Whitehorse, Yukon
Monday, April 2, 1979 - 1:30 p.m.

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

(Prayers)

Mr. Penikett: Mr. Speaker, I rise on a question of privilege, in that yesterday was April 1 and the birthdays of my two Liberal colleagues in Opposition, the Honourable Member from Kluane and the Honourable Member from Riverdale South. I am sure all Members wish to join me in extending birthday greetings to them.

Mr. Speaker: We will proceed at this time to the Order Paper. Are there any documents or returns for tabling.

ROUTINE PROCEEDINGS
TABBING OF DOCUMENTS

Mr. Fleming: Yes, Mr. Speaker, I have for tabling the Lease Agreement made the 24th of May, 1978 between McNevin Construction, Limited and the Commissioner of the Yukon Territory.

Mr. Speaker: Are there any further documents for tabling?

BILLS: INTRODUCTION AND FIRST READING

Hon. Mr. Tracey: I move, seconded by the Minister of Municipal and Community Affairs that a Bill entitled the Medical Profession Ordinance be now introduced and read a first time.

Mr. Speaker: Is this a notice of motion?

Mr. Fleming: Mr. Speaker, I would hope that when these proposals were put before the Committee they would look into all the aspects involved. However, I cannot give the Honourable Member an answer. I will have to take it under advisement and bring the answer back later.

Mr. Fleming: Mr. Speaker, I have a supplementary. I understand the Minister will look into it. Will the Minister be sure to check and see if the applicants are actually checked out to see that they have a place to place their money once they get the money. That is the actual question.

Hon. Mr. Tracey: Mr. Speaker, as I stated, I would think that it would be the Committee's duty to do that and I will check it out and bring the answer back.

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

Statements by Ministers?

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

Hon. Mr. Tracey: Mr. Speaker, I would like to table the answer to two questions that were asked in the House last week.

Question re: Land Agreement between Yukon and Federal Government

Mr. Fleming: I have a question, Mr. Speaker, for the Government Leader. On land agreements between Yukon and Canada, does the Commissioner have any agreements or is control of any land adjacent to the City of Whitehorse but outside the city limits? Is this under the Commissioner's control?

Hon. Mr. Lang: Yes, Mr. Speaker, but I do not have the exact size of the land that is under the Commissioner's authority.

Mr. Fleming: If this land is under the control of the Commissioner, may I ask the Minister what that land has been acquired for? In other words, agricultural, trapping, cutting of timber or whatever?

Hon. Mr. Lang: Mr. Speaker, it is a pretty technical question that the Honourable Member is asking me. There are various pieces of property out there that there is title for in respect to rural/residential. There are some agricultural leases and all of this kind of thing. I would like to take a little bit of notice on the question so I can, perhaps, refer back to the Member in a more comprehensive manner.

Mr. Fleming: I wonder if the Minister could acquire a map for me to check over just where the lands are.

Hon. Mr. Lang: Yes, Mr. Speaker.

Question re: Responsible Government

Hon. Mr. MacKay: This is a question to the Government Leader. In an earlier answer to a question, the Government Leader said it was a fact of life that the evolution toward responsible government would cost the Yukon taxpayer more money. I am wondering, is he prepared to stand by that responsible statement today.

Hon. Mr. Pearson: Yes, Mr. Speaker, I think that that is inevitable. It is a fact of life that it will cost us more money.

Question re: DBEE and ARDA Applications

Mr. Fleming: Yes, Mr. Speaker, I have a question to the Honourable Mr. Tracey. I would presume, on the DBEE and ARDA programs. In such instances as of an application being referred and being granted to such companies as a sawmill, I wonder if the Minister could assure me that once the application has been filed and proven, that the person may be able to obtain permits and rights to cut logs on an area somewhere in the Yukon.

Hon. Mr. Tracey: Mr. Speaker, I would hope that when these proposals were put before the Committee they would look into all the aspects involved. However, I cannot give the Honourable Member an answer. I will have to take it under advisement and bring the answer back later.

Mr. Fleming: Mr. Speaker, I have a supplementary. I understand the Minister will look into it. Will the Minister be sure to check and see if the applicants are actually checked out to see that they have a place to place their money once they get the money. That is the actual question.

Hon. Mr. Tracey: Mr. Speaker, as I stated, I would think that it would be the Committee's duty to do that and I will check it out and bring the answer back.

Question re: Dempster Highway/Year Round Maintenance

Mr. Byblow: I have a question for the Minister of Municipal and Community Affairs. I had a concern raised over the weekend respecting the Dempster Highway and I would like to question the Minister if in his assessment of calculating the predictable costs to maintain the Dempster year round, was there any direct consultation with Aquatane of Canada Limited, the firm using and maintaining the Highway this past winter.
Hon. Mr. Lang: Mr. Speaker, I did have a brief discussion a couple of months ago with one of the people within Aquataine outlining the fact that we were very much concerned about the economies of the situation in Yukon and that we were trying to create a climate in Yukon that would be advantageous for development.

In respect to their plans for this forthcoming year, I do not have any information. However, I do know that there has been a company that has centred themselves in Whitehorse in order to be able to service the Mackenzie Delta.

Mr. Byblow: I suppose the concern extends further into costs and I am wondering if the Minister is aware that the total amount budgeted by his Department for winter maintenance in this fiscal year equals just the cost overrun by Aquataine for their limited period of maintenance this past year.

Hon. Mr. Lang: Mr. Speaker, I would have to accept the Member's word for that. It should be pointed out that that was not the only organization that utilized the transportation corridor of the Dempster over the past year. I think that there was a total of twenty permits that were given; five or six of them for major transportation out of the Mackenzie Delta. All I can say, Mr. Speaker, is if this information is correct, it will be on the record.

Mr. Byblow: I suppose, Mr. Speaker, there remains the ultimate question: could the Minister confirm or deny whether the high financial commitment under terms of the contract between his Government and McNevin Construction is the prime reasoning for his Government's determination to keep the Highway open year round?

Hon. Mr. Lang: Mr. Speaker, No. No, I want to clarify that once and for all, no, that had nothing to do with the decision. Number one, I think that all Members should be aware that the cost of the operation and maintenance of that Highway is an 85/15 per cent split between the Government of Canada and this Government.

In other words, at least in our present financial agreements with the Government of Canada, that money is available if we want to utilize it for that particular purpose.

Secondly, the other reason that was taken into consideration was the fact that there is ten to fifteen thousand people in the Mackenzie Delta who are lacking, at this present time, a transportation corridor. At the same time, Dome Petroleum is doing a great amount of work in that particular area which would appear, at least from what we are told, that things don't look too bright if one looks at the stock which has almost doubled, in the last four or five months.

I have already told the House, Mr. Speaker, that we will be monitoring that Highway, but at the same time, I feel that we must maintain it on a year round basis, taking into consideration the caribou migration and the possibility of closing the Highway for certain periods of time in order to do that thing. But it does not appear that we will be able to do that thing this year.

If Members disagree, come out and say it. As far as I am concerned, I think that we have a commitment; a commitment that we should be following through; analysing it as we go and if we find that it is not viable, then the appropriate decisions will be made.

Mr. Penikett: I have a supplementary, Mr. Speaker.

The Minister has alluded to the Federal cost sharing arrangements on the road to the tune of 85 per cent. Can the Minister advise the House if, in fact, Federal consent or agreement is required for the decision to open the road next winter in order to commit these funds?

Hon. Mr. Lang: Mr. Speaker, I think that it is quite obvious that the Federal Government has agreed, and quite obviously from the Northwest Territories side, they have agreed because, as you know, it goes through two jurisdictions, the Yukon and Northwest Territories, so the Minister within the Department of Justice and the Government of Canada that are involved in this decision-making.

Mr. Penikett: Supplementary, Mr. Speaker.

Mr. Speaker: This will be the final supplementary on this question.

Mr. Penikett: Thank you, Mr. Speaker. As I understand it, the Northwest Territories Government and the Government of Canada have not yet concluded an agreement as to the opening of the road. I wonder if the Minister could tell the House to what limit the commitment will be prepared to commit funds over the $300,000 limit in order to maintain the road next winter, particularly in view of the various estimates that suggest that it will be impossible to maintain it for the budgeted amount.

Hon. Mr. Lang: Mr. Speaker, it is my understanding that there is enough money budgeted in the 1979-80 year for the maintenance of this particular highway. In respect to NWT, I am under the understanding that they are committed to opening it for this forthcoming winter, period.

Hon. Mr. Njoottil: Mr. Speaker, in answer to a question put by the Hon. Mr. Firth, Member of Whitehorse West on March 27, asking whether this Government plan to introduce a Federal funding available for day care purposes, the answer is yes, Mr. Speaker.

Question re: Mosquito Control Program

Mr. Fleming: Yes, Mr. Speaker, a question for the Minister of Municipal Affairs, the Honourable Mr. Lang. The mosquito program is coming into effect this year. I wonder if the Minister could inform me, due to the fact that there is some voluntary work done in the communities, whether that program will be available for, other than LID's and unorganized communities, for such things as possibly lodge areas along the highways.

Hon. Mr. Lang: Mr. Speaker, I will have to take notice on that question.

Question re: Plumbing Protection Ordinance

Mr. Penikett: Last week I asked the Honourable Minister of Municipal Affairs whether this Government plan to introduce a Plumbing Protection Ordinance as requested by the contractors and trades involved in this area. Is the Minister now prepared to announce this Government's intentions in this regard?

Hon. Mr. Lang: No, Mr. Speaker. Once the House is adjourned it is my intention to contact the people that presented the brief to the prior administration and just see exactly what their position is now.

Question re: Corrections Director's Resignation

Hon. Mr. MacKay: I have a question to the Minister of Justice. Has he now completed the investigation into the circumstances surrounding the resignation of the Director of Corrections?

Hon. Mr. Graham: Yes, I have, Mr. Speaker.

Hon. Mr. MacKay: Is he prepared, at this time, to divulge any conclusions he has reached in this?

Hon. Mr. Graham: Yes, I am, Mr. Speaker, but I am afraid it is a fairly lengthy reply and begging the Chair's indulgence, I will proceed.

Mr. Speaker: Perhaps, the Minister could keep his reply as brief as possible. Proceed.

Hon. Mr. Graham: I will attempt to do so, Mr. Speaker.

I have completed an investigation into the events preceding, surrounding and immediately following the suspension of the Director of Corrections on February 1, 1979.

I can also tell you that it is, basically, against the philosophy adopted by this government, respecting grievances, suspensions and dismissals, to air such procedures in the public forum. However, I feel that, at this time, I have no alternative but to speak out in view of the continued questioning by Members of this House. I do not believe that it is in the best interests of the employer/employee relationships to discuss internal departmental suspension, dismissal, and grievances in the public forum, as I previously mentioned.

As a result of this investigation, Mr. Speaker, I have come to the following conclusions: the Deputy Head of Justice has the right to suspend a member of the Department of Justice under the Public Service Commission Ordinance, Section 138 and I quote: "A Deputy Head may suspend or dismiss an employee; (a) for misconduct, neglect of duties, or refusal or neglect to obey a lawful order; (b) where the employee is incapable of performing his duties; and (c) where the employee is unsatisfactory in performing his duties."

The Deputy Head of Justice followed the correct procedure in suspending and allowing the Director of Corrections to appeal the suspension to the department head, which in this case, was the person who handed out the suspension. But under section 149, this again was correct. I quote from section 149 of the Public Service Commission Ordinance.

"Where, of his own motion, a Deputy Head suspends or dismisses an employee, the employee may, by notice in writing within ten working days from the date of receipt of the notification to him of his Deputy Head's decision, request a hearing by the Deputy Head."

If the employee is not satisfied with the results of the appeal to the department head he may then request that the Chairman of the Yukon Public Service Staff Relations Board appoint an independent adjudicator to review the case. Once this is done, the adjudicator's decision is final and binding.

This is the course which would have been followed in the case of the Director of Corrections if he had so requested, but during the period prior to the appeal, during my discussions with the Director of Corrections, he indicated to me that if the Executive Committee were willing to give him special rights, we may be able to reach a satisfactory conclusion to our problem. The special requests were
as follows:
that the Director of Corrections be allowed to report directly to the Minister, not through the Department Head as set out in the Record of Recommendation by the Executive Committee;
that the Director of Corrections also questioned whether or not myself or my colleagues on the Executive Committee were willing to stand behind the Department Head in this appeal.

I might also add, Mr. Speaker, at this time, that I was given a specific timeframe in which to respond to these requests. The Director of Corrections advised me that he would be contesting the Public Service Commission Ordinance in the Yukon Supreme Court.

After consulting with the Executive Committee, I informed the Director of Corrections that there would not be any changes in the reporting structure which placed the Director of Corrections in the position of reporting to the Deputy Head of Justice. I also pointed out to the Director that it was the conditions that had to stand behind the Ordinance which states that the first step in the appeal procedure is a review carried out by the Department Head.

When the Director of Corrections heard these facts, he then stated that, since the basic structure of the Department of Justice would not change and that he was not happy working under that system, he requested that I accept his resignation under certain conditions. I then accepted the Director's resignation and the conditions of his resignation as outlined in the press release of March 20, 1979, were negotiated.

Mr. Speaker, I think that it should be pointed out, at this time, that the conditions of the agreement reached when the Director resigned are conditions granted to any Deputy Head upon release by Government of Yukon.

In lieu of protection under the Public Service Commission Ordinance, Deputy Heads may be granted leave with pay for a period of three months. In the case of the Director of Corrections, the Government of Yukon has granted this period of leave with pay because the position was, until very recently, considered to be that of a Deputy Head.

I also believe, Mr. Speaker, that this whole case was one which could have been, and should have been, handled within the Department of Justice. I do not believe that this House should be discussing the internal affairs of any department when it comes to matters involving discipline, hiring or resignation. We have hired Deputy Heads to administer the affairs of their departments, to select employees, to oversee the performance of these employees and to be responsible for disciplinary action within their departments. If we believe in this system, then let us, as MLA's, allow them to handle these affairs and when the problems within the departments arise, let us also allow these problems to be resolved within the parameters of the Public Service Commission Ordinance.

Thank you for your indulgence, Mr. Speaker.

Hon. Mr. MacKay: Actually, this will be my first supplementary and I would like indulgence for twenty-five more, Mr. Speaker, but I presume two would be sufficient today.

Mr. Speaker: I believe the Honourable Member has used up two but in view of the length of the reply, I will permit two questions.

Hon. Mr. MacKay: Thank you, Mr. Speaker. The whole foundation of the statement that the Minister has made, which I would like to commend him for making a statement, finally, was built on the premise, Mr. Speaker, that the Director of Corrections was either incapable or unsatisfactory in the performance of his duties, that being the reason for his suspension. Had he looked into that allegation to see whether there were grounds for believing one of these two things

Hon. Mr. Graham: Mr. Speaker, I would like to make it clear that it is not for me or any other Minister to determine whether disciplinary action is warranted. I think that this is the role of an arbitrator and this is the reason we have an appeal system.

However, in this case after reviewing the circumstances leading up to the suspension and surrounding the suspension, my preliminary response was that, in fact, under the Department of Justice Department Head had grounds to suspend the Director of Corrections. Whether or not those grounds would have been held up in an appeal, I do not know and I do not think anybody ever will know at this time but to this point, that was my decision.

Hon. Mr. MacKay: Could the Minister tell us under what authority a Deputy Head might issue a letter to an employee forbidding him to talk to MLAs or the press?

Hon. Mr. Graham: Mr. Speaker, within the files that I have now, I do not know of such a letter being issued. If the Honourable Member opposite has such a letter, then I would be happy to respond at that time.
Question re: Education/Busin of Students

Hon. Mr. MacKay: Mr. Speaker, my question is, also, to the Minister of Education. Will the Minister inform the House as to what steps his Department has taken to develop alternatives to the busing of children from suburbs to downtown?

Hon. Mr. Graham: Mr. Speaker, at this time, I believe that the various school committees in the Whitehorse area have met and have made several recommendations to the Department of Education. At this time, I have not been in a position to study these recommendations and make any decisions.

Hon. Mr. MacKay: Could the Minister confirm that it is his Government's policy to foster the development of neighbourhood schools?

Hon. Mr. Graham: Mr. Speaker, it is this Government's policy to construct schools where those schools are needed. If we can accommodate all the children in an area without constructing a new school, then I think that it is incumbent upon us to utilize the facilities that are available.

Hon. Mr. MacKay: Could the Minister confirm that he understands what the term "neighbourhood school" means?

Hon. Mr. Graham: Yes, Mr. Speaker.

Question re: Tourism/California Conference

Mr. Byblow: I have one question for the Minister of Tourism. Did the Minister have an enjoyable trip to California?

Hon. Mr. Tracey: Very enjoyable, Mr. Speaker. The weather was beautiful down there and I just had a great time.

Mr. Speaker: Are there any further questions?

We will then proceed back to the order paper to Orders of the Day.

We will now call Government Bills and Orders.

ORDERS OF THE DAY

PUBLIC BILLS

Mr. Clerk: Item number 2 standing in the name of the Honourable Mr. Tracey.

Mr. Speaker: Is the Honourable Minister prepared to deal with item 2?

Bill Number 11: Second Reading

Hon. Mr. Tracey: Yes, Mr. Speaker.

Mr. Speaker, I move, seconded by the Minister of Municipal and Community Affairs, that Bill Number 11, An Ordinance to Amend the Dental Profession Ordinance be now read a second time.

Mr. Speaker: Proceed.

Bill Number 10: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member from Mayo, that Bill Number 10 entitled Firearms Administration Agreement Ordinance be now read a second time.

Mr. Speaker: It has been moved by the Honourable Minister of Tourism and Economic Development, seconded by the Honourable Member for Mayo that Bill Number 10 be now read a second time.

(Motion agreed to)

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

Mr. Speaker: Is the Honourable Member prepared to deal with item 3?

Hon. Mr. Graham: I am, Mr. Speaker.

Mr. Speaker: Proceed.

Bill Number 12: Second Reading

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member from Mayo, that Bill Number 12 entitled Firearms Administration Agreement Ordinance be now read a second time.

Mr. Speaker: It has been moved by the Honourable Member of Education, seconded by the Honourable Member for Mayo, that Bill Number 10 be now read a second time?

(Motion agreed to)

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

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

Hon. Mr. Tracey: I second that, Mr. Speaker.

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

(Motion agreed to)

(Mr. Speaker leaves the Chair)

COMMITTEE OF THE WHOLE

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

Hon. Mr. Pearson: Mr. Chairman, in anticipation of you calling a short recess, I would like to suggest that when we do come back to work, we ask Mr. Ferbey, our Pipeline Co-ordinator, to attend the Committee as a witness to facilitate discussion on the Northern Natural Gas Pipeline Agreement Ordinance, Bill Number 9.

Mr. Chairman: That will fine.

At this time, I shall call a short recess.

(Recess)

Mr. Chairman: I shall call Committee of the Whole to order. At this time, I would like to welcome Mr. John Ferbey, as a witness.

Hon. Mr. Pearson: Mr. Chairman, Mr. Ferbey has, by perusal of the transcripts of the Pipeline negotiations, made himself aware of the previous discussion during the past two days in respect to this Bill. I would respectfully suggest that possibly we could have him respond to that discussion and it may answer some of our questions and may raise others, but rather than us starting to ask him questions, possibly, if we gave him the opportunity to respond to the discussion that has gone on before, it might help expedite matters.

Hon. Mr. MacKay: Yes, I would like to thank the Government Leader for bringing forward Mr. Ferbey. I would, however, like to say a few words of caution before Mr. Ferbey speaks, so that he understands fully the point of view of this side of the House.

Essentially, I think, our arguments have been, at this point, the negotiations have reached a settlement or an agreement which we do not feel is satisfactory and we are now, I think, that I made it fairly clear in the debates on Thursday, saying that Mr. Ferbey is responsible for these deficiencies.

I do not want Mr. Ferbey to feel that he has to defend himself with respect to the agreement that has been reached.

I think that what we are saying is, and I would like to make this very clear that at this point, it appears that what is left to do on this agreement is becoming more and more of a political nature. It is something which requires political action rather than further detailed negotiations. The issues are getting quite well-defined now and what we are asking the Government to do is, rather than sign this agreement now, to take a step back for a minute and say it is politically unwise, at this time, to sign it because we can extract more concessions.

So, I want to say that that aspect of it is really the argument across the floor, and I do not want Mr. Ferbey to feel that he has to enter into a debate with respect to the political merits of our position vis-a-vis the other one and I am sure he will not. I am quite sure he will not. But I did not want to make Mr. Ferbey feel that he has been put in the middle of this. Certainly, any information he has with regard to current negotiations and proposed negotiations will be most useful to us.

Hon. Mr. Pearson: Mr. Chairman, as the Government, we feel that it is very, very important that in all matters that are brought to this House, policy questions are answered by the elected members. If Deputy Heads are brought here as witnesses, they are here as expert witnesses and are not expected to get into policy matters or political debates with us. I am confident that Mr. Ferbey, probably better than most, understands this and we would have to protect him should that arise.

Mr. Ferbey: Mr. Chairman, I think that I would like to start by just outlining what the basic purpose of the Canada/Yukon Agreement was.

Number one, it was to give effect of the non-discrimination provision of the Canada/USA Northern Pipeline Agreement, and this was particularly with reference to the non-discriminatory treatment with respect to taxes, fees or other monetary charges on either the pipeline or the throughput.

The second basic purpose of the agreement before us is to institute the Yukon Tax arrangement contained in the agreement and, thirdly, the agreement outlines the areas of cooperation and consultation between the two levels of government with respect to the project.

The Canada/Mexico Agreement of September, 1977 outlines the tax arrangement to the Yukon Territory. It outlines the direct costs which can be charged against the project by this government. It also specifies, in one of the sections, that indirect socio-economic charges cannot be made against pipeline other than utilizing some of the potential taxation revenue.

Our negotiations with respect to the agreement were based on the Canada/USA Agreement that you have been provided copies of, and also the Transit Pipeline Treaty. These were the parameters that we worked within. It was our understanding that, unless...
Canada and the United States were prepared to sign a protocol altering that agreement on our behalf, we would have to live within these bounds.

I looked at the amendments that have been proposed and I have no comment to make on Amendment Number 1. With respect to Amendment Number 2 which was a deletion of additional costs incurred by the Territory, determine whether Canada should assist the Territory in meeting these costs and substituting a Section 5(a).

Going back to the Canada/U.S. Agreement, some of the items contained in there, in our original discussions, were defined as indirect socio-economic costs and were outside of the parameters of what we could negotiate.

The matter of indirect socio-economic costs were pointed out by Mr. Pearson the other day and it is in Section 5 of item 5 of the agreement. The last amendment with respect to “Canada agrees that one-third of all taxes collected by the Territory...”, et cetera, there is presently, a proposed agreement with this Government with respect to a Heritage Fund, but it is an agreement that is quite separate and will have to be negotiated above and beyond the one here.

Certainly the Federal Government has accepted the principle of pipeline taxation being utilized to build up a Heritage Fund. I think that Mr. Pearson will agree with me that it was our intention to have the Yukon have a Heritage Fund., et cetera, at the fall session. We were not able to have it ready for this session.

I am prepared to answer any questions on what I have said.

Hon. Mr. MacKay: Thank you, Mr. Ferbey. I was aware of this section 9 that you referred to within that Bill. You said that you had to negotiate within the parameters of that section. Who said that you had to negotiate within the parameters of it?

Mr. Ferbey: It was a direction from the previous Executive Committee with respect to our negotiations and the legalities or the constitutionalities of what flexibility we had since the agreement was already signed, MacKay.

Hon. Mr. MacKay: What would be illegal or unconstitutional about asking the Federal Government to pay directly out of its funds, rather than charging back to the pipeline but directly out of its funds, for direct costs that we incur for the pipeline?

Mr. Ferbey: I see absolutely nothing wrong with that area of negotiation. Mr. Pearson has given us direction to look at cost recoveries for some of the areas outlined in amendments, with the Government of Canada over and above anything that we get from the proponent in the way of that $30,000,000 for roads.

Hon. Mr. MacKay: Could that kind of negotiation not proceed along side the kind of negotiation that you have had in respect to the non-discriminatory taxation of the Yukon has? Is there any reason why this agreement could not encompass that type of negotiation as well?

Mr. Ferbey: Simply that there was an undertaking on behalf of the three provinces at the time that this agreement was signed in which they undertook not to include any discriminatory forms of taxation, or to tax this particular pipeline at rates higher than existing pipelines in their jurisdiction.

I think that the problem with the Yukon is that we were not approached at that time. The assumption was made, perhaps, unfortunately, that the Yukon would fall in line and to negotiate direct cost-recovery paralleling this agreement, we had not looked at it that way. It makes some sense.

Hon. Mr. MacKay: So the instructions you had, Mr. Ferbey, from the previous Executive Committee did not contemplate your trying to negotiate, as part of this agreement, any recovery of the direct costs or indirect socio-economic costs that this Government may incur in the process of a having pipeline.

Hon. Mr. Pearson: Mr. Chairman, I want to make it clear that this agreement is one thing and the Government has looked at it as one thing quite separate and apart from negotiating an agreement with the Federal government in respect to other costs, because, Mr. Chairman, we have to deal directly with the Intergovernmental Committee, IGC, in respect to other costs. That is where the money will have to come from; that is who we have to have that agreement with.

One of the major objectives of this agreement, I think, is to get us into a position to be able to consult, to be able to be advised, of what is happening with respect to pipelines. We are not in that position yet. I would like to hear Mr. Ferbey’s comments with respect to where NPA is as long as this agreement is not signed, what NPA’s authority is in respect to the Yukon.

There has never been any suggestion that we not negotiate with the Federal Government with respect to other costs. This is strictly an enabling piece of legislation for the agreement that actually ratifies, I guess, the Canada/U.S. Agreement. We indicated that we are prepared to put forward further legislation with respect to tax recoveries for some of the areas outlined in amendments, with the Government of Canada over and above anything that we get from the proponent in the way of that $30,000,000 for roads.

Hon. Mr. MacKay: I think that my questions will have to be directed across the floor now. Would the Government not agree that, as the witness has said, the primary reasons for signing this Agreement is to permit the non-discriminatory taxation of the pipeline and to institute the Yukon tax regime that would be applicable to that pipeline. These are the first two major reasons for the agreement, is that correct?

Hon. Mr. Pearson: I am sorry, Mr. Chairman, I did not hear the second one.

Hon. Mr. MacKay: Institute the Yukon taxation regime that will cover the pipeline.

Hon. Mr. Pearson: Yes, that is very important.

Hon. Mr. MacKay: Would it not be fair to say that this is an agreement necessary to the Government of Canada, for them to fulfill their treaty obligations to the U.S. without having to bypass the Yukon Act?

Hon. Mr. Pearson: Now we are getting down to the nitty-gritty, Mr. Chairman. I question very much whether this agreement is necessary to Canada in any way, shape or form. I am now going back to what I said the first day that this thing was introduced. I, personally, am very convinced that the pipeline, in its final form, will go from here to the U.S. without one more iota of input from this Government, unless we get an agreement like this. They can go ahead and do whatever they wish without us. There are precedents for them doing that.

Hon. Mr. MacKay: I do not know if I am restricted to hypothetical things. We are on a hypothetical situation. What would be the Government’s reaction, if the Government of Canada proceeded to put through a pipeline here without the consent of the Territorial Government?

Hon. Mr. Pearson: Well, Mr. Speaker, I do not know, what our reaction would be, but what I would suggest is that this is the area that we have negotiated with them, they do not want to do it. They want to reach an agreement with us. It has been our feeling that it was beneficial for us to reach an agreement with them. This is the area. So it is a very, very hypothetical question. I do not know how I can answer it because, you know, I think that an agreement is a mandatory for us.

Hon. Mr. MacKay: I would respectfully suggest, Mr. Chairman, that if the Government of Canada were to put a pipeline through here without the proper consent of this Government, there would be a terrible outcry; there would be an uprising; there would be a demand for provincial status; there would be every kind of revolt. If the development that you could expect. I suspect that for that reason, and that is the main reason, that the Government of Canada wants that agreement, is that they want that agreement. They have asked us to enter into this agreement.

We have negotiated with them, they do not want to do it. They want to reach an agreement with us. It has been our feeling that it was beneficial for us to reach an agreement with them. This is the area. So it is a very, very hypothetical question. I do not know how I can answer it because, you know, I think that an agreement is a mandatory for us.

Hon. Mr. MacKay: I would respectfully suggest, Mr. Chairman, that if the Government of Canada were to put a pipeline through here without the proper consent of this Government, there would be a terrible outcry; there would be an uprising; there would be a demand for provincial status; there would be every kind of revolt. If the development that you could expect. I suspect that for that reason, and that is the main reason, that the Government of Canada wants that agreement, is that they want that agreement. They have asked us to enter into this agreement.

We have negotiated to tag on through the efforts of Mr. Ferbey, as he explained before, a section which says that they will consult and cooperate with us about the possibilities of paying direct costs. That is what we have managed to get out of the negotiations.

Does it not lead you to think, as we have negotiated quite hard to this point, that perhaps, there is a further mile or two to go before we sign it?

Hon. Mr. Pearson: Mr. Chairman, the Honourable Member keeps implying that this is the end-all. We have not suggested that, nor are we suggesting that. We are looking at negotiating other agreements. I am respectfully suggesting that we do not think that this is the proper agreement for all of the other things to go into. We are dealing with apples and oranges. This agreement specifically deals with the U.S./Canada Agreement. We will be entering into an agreement, hopefully, in respect to finances, and that agreement will have to be negotiated with the entire different part of the Government of Canada, specifically the IGC.

Hon. Mr. MacKay: I am touched by the faith which the Government Leader is showing in our Federal Government. It is almost as though, politically, they were so close that there was every assurance that we were going to get these things that you are going to negotiate later on. This is the problem, Mr. Chairman, when we get down to it. Sure we can get assurances from the existing Minister of Indian Affairs that the Heritage Fund is acceptable in principle.
We do not know who the next Minister of Indian Affairs is going to be. He might, God forbid, be a Conservative. We might not even get the Heritage Fund.

I am jesting somewhat on the thing, but the point is, that we are about to negotiate away just about the only card that we have to play in this pipeline game. I am thinking that it would be very prudent of this Government to even hold off until after the next election to ensure that having about to negotiate away the only card we have that the promise of a Heritage Fund will persist after a general election, just as it may exist before general election. A lot of things exist before an election but are not existing after the election, particularly in the area of political policy. I just think that it would be very prudent of this Government not to enter into this agreement until it is satisfied that the other agreements that the Government Leader has referred to, are real and have a substantive effect to them, that will guarantee a benefit to the Yukon from this pipeline.

Hon. Mr. Pearson: Mr. Chairman, I would like to ask Mr. Ferbey if he could answer a question for us and that is: if we delay, if we do not enter into this agreement now, is this going to have any monetary affect on us.

Mr. Ferbey: The current Bill suggests that the Government of the Yukon Territory can, in 1980, tax the pipeline to $5,000,000. We have looked at that particular section of the Act and the individual who is acting as a consultant with us on the taxation of the pipeline has suggested to us that whether there is or there is not any pipeline along the way, that under the agreement, YTG will be able to tax Foothills and be able to collect that tax money. Is that not correct Mr. Ferbey?

Mr. Ferbey: I think that is a potential, Mr. Pearson.

Hon. Mr. MacKay: The question the Government Leader put was rather open ended. He said if there was a delay, what would be the financial effect, if there was a delay of three months what would be the financial effect?

Hon. Mr. Pearson: I am suggesting that this House is in session now and we are seeking the approbation of the House to sign this agreement. I think that a more direct question than that would have to be put to the witness. The assumption is that we are going to be here three months from now to deal with this question again, and that is an unfair assumption to put on the witness.

Hon. Mr. MacKay: Well, I will ask the Government Leader, in view of the witness’ answer with respect to taxation in 1980, would there be any financial effect to this Territory in not negotiating this agreement at this time, providing it was done before January 1, 1980?

Hon. Mr. Pearson: I am not absolutely sure, but what it will do is set back the negotiations that are now in place and ongoing in respect to a Heritage Fund and the taxation. We are in the process of preparing legislation and papers in respect to these matters. The assumption has made that the existing Ordinances would be dealt with as it was meant to be dealt with as a ratification of that segment of the pipeline bills that are required.

Hon. Mr. MacKay: Mr. Chairman, I understand then, that the Government of Canada will not discuss these matters further, unless we sign that agreement. Is that the position we are back to again?

Mr. Ferbey: We are discussing them but the agreement before us is the sort of touchstone that has to be in place before we move with the other agreements.

Hon. Mr. MacKay: Could I ask Mr. Ferbey what he meant by “move with the other agreements”?

Mr. Ferbey: We have a proposed agreement from the Federal Government with respect to a Heritage Fund which we are currently working on, which certainly will have to come to this House for comment, ratification, whatever.

If we, in fact, do not sign that other agreement, perhaps, the Federal Government will alter their stance on Heritage Fund for example. They cannot alter the stance on taxation because it is included in the agreement. The other area which I forgot to mention earlier, and which could possibly create some problem for this Government is the Province of British Columbia has been most upset with the “benefits”, which the Government of Yukon has got through the agreement, mainly the $30,000,000 with respect to the highways, the tax regime outline, and British Columbia has felt that they were not anywhere near in the same position. I think that it is only fair that the three provinces have a clause in their agreements which we do not have to protect these special benefits we have. May I read it?

Hon. Mr. MacKay: To clarify, what are you reading from now?

Mr. Ferbey: The Alberta/Canada Agreement. It says: “Canada agrees that it will not enter into an agreement or other arrangement with any other province through which the pipeline passes that differs substantially from the terms of this Agreement or into any agreement or other arrangement with any such province that confers benefits or advantages related to the pipeline in excess of those conferred by this agreement or by any other agreement or arrangement between Canada and the province.” If we were to press the alterations which might result in a protocol to get the costs you were talking about involved, a province like British Columbia may also, pursue this and it might possibly adversely affect our benefits.

Hon. Mr. MacKay: Just to be clear on that, this is an agreement you quoted from between the Province of Alberta and the Government of Canada, and you are saying that if the Territory succeeded in negotiating a better deal than Alberta, that this may cause the Government of Canada to have difficulty, under that agreement you just quoted, with Alberta.

Mr. Ferbey: I was suggesting that the agreement between Canada and each of the three provinces, has this clause in it. Our agreement does not have this clause in it. It has given us the right to negotiate extras or to be recipients of additional benefits. I was suggesting that the other province that has a complaint about these additional benefits, British Columbia, will be able to say that their situation in northeastern British Columbia is comparable to our situation in the Yukon and that they should have had access to the taxation regime outlined for us in the agreement and also for the $30,000,000 Fund for projects they were at prior to pipeline construction. British Columbia is relatively upset about this. If a protocol was signed between Canada and the U.S. to alter the agreement, it would be my personal opinion, that British Columbia may also pursue additional kind of protocols.

Hon. Mr. MacKay: We are wandering around a bit. Referring to a couple of points that were made in there, first of all, that agreement is between the provinces and the Government of Canada. While we may have ambitions in that area, I do not think that we are a province and I am wondering if the access to taxation revenues that we have would not take us out of the league anyways. Whatever we get is a deal between us and the Federal Government, because they control us to a far, far greater extent than the provinces. Perhaps, this is another question for Mr. Ferbey.

Mr. Ferbey: Certainly, I think that there is far more control by the Federal Government over this Government than there is over the provinces, Mr. MacKay. I think that perhaps, that is one of the reasons that the project may proceed irrespective of what happens with the agreement with this one or two instances: for example, the appointment of the Yukon Advisory Council and the Terms of Reference. It suggests in there that it will be done in consultation with this Government and up to a point it was, but there was no notification given to this Government, either in the final terms of reference to the Yukon Advisory Council, or after it had been made public. We got it at the same time as the press release and some of the terms of reference which this Government wanted included, for very good reasons, were not included. Perhaps, if the agreement had been signed, we would have had a come-back on the Government to say: “You were not following the agreement.”

Hon. Mr. MacKay: The agreement only calls for consultation and cooperation. It does not call for Canada to agree to everything we ask of them.

Mr. Ferbey: No, it does not.

Hon. Mr. MacKay: I just want to go back to a point that was made earlier by Mr. Ferbey. He said that the Heritage Fund is under negotiation right now, and that if this agreement that we are presently looking at is not signed, Mr. Chairman, that the Federal Government could alter its stance. Could Mr. Ferbey tell us if the Federal Government could alter its stance on that proposed agreement if we sign this agreement that we have before us?

Hon. Mr. Pearson: Yes, Mr. Chairman, I think that they could because it is something that is being negotiated. It is a negotiable item at the present time. I think that having this agreement in place is going to help, because we are going to be in a position of being able to know what is happening.

Mr. Ferbey’s work has not been facilitated by the fact that nobody is required to tell him anything at the present time. This agreement, in fact, will require that he is told these things. We have been receiving an awful lot of cooperation but, Mr. Chairman, it is, at this time, strictly voluntary. Nobody has to do it.
Hon. Mr. MacKay: I certainly do not think that the implication is meant to be that we are passing this agreement for the administrative convenience of the Pipeline Development, are we?

Hon. Mr. Pearson: In one matter, Mr. Chairman, it is, because it says that Canada and the Territory consider it desirable to consult and cooperate with each other in facilitating the planning, construction and operation of the pipeline. So we would like very much to have this agreement with Canada so that we have to be consulted in respect of the planning, construction and operation of the pipeline, so that we are assured that we will be consulted irrespective of who may be elected and may not be elected in the next Federal Election.

Mr. Fleming: Yes, Mr. Chairman, I am just wondering, I do not think that in Section 7 of this agreement, in my point of view, that there is going to be no problem. That has been already negotiated with Canada and the States and in the main agreement. The direct taxing is there and what we will be able to charge for the pipeline, in both Subsection 7(1) and 7(2). I do not think that there is anything we can do about that situation.

Hon. Mr. MacDonald: I am suggesting is that the Northern Pipeline Agency people, who have spoken to the Northern Leaders, because of the fact that the Government Leader has just mentioned, in respect to jurisdictions to cooperate and consult and so forth, and then we go through (a), (b), (c), (d), all the way down and some of these, it is only a natural thing that we should deal with them both through the determination of the final route of the pipeline, the environmental questions and the federal monitoring, manpower and training requirements, all these things.

What concerns me is (d), “the socio-economic impact of the pipeline including concerns of the native and non-native people of the region directly affected by the construction,” and (h), “additional costs incurred by the Territory, to determine whether it is in the region directly affected by the construction,” and (h), “additional costs incurred by the Territory, to determine whether Canada should assist the Territory in meeting those costs.”

Then, those are the two that really concern me under this agreement, those two areas. I wonder if Mr. Ferbey could clarify for me, that if this agreement is signed, and I think the government has been saying this all along, that we will have the right yet, to get some other agreement to be the reason that the government would you say that possibly more so or less than what might be in the main agreement?

Mr. Ferbey: With respect to cost recoveries, it would be as Mr. Pearson suggested. It would be part of the intergovernmental committee on fiscal relations between the Territory and Canada which would have some authority on these things. But with this particular agreement, we may have additional support for our stand by having the Northern Pipeline Agency, which comes under Mr. MacEachen, in fact, supporting us when we are dealing in IGC through the Department of Indian and Northern Affairs.

It seems to me that, in fact, we will have an additional Federal department to work with and we can go to pressure to get these cost recoveries, Mr. Fleming. I do not think that, at the present time, there is any guarantee.

Mr. Byblow: Just to pursue that further, Mr. Chairman, the last time that Mr. Ferbey was here, a similar question was raised and you indicated, at that time, Mr. Ferbey, that there was some room perhaps, for negotiation in the section of S. (h) and you made reference that perhaps, the positions may not have been researched adequately, you were limited in staffing. I wonder if your feeling is that there still is room for guaranteeing these related costs to be negotiated specifically.

Mr. Ferbey: I think certainly, that there is a probability for that fiscal negotiation but it is in the form that we use on an on-going basis, through the Department of Indian and Northern Affairs. This is on behalf of the Northern Pipeline Agency under Mr. MacEachen rather than where we usually do our negotiating. All I am suggesting is that the Northern Pipeline Agency people, who will be on the other side, who will be able to negotiate additional costs incurred by the Territory, whether in socio-economic areas would, in fact, be in a position to say, yes, they have incurred these costs that they have not had previously, they had better be considered in the negotiations through IGC.

Hon. Mr. MacKay: I have two amendments that will be proposed in the event that I pass the first amendment and I would like to look at them slightly separately. It seems to me that IGC, Intergovernmental Committee, comes forward every year with a certain amount of money which we call a deficit grant, and in the event that we run into direct costs here resulting from the pipeline, the Committee would receive requests from this Government for additional funding. Their position, in that Committee would then be one of several, but they could say, “Well, we do not think that this is a direct cost, the fact that we have to provide more public housing in Faro, we do not think that that as a direct cost of the pipeline, so we will deny you that request.”

If we have to, in fact, raise additional money, it would have to come out of our own taxation base. The whole area of direct cost is pretty nebulous because it will boil down to whether or not this Government can make a case in the IGC for additional funds.

I might add that the first try that at that was a dismal failure in the sense that the capital projects that were requested to be accelerated and the pace of pipeline development have been turned down, it is not the best track record to operate on. At this point, it appears to have been turned down. There may be some further news on that but I believe that the Government Leader said last week, at the conclusion of the budget debate, that these capital expenditures would be moving to be made. Some of them, the timing with respect to the future negotiations on these costs, so what I am trying to do here, is say, while I realize the mechanisms are in place under IGC and it would be nice to have the NPA on our side going to IGC, that it is very possible that we would not receive any direct funding, or that there is no guarantee of it.

I am saying that that is a very serious problem. This Government has to face up to it. It should be facing up to it very quickly. I understand that they have current negotiations going along with this agreement with respect to that problem. I have not heard anything definite as to how they are going and I do not know if the Government Leader can indicate that to us, how these things are going, but I would like to hear that.

The second problem is that even supposing we do negotiate our direct costs, they may very well be looked at in an overall universal picture with respect to our total budget and may say well you are getting a special $10,000,000 here to cover direct costs, therefore you need $7,500,000 in your deficit grant this year so whip that out at the other end.

The direct costs are not as vital as the Heritage Fund and that is the only area where this Assembly and where this Government can guarantee a benefit to the Yukon because the other side of the direct costs can be debited and credited around so quickly that we were not sure what we could or could not get. The only way we can guarantee anything to the Yukon is through the Heritage Fund and I think that is probably the major point that we have to consider today and perhaps, not get hung up on the direct costs as much but the Heritage Fund is really what we have to address ourselves to.

I maintain my position; I have heard some veiled threats from the Federal Government that “If you do not sign this agreement, we are not going to give you any Heritage Fund,” that kind of talk, that if we do not sign this agreement, the NPA is going to put a pipeline through here anyway. If we do not sign this agreement, the Province of British Columbia is going to start complaining and take away some of the benefits that have by the way, and that really impresses me. The thing that would impress me very much is that if I knew how much we were going to get in a Heritage Trust Fund out of this because that is the only, to repeat, the only benefit that we can get out of it that will guarantee our coming out ahead on this.

The $30,000,000 of taxation revenue a year was a good number. It may, in fact, cover all our costs, but if it does not, it does not matter; it will cover existing costs we have not covered at this point. It is not going to give us an addition to our standard of living, to our way of life, to our overall taxation regime; it is not going to give us anything more because I think that the Lord will give in one hand and he will taketh away with the other by reducing our deficit grant.

I reiterate, the Heritage Fund is where it is at. I think that the Government of Canada needs this Pipeline Ordinance more than we do at this point. We need a Heritage Fund more than the Government of Canada does and it is time to make a deal and I think that the time is now or very quickly now and I cannot see why delaying this Ordinance for the six months that we had indicated it would take to reach a Heritage Fund agreement; I cannot see how delaying it that long is going to affect us one bit. It could only add strength. Mr. Ferbey’s has indicated that the experience we have been dealing with whatever government is in power on May 23rd.

Hon. Mr. Pearson: Mr. Chairman, if I could see any connection at all between this agreement and the Heritage Fund Agreement, I could accept everything that the Honourable Member has just said, but, Mr. Chairman, the fact remains, this agreement is dealing with an entirely different concept from that of the Heritage Fund.

Now, when we deal with the IGC, we are dealing in a fiscal framework, and we are negotiating, good, bad or indifferent, we negotiate. Sometimes we are negotiating from strength, some-
times from weakness, but the fact is we go there with our hand out and are usually in negotiating from weakness. The Federal Government makes darn sure that we do not have anything that they need, particularly when I am scheduled to go Ottawa within two weeks in respect to IGC negotiations.

The track record, as such, I do not think can be fairly adjudged yet. The ploy, and Mr. Chairman, I would suggest that is all it was, is a ploy, did get through a man who was turned down by Treasury Board or this is the information that we have. It was turned down and not really rejected. It has been sent back to the department for cleaning up. This is on the escalated capital funding. I have not personally, given up hope that that has been scrapped entirely.

Mr. Chairman, there have not been any threats, except for one very real one, whether we sign the agreement or not. The Federal Government, I do not think, really cares. They are going to build a pipeline, if that is the final decision, whether this agreement is in place or whether it is not in place.

Mr. Chairman, the Leader of the Opposition is saying that it would be beneficial for us not to sign the agreement. We are disagreeing with that and saying that we think that it would be beneficial for us to sign this agreement now, and get on with the future negotiations that we have to do with the Federal Government. It comes down to that simple point.

Mr. Chairman: If there is no further discussion, it has been moved by Mr. MacKay, that Bill Number 9 entitled A Northern Natural Gas Pipeline Agreement Ordinance, be amended in Clause 2 at page 1 by adding the following sub-clause: “the agreement made pursuant to subsection 1 shall be the Memorandum of Agreement tabled with this Ordinance, and this Memorandum of Agreement shall be appended to this Ordinance as Schedule A.”

Hon. Mr. MacKay: I would like to have a division.

Mr. Chairman: Division has been called. Madam Clerk would you take a vote, please?

The vote is four yeas and six nays.

(Amendment defeated)

Mr. Chairman: The preamble and the title, the Commissioner of the Yukon Territory, by and with the advice and consent of the Council of the said Territory, enacts as follows: The Northern Natural Gas Pipeline Agreement Ordinance. Shall the title and the preamble carry.

Some Members: Agreed.

Mr. Chairman: I declare the title and the preamble carried.

Hon. Mr. Pearson: Mr. Chairman, I move, seconded by the Honourable Member from Mayo, that Bill Number 9 be reported without amendment.

Mr. Chairman: It has been moved by Mr. Pearson that Bill Number 9 be reported without amendment.

(Motion agreed to)

Mr. Chairman: We shall continue on, this afternoon, to Bill Number 10, Firearms Administration Agreement Ordinance.

Hon. Mr. Pearson: Mr. Chairman, for the record, I think that we should thank Mr. Ferbey for attending with us and I would request that before we get into this legislation that we do have a short recess.

Mr. Chairman: At this time, I will call a short recess.

(Recess)

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

We will continue where we left off, before recess, with the Firearms Administration Agreement Ordinance.

(On Clause 1)

Mr. Chairman: I will now anticipate general debate.

Hon. Mr. Graham: Mr. Chairman, Firearms Administration Agreement Ordinance is an Ordinance which will enable the Commissioner of the Yukon to enter into an agreement with the Government of Canada providing for the following: the establishment of a Firearms Administration Program; and to enable the Yukon Government to collect compensation paid by the Government of Canada for the administration of such programs.

I think that we all must enter into this debate with the full realization that no matter how much we disagree with, and would like to change the Canadian gun laws, no amount of discussion here today will change one fact. Firearms control is a Canadian law, enacted by the Liberal Government of Canada and can be only changed by the Government of Canada. With this one fact in mind, I would like to open discussion on the Firearms Administration Agreement Ordinance.

This Ordinance, if passed, will not only allow the Government of Yukon to collect for costs actually incurred by the Government in the administration of the Firearms Acquisition Certificate and Firearms Ammunition Business Permits, but it will also give the Chief Territorial Firearms Officer, final say in the issuance of firearms licenses in the Territory.

This I feel is a step in the right direction, as currently the RCMP carry out all inspections of businesses within the Territory.

The police and courts are already carrying out, throughout Canada, the part which imposes criminal punishments upon people violating Canadian Gun Laws. The other portion of the laws could be looked at under two heads. The public, in order to possess a firearm, must have a license with certain certificates, which are available through the police. Retail businesses must also be licenced to supply guns and ammunition to the public. Currently, the RCMP are administering the certificates and retail licence provisions. We obtained, approximately, forty-five per cent of the cost of the RCMP under the Firearm Services Agreement. The Firearms Administration Agreement Ordinance provides a formula for recovering a portion of the police costs involved in administering gun laws in the Yukon at 100 per cent. In addition, we are able to recover most of the costs of the man year in our department for the position of a Gun Control Officer which is currently occupied by our Sheriff.

If we do not sign the agreement, the police will not be able to recover their costs, except under the Police Services Agreement as a cost-shared item. If this agreement is passed then the agreement will provide a method of recovering 100 per cent of the total cost, the Yukon costs involved in administering the Firearms Agreement.

I think that a detailed cost of the advantages and disadvantages of signing this agreement as opposed to allowing the RCMP to administer the agreement, as they have previously done, would show that it would cost the Territories, roughly, twenty to thirty thousand dollars extra a year to pay the police to administer the Firearms Administration Agreement Ordinance.

I think that it, also, should be pointed out, at this time, that should this Firearms Administration Agreement Ordinance be passed, we will also have control over licensing businesses. We will carry out all of the inspections which are currently being carried out and believe it costs us roughly fifty-five per cent of three quarters of a man-year. That is not recoverable under the present agreement. If this agreement is signed, all of our administration costs, plus the costs of a Gun Control Officer, plus the costs associated with administering the program by a firearms control officer, would all be borne virtually 100 per cent by Canada. I think that is very important at this stage of the game.

Thank you, Mr. Chairman.

Mr. Penikett: Thank you, Mr. Chairman. I do not want to delay passage of this piece of legislation because I do not think the agreement, itself, is probably of earth-shattering importance. However, I think that it is necessary that Members of this House put on record some of their concerns about the Federal legislation that led to this Ordinance being required.

I think, just to allow the fears of the Minister of Justice, I should make clear that it is not the case in this House of Commons was not conducted on entirely partisan lines. I think that it is a fact that, as a rule, urban Members of Parliament were largely in support of gun control, in whatever form. It is also a fact that rural Members, whatever their Party, from all across the country, were largely opposed.

I think that it is evident from an analysis that the Gallup polls on the question of gun control in Canada, that a very large percentage of people, in the big cities especially, were in support of gun control. It is also the case that rural Members in the House of Commons used that argument for saying that, “If you are bringing in this legislation, you should bring it in in such a way that it just deals with your big crime problem in the cities.”

Unfortunately, the scientific data did not bear out that argument very well, because some people decided to look into it and came up with some statistics which indicated that the murder rate and violent deaths resulting from firearms in rural Canada is far higher than it is in urban Canada. In fact, the problem with abuse of firearms tends to increase the smaller the community gets and that tended to be a pattern all across the country. What, I think, we are seeing here, is the formation of public opinion and the division of the population along urban/rural lines, but not so much on a question of detailed analysis of this Bill or the principle of gun control, itself, but much more on a question of lifestyle.
It is a fact of life in this country that people who live in rural communities, in per capita terms, make more use of firearms, tend to enjoy the pleasures of hunting much more than people in the cities and towns, less likely to see the perils that are associated with the per use of firearms than the residents of large urban centres who live with the fear and phobias of organized crime, murders in dark nightclubs, and other events with which we are less accustomed.

However, I think that no matter how individual Members of Parliament, at that time, felt about the principles of gun control, there were a number of us in this particular portion of the Committee, which will probably be shared by all Members of this House, at least I would suspect a large majority, and those were the, what I think, civil libertarian issues. Now, they are not within the power of this House to do anything about, but I think that there are a great number of people on both sides of the House who feel that this legislation is rationing, is talking about, offends against the civil liberties of Canadians. I am not talking about the right to bear arms, as it is understood under the American constitutional framework. I am talking about some of the search and seizure provisions, the wiretap provisions and so forth that were included under this legislation. The fact that, in regulation, any number of types of weapons could be added to the list and it is not inconceivable, at some point in the future, that weapons that are now considered everyday, ordinary tools for hunting or other kinds of recreational purposes, might someday be added to the list in a way that nobody ever knew and that suddenly people could find themselves criminals without ever being aware of it.

I want to make it clear, Mr. Chairman, that I do not make these remarks in any partisan sense because I believe that in a community like Yukon there is probably a fair degree of unanimity of opinion on this particular portion of the Committee of the House of Commons, particularly as it ended up in its final form.

I think that a lot of that had to do with the fact that the measure was brought in omnibus amendments to the criminal code and included several other things, too, with which people took issue.

I am going to sit down now, Mr. Chairman, but I just wanted to put my own feelings about this question and some, I think, explanations of the background of it, on record. I want to say, in that thing that I do have severe reservations about the principle of the federal legislation. At the same time, I do, as well, recognize some inevitability for this jurisdiction to be involved in the administration of this kind of law once it comes into effect. I shall probably be voting accordingly.

Mr. Bylow: Mr. Chairman, I, too, have some serious difficulty with this Bill. I cannot, in good conscience and fair representation, support really what the Bill is endorsing. In principle, if we accept the principle as being that of the Territory getting additional funds for administering a new federal law, then I have very little support really what the Bill is endorsing, in principle, if we accept for administering. That is what I have the real difficulty with.

As the Minister has pointed out, that is Bill C-51 and it is the law. And he is probably correct, that no amount of debate here, today, is going to change it, and I will be the first to admit that I am concerned, or I am wrestling with the blind acceptance of that law that we are tending to passively leave it on the books when all about us, there is a pleading for re-examination.

I can but suggest that, perhaps, the reason we are here might be in question, with this kind of blind endorsement. Like in the pipeline agreement debate just earlier, we are boxed into the position of signing a document that we are fundamentally in disagreement with, for whatever reason, because if we do not, the Feds are going to enforce it anyway whether we give that consent or not.

So, what do you do? Do you pull a "Mr. Boy" and amend the agreement to try and put some teeth into it for yourself, for the Territory or do you refuse to the endorsement. I suspect that neither of these will permit this House to change any federal law over which we have no direct control.

Some might question what federal law is so bad that we have to change it. I would simply respond that portions of Bill C-51 are highly questionable as good pieces of legislation. This then, Mr. Chairman, is my difficulty. To refuse to endorse, or minister a law, are we endorsing the principle of that law I have, as I said, no difficulty in approving funding for administration but I have the difficulty of allowing such funding to be appropriated for a law in question that I have been asked to do something about. I am not suggesting lawlessness. I do not think we are a law-abiding people; I somewhat doubt when laws operate properly, they function on behalf of us all and I would hardly promote, or ask anyone, to promote disrespect for law; pushing that a little further, disrespect for law precipitates anarchy and I daresay, no Member, at least on this side of the House, would suggest that we support anything chaotic.

Perhaps, I should just qualify some of my reservations. I might submit, but I would stand to be corrected, that, probably, everyone of us in here has reservations about the original Bill C-51. About a month ago, I was called to chair a public meeting in my own community on the very topic.

Mr. Chairman, I got a clear message there. I received a mandate, as it were, to pursue a lobby against the Federal Government to have the Bill re-examined, particularly with the purpose to gain some northern concessions.

There are some very fundamental erosions of privileges and freedoms that the previous speaker pointed out, civil liberties, and I am frightened with some of the abuses that are permitted in that bill, and even by the sweeping powers of Orders in Council under that bill. I do not intend to raise all of these abuses. I think that this will probably come out in the clause by clause study. As the previous speaker said, I think that we should go on record stating our reservations and our concerns, because we have an obligation there.

I submit that the concerns that have been raised all around us have to be addressed again, and no doubt, firearms legislation is going to be an issue in the coming Federal Election. Perhaps, on the strength of this, we might be wiser to wait for some direction from the electorate, before endorsing this. I note that the main memorandum attached to the bill is dated August 1977. In fact, the memorandum of agreement is already a year and a half old. So in light of difficulties that I have expressed, I would invite anybody to shed light on why we are endorsing without fundamental reservations about, something that has already waited a year and a half, and something about which, perhaps, we should be taking a different route to correct. Thank you.

Hon. Mr. Pearson: Mr. Chairman, I rise, at this time, feeling that I am in an awful conundrum. I am opposed to the legislation that has been passed by the Federal House; however, we are sponsoring the current bill in this House simply to save us some money, and absolutely nothing else. I want the Member opposite, who spoke last, to understand very clearly that we can not, nor are we here today to do so, debate the pros or cons of the legislation that has been passed in the Federal House. We are here to enter into an agreement. This is simply an enabling piece of legislation allowing the Commissioner to enter into an agreement. Now, Mr. Chairman, there is basically nothing wrong with the agreement, because it says that we are going to get paid for something that we are going to do. I do not think that it can be implied, nor should it be suggested, that we agree with that legislation.

Mr. Chairman, we have been fighting in this Territory for a lot of years to become part of Canada. It seems that the Federal Government will only allow us to be part of Canada when they want us to be part of Canada. I would have been much happier than I am today if the Federal Government said, "Well, there is the North West Territories and the Yukon Territory. They are not provinces in Canada. They are not equal with the rest of Canada, so we had better exempt them from this legislation."

I respectfully submit to suggest, Mr. Chairman, that that could have well been done. It is done with other federal legislation. It is a matter of why it was not done with this legislation. It is connected all of our problems. The previous legislation would have been in place. Those people who are required in the Territory, to carry firearms for the making of their living and so on and so forth, would not have been subjected to, yet, another set of government regulations, something. Mr. Chairman, that we are, also, very much opposed to.

But I do not think, that any of us, in discussing this, should lose sight of the fact that what we are really here to discuss is an enabling bill that will allow us to receive additional federal funding for a job that has to be done and is going to be done, and for which the Government will collect $300,000 hereabouts, to have that job done or we are going to be paying to have it done. It cuts both ways, Mr. Chairman. So I cannot see any logical reason for us not to support the Bill, to be, in fact, cutting off our nose to spite our face. None of us like it, I am sure no one on this side of the House is overly enthusiastic with the Bill. I am not a Product of Ottawa to try to persuade the Government to put in a special section in the Gun Control legislation before it went to the House of Commons; however, as it is in the past with Indian people and Ottawa, it was just one of those instances where they went ahead and legislated
legislation that they imposed on native people, not only in Yukon but across Canada. The Gun Control legislation of Canada reminds me of the situation in that area. The Yukon whereby regulations are made by Ottawa and we have to put up with the programs and we pay for the programs and have no input into the regulations of those programs. The federal legislation of Canada does not make any provisions to satisfy the needs of Indian people. It is a situation which is, not in Ottawa, not a politician, meeting the needs of the people, not only on a regional level but on a level such as in Old Crow where legislation like this is not needed.

I fail to understand how people in Ottawa could do all the people in Old Crow carrying around their rifle cabinets with chains and locks on them. It is not normal, nor is it logical for the native people in Old Crow to do that. I am concerned with the whole situation because I was involved with the legislation back in 1976 in Ottawa, on a consultative level. I feel that because I did that I should now oppose this ordinance in the future. We also, should make certain that the administrator for the Yukon Territorial Government should take into consideration putting native people on staff under this ordinance. If we are going to get money from the federal government to implement this ordinance, then I feel that the majority of people who use the rifle for subsistence, and not for sports hunting, should have direct input into the implementation of this ordinance by way of administration. Those are my views on the Firearms Administration Agreement Ordinance, Mr. Chairman.

Mr. Falle: Mr. Chairman, I do not have too much to say about this Ordinance at passing, but the Bill itself, in my opinion, is just poor legislation. We have been informed by our House Leader that that is not the problem. Well, the legislation itself, to my way of thinking, was to protect the people from criminals or crackpots. This gun law we have does not bother the criminals one bit. If you are a criminal and inclined, you are not going to stop you from getting a firearm. The only people that it is going to stop, and hinder, or bother, is the ordinary Joe who is on the street. I think that it is very poor legislation in many ways. It affects Civil Rights. This year, according to that Bill, on September 9th, the R.C.M.P., or any law officer can, at their own discretion, search you with only a, “thank you, goodbye.” That is just one little aspect of it. Another one, the main thing, I think that it has the potential of making honest people into criminals. If you call that good legislation, somebody has a problem. It has far-reaching powers, as Mr. Penkett mentioned. In respect to the Orders in Council, we do not know what they are going to come up with. I think that it infringes on the civil rights of every man, woman and child. Personally, I would have liked to put an amendment forth to ask Ottawa to exempt us from this dumb law. But I do not think that we, on this side of the House, can say too much about their law because we have, obviously, had no input into it.

I am not happy with it, and I am certainly not proud to be a part of it in any way. The arrogance of the Liberal Government stuffing this stuff down our throat, without consultation, gets me upset. But here we are, part of Canada, but not real Canadians. I do not like this Bill.

Mr. Fleming: Yes, Mr. Chairman. Just a few comments in the area of the ordinance itself, and in the principle of the ordinance, I think that I sympathize with the government. We have a shotgun at our head and whether or not we move, we are going to pull the trigger, so we must accept that. I will even go so far as to say that even though I was against the original Bill, at every opportunity where I had a chance, I see that the Administration Agreement Ordinance here, being something that I guess we have to go along with, I think that it has already been said that the Government of Canada has agreed to have a program with the experts in administering their laws in this Territory, but I do have a concern in the future, very much so, because every bill of this type, where the Government of Canada is going to pay the expenses of this government, is fine, but, a bill of this nature does not only go as far as government when it comes to expenditure. Maybe we just do not see the little pictures here and there where that expense will occur, but down the line, there are those, the dealers of ammunition, the dealers of guns, and the people who buy the guns, who, in the long run, will be affected by that Bill and this Ordinance. There is a difference that the weapons in this Territory, anything will go up, somehow pay some expense to some store owner or supplier of these types of things. I have no problem with the fact that in the cities they need the Bill, possibly, and in any way they can, to some American, it is a way of life. I do not want it to do, because as a Member across has said, it may be just creating more problems in that area. They are trying to solve something in the big cities, and what has happened is that we are getting a portion of it drifting off on us up here.

I would be amiss if I stood up here and really thought for a moment that the constituents, especially in my area, and many other areas in the Yukon, were representing this type of Bill passing in the House of Commons. Hopefully, they will understand why I am not really going to vote against the Administration Agreement Ordinance here, because as I say, we have to accept the little bit that has been handed to us.

I am wondering if, somewhere along the line, this is not going to go farther than it does here, today. We now control the automatic weapon has been so far, but how does that start to make regulations towards the Firearms Administration Agreement Ordinance, and how far is it, of course, before the Federal Government decides to go farther. Hopefully, we will not go any farther in any way until such time as they do not have the power in this Territory. I know that we are going to have it. What do you do with it? I would like to vote against it if it would help the people in this Territory.

It will not help them. We are stuck with it. I can see it costing private enterprise money, and the poor people money, and in this Territory, the gun has been something that has been a livelihood for so many people, and I do not think it can be said, anywhere, that we have every had a problem with automatic firearms and with machine guns, and so forth, in the Yukon Territory, and probably would not have for many, many years to come. I do not think that the Bill was really needed here. It is just the same old story again, what we have with some law that we can get.

Hon. Mr. Lang: Mr. Chairman, I just want to rise to make a few comments in respect to what the previous speaker said. He must fully understand that when he discusses regulations in respect to the Federal Bill, those are Federal regulations. They are not regulations made by the Government of the Yukon Territory. Nor can we make regulations.

I think that there are two things being confused here, and I refer back to the Honourable Member from Faro. All we are being asked to discuss here is the principle of collecting money from the Government of Canada. The principle of the Federal control bill is Federal legislation. The Federal legislation is passed, and this Bill, here, is an enabling piece of legislation to provide money that we can collect from the Government of Canada.

My own personal opinion, and I make it very clear, I do not agree at all with the concept of gun control. I do not think, as the Honourable Member from Campbell outlined, that it is going to help the situation. If Canada was to have gun control it should have been implemented 100 years ago, not in 1978-79. I, personally, feel it is an infringement upon my freedom as an individual, but that is something that you have to address to your Member of Parliament.

The point here is, and I think that there is a major point that has to be looked at, if we do not pass this Bill, you are in a situation where the Territorial Government has no control at all, in respect to this particular Federal piece of legislation. It is all subjected to that. The Canadian Government, for the way I understand it, under the principle of the Federal gun control Bill, was to allow a check and balance in the system, where a local, provincial or territorial body had a say in how this program was administered, as opposed to the national RCMP. I understand that was one of the basis of the legislation being included in the Federal Act. I just want to go further to say, Mr. Chairman, we have to represent the people of the Territory. I believe that if we pass this Bill it will cost us less than it would if we have to pay the Royal Canadian Mounted Police to administer it. So, in other words, we are talking about taxpayers’ dollars.

So, that is the principle you have to look at, whether the RCMP is going to administer the program, or is it going to go through the Territorial Government, where it is going to cost us less money, because, indirectly, it will cost us more money going through the Federal agreement with the RCMP in respect to our costs for the administration of the program. So, that is the basic question that has to be put here, today. I do not think any member in this House agrees with the basic philosophy of the federal legislation. I may be speaking out of turn, as I see one Honourable Member looking at me wondering if I am speaking for some tame, but I personally, would like to see the whole concept of the gun control revoked, the Federal legislation, but we have not the authority to do that. You will have to talk to your Member of Parliament.

Mrs. McCall: I disagree with Mr. Lang. I do not think it is an infringement on our rights. I think there is too much emphasis on rights and not enough on responsibility. I think the right to bear arms is a responsibility. I believe I think there are figures to back me up, in rural areas, where there is more access to guns, there is also more shooting and more people killed.

I agree with this.
Mr. Penikett: If I could just make a couple of points in response to Mr. Lang, he has done us the honour of explaining the obvious to us again and I appreciate that. I do want to caution him about one point that he is making, and that is the notion that somehow we should automatically approve some process which saves us money because of some federal arrangement, or what may amount to a gift of Federal money.

It seems to me if the Federal Government were to introduce some measure which would enable the Territory to apply a tax to pimps, prostitutes, or heroin peddlers, and somehow sanction their activities, it seemed to me that we might have some quite proper reservations about whether we wanted to collect money from such sources. I understand the argument that is being made in this case, but as a principle go question, I have a lot of problems with it. There may be times when we decide we do not want to participate in some program, we do not want to receive money from it, for reasons.

I understand the principle the Member is talking about, I do want to caution him on that point, and on this one other. We are talking about saving money, there may be cases, and I am sure there are lots of them within the Territorial end of it, I can think of a number of ordinances which are not enforced, which are not regulated and not inspected. There is another way of saving money too, and that is to just not administer it at all.

Now, I understand that we are not being given those kinds of options in this particular case, but I do want to caution the Honourable Member from Porter Creek East, the Minister of Municipal and Community Affairs, that I hope what he was saying just now, was not a general principle that he would want to apply to every case because if it was then I would want to express my profound disagreement.

Hon. Mr. Lang: I just wanted to reply to the Honourable Member. What I am saying is the program is going to be administered in any case so there is no choice.

Hon. Mr. Tracey: Mr. Chairman, I think most of us, when we looked at this Bill when it first came to the Executive Committee, we were very much against it. I think every Member here knows that, and it was a fundamental principle that the reason why we were against it, because we do not believe in gun laws.

A few years ago the Liberal Government forced on us the use of our Social Insurance number and now they are forcing on us the use of our Social Insurance number to register our guns. The next step I suppose would be a police state where they come along and say, "Well, we will take your guns away and we will know exactly where every one is." So we have got a law here now that a lot of people are disobeying, they are not going to register their guns because they are afraid of something like this happening.

However, we recognize that this is going to be forced on us regardless of what we do and like I said, it was a very tough decision to take to go ahead with this but we have done so because we think it is in the benefit of the people of Yukon.

Mr. Fleming: Yes, Mr. Chairman, I think my question has been pretty well clarified. I was going to ask just where we would stand if we did not go along with the Bill but it has been clarified. I think it is almost a must. I cannot agree with it but I think my question has been answered. I cannot get anything better than that.

Mr. Penikett: Mr. Chairman, I would like to move, seconded by the Honourable Member from Porter Creek East, that the Honourable Leader of the Opposition do now address the Bill.

Hon. Mr. Mackay: Thank you, Mr. Chairman, and thank you for the invitation. I have actually been enjoying myself so much. Mr. Chairman, listening to the Government squirming just like a worm caught in a hook, wriggling and squirming but they cannot get off the hook. And that is the reason that they have to pass this Bill.

The electioneering is kind of funny too because we are being told that the Liberal Government is stuffing it down our throat; we are going to talk to our MP about this. I think you should talk to your MP about it, ask him how he voted on it. He did not even turn up for the vote.

So I suggest, if you are really feeling that strongly about it, you better talk to your MP and tell him to at least turn up for the vote.

As my friend from Whitehorse West has indicated, in a very non-partisan approach to the thing, there is a deep division in the country in this; it crosses the rural-versus-urban way of life and I suggest you that this may indeed be occurring within Whitehorse versus the rural areas of Yukon, we can get as many arguments for as against.

One argument for in the Yukon might be that we have the highest murder rate from gun-shooting in Canada. That may very well be. In fact, if you go to any community in the Yukon, the one with the highest rate of murder by guns is Old Crow. So, in fact, there are some reasons that one should be thinking about gun control rather than just saying that it restricts the right to bear arms, which is an American concept and which is also a frontier concept. It is a concept which goes along with a country which is opening up and entering frontier areas and the people entering that area need guns for self-protection. The Yukon is one of the last frontiers, we all agree, therefore, it is very difficult for us to take away that last remnant, perhaps, of a bygone era where a guy would go out and he would survive by the use of his gun. There are a number of people who still do just that and I suggest to you that under the gun control legislation, they will be able to continue to do that. I do not think that they are going to lose the right to go out and hunt. They are still going to be able to go out and hunt.

I do have some reservations about the civil libertarian aspects of it but, in principle, the thought of gun control is good. I do not have a gun myself, I do not feel I need a gun myself as I can go down to the grocery store and get my subsistence rations; I do not have to go out in the bush and do it because I choose to do it that way and the vast majority of Canadians choose to do it that way, too. As long as there is a democracy and you are talking about the majority ruling, that is what is going to happen. We happen to be in a minority area in this part of the world; we are still rubbing shoulders with the bushman, the guy who goes out and hunts for a living. I sympathize with their predicament but they have to recognize that the rest of Canada has a huge problem that they are trying to solve.

I hope that satisfies the Member from Porter Creek East and the Member from Whitehorse West and we can proceed with the campaigning.

(Motion agreed to)

Mr. Chairman: The title and the preamble carry?

Some Members: Agreed.

Mr. Chairman: I declare the title and the preamble carried.

Hon. Mr. Graham: Mr. Chairman, I move that you report Bill Number 10 entitled Firearms Administration Agreement Ordinance without amendment to the Assembly.

Mr. Chairman: It has been moved by Mr. Graham that Bill Number 10, Firearms Administration Agreement Ordinance be reported without amendment.

(Recess)

Mr. Chairman: At this time I will recess till 7:30 p.m. this evening.

The following Sessional Paper was tabled on April 2, 1979:

79-2-23

Lease Agreement between McNevin Construction Ltd. and the Commissioner of Yukon

The following Legislative Returns were tabled on April 2, 1979:

79-2-13

Federal Estimates of Unemployment Rate in Yukon

79-2-12

Enforcement of Compulsory Auto Insurance