the Dempster Highway Working Group Report which, according to the final sentence on page 25, is subject to, quotes: "The conclusions and further directions of the Dempster Highway Planning Committee," and of course I would like to hear more of that committee.

What I would like to come to Mr. Chairman, is the press release which I think most of us received this morning, which describes the maintenance costs on the Alyeska Haul Road, which is a similar road over similar terrain in Alaska. The maintenance costs on that road, according to the press release, last winter were \$5,000,000. Now, I hope the Minister will be able to get into some detail about the basis for the estimates for that maintenance cost, because I am obviously concerned, as I am sure all Members will be, that if the costs involved are anything like the Alaska experience, I doubt very much if any immediate economic benefits that will accrue to the Yukon are worth that expenditure.

I have some other specific questions, Mr. Chairman, but I will wait until we get to the details.

Hon. Mr. MacKay: In general debate, Mr. Chairman, in questioning this budget I hope that no one in the House feels that we are against the maintenance of the highways of the Yukon, just as we were not against the administration of justice or, indeed, the education of our children. That will not preclude us, of course, of putting some questions.

It is well known that this is one of the most efficiently run departments in the Government, which I am sure is of great credit to the Director of Highways and Public Works, and previous Ministers.

It is also, I think, well known that this is perhaps, the largest single budget that we are going to look at in the course of our review of the budget. So, it behooves us to take some time over it, and try and discover how well our public funds are being managed by our public servants.

So, with respect to the Dempster Highway, which may become a contentious issue, I hope that the Minister has not gone ahead on the opening of this road on a purely ideological basis. I hope that proper safeguards have been considered and that the opening of this road will not lead to the early destruction of the caribou herd, and that discussions vis-a-vis the border problems that may arise between the Northwest Territories and Yukon in respect to the cost

of maintenance, and also, the patrolling of the road, have been properly settled before the full opening goes ahead.

I think that is all I have to say in a general way about the highway maintenance, except to say that in the years that I have lived in Yukon, I have noticed a terrific improvement in the quality of the road maintenance. Some of the roads are like paved highways now, and it is a credit to the Department, as well as hearing that they have cut off 100 man years in that same time period. It is a miracle of economic administration, which I can only hope would be mirrored by the other departments in the government.

Hon. Mr. Lang: Thank you very much, Mr. Chairman. It is not too often that the Opposition has the ability to so graciously congratulate us.

I should say, Mr. Chairman, that I do have a lot of respect for the officials in our department. As I said earlier, in my opening remarks, that they do do a good job.

In respect to the questions raised on the Dempster, it should be understood that this report was for the 1978-79 year. Contrary to some of the media's reports, they appear to think that this is to be implemented for years to come. This is just the first report. It is for 1978-79. We are looking at 1979-80 and onwards.

It is my intention to be working closely with my colleague from Renewable Resources and also with the NWT government over the course, in the very near future, the next couple months. We will be bringing in regulations in respect to that area.

I think, we have just as much concern on this side of the House as some of the other Members have stated here, in respect to the caribou and to ensure that the caribou herd continues as it has in the past.

I think, it is fair to say, Mr. Chairman, that there are a number of reasons for the opening of the Highway. First of all, I believe that it has a very significant factor for Canada generally. I think it impresses upon our neighbours in the United States the fact of our sovereignty in the Arctic.

I do not think that we can understate that. As we all well know, presently there is an international debate going between the Government of Canada and the United States in respect to who has the rights to the Beaufort Sea, and I think, this helps to reinforce the fact that we are interested in the Arctic and we are going to ensure that it remains as part of Canada.

It must be realized, Mr. Chairman, we have about 15,000 living in the Mackenzie Delta who presently, do not have access to any transportation corridor other than by air or by barge. I believe, it is important that our transportation corridor connect to that area, because I believe, it is going to have very significant economic effects on the service centres of Whitehorse, as well as Dawson City.

Mr. Chairman, there are going to be jobs provided which all Members are concerned about. We want to have jobs provided for our people in Yukon, and with going into winter maintenance programs, it is going to provide jobs for Yukoners.

I believe that with working closely with the Wildlife Department and the Minister responsible, I believe that we can come up with regulations that will ensure that the present caribou herd there, is protected.

It must be understood, Mr. Chairman, that some years the caribou are not in that area. It all depends on various factors that I do not think even biologists know, in respect to their migratory pattern. This year, I understand, at least up to the present time, there has been few, if any, around the highway.

So, to set hard and fast dates in respect to the opening or closing of the highway, I think, would be foolish on our part. I think, it is a case of monitoring and, at the same time, with our deliberations, we are going to have to look at some stricter stipulations on that highway during that period of time, whether it be in the spring or the fall.

It also should be noted, Mr. Chairman, that the highway is going to be closed for approximately eight weeks a year due to spring and fall, because of the ferry systems on the NWT side of the border.

So, I think that with those remarks, I am sure all Members can be confident that the government will take every initiative to ensure that we provide the necessary service to the public and, at the same time, to the wildlife which is there, not only for ourselves, but for generations to come.

Mr. Chairman, I gather we are going into Administration 900, are we not?

Mr. Chairman: General debate, yes.

Mr. Fleming: Yes, Mr. Chairman, just a general question, I, of

course, as many Members might well know, opposed the Dempster Highway in the beginning when the Federal Government of course, was building the highway through.

Now, I realize that that highway is going to be of benefit to many people in the Northwest Territories. However, I still have not changed my mind entirely, that this is something that is definitely for just the Yukon people. The opening of the highway for twelve months of the year is going to be one of the costliest projects that this Yukon Government has ever seen. I am sure of that, there is no question in my mind.

There is going to be the matter of facilities on the highway; there is going to be the matter of deep snow and glaciers and so forth, that really is going to cost money. I am wondering if we are not putting a little too much emphasis on that highway and sort of forgetting other areas, such as the Skagway highway.

Some may say, well, the Skagway highway, we do not need that open year round because we have a railroad and so forth. Well, we might not have a railroad.

I am just wondering, Mr. Chairman, if possibly, the Skagway highway, if anything happened to that railroad, would not be a pretty big boost if we had it open for the year round, because I can take a look at the mining industry in this country and the trucking industry and I am sure that 140 miles or so of road, three or four hour drive that they can deliver from the mine straight to Skagway, I would say, almost as cheaply as stopping in Whitehorse and then loading onto that railroad and moving back and forth. I think, with the trip straight through, you will not see much difference in the price.

So therefore, as I say, I commend the government, in the past, too, and as the Honourable Member of the Opposition has said, the highway has improved so much in the past few years that it is really wonderful. It is almost nice to drive it. It is improving every day. We have pavement halfway to my small town, and, I hope, in the next ten years we will get the rest of the way there. It is no caribou herd has ever survived a transportation route crossing its wintering, grazing and calving area. In fact, I have heard from CWS, in their estimation, this particular herd is already being harvested at its maximum sustainable yield. That is, I think, a fairly serious matter.

Let me deal, though, I think, with what is the more immediate and, I suspect, appealing argument to the Members opposite. That is the economic one.

I must admit that I have some reservations or some questions about the benefits to Yukon of an expenditure of \$500,000 or \$600,000 for winter maintenance. But I suspect that if the Alaskan experience is anything to go by, and I would be very interested in hearing if the Minister has approached his counterparts in that State and got some information, the cost of maintaining that road in the winter will be considerably in excess of that estimate.

I cannot vouch for the accuracy of the figure, but that figure in the press release this morning was startling, five million dollars for winter maintenance of a road somewhat similar to the Dempster.

Now, if that is the case, and if that is the kind of expenditure that is going to be entailed, I would be very hard to persuade that there were \$5 million worth of economic benefits coming to this Territory as a result of that expenditure on an annual basis.

It seems to me, the issue of perhaps, our neighbourly responsibility to the people in the Mackenzie Delta is, of course, an important one, but we are not talking about denying them access to the south year round. We are talking about potentially denying access in the winter.

From the answers that the Minister has given previously, in Question Period, I just have a feeling that it is a decision that has been made entirely on the basis of, if you like, Party policy. I think that there are times, and I respected the Minister of Economic Development for telling us this the other day on another question, there are times when Ministers are here to exercise their judgement not to act like Pavlov's Dogs and sort of obey the letter of the convention resolutions.

My quick reading of this report, suggests to me no sense of urgency about opening the road in winter. The suggestion in this report, and in very modest, careful language, it urges extreme caution on the question. Now, it seems to me there are two issues here, the wildlife issue, and the economic issue. It seems to me, we might differ forever on the wildlife issue, because I suspect that none of us have the facts to be able to argue it properly. It does seem to me a questionable economic wisdom, the decision to open the Dempster year around at this point in time, without the kind of cost-benefit analysis that the Minister says is now being undertaken.

Hon. Mr. Lang: Mr. Chairman, I cannot agree with the Honourable Member opposite, it reminds me of a debate, when I watched the pipeline debate in the House of Commons when the Honourable Leader of the NDP stood up and said they wanted to stop the pipeline for ten years, and then turned around in question period and asked why there were no jobs.

Mr. Chairman, it is obvious to me from this side of the House, that we can accommodate the wildlife in that particular area, I have already stated to the House that we will be putting more stringent stipulations on that highway, but at the same time, Mr. Chairman, we have got to open that highway to see exactly what is going to transpire in respect to the economy in the next couple of years. We will be monitoring it, I agree with the Member, if it does not work out then we will have to reassess that.

Mr. Hanson: As the Honourable Member from Whitehorse Centre said to me in days past, he knows as well as I know, why the caribou herd is in the state that it is in now. We talked about it.

It was nothing to see people going up the road and taking seven or eight caribou, and that is why the herd has been depleted, is because it has been over hunted. There have been no inspections or anything on that highway. I do not think, there have been too many caribou hit by trucks or run over by drilling rigs, when they are drilling a hole. I think that one part of the time he is talking, we have no work, the next time he is saying do not do this, do not do that, do not do anything. What does he want, he just wants to say "no" to everything that shows progress.

Mr. Penikett: Mr. Chairman, I must object to that line of talk. I am obviously interested in job creation, I am obviously interested in the economic expansion of this Territory, but it seems to me that the absurd arguments being put to me: why should we spend, and that is the central thrust of my argument, why should we spend more tax revenues on something than any possible conceivable benefits that we will receive. That is a substantial thrust.

I am sure the Honourable Member from Mayo, would not suggest for a minute that we throw money down the drain when the possible benefits, the observable, measurable benefits from that expenditure were not even going to come close to the expenditure.

Mr. Hanson: I am wondering, if someplace in the government offices, we can find out how much money has actually been spent on the Dempster in the past by oil drilling companies. Now, I have been situated at Stewart for years, and there has been convoy after convoy going up there hauling supplies there, creating work. How much money did we lose last year by not having that road open, when we could have moved those drills out of the Northwest Territories, which is money, which is work? I think a step in the right direction is to open it up and maintain control of the highway.

Hon. Mr. Lang: Mr. Chairman, I should point out that over the past year, there have been various permits given out to people that want to utilize that particular corridor. There have been a total of eleven, I think, five or six are actually for the full length of the Dempster Highway, and those entailed quite a few loads in each particular case.

I think, it is fair to say, Mr. Chairman, if that is a reflection of the utilization of that corridor, I think that we are safe in saying it is going to be very well used through the truck traffic, and I go back once again, Mr. Chairman, that we are just as concerned about the caribou herd as any Member in this House. At the same time, we realize we have to look at the economy and, I think, we can balance the two.

In respect to the actual monies spent on the Dempster Highway, I have it somewhere, in my notes, and I will just go on memory, but I believe it was \$90,000,000 for the completion of the highway. Also, I should point out that some of it has to be upgraded.

But I think that with the concept of the Area Development Ordinance, the fact that we have already brought in regulations in respect to hunting on the highway, you cannot hunt for five miles on either side of the corridor, I think, it is going to do a lot to rest the problem. I have confidence in the people in the Wildlife Department and the Department of Public Works that we can accommodate the situation.

Mr. Penikett: I just want the Honourable Member from Mayo to understand me particularly, because I have some respect for his judgement, and I think, exactly the question that he was putting at the end, is the important one, we do not have the facts, we do not have the analysis, we do not have the figures that would enable us to make a wise decision about the permanent use of this road at this point.

Mr. Hanson: I think that government must have an idea, as they kept that road open before. I think, this is only the second winter it has been closed now. It was operating all winter before, they must have a pretty close idea of what it cost to open it up, and keep it open.

in winter time, and the amount of traffic that went up there.

Hon. Mr. Lang: We do, Mr. Chairman, but it has not been open for the full length as you know, up in the NWT side, so it is very hard to judge. My officials have predicted that it is going to cost in the area of between 500 to 600 thousand dollars for the extension to the year around maintenance of the highway.

Like my colleague from Whitehorse West, I do not pretend to be a soothsayer, but I do believe that we have to. I have enough confidence in the economy of the Yukon and in view of what is transpiring up in the Mackenzie Delta, I think that it is going to be to the benefit of everybody involved.

Mr. Penikett: Mr. Chairman. It seems to me we have talked around this subject enough. I would like to pursue a specific while we are on general debate, just for clarification.

Could the Minister tell me if it is the case that YTG would have to buy out that lodge on the Dempster Highway if the highway were closed, and as a sort of supplementary question to that, does the lodge get paid for services to the YTG, even if it has no customers?

Hon. Mr. Lang: Mr. Chairman. There is a contract with the lodge. As I stated earlier, there were proposals put out for bid and the decision at that time, by the previous administration, was that it should go to a private entrepreneur, and then the government would utilize those services, as well as anyone else transverse that particular corridor. I am not too sure of the clauses in the agreement. I could provide the Honourable Member with the agreement, itself.

Mrs. McCall: I have had several talks with John Russell, the game man who is particularly concerned with that herd, and he feels that to have the highway closed, or even to have convoys during the migration period, he thought that even a period of three weeks in the spring and three weeks in the fall, would be sufficient. That is his life work. He knows what he is talking about.

Mr. Fleming: Mr. Chairman. In respect to the offer of the Minister to provide that contract, I would appreciate very much receiving a copy of it.

Hon. Mr. Lang: I will see that we get a copy to all members with respect to that contract.

Mr. Chairman: If there is no more general debate we will get down to specifics.

Establishment 900, Administration, \$942,800.

Hon. Mr. Lang: Mr. Chairman. This Establishment is responsible for the overall direction and coordination of the various programs and policies of the Highways and Public Works and maintains service relationships with other government departments in the private sector. Contract administration, personnel administration, accounting and financial control of departmental expenditures are also budgeted here. In addition to the establishment, it also provides funding for the headquarter staff, the highway maintenance, building maintenance, projects, municipal engineering, and it is proposed to provide funds for the highway maintenance headquarter staff, under the highways establishment, and funds for building maintenance headquarter staff, and the building maintenance establishment in 1980-81. In other words, you will see a transfer to try to reflect what the responsibilities are. I think you should note, Mr. Chairman, that the establishment shows an increase of \$87,800, and this reflects normal salary adjustments, and no additional staff, and also maintenance costs for head office radios, which were inadvertently left out of last years estimates.

(Establishment 900 agreed to)

Mr. Chairman: Establishment 901, Building Maintenance, \$904,100.

Hon. Mr. Lang: Mr. Chairman, this is the building maintenance side of the government. This is responsible for the maintenance of all YTG owned buildings, except for those falling under the Yukon Housing Corporation. It should be noted that we do approximately \$15,000 to \$18,000 a year work for the Yukon Housing Corporation, where the private sector cannot provide that service in some of the communities.

The task is carried out with a complement of 28 tradesmen and helpers, including field staff located in Watson Lake, Haines Junction, Carmacks, Mayo and Dawson City. Repainting and major repair projects are carried out under contracts.

There is a significant decrease, so it is obvious that we may well have to increase that area for the following year in order to maintain a good standard of maintenance.

Hon. Mr. MacKay: The Minister said 28 tradesmen, Is that just an error?

Hon. Mr. Lang: That is correct, Mr. Chairman.

Hon. Mr. MacKay: The estimates say 26.

Hon. Mr. Lang: I am sorry, Mr. Chairman, it should be 26.

Hon. Mr. MacKay: He mentioned doing some work for the Yukon Housing Corporation of about \$20,000, I think, he said. What are the other internal chargebacks amounting to \$140,000?

Mr. Wilson: Mr. Chairman, those are maintenance to Establishment 902, the Highway Maintenance camps. The expenditure shows up under 902. It shows up under 901, but then there is an internal recovery.

Hon. Mr. MacKay: I also understood that the Territorial government had a central system of charging rent to departments. Does this recovery flow through to the Department of Public Works, or where would I see that?

Hon. Mr. Lang: Mr. Chairman, I believe that is in another establishment. I will have to ask Mr. Wilson.

Mr. Wilson: Mr. Chairman, that is in Establishment 910, the actual accommodations provided to various territorial departments.

Hon. Mr. MacKay: I can not find Establishment 910, Mr. Chairman.

Mr. Chairman: Page 182 to 184.

Hon. Mr. MacKay: Why would not building maintenance be charged back?

Mr. Wilson: Mr. Chairman, it was a decision that only the cost of regular maintenance, such as utilities, the minor repairs to buildings, and the actual costs of salaries to operate the buildings, would be charged to individual departments. The actual building maintenance can vary from year to year. For example, under building maintenance, the department would maintain various schools, and rather than charging all the maintenance to separate departments on the basis of actual maintenance done by the department, it was decided to show the maintenance as one block, to be voted as one block, under 901.

Mr. Fleming: What you are saying actually, is that in building maintenance, under building, all the maintenance is done on those buildings by Yukon Housing Corporation or any other organization, all in this one Vote.

Hon. Mr. Lang: No, Mr. Chairman, I did not say that. All I said was that in respect to the Housing Corporation, if there is no one in the private sector in a community to do the work then, in some cases, the tradesmen that we have in that area, or else we may use tradesmen from some other community, go and do the work and it is charged back to the Yukon Housing Corporation. It is an internal chargeback.

But the Yukon Housing Corporation overall, we can discuss that when we get to it, but the basic principle is that you go to the private sector for the necessary work to be done.

Hon. Mr. MacKay: Just returning for a moment in the chargeback. It is normal for any landlord to try and recover his costs, and I assume that this is the role that this department is playing, that of landlord to the other departments.

It seems kind of illogical to me to have a Vote of about just over \$1 million, where we are distributing all these costs, and on the other hand, we have another vote of about \$1 million where we are not distributing all these costs. Yet the costs are for the same purpose, that is to say, to provide space to other government departments.

I would think that, from an accountability point of view, to be able to break down the building maintenance costs to the kind of buildings and departments to which this service be provided, would be a service to this government in trying to determine where its costs are.

Hon. Mr. Lang: Mr. Chairman, I think we know where are costs are going. I think it is pretty well laid out with the estimates, and I feel the way I understand it, the practice has always been this way, in attempting to put the responsibility in one central area.

In respect to the actual charging back and this kind of thing, I question whether or not it is necessary, to be quite frank.

(Establishment 901 agreed to)

Mr. Chairman: Establishment 902, Highway Maintenance, \$17,337,400.

Hon. Mr. Lang: Mr. Chairman, the Department is responsible for 2,700 miles of maintenance of our highways. Also, the ferries operating in Dawson City and Ross River are considered to be part of the highway system.

In addition, all airports, except Whitehorse and Watson Lake are maintained under an agreement with MOT. The maintenance of

these airports is carried out to MOT standards on a 100 per cent recovery basis.

Emergency airstrips are maintained at YTG costs.

The estimated reflected increases over 1978-79 is to normal wage increments and increments in the hourly equipment chargeout rates. In addition, in 1979-80, calcium chloride will be applied to the Stewart Crossing section of the Klondike Highway at a cost of approximately \$150,000, which I am sure the Honourable Member from Klondike will be very pleased with.

New additions are the winter maintenance of the Dempster Highway and summer maintenance of the Skagway Road.

Mr. Penikett: I wonder if the Minister can say, are they cutting back on the Dawson Ferry Service this year?

Hon. Mr. Lang: No, Mr. Chairman.

Hon. Mr. MacKay: I may have asked for this in the Primaries, but is there a cost per mile for maintenance of the highways?

Hon. Mr. Lang: Mr. Chairman, right now, if you will recall, I believe, last week I stated that in 1975 there was roughly about \$8,000 per mile. It has gone up to almost \$9,000. With the advent of the new program that we are taking on with the Skagway Road as well as the Dempster, you are looking at \$10,000 per mile.

Mr. Byblow: I raised the matter with the Minister previously, respecting the Faro access road and installation of some hazard lights. Perhaps, the Minister could respond at this time, if he has had time to consider this.

Hon. Mr. Lang: Mr. Chairman, it is not included in the budget, but I intend to talk to my officials about problems that the Honourable Member has raised.

Mr. Fleming: Yes, Mr. Chairman, in 902 on bridges, the sore spot I have on bridges is the ancient foot bridge in Ross River. I am wondering, I do not think the Minister knows who owns it yet, because he has not answered my question in the Question Period yet, as to who owns the bridge. If he could answer it now, I would be very happy, because I would submit, Mr. Chairman, that possibly, if we did know who owned the bridge, or if they had known who owned the bridge before the budget was decided, that maybe that 381.2 drop from 408.3 projected might have been 481.2, and maybe we could have had some repairs to that bridge.

Has the Honourable Member got any answer yet, as to who owns the Ross River Bridge?

Hon. Mr. Lang: No, Mr. Chairman, as soon as I get the information, I will submit it to the Honourable Member.

Hon. Mr. MacKay: What if nobody owns it?

Hon. Mr. Lang: Then we are prepared to give it to MacKay, Peachey and Company.

Mr. Chairman: Order please.

Hon. Mr. MacKay: I will be happy to refurbish it and sell it back to the Government for a small profit.

Okay, we have just been told that the maintenance of the roads is costing about \$10,000 a mile. Divide \$10,000 into \$700,000, which I think is the approximate cost we have been told to the Dempster, that gives us 70 miles of maintenance.

Hon. Mr. Lang: Mr. Chairman, you will have to understand that there are various roads and, for example, some of the roads off the highway, you can only maintain in the summer time and all these other aspects. It should be pointed out, and I am just going by memory, but I think it is 265 miles on our section of the Dempster Highway that is our responsibility.

Hon. Mr. MacKay: I would like to pursue this one a little further. It would seem to me that if it takes \$10,000 a mile, including some summer maintenance then, the cost per mile on something that is maintained year around would be higher than \$10,000 mile. That makes our problem a little worse then if we are talking about winter.

Hon. Mr. Lang: That is just a round figure, I have taken the whole mileage and tried to transpose it down, on the average of one mile. As the Honourable Member well knows, it all depends on what kind of spring you have, the weather is a major factor in our maintenance program. One year, if we have a very good year, your maintenance costs are lower. If you have a bad year, a snowfall or early thaw, a quick thaw, it costs us that much more, so all these things have to be taken into account.

I should point out in respect to the Dempster, I said \$600,000, it is going to be roughly, with the summer maintenance that we have been doing in the past and the combination of the year-round maintenance, you are looking at over \$1,000,000. Because, in the past, we have maintained the summer maintenance.

Mr. Penikett: At \$10,000 a mile and 265 miles that looks to me like \$2,650,000 a year, if the average is correct, and I would suspect that the per mile costs would be higher up there.

Hon. Mr. Lang: In respect to that, I had the department break down the road maintenance costs for the three years, the cost per mile per annum. The costs were broken down in such a manner that the Alaska Highway was running at --

I am sorry. Mr. Chairman, maybe I have mislead the House here, just reading this. 1975-76 the Alaska Highway was on the average \$8,043 per mile; in 1977-78, it was \$8,890 per mile.

On the other roads other than the Alaska Highway, where its an 85/15 split, the average cost per mile was \$3,735 in 1975-76 and 1977-78 it was \$4,995. You have to understand, Mr. Chairman, a lot has to the width of the road and every other factor that has to be taken into consideration, so that is the reason for the difference in respect to the costs.

I am sorry, I think I mislead the House there. I was just taking the overall general, but there are two categories, the Alaska Highway, the standard maintenance on that and varying degrees of standards on the other highways.

Mr. Penikett: Mr. Chairman, the point still remains, if we are talking about half the \$10,000 a mile cost, we are talking about \$5,000 a mile, we still are talking about \$1.3 million a year to maintain the Dempster Highway year round.

Hon. Mr. Lang: Mr. Chairman, I would like to refer to the witness here on this.

Mr. Wilson: Mr. Chairman, various highways throughout the Territory have a different rating. Depending on that rating there would be number of passes, for example, for surface grading. One particular highway would take five or six surface gradings in a year, another would be three, another one. This would, to a large extent, depend upon the traffic. Another instance would be calcium chloride. The Dempster Highway would not likely be calcium chlorided, which is very expensive. There are other such items as special drainage clearances and so on. To a large extent, the costs to the Dempster will be lower and should be expected to be lower than to keep the Alaska Highway open, for example.

Hon. Mr. Lang: Mr. Chairman, I just want to carry through with this, and I am sorry that I did not outline the situation properly at the beginning, and I hope, the media is listening.

The Alaska Highway in 1978-79 is predicted to be \$10,600 per mile and on the other roads; on the average, it appears to be about \$6,000. So you can understand it is the standard of maintenance that has to be taken into consideration.

Mr. Fleming: Yes, Mr. Chairman, on Territorial roads, airstrips, Alaska Highway and engineering services roads, the roadside, could the member just explain what is meant by roadside. Is this the right-of-way or is this some other area in the road.

Hon. Mr. Lang: Mr. Chairman, as the Honourable Member well knows, if you go on some of the highways other than the Alaska Highway, the widths are quite different to what the Alaska Highway is.

Hon. Mr. MacKay: I take it that the Alaska Highway Agreement is a separately funded agreement from the Federal Government. Is that correct?

Hon. Mr. Lang: That is correct, Mr. Chairman, and that is not in this Establishment. It is later on. Oh, I am sorry it is too. Yes it is, it is 100 per cent recoverable from the Government of Canada and the Engineering Services road is an 85/15 split, 85 per cent from the Government of Canada, 15 from the Territorial Government.

Hon. Mr. MacKay: I find the cost differential extremely interesting between these two things, and I am sure, I am not going to quarrel very much with it.

Just as a figure that pops up when we are looking at territorial financing, it is such a large one with respect to the Alaska Highway Agreement, there is some confusion in my mind as to what kind of funding provincial governments receive from the Federal Government with respect to roads of a national importance, I think, is the term. Can the Minister enlighten me as to this agreement? Is it a typical provincial type of agreement where the Federal Government will maintain the Trans Canada Highway?

Hon. Mr. Lang: Mr. Chairman, I am not sure, I think we are in a better situation with the Alaska Highway as opposed to the Trans Canada. If my memory serves me correctly, it was a long time ago, but it was stated at one time that I believe, the provinces maintain the highways within their jurisdiction. I think that is right.

Hon. Mr. MacKay: Perhaps, the Minister, if he has an opportunity later, maybe we can discuss it at some length, because when you are looking at the costs of provincial status, this is one of the

biggest numbers you come across is the highway maintenance.

Moving back a bit to page 174, we have under the heading of Miscellaneous, a \$189,900 and I am wondering what kind of miscellaneous things are being done for \$190,00.

Mr. Wilso: Mr. Chairman, this provides for repair and maintenance of sundry equipment for such items as pumps for which there is no internal rate charged out to the highway. When there is an internal rate, you would notice that the charge would be to the various areas, either surface roads, roadside or so on.

Hon. Mr. MacKay: When calculating the costs of the Alaska Highway Agreements and so forth, in which you are 100 per cent reimbursed, is their any allowance made there for the costs of the administration of this Department in order to provide this service? If so, I do not see any recovery going through the administration budget for that.

Mr. Wilson: Mr. Chairman, at the back of Vote 9, or close to the back, there is a recovery for the Alaska Highway. In fact, we receive 106.5 per cent. Six and a half per cent is for administration.

Mr. Fleming: Yes, Mr. Chairman, I see under Airports there is an increase of approximately \$90,000 - \$91,000. Is that increase due to the fact that we are going to have regular flights, and that some company is going to provide a service from 1202 to Watson Lake?

Hon. Mr. Lang: Mr. Chairman, is the Honourable Member looking at page 174?

Mr. Fleming: 175.

Mr. Wilson: Mr. Chairman, the greatest increase in the airports is under repair and maintenance, Primary 72. That is relating to cost of communicator-observer contracts for operating the Faro and the Old Crow airports. It has increased.

Mr. Byblow: The item referred to by the witness is recoverable, I believe. Is that correct?

Mr. Wilson: Mr. Chairman, that is correct, recoverable from MOT.

Mr. Byblow: I have a question with respect to Primary 52, under Projects, as well as, perhaps, 62.

Hon. Mr. Lang: Mr. Chairman, the projects costs represent the contract costs of producing crushed gravel for resurfacing.

(Establishment 902 agreed to)

Mr. Chairman: Establishment 903, Weigh Scales, \$65,000.

Hon. Mr. Lang: Mr. Chairman, the operational costs for the three weigh scales were increased by \$39,000. This increase is attributed to wage increments. The net figure shown after internal chargebacks is \$65,000, rather than \$78,800 shown the previous year.

This reduction is due to a reduction in overweight traffic, which is primarily due to the closure of the Clinton Creek Mine. At the same time, Mr. Chairman, it should be pointed out that permits, and all this kind of thing, are reflected in the Consumer and Corporate Affairs budget, as opposed to this particular Establishment. This is just dealing with overweight permits at the weigh stations.

Hon. Mr. MacKay: I was not going to say anything, but I got confused when the Minister spoke. He said that there was a reduction to \$65,000 from the \$78,000 last year because of less overweight.

Hon. Mr. Lang: Clinton Creek.

Hon. Mr. MacKay: Yet internal chargebacks have increased.

Hon. Mr. Lang: No, Mr. Chairman, I should not say internal chargebacks, I am sorry. If one looks at the bottom of the page, you will see \$65,000. On the other section for 1978-79, the Main Estimates were projected to be \$78,800. That was due to the closure of the Clinton Creek Mine, and our projections were not as accurate as we thought they might have been.

Hon. Mr. MacKay: It seems to me an overweight truck would generate more revenue to the weigh scales, is that not correct? Therefore, one would have expected an increase in the overall cost of maintaining weigh scales by having less traffic.

Hon. Mr. Lang: No, Mr. Chairman. I refer to the witness.

Mr. Wilson: Mr. Chairman, some clarification on the weigh scales may be in order. The actual cost is \$313,900. The chargebacks, the \$248,900, are what is charged against Establishment 902. In calculating that chargeback, the figures used are the actual cost of operating the weigh scales, less revenues received from overweight permits. The net effect is that we have a net cost of \$65,000, which is equivalent to the overweight permit revenues.

(Establishment 903 agreed to)

Mr. Chairman: Establishment 905, Third Party Services, \$228,000.

Hon. Mr. Lang: Mr. Chairman, these are projected estimates for

this coming year. It is a very difficult area to project. It is where private enterprise cannot provide certain services. The department is called in from time to time to provide assistance. Examples of work performed are snow clearing around highway lodges, the recovery of vehicles, snowplowing, rental of forklift in Dawson City, and woodhauling in Old Crow. The expenditures under this Establishment are recovered by invoice.

Hon. Mr. MacKay: This would appear to get into the area that were discussing earlier this week with respect to recreational roads. Is there any provision now for a group of residents on a road to be able to come to the government and ask them to clear it if they are prepared to pay the cost, and is that in here?

Hon. Mr. Lang: That is the whole idea of the Establishment, Mr. Chairman.

Hon. Mr. MacKay: Has the Minister had time to consider the suggestion I made yesterday that, in the event that such a road is to be cleared regularly, it should be added on to the property taxes of these people so that they can increase their claim on the Home Owner Grant?

Hon. Mr. Lang: Mr. Chairman, this will all be taken into consideration, if and when a decision is made.

(Establishment 905 agreed to)

Mr. Chairman: Establishment 906, Northern Exploration Facilities, \$60,000.

Hon. Mr. Lang: Mr. Chairman, you will note last year we estimated \$85,000. I think that we are probably closer to our estimate with the estimate of \$60,000. I sent a list around to all members here the other day, outlining who had applied for monies for tote trail assistance, and how much had been granted.

Under this program, financial assistance is granted to exploration companies, and others, for the development of access roads and landing strips. If assistance is granted based on a percentage of actual costs, in accordance with guidelines under the program, and the administration of the program is the responsibility of a committee consisting of Federal and Territorial employees, with the Deputy Head of Highways and Public Works as chairman.

(Establishment 906 agreed to)

Mr. Chairman: Establishment 910, Office Accommodation. This will be for information only. Are there any questions before we go on to the next Establishment?

I see there are no questions. We shall continue on to Establishment 915, VHF Systems, \$71,700.

Hon. Mr. Lang: Mr. Chairman, there were some questions raised on the VHF system that was put in a number of years ago. The question, put by the Leader of the Opposition, was what was the total operations operating cost of this system. The operation cost of the system would be approximately \$197,379.80. These expenditures are recoverable by a monthly charge, which is levied against all users.

I think we had another question, as well, Mr. Chairman, in respect to the cost of the actual program itself, and I had the figure here somewhere. The total cost of the system was \$1,400,000, approximately, to install.

Hon. Mr. MacKay: Is this system available to any other users, apart from just the Territorial Government?

Hon. Mr. Lang: Mr. Chairman, if the Honourable Member recalls, this is a combination throughout all Federal Agencies that are in need of this communications network. The department feels it is serving a very worthwhile purpose. It is cutting down on downtime, where, for example, a grader is caught out in the middle of nowhere, they can telephone right away and the problem can be immediately confronted. At the same time from a safety point of view, for not only government employees, but the public, on many of our highways, so it does definitely play a major factor in our communication network.

(Establishment 915 agreed to)

Mr. Chairman: I refer the Members to page 190, and 191, which is for information only. If there are no questions on it, we will proceed to Capital Estimates. Establishment 950, Road Equipment, \$100,000.

Hon. Mr. MacKay: I believe it was the recommendations of the Auditor General that the details of this expenditure be provided.

Mr. Wilson: Mr. Chairman, I have something for tabling.

Mr. Chairman: Is it in regard to Establishment 950, Mr. Wilson?

Mr. Wilson: With reference to the request by the Auditor General in regard to the Road Equipment Revolving Fund, it is not in reference to the Road Equipment, 950.

Hon. Mr. MacKay: The tip of the iceberg. The ice breaking question is the Road Equipment Revolving Fund. Perhaps we could have an explanation through the Minister from the witness as to how this fund works, and how the depreciation of the equipment is charged back to the various activities?

Hon. Mr. Lang: Mr. Chairman, it is a pretty technical question, I will have to refer to the witness.

Mr. Wilson: Mr. Chairman, I do not have the full details of the Revolving Fund. The Revolving Fund is operated through the Department of Highways, and it is set up to replace existing equipment. The cost of maintaining the equipment, operating equipment, including fuel, and that sort of thing, and depreciation are charged as a user fee for that piece of equipment. The amount of funds that come back from departments are including in the Revolving Fund, which allows for purchase of replacement vehicles.

Hon. Mr. MacKay: Could I get some guidance as to how to look at the Territorial accounts to find some mention of how much has accumulated in that fund?

Mr. Wilson: I believe in the Territorial accounts there is an accounting of the Revolving Fund. Within the budget there is no indication of what is sitting in the Revolving Fund, but the actual charges show up under Primary 62, Internal Rental of Equipment.

Hon. Mr. MacKay: Can I take it, then, that at no time is there ever a piece of equipment charged to that Revolving Fund that did not in fact physically replace a piece of equipment that has been sold or scrapped?

Mr. Wilson: Mr. Chairman, the types of equipment that are purchased out of the Revolving Fund are to replace existing equipment. It does not mean, however, that one grader must be replaced by one grader of the same type. Yet, if over the years, the type of equipment found to be in need of a change, it is possible that a number of dump trucks would be put up under Board of Survey and replaced by a number of other dump trucks that would perform the same type of duty.

Hon. Mr. MacKay: To put the question another way, then, is it a question of the function of the equipment being replaced being the criteria, not necessarily the model number or serial number. If you have two small dump trucks, for example, that you sell as scrap, that can be replaced by one that can do the same job, that is the kind of charge?

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

(Establishment 950 agreed to)

Mr. Chairman: Establishment 951, Sundry Equipment, \$60,000.

Hon. Mr. Lang: Mr. Chairman, this is an annual requirement for the replacement of equipment not included in the Road Equipment Revolving Fund, such as chain saws, pumps, generators, steamers, heaters, smaller equipment that is necessary for the running of the department.

(Establishment 951 agreed to)

Mr. Chairman: Establishment 952, Garage Tools and Equipment, \$12,000.

Hon. Mr. Lang: Mr. Chairman, this is an annual requirement to provide for the purchase of garage tools, such as compressors, grinders, large wrenchers, pullers and this kind of thing, that are necessary in our various garages.

(Establishment 952 agreed to)

Mr. Chairman: Establishment 953, Building Contingency Fund, \$100,000.

Hon. Mr. Lang: Mr. Chairman, this is standard annual provision for the construction of minor capital items not foreseen in the preparation of the estimate. For example, minor renovations and that kind of thing.

Hon. Mr. MacKay: Can the Minister explain why twice as much can not be foreseen this year as last year?

Hon. Mr. Lang: Mr. Chairman, if I recall correctly there was a supplementary that roughly equated to about \$100,000, is that not correct, Mr. Wilson?

Mr. Wilson: Mr. Chairman, I am not quite sure why the increase is 100 per cent.

Hon. Mr. Lang: Mr. Chairman, if I recall correctly, did we not have a supplementary in that area?

Mr. Wilson: No, we did not.

Hon. Mr. MacKay: Can we hold over this item for a clearer explanation?

Mr. Byblow: Could I ask the Minister if this item would include road construction, and that type of thing? Or would capital be as in capital items?

Hon. Mr. Lang: Mr. Chairman, I think it is more the minor things. I think one of the things we should take into account here is, I think there is some thought of doing some renovating in this building itself, for an example, in the Central Purchasing area, which I understand could cost a fair amount of money. So it is various small projects that we are looking at.

Hon. Mr. Graham: Mr. Chairman, I believe also, that quite a bit of this money will be expended in the addition and renovations of the Court Room in the Federal building, for the Justice Department.

Hon. Mr. MacKay: I am peaked by the business of the words used, Building Contingency Fund. Is there more money somewhere else in a fund that this is being added to, or is it a revolving fund, or is that just a piece of terminology that has been slipped in there.

Hon. Mr. Lang: Mr. Chairman, it is just terminology, and I believe Mr. Graham is accurate in saying that a fair amount of that money will go into the renovations of the Justice Department.

(Establishment 953 agreed to)

Mr. Chairman: Establishment 954, Pre-Engineering Territorial Projects, \$100,000.

Hon. Mr. Lang: Mr. Chairman, it is a standard annual provision to pay for the collection of engineering data and preparation of plans and engineering estimates for proposed and, perhaps future, Territorial projects.

Hon. Mr. MacKay: Can the Minister tell us what projects that they have in mind this year?

Hon. Mr. Lang: Mr. Chairman, I do not have that information with me at the present time.

Mr. Byblow: Could that information be provided at a later date?

Hon. Mr. Lang: This is later on in the year, when we start with our program forecast, trying to determine where we are going the following year and decisions are made accordingly. It would be very difficult to provide that information at the present time since we are not even into 1979-80 yet.

Mr. Byblow: I am sure we could provide some guidance on the matter.

(Establishment 954 agreed to)

Mr. Chairman: On page 193, Establishment, 955 Sign Paint Shop Equipment.

(Establishment 955 agreed to)

Mr. Chairman: Establishment 956, Insulation of Schools, \$182,000.

Hon. Mr. MacKay: I would be interested to know what studies have been carried out with respect to the savings we can expect by spending \$182,000 in insulation.

Hon. Mr. Lang: Mr. Chairman, there are quite a number of schools that are going to be worked on this coming year. You have the Saint Ann's School, the Teslin School, Carcross School, Elsa, Carmacks, Haines Junction, Destruction Bay, Beaver Creek and, I think it is fair to say, most of these structures are pretty old, and the department has looked into it, and they feel that by putting this insulation in that it will be a definite aid in the conservation of energy.

Hon. Mr. MacKay: I have no doubt they are right. I am just wondering if anybody has ever sat down and figured it out. Are we spending this money wisely or should we be spending more?

Hon. Mr. Graham: Mr. Chairman, I do not know for certain if they have estimated how much we are actually going to save but, as I understand it, some of this work is being done at the request, of course, of my Department and part of the reason that they requested this was that in some cases, I am not sure if you mentioned Beaver Creek, but in that particular case, the school is actually physically uncomfortable when the temperature gets very cold outside. That is one of the reasons behind insulation.

(Establishment 956 agreed to)

Mr. Chairman: Establishment 960, Tagish Bridge, \$2,600,000.

Hon. Mr. Lang: I think that is fairly straightforward, Mr. Chairman.

Mr. Fleming: Yes, since the Minister has already lost one bridge, I wonder if he could tell us who is going to own this bridge.

Hon. Mr. Lang: I would have to make the assumption, Mr. Chairman, that it would be our bridge.

Mr. Falle: Yes, seeing that we are spending this much money, I would like to get some assurance from the Minister involved that there is going to be local help hired on this project, if possible.

Hon. Mr. Lang: Mr. Chairman, I am making every effort to see that that is done with the contractor. I must say that the contractor is very cooperative, and wherever possible, they are attempting to hire locally.

(Establishment 906 agreed to)

Mr. Chairman: Establishment 965, Pre-engineering - Federal Projects, \$150,000.

Hon. Mr. Lang: Mr. Chairman, this is a standing annual provision for the collection of engineering data for the federally financed highway projects for future years.

Hon. Mr. MacKay: Is it fully recoverable?

Hon. Mr. Lang: Yes, Mr. Chairman.

(Establishment 965 agreed to)

Mr. Chairman: Establishment 966, Miscellaneous and Minor Projects, \$50,000.

Hon. Mr. Lang: Mr. Chairman, this is the annual provision to cover miscellaneous and minor projects. For example, if things go according to plan, I imagine we can get some money from this particular project to provide the lights that the Honourable Member from Faro has been requesting on his portion of the highway.

(Establishment 966 agreed to)

Mr. Chairman: Establishment 967, Carmacks - Yukon River Bridge Sidewalk, \$120,000.

Hon. Mr. Lang: Mr. Chairman, in the last couple of years it has been determined that the highway is very dangerous in view of the fact that the native village is across the river, and there are people walking to and from it, and it was felt that it should be a priority to revise the bridge so that we can put a bridge deck on for the pedestrians.

(Establishment 967 agreed to)

Mr. Chairman: Establishment 970, Reconstruction - Klondike Highway (M.P. 57 - 72), \$1,680,000.

Hon. Mr. Lang: Mr. Chairman, this is just the continuous updating of our paving program. One day, perhaps, the Leader of the Opposition and myself can ride up all the way to Dawson City on a paved road. Perhaps we will also invite Mr. Penikett.

(Establishment 970 agreed to)

Mr. Chairman: Establishment 975, Reconstruction - Boundary Road (M.P. 38 - 52), \$1,000,000.

Hon. Mr. Lang: Mr. Chairman, there is a very major reason for this construction. It is the first year of a two year program to upgrade the Boundary Road from Mile 38, Clinton Creek turnoff, to Mile 64 on the Alaska Boundary.

The first year covers the construction from Mile 17 to 52, I believe. This section of the road is very narrow and winding, and it deters many of the tourists from going to Dawson City to complete the circle to Alaska.

I am sure it is going to be a great benefit to the community of Dawson and the Yukon, generally, as far as the tourist industry is concerned, once it has been completed.

Hon. Mr. MacKay: Are our friends across the border carrying out a reciprocal upgrading on their side?

Hon. Mr. Lang: Mr. Chairman, I believe they are doing some upgrading in their area.

Hon. Mr. MacKay: Before we leave the Minister to his supper, without any worries in Capital Projects, I have got one general question. I understood that there was a request from within this Government last year for additional capital funds with respect to projects that directly relate to pipeline planning. I think this is probably an appropriate budget to question the fate of that request and how quickly we may be getting an answer.

Hon. Mr. Pearson: Mr. Chairman, I regret that I have to advise Committee that this Government's request for accelerated funding has been turned down by the Treasury Board, and we are anticipating further negotiations in the very, very near future, specifically, next month, with the Inter-governmental Committee, in respect to just where we are going to be able to go from here. At the present time, the submission that was made by the previous administration has been rejected by Treasury Board.

Hon. Mr. MacKay: This is a source of some regret to me, as a Liberal. We ought to change the government here so we can do better.

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Hon. Mr. Pearson: The only suggestion that I can make, Mr. Chairman, is restraint. When Treasury Board turns something down, they normally do not tell you why. It is just sent back to the department.

Mr. Byblow: Perhaps for some further enlightenment then, I was of the understanding that the Faro School expansion was under that accelerated program funding. I take it that the government has worked that into its regular capital budget.

Hon. Mr. Pearson: Mr. Chairman, we are talking about two different things. There was capital moneys allocated for this budget and then there was accelerated capital funds that were requested.

The Faro School was an item that we had said was a priority item and that we wanted in this budget this year. So it was part of the money that was set for this year.

(Establishment 975 agreed to)

Mr. Hanson: I move, Mr. Chairman, that we now report progress on Bill Number 4, entitled the First Appropriation Ordinance, 1979-80 and ask leave to sit again.

Mr. Chairman: It has been moved that we report progress on Bill 4.

(Motion agreed to)

Mr. Hanson: I move, Mr. Chairman, that Mr. Speaker do now resume the Chair.

Mr. Chairman: It has been moved by Mr. Hanson that Mr. Speaker do now resume the Chair.

(Motion agreed to)

(Mr. Speaker resumes the Chair)

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

May we have a report of the Chairman of Committees?

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 4, First Appropriation Ordinance, 1979-80, and directed me to report progress on the same and beg leave to sit again.

Mr. Speaker: You have heard the report of the Chairman of Committees. Are you agreed?

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure?

Mr. Hanson: Mr. Speaker, I move, seconded by the Honourable Member from Old Crow, that we do now call it 5:30.

Mr. Speaker: It has been moved by the Honourable Member from Mayo, seconded by the Honourable Minister of Health and Human Resources, that we do now call it 5:30.

(Motion agreed to)

Mr. Speaker: This House now stands adjourned until 1:30 pm, Monday next.

(Adjourned)

The following Sessional Papers were tabled on March 22, 1979:

79-2-18

Dempster Highway Interim Management Plan
November 16, 1978

79-2-19

Yukon Tourism Development Strategy

The following Legislative Returns were tabled on March 22, 1979:

79-2-7

Highway signing along Alaska Highway
(Oral question, March 19, 1979, Page 134)

79-2-8

Vocational Training
(Written question Number 3)

