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Monday, October 22, 1979 — 7:30 p.m.

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Speaker: The Honourable Donald Taylor

Yukon Legislative Assembly

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DEPUTY SPEAKER — Geoffrey Lattin, MLA, Whitehorse North Centre

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Monday, October 22, 1978 — 7:30 p.m.

Whitehorse, Yukon

Mr. Chairman: At this time, I will call Committee to order.

I would like to say that we have as a witness, Mr. Campbell.

Before supper we had concluded Clause 9. This evening we will continue on to Clause 10.

On Clause 10(1)

Mr. Fleming: I take it from reading that that it is a little different than it used to be in, for instance, hooking up a large propane tank to a business or somewhere. In the future, if I am not mistaken, or I was breaking the law at the time, I do not know, but I did and I think you could get the proper people to put in the fittings and so forth and then the inspector would come out and inspect and see if you were allowed to open up your business.

In this case, I am presuming now, that you will do this in the same line as you would a building permit. You will first have to get the permit before you can ever touch anything to put it in, and most likely pay for that permit, I presume, or whatever type of thing they have and then do it and then, after that, get the inspector.

Hon. Mr. Lang: That is generally the direction, Mr. Chairman. I have a question from a practical point of view. I would like to welcome the Honourable Member, the Leader of the Official Opposition, here and in respect to this Ordinance, the technical side of it, we are trying to go through it and have been through it a few times. I still have questions as I go through it because it is such a technical piece of legislation, but the practical side of it, Mr. Chairman, and I will direct this to the witness, if I could, if I had a compressor and I am out in the field and, for example, I am pile driving or whatever, and we have some problems, and, say for example, we need a fitting and you go through an organization such as Hoover for one or two serious but minor fittings for the lines and this type of thing. Under this particular section would it necessitate getting approval through the Department?

Mr. Campbell: Perhaps in answer to that question, the intent of the Ordinance is to deal more specifically with larger installations. I think if a person is operating in the backwoods, it is difficult at times to get the proper fittings, but the normal procedure in manufacturing pressure vessels and the fittings attached to these vessels are made to the designed pressures and temperatures of the specific vessel. So, if you were to change a fitting, if it is a high pressure fitting, it is normally stamped during the manufacture; therefore, when you replace that fitting, it should be a fitting that is safe to use with the pressures and temperatures that you are operating the vessel at.

Hon. Mr. Lang: Mr. Chairman, following it through though, under the technical side of the legislation, under the letter of the law, you would have to go through the chief boiler inspector.

You have raised the point, Mr. Chairman, that the fitting would have to go through a company and have the necessary approvals and everything else. I am just wondering under this section if we should not be putting the onus for the company that is distributing this kind of thing to inform the department that these things are being sold for whoever so that once you do your annual inspection you can review it as opposed to an individual having to go through the paperwork and the bureaucracy that necessitates the paperwork and everything else that in the short building season, an individual really does not have time. I am just curious if that is an avenue that is open to that kind of thing.

I can understand from the bigger operations, and I think that this is a problem that we are all having as laymen, to try to separate the smaller operator from the major operator, which is more or less the accepted practice when these things are done. I am just wondering if it is manufactured and approved maybe we could be putting the onus on the individual to do it properly, to wait for an annual inspection rather than going through the necessary paperwork and all this kind of thing which appear to have to be done under this legislation or at least this section.

Mr. Campbell: I think this kind of thing is happening already. I think that there are some areas where, in fact, they do mention the larger plants. I think that the Ordinance goes more in that direction but there are cases now, in fact, within Canada where we have everything CSA approved, the Canadian Standards, whether it be any kind of equipment that you may buy in the store. I think that some of the smaller operators that buy fittings, et cetera, that if, in fact, some of them are not going through the boiler branch. There is also another set-up where, in fact, there is a CSA standard that they are manufactured under.

Hon. Mr. Lang: I think, Mr. Chairman, just following it through that, for example coupling, my understanding of the definition of pipefitting, a coupling would come under. Is that not correct?

Now following that, under this legislation, a straight letter of the law, I would have to have approval through the boiler pressures department under this section. Or am I misconstruing it?

Mr. Campbell: Yes, I think the intent of the requirements there is if in fact you have a large boiler or pressure vessel approved and designed to operate at high pressures and temperatures, then all fittings in that system are attached to that vessel or boiler require it to be at a standard that meets this requirements.

Mr. Fleming: I think we got it started off on the wrong track. This section 10(1)(2)(3) all apply to someone who intends to construct and use in the Yukon. That is what starts this and that is what this whole section covers, if he is going to use and construct that certain piece of material. As we go down the line, if you will bear with me, you go down to 12 and then I will be asking you questions that are really pertinent to what we are speaking about now actually.

Mr. MacKay: Just to follow up, perhaps in the part the Minister is making. It seems to me that if you are buying any kind of fittings, that you would go to the supplier and say, "Supply me with the fitting that does this particular job". I am wondering then if the onus is on the person that is ordering the piece to comply with the specifications or is the onus on the buyer to buy what was asked for.

Hon. Mr. Lang: Mr. Chairman, just following through with what has been said, I think that, perhaps, I did get off track. The administration of it does concern me. Every time you go through it, you seem to have more questions. As was said earlier, this particular section is for the manufacturing of this type of thing; therefore, it would not apply to the situation I was referring to, and you elaborated on further.

Perhaps when we get further into the Ordinance, we can have a look at that aspect of it, because I think that is our major concern, how is it followed through administratively, in respect to the individual who is working with it, and with the Departmental officials.

Clause 10(1) agreed to

On Clause 10(2)

Clause 10(2) agreed to

On Clause 10(3)

Mr. Falle: Again, we get into this construction area. Just for a typical example, on an air compressor, if someone wanted to construct a header, that is just a few pipes joined together to have some more outlets for some more air tracks, or whatever, he is actually constructing this header. The general method is to use a piece of six-inch pipe. That would be illegal. It is the same thing. I guess we go back to the compressor question we talked about before.

Hon. Mr. Lang: It goes back to the basic minimums again, but at the same time, in respect to the situation you have indicated, air tracks and that type of thing, obviously they are going to have to get the necessary, approved fittings, and that type of thing.

Going back to this particular section, we are talking about construction and manufacturing. If it ever does happen in Yukon, there is a piece of legislation that would be in place and would at least give some direction, to the Department and the individuals involved, as to what is expected. It could well be that when that time comes, two, three, five or ten years down the road, perhaps it will have to be updated. At least there is some legislation in place to

give some direction.

Clause 10(3) agreed to

On Clause 11

Mr. Tracey: Mr. Chairman, I would like to know how any layman such as myself is supposed to know whether a fitting is approved or whether it is not? Is it supposed to have a stamp on it or how is it designated?

Hon. Mr. Lang: This goes back to section 3 in respect to the minimums, and we are trying to find that fine line where we are not interfering with people but at the same time taking into account public safety. The way you would know that it was approved is by going to the chief inspector for the approval of that particular fitting or whatever had to be installed on your machine.

Mr. Tracey: Mr. Chairman, do you not think it would be much better if there was some method for a layman such as myself to know whether this is approved or not? Why should I, every time I want to go and buy a fitting for a piece of air line or a piece of water line or whatever, have to go to the chief inspector to find out whether it is approved or not? I think there should be a CSA stamp on it and if it is on it then it is approved.

Hon. Mr. Lang: Mr. Chairman, it is my understanding this is consistent across Canada. We are talking about fittings and to my understanding, and I am not that familiar with it, I will have to ask the technical expertise of the witness, but fittings of this kind for something major, whether it be a large compressor or when we get into compressor plants and this kind of thing, as he has indicated, the way I understand it, they go through very much of a screening process in order to have that stamp of approval which is the CSA which I understand, Canadian Standards Association approval.

At the same time, through that screening process, there is a possibility, and it has happened, where you can get fittings and this type of thing through that are approved but at the same time when it actually gets on the job there is some defect to the fitting. This can happen, and this is the reason for the individual if they are bringing in a new, but more important, a used fitting because of the stress and the strain that is put on some of this type of construction, to ensure that somebody that knows what they are doing can look at it and say, "Look, you are all right. It is going to be safe." Is that not correct Mr. Campbell?

Mr. Campbell: Yes, Mr. Chairman, that is basically correct. The fittings, when you get into power plants, boilers and pressure vessels are stamped with the pressures that they can be used for. Some of the piping that is used in plants is not stamped and it must be recognized by people who have expertise in dealing with these types of pipes. I would say that the majority of fittings used in power plants are stamped, and they go through this screening process, are designed and approved usually in the province where they are manufactured.

Mr. Fleming: I was just wondering why they are tying the onus right down on a person who brings something into the Yukon and I am wondering why they do not tie the onus on him if he brings it into the Yukon and uses it.

I suppose it just there for the protection and as Mr. Campbell has said, in case of a piece of pipe or a valve or a check lab or something like that comes into the country, that has normally not been here before and is not stamped because it came from some different jurisdiction than ours where it might not be necessary to have it, even from the States or somewhere else, then, of course, this would come into effect.

I do not know why they put the onus on a person who brings it into the Yukon. You know, you can bring almost anything into the Yukon, maybe you are not necessarily going to use it, I do not know why they keep harping on a person who brings something in. I just cannot get why that is so emphatic.

Hon. Mr. Lang: Mr. Chairman, I think there are two aspects that you are looking at. Number one, if somebody is dealing with it, dealing as a part of their business, for example.

On the other hand you have the situation where the small business man is involved, for example, in bridge building and this type of thing. The whole Ordinance is designed for the safety of the individual and the safety of the public and to ensure that the department knows exactly, or at least has an idea of what is taking place, where these boilers and things of this nature are so that they are keeping a running tab on it, because in this stage of technology under a situation, unless it is done properly, you could have some real major problems.

Clause 11 agreed to

On Clause 12(1)

Mr. Fleming: Yes, Mr. Chairman, here is where I would like to ask

a question. "Any person who brings into the Yukon a new or used fitting which has not been approved or registered in accordance with this Ordinance or any regulation made under this Ordinance shall apply to the chief inspector for approval and registration of the fitting."

I look back to the words "used fittings" Sorry, we passed 11(1). It is almost the same thing.

"Or using a fitting", now am I to understand by this that a person who has a problem, for instance, with a steam boiler or an air compressor on the job somewhere and a valve goes for "kerglin-ketty" on him, which happens many times, he must go first to the inspector, wherever he may be, a hundred miles away or somewhere, to replace that fitting, because that is exactly what it says, if it gets down to that and that is wrong then I would have to disapprove very strongly.

It does say here that using a fitting that is approved and registered, he shall apply to the chief inspector if he is going to change it. I just cannot see him going that far because that would be almost an impossibility. For one thing it might be an emergency and he would have to change it.

Mr. Hanson: We are all getting carried away by a subject we do not know too much about really. We have heard talk about compressors and boilers. We are getting confused. I think that is what the whole problem is. Really, if anyone has worked around a compressor like a new garage, if you had a compressor there, you could only buy the fittings for it. You could buy one hundred and fifty feet of air hose to go to it but with a quick release catch at both ends. It is approved or it would not be sold.

I think most of it, a header underground, I have worked seventeen years underground. Your fittings are all there for it. New and used is something on a piece of paper. If you put a fitting on there that leaks, you are not going to stand in that spot and let it leak because you know it is going to blow up in your face so you put a new fitting in. A black fitting means it is good for air and it is good for water under pressure but mainly this whole paper is concerned with boiler and pressure vessels.

Now on an air line, you do not have that problem. I think, with a boiler, you are not going to put a second-hand bunch of stuff on the boiler when it can blow up in your face or cause a lot of damage. What the Ordinance says, it must be an approved fitting. It must be inspected. Once a year at least a boiler inspector comes and inspects your boiler. He sees that if something is wrong with it; the tubes have to be fixed, whatever and he will do it. I think that this has drawn into something that is not really meant in the Ordinance. We are going to waste a lot of time on it.

Mr. Fleming: I thank the Honourable Member for his enlightening speeches, however, it does say that it is proven that he shall apply to the chief inspector for it. Possibly this Ordinance is like Mr. O'Donoghue would say, it does not say what it says at all in some instances.

I can understand this, he shall apply to the chief inspector for approval and registration of the change. Take it from there, he can make the change. I am not speaking of air compressors, I am speaking of dangerous equipment, where you have to change it often. I would presume he would be able to do it and then apply for the change. I would hope so in all fairness, we do not want to pass something where someone is going to get into trouble for just doing a job that he has to do.

Mr. Falle: I do not know, I would have to agree with my Honourable colleague, Swede. It still says "fittings". I can see the basic design of a compressor, of a boiler or any high pressure vessel. I can see the necessity of anybody tampering with the relief valves, the basic construction and the safety apparatus that was built in that equipment.

I can accept the legislation for that but I cannot accept the legislation for running a pipe from point A to point B when that comes into fittings, auxiliary fittings, or whatever you want to call it, this is where it can get very touchy. That is what it says, it may not mean but that is what it says.

Hon. Mr. Lang: I think that one of the areas in which we are having problems is where you go for approval on this kind of thing, how you go about it. Nine times out of ten, an individual who is involved, and I go once again to the small businesses, is probably going to be aware that there is an Ordinance, but he is not going to really be aware of what is in it.

On the other hand, you have the major companies that are working with it every day, and recognize that the law is in place, and recognize what has to be done. I think this is the problem we are having with it. I wonder, because it is a very broad statement, "shall commence construction or use of the fitting in accordance with the change until the change is approved and registered," if

you will get the situation where things have to be done, and they have to be done now, so the project does not stop. It may be a major construction job. Or for that matter, as my Honourable colleague from Mayo reiterated, in the mining fraternity, things have to continue. This is a part of the situation. With this Section, would it not cause the project to stop with the broadness with which it is written. Or is this consistent throughout Canada, a section of this kind?

Mr. Campbell: I think this is pretty well uniform across Canada, personally, but I think the intent of this particular clause is not, in fact, intended to stop you from changing a valve, if you have a valve that is leaking on a boiler or a pressure vessel. It is not intended to stop you from changing that particular valve. What it is trying to do is control the alteration of construction that has been registered and designed to a safe standard. I think that that is the intent of this Clause.

Mr. Fleming: That is the impression I get through this whole thing, "that was the intent." However, as you go down the Subsections in Clause 12, it gets worse. If you go down to the bottom, which I will not read you now, we will be at it in a moment, you will see again the same thing, only, it is worse than it was in (1). It really does say differently there.

Hon. Mr. Lang: I would like the opportunity to set this Section aside, if we could. I will get a legal opinion on it.

Clause 12 stood over

On Clause 13(1)

Clause 13(1) agreed to

On Clause 13(2)

Hon. Mr. Lang: I would ask that Clause 13(2) be stood aside. It is similar to the Section we are going to review earlier in the Ordinance.

Clause 13(2) stood over

Clause 13(3) agreed to

On Clause 13(4)

Clause 13(4) agreed to

On Clause 14

Mr. Tracey: Mr. Chairman, I would like to ask just one short question. Does this mean that, for example we have been going around and around about air compressors, if they come into the Yukon, are they going to have a government number stamped on them when they are purchased?

Mr. Campbell: No, they will not. They will not have a Government number on them until they are registered.

Mr. Tracey: Does this also mean that under these circumstances that every time that I go to a wholesale supplier or whatnot and buy a piece of equipment that I have also got to go to the Government and get a registered number on it?

Mr. Campbell: As it was spelled out earlier, all boilers and pressure vessels are to be registered and when they are registered they have a government number. You inspect the boiler, you do your inspection, you approve that setup and you issue a government number and a registration certificate for that boiler or pressure vessel to operate safely within the Yukon.

Mr. Tracey: Mr. Chairman, take for example that I am building a new building and I am putting in a boiler. For this boiler I have a hot water storage tank that exceeds the size that is free and clear. I have to have a number on it. Does this mean that if I go to, say Bartle and Gibson, and I pick up a hot water storage tank that exceeds this 611 millimetres or whatever it is, that I have to at that time go to the Territorial Government, get a number stamped on my hot water tank, or does Bartle and Gibson have the number stamped on it before I buy it?

Hon. Mr. Lang: Mr. Chairman, the answer is no. The Department is concerned about when that particular boiler is set up and how it is set up and utilized. If you refer to Section 25 of the Ordinance, it talks about a certificate of registration.

Mr. Campbell: Yes, it is. That is the procedure. It is a normal procedure across the country, and we do not issue the certificate and the number until we see that the installation is proper in accordance with the Ordinance.

Hon. Mr. Lang: That is the key to the inspection, to ensure that the installation is done properly, and that is when you would get your certification and your number, and the green light to go ahead and utilize it.

Mr. Tracey: What you are actually saying is that this pressure vessel does not necessarily have to have a number stamped on it. All I has to do is get approval from the chief inspector for my

system, but this Section says that there must be a number stamped on that pressure vessel.

Hon. Mr. Graham: That is correct. After it is installed, that inspection takes place. In most cases, the way I understand it, pressure vessels and boilers, and what we were referring to here, have already gone through the initial check, as for as the manufacturing is concerned, with CSA. Our major concern is the installation and the utilization of it, to ensure that it is properly installed, and therefore, to everybody's advantage, from a safety point of view.

Mr. Fleming: I will submit that all of these vessels will have a number on them the first time they are installed.

Hon. Mr. Lang: That is correct.

Clause 14 agreed to

On Clause 15

Clause 15 agreed to

On Clause 16(1)

Clause 16(1) agreed to

On Clause 16(2)

Clause 16(2) agreed to

On Clause 16(3)

Mr. Tracey: I take it that Subsection (3) does not apply in an emergency situation.

Hon. Mr. Lang: Mr. Chairman, I am assuming that it would not but I would have to refer to the witness.

Mr. Campbell: I think that in the Ordinance, I could not point out exactly where it says it, but it refers to the discretion of the chief boiler inspector in that particular jurisdiction, and it covers that area where in fact there is an emergency condition. It also covers areas where if you do not have a qualified person to do the particular job and under emergency conditions, there is allowance for that.

Clause 16(3) agreed to

On Clause 17

Mr. Tracey: Mr. Chairman, I suggest that we set this section aside as well as the other section as it all ties in together with the sections that we have already stood aside.

Clause 17 stood over

On Clause 18

Mr. Fleming: In this section (a), I think that is where we are all getting off on this tangent. They really have written an Ordinance where they are not even speaking of a person just doing some small thing. It is the design of the pipes and the valves and all of the rest of it that is being put in, and any of them would have to be approved by CSA anyway or they would not be allowed to use them if they were not approved.

I think that is what we have been arguing about all the time, and I think that I understand it but it just seems to be written so poorly. It does not really explain what they are trying to do. I hope somewhere down here that we may get to it because it is a real bag of worms so far.

Clause 18(1) agreed to

On Clause 18(2)

Clause 18(2) agreed to

On Clause 18(3)

Hon. Mr. Lang: Mr. Chairman, this refers us to small boilers and pressure vessels in both (3) and (4), in private homes, the size of four dwelling units.

Clause 18(3) agreed to

On Clause 18(4)

Clause 18(4) agreed to

On Clause 19(1)

Mr. MacKay: What is the fee contemplated?

Hon. Mr. Lang: Mr. Chairman, the fee would be minimal. Depending on what we are looking at, the registration fee would be charged for each boiler and pressure vessel according to size and horsepower and cubic capacity.

Depending on the size of the operation and everything else, you are looking at roughly a token fee of say about twenty dollars or something.

The principle is that we are providing a service here for the owner to ensure that the proper inspections are done so we feel that they should be prepared to pay something otherwise it is going to come out of the general coffers.

Mr. Tracey: Mr. Chairman, for example the fees for my boiler to run my business is five dollars a year.

Mr. McGuire: I think that about the only thing that is not getting through to a few people here is that this Ordinance is designed for the safety of human lives not to benefit business people.

Hon. Mr. Lang: This is correct, Mr. Chairman, but I think that we are all concerned about the administrative side of it as well to ensure that it is done and is done expeditiously and efficiently. I think this is where a lot of the questioning is going. I agree with you. It is for lives but at the same time, for everybody, no matter what interests you have in the particular boiler.

Clause 19(1) agreed to

On Clause 19(2)

Mr. Falle: Can somebody please explain to me exactly what this means?

I am frightened to ask a dumb question because it probably does not mean what it says. What does it mean, Mr. Minister?

Hon. Mr. Lang: Mr. Chairman, my understanding of this particular section is that there is one fee annually and that is it. If there are three inspections, we do not have to pay for three inspections. There is one fee that is levied.

Hon. Mr. Graham: By the same token, Mr. Chairman, if that inspection is not carried out, that does not exempt you from paying the fee. I think that is an important part too.

Clause 19(2) agreed to

On Clause 20(1)

Mr. MacKay: I suspect that this question will come up on every Ordinance, with this word "may" as opposed to "shall", it seems to me that we are trying to set up an Ordinance whereby every pressure vessel must be inspected, surely the word "shall" should be in here rather than the word "may".

Hon. Mr. Lang: No, Mr. Chairman, I disagree. Otherwise you are going to have a situation where we would have, if you put in the word "shall", put in a situation where a boiler inspector would have to be there day in and day out. The idea is that the boiler inspector takes various checks at timed intervals and the whole thing is from the safety aspect to make sure that things are done properly.

If you put the "shall" in, he has got to be there at every phase of the construction where he could well say to an individual who knows is competent in the field, "Do these three phases and I will come back and check to ensure that everything is done properly and give the stamp of approval." Yet at the same time it leaves the flexibility where he does not ensure in his own mind that an individual does not know what they are doing, he can come back three times in one particular phase of the construction. It leaves that flexibility for the boiler inspector.

If you put the "shall" in then you are in an entirely different situation where I do not think you can enforce the Ordinance because it is very tough to get boiler inspectors.

Mr. MacKay: I can appreciate that you want to have flexibility, but there is a bit of a dilemma here because is there not a responsibility undertaken on behalf of the Government through this Ordinance to make sure that everyone is inspecting them? If, in fact, there is no inspection and the thing is built that is quite legal, because this says "may". Are we going to run into a problem there?

I know you want to provide flexibility, but maybe this is too much flexibility.

Hon. Mr. Lang: I would ask the witness to speak to that but it is mandatory that it be inspected before it goes into operation and all these other aspects. The actual installation, once it is completed, it has got to have that certification of registration which is the actual key to the final inspection, but I would have to ask the witness on that point.

Mr. Campbell: Yes, I think the explanation that Mr. Lang has given holds true.

I can only just add that we, I believe, spent quite some time on that particular point and our legal people and ourselves decided that "may" was the word that should be put in there.

Mr. MacKay: Without jumping too far ahead, reading Section 25(1) it would seem, perhaps, that the mandatory part is covered there. I just want to check if that is right. This is, "Where a certificate of registration is required by this Ordinance or any regulation made under this Ordinance, an inspector shall issue the certificate of registration if, after inspection..." **Hon. Mr. Lang:** That is correct, Mr. Chairman.

Clause 20(1) agreed to

On Clause 20(2)

Clause 20(2) agreed to

On Clause 20(3)

Hon. Mr. Lang: This is the real power of the inspector to shut everything down if things are not going the way they should be going. This is a very important section and one that they have to have.

Clause 20(3) agreed to

On Clause 20(4)

Clause 20(4) agreed to

On Clause 20(5)

Clause 20(5) agreed to

Mr. Chairman: At this time I think we shall take a short recess.
Recess

Mr. Chairman: I shall call the Committee of the Whole to order. Before recess, we had concluded Clause 20.

On Clause 21(1)(a)

Clause 21(1)(a) agreed to

On Clause 21(1)(b)

Clause 21(1)(b) agreed to

On Clause 21(1)(c)

Mr. Fleming: Thank you, Mr. Chairman. I only have one problem with this section and that is "require any person to make foredisclosure either orally or in writing", and I do not have too much faith in that orally with an inspector or anything like that because the arguments that can ensue. It can start out that the inspector says to you, you say something back to him and the next thing you get in an argument over it. When it boils down to the final thing that he has to go back and write you a letter to prove anything anyway.

There is no way that if there is something that is really wrong, and the inspector is having a problem, having that person or that company doing anything about it that he is going to really force anybody to say anything orally to him and prove it anywhere.

Hon. Mr. Lang: I agree, Mr. Chairman, but the idea is to try to accommodate the situation out in the field where the boiler inspector is speaking to a foreman on a job, in respect to an installation. Then he can orally speak to him and say what has been done in this particular area, and whatever. If he still has problems with it, it follows through in that section that he can look at the books, in fact, he can remove the books for a period of one month in the previous section. If you look at that particular section it says in (b); not exceeding one month. In other words, he can take the records and whatever, review them, if he is unsure in his mind that things are not going properly as far as the upkeep of the records are, but they have to be returned.

There could well be some writing involved but at the same time allows the boiler inspector to be on the job and individually working. The foreman, he does not have time for writing things out. He may well be not that educated to do it. He could very well be an very good individual as far as the competent, as far as running a boiler or this type of thing. This is purposely left flexible but at the same time, records and this type of thing are required to be kept in certain instances. Those can be reviewed and can be requested. At the same time in the previous section, if the inspector feels the safety of workers and that type of thing are jeopardized he can shut it down until he is satisfied that things are corrected and will not bring into question the safety of the people working around the particular installation.

Mr. MacKay: I am not sure of the effect of this section, but I will draw this hypothesis anyway. Section 21(1)(c), the inspector may require any person to make full disclosure. Take the position where this person has not been operating in accordance with the Ordinance. If he does not make full disclosure, he is presumably guilty of an offense. If he does make full disclosure, he is guilty of an offense, if he has not been operating in accordance with the Ordinance. I am wondering about the point in law as to whether or not this man is then forced by this Ordinance to incriminate himself.

Hon. Mr. Lang: Mr. Chairman, you are asking me a legal question. My understanding is no. The idea of a boiler inspector is to go out on an annual inspection, sometimes more, depending on the operation to review the operation, to look at the records, discuss with the individual that is actually working with the installation and ensure that it is being operated in a manner that is safe.

It is not a question of incrimination. Yes, he would be committing an offense if he were not prepared to put it in writing. The situation is such that the authority is vested with the inspector. If he is not satisfied in his own mind that things are not going the way they

should be going, then under previous sections, he can say, "Look, as of now, this operation is closed down."

Therefore, the individual working in the field has an obligation and it is to their benefit, because all we are really interested in under this legislation, as under the previous legislation back in 1955, is the safety of the installation, and to ensure that it is operating properly.

Mr. MacKay: Mr. Chairman, I appreciate and I fully support the idea of safety. I am just wondering about the point in law as to whether this section would act in such a way as to deprive somebody of the ability to defend themselves at some future point. When you turn to the Section 40(1), it says, "Any person who contravenes any provision of this Ordinance...is guilty of an offense..." and could be fined \$5,000 or one year in prison.

If he says, "If I disclose fully what has been happening here, I think I am guilty of an offense under section 42. If I do not disclose, I am guilty of an offense under section 41". Is there a catch 22 involved in this? I agree that the inspector should probably say, "You are shut down." And that would solve it. Except that at 50 below, it does not solve very many problems if the hot water system is off. Maybe the witness could let us know how this thing would operate, but there is a point in law to be discussed as well.

Mr. Campbell: I do not think I am in the position to give a legal interpretation of it. Certainly we find, in the field, that often we do have a situation where in fact we have to have an oral report from the people in charge of the plant or the people operating the plants in order to come to some kind of conclusion in regard to the safety of the operation of that plant. I think that this is what this clause covers.

Clause 21(c) agreed to

On Clause 21(d)

Clause 21(d) agreed to

On Clause 22(1)

Hon. Mr. Lang: Sections 22, 23 and 24 apply to the boiler inspector to allow him the right of entrance except for a private dwelling, in other words, where one sleeps. The idea is that he has got to have the right to be able to inspect premises and these three sections take this into account.

Clause 22(1) agreed to

On Clause 22(2)

Mr. Tracey: I have one question. It says: "For the purpose of this Ordinance or any regulation made under this Ordinance, the inspector may where, in his opinion, an emergency situation exists." How is this man supposed to have an opinion that an emergency situation exists is the question that I have to pose.

Hon. Mr. Lang: Mr. Chairman, I think you could raise a lot of hypothetical situations. For an example, you have a boiler, let's say in a garage and it is operating, and the people have left the area for holidays or for whatever reason and it comes to the attention of somebody in the community that there is a situation developing where it appears that, say the handyman has looked at it and the valves or whatever are not operating or functioning the way they should be.

For an example, if the Boiler Inspector who has been sent to look at this may, if no-one is around, enter and have a look to ensure that nothing is going to happen. It is strictly hypothetical. Maybe the Witness could relate a couple of situations he has seen in his time.

Mr. Campbell: Perhaps I could just point out that there are occasions, possibly, where, in fact, there is an accident with a boiler. I have had an actual experience with this, where a boiler has overfired and melted right down. If, in fact, I was not allowed to enter that particular building, it could have caused some loss of life. I think that is what this Clause covers. It allows the Inspector free access to a building where, in his opinion, he feels there is an emergency condition.

Mr. Tracey: The point I am trying to make here is that I think we are giving the powers of the Inspector too broad a scope. When we put in a phrase like, "in his opinion," we leave the Inspector wide open to do whatever he feels like, because he says it is his opinion. Mr. Lang brought up a point there. He said that a handyman says that there is some valve that is not working properly. It is not the Inspector's opinion, however, it is the handyman's opinion. I could see some situation, perhaps, where there is nobody in charge of a boiler, in some big operation, but I think it leaves it wide open for an Inspector to walk into anybody's business, or anybody's place of operation outside of his residence, at any time.

Hon. Mr. Lang: It is very difficult to draft. You want that ability in an emergency situation. As you see, we have excluded private

dwellings, intentionally, for that reason, but at the same time we feel the prerogative has to be with the Boiler Inspector. You can rest assured that if it is not warranted, the individual in that position is going to be under a great deal of criticism, so he is going to use that type of an authority very judiciously. I do not think he has time in an emergency, in the true definition of the word emergency, to go to the R.C.M.P., or whatever, for writs and everything else, in the legal fraternity, and, in my opinion we have to have some flexibility for him, just to be covered, for his sake.

Mr. MacKay: Just to engage a little bit in debate, when you look further down in this Section, it does say that it is pretty well where the owner or person in charge is not present that these powers would be invoked. So, the situation would presumably be where there is some imminent danger, and the "in his opinion" would presumably give the Inspector some legal protection in the event that it turned out there was no emergency, and then he would be subject to some suit. Knowing that, he probably would not enter in any premises if there was no protection. Also, it probably gives the public more protection, that "in his opinion."

I do not really see an inspector wanting to go into a building just to snoop around.

Clause 22(2) agreed to

On Clause 22(3)(4)

Clause 22(3)(4) agreed to

On Clause 23(1)(2)

Clause 23(1)(2) agreed to

On Clause 23(3)

Mr. Penikett: Mr. Chairman, I wonder if I might ask your indulgence. We seem to be moving at a pretty good pace here. I have a question that I am almost certain that the Minister will not have an answer to, and I wonder if I could give a notice now so it might give him an opportunity when we get to the pertinent section in the Bill.

Mr. Chairman: Would you like to give it now, or would you rather wait until we get to Clause 24 after we finish this Clause then I will ask you then?

Mr. Penikett: With your consent.

Clause 23(3) agreed to

On Clause 23(4)

Clause 23(4) agreed to

Mr. Penikett: Mr. Chairman, my question, since this Ordinance so closely follows the Alberta legislation, I was struck in looking it over that there is one significant exception in this. The Alberta Ordinance specifically exempts pipelines from its restrictions, I notice in further reading which this one does not. I wonder if the Minister might give me an explanation of that when we get further into the Bill, the reasons for that?

In that connection, if, in fact, there is some kind of understanding of the Pipeline Branch in the Yukon government, which maybe we could hear about.

Hon. Mr. Lang: I appreciate the question. You recall in debating the principle of the Bill further in the Committee of the Whole, I was undertaking to ensure that we were not overlapping that particular area. It is presently being looked at by the Pipeline Branch. I have asked them to look at it as well. At the same time, Mr. Chairman, I want to emphasize it is not our wish to expeditiously push this through the Committee, or anything else. We have got some sections set aside, so it gives us some time to come back to it. I appreciate the question you are asking.

Mr. Tracey: Mr. Chairman, I would like to go back to the question I was just talking about here, with your indulgence, to 22(2), where it says, "in his opinion." I have a real problem with this, "in his opinion." I would suggest that that we change the wording to say that, "the Inspector has reason to believe, and does believe, that an emergency situation exists." I think it makes it a little bit more to the point, and makes it a little bit stronger. It does not just give the inspectors a wide open opportunity to say, "well, I thought it was an emergency situation." I think we can make it a little bit stronger, and still give the inspectors the same powers.

Mr. Chairman: Order please. I must remind the Members that once I have declared a Clause carried, it takes unanimous consent to go back to it. Do I have unanimous consent?

Some Honourable Member: No.

Mr. Penikett: Mr. Chairman, I would be quite happy to show the Honourable Member for Tatchun my dictionary later. An opinion is not something which is a prejudice, an attitude or a whim. An opinion is something which is based on a combination of knowledge and reason. I notice in the other legislations governing this kind of

ordinance that exactly the same kind of wording is used. It does not seem to me that there is any problem elsewhere in this regard.

On Clause 24(1)

Clause 24(1) agreed to

On Clause 24(2)

Mr. Tracey: Mr. Chairman, I hate to be the one to stand up and ask questions all the time. "Any safety equipment the Inspectors consider necessary," I would like an opinion from the Witness as to just what kind of safety equipment he would be talking about in this situation, and whether the business would ordinarily be required to have that on the premises.

Mr. Campbell: In your particular establishment, Mr. Tracey, you would require a ladder and a light. Using that for an example, in a large power plant, such as the hospital, places like that, we require, because when the boiler is shut down we have to crawl inside these things to inspect them, explosion-proof equipment, basically, and whatever other safety equipment is required. Basically, they are glasses. If, in fact, an air mask is required, we would require that in larger plants.

In the smaller types of establishments such as hotels, et cetera, basically a stepladder and a light.

Clause 24(2) agreed to

On Clause 25(1)

Clause 25(1) agreed to

On Clause 25(2)

Mr. Penikett: I noticed in subsection (2) here, the Alberta Act refers to not just maximum allowable pressure but the maximum allowable temperature and pressure. I notice the temperature is left out of our Ordinance. Is there a reason for that?

Mr. Campbell: Primarily what happens with boilers and pressure vessels is that they are designed to a specific working pressure and basically that is what we feel is important, and is important across the country, and I think that is all we wanted to cover here was the allowable working pressure of that vessel. In other words, the registration would be issued for the working pressure of that vessel.

Mr. Penikett: Just so I understand it, could the witness just briefly explain to me why Alberta has a temperature provision in it? Is it just an anachronism?

Mr. Campbell: I would not say that they were inaccurate but we felt that with our drafting we did not require it in this particular clause.

Mr. MacKay: I am wondering, if it is not necessary why the "heating plant" definition contains maximums for specifications of temperatures.

Hon. Mr. Lang: My understanding is that you have gauges and the gauges will tell you the pressure that, for example, a boiler can operate at.

You are saying that the maximum pressure that an installation in question can be utilized to. We are trying to, in this section, outline what a certificate of registration must entail for an operator, that the boiler inspector is obliged to give along with the certificate.

We are outlining the allowable pressure, other conditions under which the boiler or pressure vessel is to be operated or used, and we are attempting to outline the basic principles that would be included in this registration. The pressure is one of the major ones. I think now that we are getting into a question of semantics whether it be temperature or otherwise, but they are pressure gauges, the way I understand it. Is that not correct, Mr. Campbell?

Mr. Campbell: Yes, what happens in actual operation is that we are concerned with the working pressure of that vessel in order to make it safe. The temperatures operating that particular vessel or boiler may vary from one point to another. It is the working pressure that we are concerned with.

Mr. Penikett: Mr. Chairman, let me ask a technical question. Is it possible that we could have dangerous temperatures without the pressure showing at a dangerously high level?

Mr. Campbell: You could not have that combination because as you increase the temperature, you increase the pressure.

Mr. Penikett: I can think of a case. What if the boiler were empty, but it was being fired, heated up to a dangerous temperature, the vessel itself was heated up to a dangerous temperature but in fact the pressure was being released, perhaps through a break or just by the regular operation. Surely, that is a possible circumstance.

Mr. Campbell: I suppose anything is possible. There have been many variations in the operation of boilers and pressure vessels.

But for the sake of this particular Clause, what we are concerned with is the safety of the boilers and pressure vessels, and we feel that this is covered, and it is used pretty well universally across Canada, although Alberta has the temperature in there. There is nothing wrong with having it in there, I suppose, and it normally is covered under the design of the units. When the units are designed, they are designed to a maximum working pressure and a maximum temperature.

Mr. MacKay: Perhaps, it is like having a belt and suspenders, too, I guess. In light of that kind of approach, there are a lot of dumb operators, I am sure, myself included, who know nothing about pressures, and whatnot. If I was told I could not exceed a certain temperature on a certificate, I might be a little more safe in operating the thing. We are talking about communicating safety levels, presumably, to people who may not know that much about them, and perhaps it would not do any harm to specify the temperature if, in fact, you could do that. Apparently you can in Alberta, so I suppose you could here. Would it destroy the integrity of the Bill to state the maximum temperature, or would it actually, perhaps, enhance the safer operation of these things later on?

Hon. Mr. Lang: I would have to go to the witness as we are in a very technical area. In his opinion, and as far as other provincial legislation is concerned, except for the Alberta legislation, from my understanding, it strictly has pressure, and does not get into the area of temperature, but I am sure that if Members want temperature in there, we could look at it and see if we could insert the necessary clause.

Mr. Chairman: Mr. Campbell, can that be done?

Mr. Campbell: It can be, but it could become very difficult, because there is this broad range of temperature variation in operation of a particular plant.

In fact, it becomes difficult at times to surmise as to what maximum temperature you should be working with with particular unit.

Mr. Penikett: Mr. Chairman, let me just give a hypothetical case and then perhaps then we could leave it, and the Minister could come back and pick it up. Let us say, for example, that the Minister of Municipal Affairs were to install a pressure vessel in his backyard for the purpose of making moonshine. He would boil this up and the Government would give a license for the operating of the thing, and put maximum pressures on it. The Minister is a busy man. One day he goes away and leaves the thing fired up without anything in it, but with the valves open. All the pressure is going out, but, at the same time, it seems to me, it could heat it up to a dangerous temperature, and, perhaps, set fire to his garage. I am sure that we would not want that to happen. I am just wondering if that is a conceivable circumstance, and whether we should, in fact, protect against it.

Hon. Mr. Lang: Mr. Chairman, I am prepared to stand this section over so that I could have a closer look and examination of the Section. I would recommend that, Mr. Chairman, as it is obviously developing into a fair amount of debate, but I would like to know how the Member Opposite knew that I was in the business of moonshine?

Mr. Fleming: Mr. Chairman, if we are going to set it aside, that is fine, but I might clarify why Alberta probably has that pressure in there, although I still see that it takes heat to do it, but in the case of propane, the temperature does control the pressure in the bottle of propane. In fact, you know if you have -40 or -50 weather, there is no pressure. It just lies there until it gets air, and then it comes out. It will not if it is that cold. If you warm up the bottle you still build up the pressure. I see no necessity for it to be in there at all. You cannot put pressure in a boiler if there is no water in it. It is an impossibility. You would just burn it up. This is probably the reason, I think, that Alberta has it in there. Probably at that time they were thinking of propane and such a thing as that.

Clause 25(2) stood over

On Clause 25(3)

Clause 25(3) agreed to

Mr. Penikett: Well I am just concerned, Mr. Chairman, if the Minister is going to be looking at the previous section and again, we have a matching section which also talks about maximum pressures and if we are going to be including pressures, we are probably going to have to change this next section too.

Hon. Mr. Lang: Mr. Chairman, I am just saying that I am finding it to be very rewarding that we are getting a very basic course in boilers, physics, chemistry, and everything else. It is a very enlightening debate, I must say.

Hon. Mr. Graham: In view of the lateness of the hour, I suggest that you report progress on Bill Number 13.

Mr. Chairman: It has been moved by the Honourable Mr. Graham that the Chairman report progress on Bill Number 13.

Motion agreed to

Hon. Mr. Graham: I move that Mr. Speaker do now resume the Chair.

Mr. Chairman: It has been moved by the Honourable Member, Mr. Graham that Mr. Speaker do now resume the Chair.

Motion agreed to

Mr. Chairman: At this time I would like to thank Mr. Campbell for being our witness and he may be excused.

Mr. Speaker resumes the Chair

Mr. Speaker: May we have a report from the Chairman of Committees?

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 13, Boiler and Pressure Vessels Ordinance and have directed me to report progress on same and ask leave to sit again.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure.

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member from Tatchun that we do now call it 9:30

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member from Tatchun, that we do now call it 9:30.

Motion agreed to

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

The House adjourned at 9:23 p.m.

Whitehorse, Yukon**Tuesday, October 23, 1979**

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

Prayers

Mr. Speaker: We will proceed at this time with the Order Paper.

DAILY ROUTINE

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

TABLING OF DOCUMENTS

Hon. Mr. Graham: Mr. Speaker, I have for tabling a continuing education report on educational opportunities in Yukon, entitled "Toward a Yukon College", prepared by the Department of Education, Administration, University of Alberta.

Mr. MacKay: I have for tabling a brief on Matrimonial Property Law, prepared by the Yukon Family Law Reform Committee.

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

Petitions?

PETITIONS

Mr. Byblow: Mr. Speaker, I have two petitions to place before the Assembly. I would like to do so now.

Mr. Speaker: Proceed.

Mr. Byblow: Both petitions deal or address grievances with the Matrimonial Property Legislation that is being dealt with by this Assembly.

Collectively, these petitions are endorsed by 198 signatures, all of whom are residents of my riding.

Mr. Speaker, through the first petition, my constituents are informing this Assembly that they are opposed to the restrictions disallowing automatic equal division of business assets accumulated during marriage.

I believe, Mr. Speaker, we have debated this principle at length in the House, the principle that a marriage constitutes a partnership of legal equals, a partnership that is, at the same time, a social and economic balance.

It appears, Mr. Speaker, that in the preparation of this legislation, adequate attention has not been given to the wishes of the Yukon electorate. This will be demonstrated by the articulate points made in this petition, presented to this House from my constituents.

It is noted, as has been before in this House, that the accumulation of assets, other than those defined as family assets, are only accumulated because of the shared responsibility of both spouses towards the marriage.

It is imperative, my constituents submit and I endorse, that matrimonial property must include a fifty-fifty division of assets other than those strictly declared as family assets. In particular, Mr. Speaker, my constituents submit that they are grieved because in their circumstances—

Mr. Speaker: Order please.

Hon. Mr. Lang: Mr. Speaker, correct me if I am wrong. My understanding that a petition can be tabled in the House but it does not also allow the individual Member to make a political statement accompanying the petition. Correct me if I am wrong, Mr. Speaker.

Mr. Byblow: Mr. Speaker, if I may submit, the standing rules of our House permit a five minute address to be delivered along with a petition. I am submitting two; I have ten minutes, I may submit.

Mr. Speaker: The Honourable Member from Faro is correct. We will permit the Honourable Member from Faro to continue with his address.

Mr. Byblow: Thank you, Mr. Speaker.

Once again my constituents feel that they are grieved because of

their circumstances where there is little opportunity for them to own their own homes. This results in a very minimal asset accumulation. Rather there is investment of varied business and related property that is not part of the family operation.

The only qualification my constituents submit is that when a court deems it inequitable to divide on this basis should there be any flexibility or latitude.

My petitioners also submit that this Assembly observe more closely the progressive jurisdictions across Canada that use the principle of deferred community property division in molding their legislation. Notably, Alberta, Saskatchewan, and the Northwest Territories who use this principle have not found their legislation unmanageable.

Similarly, my petitioners submit the proposed legislation encourages dissension and injustice between separating spouses; and, therefore, cannot be in the common interest of society.

As well, it is noted that the legislation promotes further injustices by placing the onus on the aggrieved spouse already disadvantaged to apply to a second court for equal division of assets.

Mr. Speaker, my constituents petition this Assembly to withdraw the legislation until this objectionable aspect is redrafted to more properly reflect their wishes which, by survey, reflects the wishes of Yukoners.

I would submit, Mr. Speaker, that appropriate amendments brought into Committee could adequately deal with this concern.

Mr. Speaker, if I may, I would briefly like to address myself to the second petition.

It prays upon this Assembly to extend the provisions of the Matrimonial Property Legislation to include protection of spouses who are terminating a common law marriage.

Mr. Speaker, I believe that common law marriages need not be condoned or condemned by this Government, but rather the opportunity given to those who may wish to be allowed to contract into the legislation.

My constituents submit, Mr. Speaker, that a failure to recognize common law marriage would be a retrograde step since not only is common law marriage an historically accepted practice, and therefore a characteristic of our social fabric, but there is a general movement in other jurisdictions to recognize and define common law marriage as a legal and binding relationship.

Mr. Speaker, my constituents have also directed me to address another general principle of this Legislation which disturbs them, that is the speed with which this legislation is being processed.

While three months may have transpired between the Policy Paper and the tabling of this Legislation, it is felt that additional public input is necessary to adequately refine its contents, to be a fully progressive and just piece of legislation. They direct me to advise this Assembly, Mr. Speaker, to reconsider the public response to date which overwhelmingly supports a community property principle.

Mr. Speaker, my constituents also direct me to note that from the time they were allowed to study the actual legislation to the time of this presentation was only a few days. The petitions were in circulation less than two days and the response for support was overwhelming and positive.

Mr. Speaker, I lay these petitions before the Assembly and beg the House to consider their contents.

Mr. Speaker: Are there any further Petitions?

Reading or Receiving of Petitions?

Introduction of Bills?

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

Notices of Motion?

Are there any Statements by Ministers?

This then brings us to the Question Period.

Are there any questions?

QUESTION PERIOD

Hon. Mr. Lang: Mr. Speaker, on October 18, 1979, the Honourable Member from Whitehorse West asked the following question: "Were legal proceedings commenced in the case of any of these

lots for failure to fulfill the terms of the agreement for sale?"

The response is, Mr. Speaker, normal procedures were followed and the routine administration of the land sale regulations and related agreements between individuals in the Government.

Question re: Health Transfer Delay

Mr. MacKay: Thank you, Mr. Speaker. I had a number of difficult questions for the Honourable Government Leader, however, I will not ask them in case I embarrass the remaining Members of his caucus, in spite of the fact that the Government Leader showed no such forbearance yesterday.

My question then is to the Minister of Health and Human Resources. Last week, the Minister indicated, Mr. Speaker, that the transfer of health responsibilities was being held up because of land claims. Can she tell the House whether this Government now concurs with that delay?

Hon. Mrs. McCall: Mr. Speaker, I think that whether I concur or not is not going to help. I just simply have to wait until I have word from Ottawa.

Mr. MacKay: Will the Minister then confirm that the Government is going to place on hold a number of other areas of transfer, such as land and resources, until she hears from Ottawa?

Hon. Mrs. McCall: Mr. Speaker, I do not think that Ottawa will communicate with me on those subjects. You will have to ask the Government Leader when he returns.

Mr. Speaker: Are there any further questions?

Question re: Radiation in Surprise Lake Area

Mr. Fleming: Yes, Mr. Speaker, a question for the Minister of Human Resources: in the area of Atlin, the Surprise Lake area in particular, there has been some concern to the residents in the Atlin district over uranium mining and also of the fact that there is a little over the minimum of radiation in the creeks in the Atlin area coming from Surprise Lake.

I wonder if the Minister is aware of this situation?

Mr. Speaker: Order, please. I would have to rule that question as being out of order as it is not a question that would normally be asked in this jurisdiction. I believe the question relates to the Province of British Columbia and, of course, the question would not be properly asked of the Minister.

Hon. Mrs. McCall: It is B.C.

Mr. Fleming: Mr. Speaker, could I rephrase the question?

Exactly the same question, is the Minister aware that Surprise Lake is near our Yukon border, Yukon and B.C. border and is she aware that there is, in that area, possibly in Yukon, over the minimum of radiation in the creeks?

Mr. Speaker: Order please. It still remains quite hypothetical and still falls beyond the jurisdiction on any Minister of this Government. However, I will permit an answer if the Minister wishes to answer, but the Minister will not be compelled to answer that question.

Hon. Mrs. McCall: Mr. Speaker, I can only say that I was not aware that the problem was that close to us. I will certainly keep it in mind. I have been following the situation in Atlin.

Question re: Crossroads

Mr. Byblow: I too have a question for the Minister of Health and Human Resources. There has been a relatively serious concern this past summer over the delivery of program of counselling of aid in general to the facility of Crossroads. I would like to inquire of the Minister what she, or her Department, has done to improve conditions there, at least investigate the use of Government grant money.

Hon. Mrs. McCall: I am sorry, Mr. Speaker. Would the Honourable Member mind repeating that for me?

Mr. Byblow: Mr. Speaker, specifically what has the Minister or her Department done to improve conditions at the Centre or at least investigate the use of Government grant money?

Hon. Mrs. McCall: As I understand the question, the Honourable Member is asking what is being done at the present moment with Crossroads? The program is under review. The building is being looked at freshly. All alcohol and drug abuse programmes are being looked at at the moment which I said before. Progress is being made. I do not know what else I can say at this time. Alcoholism is a problem of long standing in the Yukon and it cannot be solved overnight, but, we are working on it.

Mr. Byblow: I appreciate the Minister's response. Perhaps my supplementary could be answered by either the Minister of Education or the Minister of Health and Human Resources. It is my

understanding that there is a Justice Liaison Committee set up to provide an educational program to young adults within this framework. Could either Minister report on the progress of that Committee with the delivery of the program?

Hon. Mr. Graham: Thank you, Mr. Speaker. The Justice Liaison Department in fact does report to the Minister of Justice, and they have just recently held a meeting, I believe last Thursday or Friday. I presently have a report with me, but I have not yet had a chance to go through it, Mr. Speaker.

Question re: Land Transfers from Federal Government

Mr. MacKay: I am unsure as to who to address this to, but I think it is to the Minister of Community Affairs.

Will he confirm that this Government has prepared a list of some 50 pieces of land and submitted that with a request for their transfer to the Federal Government?

Hon. Mr. Lang: Mr. Speaker, no, the situation is such that we are reviewing the whole policy area in respect to transfer of land that is going to be necessary for providing the land for recreational and other aspects for our citizens.

The policy is in the process of being developed. It has not been considered by the Executive Council. I am hopeful that it will be fairly soon and, subsequently, negotiations could take place with the Government of Canada.

Mr. MacKay: Just to clarify that now, he is specifically saying that no such request of some 50 pieces of land for the use of picnic sites or camp sites or whatever has been made by this Government to the Federal Government.

Hon. Mr. Lang: Mr. Speaker, over the years there have been approaches made to the Government of Canada for transfers of land.

I do not know what the Member is referring to. I am talking of the overall general policy that is being developed and formulated within the Government so that we can begin negotiations with the Government of Canada.

If the Honourable Member is opposed to it, then fine, Mr. Speaker. But my point is that we feel we should be developing an overall policy and then start talking areas and quantum and this type of thing with the Government of Canada flowing from that particular policy.

Once it is completed, Mr. Speaker, we all have no objections and it has been finalized and we have discussions with the Government of Canada and if we can come up with any conclusions, which I think that we can, I would be more than happy to table it in the House at that time.

Mr. MacKay: Perhaps to refresh the Member's memory, I am referring specifically to a request for land that went forward in June and it went forward without any consultation, without any prior discussion with any members of the public here.

I am concerned specifically if he is prepared to deny the existence of that request.

Mr. Speaker: Order, please. I do not believe there was a question there. I think this is ranging, on this topic, into debate between both Honourable Members and, perhaps, we could proceed in the Question Period to some other topic at this point.

Question re: Social Services Programs in Outlying Areas

Mr. Byblow: I have another question for the Minister of Health and Human Resources.

This is with respect to the coordinated delivery of social service programs to outlying communities. I understand that various departments involved have set up a standing committee on social planning and community development.

Is this committee functional presently?

Hon. Mrs. McCall: Yes, Mr. Speaker, the Executive Committee previously established a Standing Committee for Social Planning Community Development. A fairly recent realignment and reorganization within the Government led to the establishment of the Economic and Social Planning Committee.

This Committee, with membership representing a number of government departments, is presently meeting on a weekly basis. The intention of the Committee is to provide coordinated service and advice to the Government on issues relating to economic and social development.

Direct consultation with outlying communities is not a planned part of the Committee's mandate. It is anticipated and expected that staff of the various departments who are responsible for service to communities outside Whitehorse will be, as in the case of Whitehorse, responsible for communicating to senior department

officials the needs, problems and possible solutions to those community problems.

This is the established line of communications and input to the Economic and Social Planning Committee.

Mr. Byblow: The Minister took away all my supplementaries.

There has been considerable discontent over the last while by social workers in some of the outlying communities. Perhaps the Minister could assure me then that she is satisfied the matter is being adequately addressed by her Department.

Hon. Mrs. McCall: My officials have kept me informed, Mr. Speaker, of the staffing situation and I feel confident that the matter is being handled in a proper and clear-cut fashion.

Question re: Corrections Director

Mr. MacKay: Thank you Mr. Speaker. My question is to the Minister of Justice.

Some six months have now elapsed, I think, since the firing of Mr. Mounsey as Director of Corrections and I note no replacement has yet been found. Can the Minister affirm or deny that this is a policy of deliberate neglect in his department.

Hon. Mr. Graham: Mr. Speaker, in response to a number of Opposition requests of last budget session, that position has been cut from the Department of Justice and will, in fact, not be filled.

Mr. MacKay: I look forward to having my memory refreshed by Hansard. However, who is, then, presently responsible for the position of a job that this man was doing so well before he left?

Hon. Mr. Graham: Mr. Speaker, perhaps the Members opposite do not realize there was, just previous to my taking office, a reorganization of the Justice Department.

At that time, Corrections was brought under the administrative arm of the Department of Corrections and a deputy head was then appointed for the Department of Justice.

In my opinion, and in the opinion of the Department of Justice officials, we then had, in essence, too many people at the top and not enough people doing the work as I think should be done in all government departments. We, therefore, when the unfortunate incident that the Member speaks of, arose and the position became vacant, I then made the conscious decision, in consultation with other members of the Executive that, in fact, this was a position that did not need to be filled, due to the reorganization of the Justice Department.

The deputy head of Justice is a very capable person and has assumed the responsibilities previously held by the Director of Corrections.

Mr. MacKay: May the Minister now confirm then that he is satisfied that the problems that were discussed at length in our spring debate, with respect to the correction systems are now well under control and that new programs will be forthcoming and the inmates will, in fact, be receiving many of the services that were sought at that time?

Hon. Mr. Graham: It is kind of a tough question to answer, Mr. Speaker, because, as I understand it, the Department of Corrections or the Department of Justice has come up with a lot of new programs, new sentencing alternatives, and various other worthwhile and necessary programs.

I fail to see areas that we are falling down in in a big way. I think that the Department of Justice is carrying out its mandate very well and we will continue to do so.

Question re: Eagle's Nest Bluff Power Site/Report on

Mr. Byblow: I have a general question for the Acting Government Leader, that he could take by way of notice and report later.

It is my understanding that there is a 20-year market analysis that has been done by Fisher Research of Calgary, as part of the engineering studies surrounding Eagle's Nest Bluff site for power generation.

My question would simply be whether this Government has received a copy or information on this analysis and whether it is available. It was to have been completed in September.

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

Question re: Whitehorse Rapids Hydro Dam Warning Signal

Mrs. McGuire: Thank you, Mr. Speaker. I have a question for the Acting Government Leader today.

I am going to raise a question out of great curiosity. This subject may not be in the jurisdiction of this Government, but the safety factor is. As we stand to lose many electors, should certain incidents occur, what type of warning device is installed at the

Whitehorse Rapids Hydro Dam? Is the device silent, giving warning to only the engineers, or is it a sounding device to warn the town, or both?

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

Mr. Speaker: The Honourable Leader of the Government--Leader of the Opposition, I am sorry.

Mr. MacKay: A natural mistake, Mr. Speaker.

Question re: Medical Profession Ordinance

Mr. MacKay: Mr. Speaker, the Order Paper has contained now for some six months, a Bill named the Medical Professions Ordinance. My question is directed to the new and energetic Minister of Consumer and Corporate Affairs.

Will the Minister explain what difficulties have been encountered in bringing forward this Bill for debate?

Hon. Mr. Graham: Mr. Speaker, as that Bill currently appears on the Order Paper and I see my name attached to it, I would be happy to answer the question.

The Bill will be presented, hopefully, on November 12, 13, and 14. We have had some problems with the Bill among the Government Members. We have chosen to take the time to make sure that the Bill is in reasonably good shape before we do proceed with it.

Question re: Whitehorse North Area Report

Mr. Penikett: Thank you, Mr. Speaker. I have a question for the Minister of Municipal Affairs. I would like to ask the Minister if the Executive Council has received and approved their Whitehorse North area report?

Hon. Mr. Lang: Yes, Mr. Speaker, we have reviewed it. We have overall adopted the policy statements contained in the particular document. The major concern for us and for the people in that area is the implementation of the report. It is my intention to meet with the Executive of the Boundary Association in the near future. I have sent a letter to the Executive and I am hopeful that I will hear back in the near future so that we can get some productive meetings underway so that that particular area can be developed according to the plan.

Mr. Penikett: Thank you, Mr. Speaker. I wonder if the Minister plans to open up the land along the Takhini Hot Springs Road as recommended in that report? If it is his intention to have close consultation with the area residents on that particular question?

Hon. Mr. Lang: Mr. Speaker, I am sorry, could he repeat the first part of the question?

Mr. Penikett: I wonder if it is the Minister's intention to open up land along the Takhini Hot Springs Road as recommended in that report and does he contemplate close consultation with the area residents on that question?

Hon. Mr. Lang: Mr. Speaker, the land that we have authority over, it will be contemplated; it will be in consultation with the people out there, but at the same time I do think we have some demands to meet. I do not think they are great, but if we can get a development of a supply of land in that area of a certain acreage size, we can meet that demand and make available the lifestyle that some Yukoners would like to have.

Question re: White Pass Inquiry

Mr. MacKay: This is to the Acting Government Leader. A very recent report stated that the inquiry which has been launched into the White Pass and Yukon Route will not involve the holding of any public hearings. My question is, is this Government going to make any representations to the head of that inquiry?

Hon. Mr. Lang: Mr. Speaker, for my understanding of the situation, the inquiry will be held. They are going to be discussing the situation with interested parties and I would assume that the Government of the Yukon Territory will be contacted in respect to the inquiry in question.

Mr. MacKay: In view of the very pressing and popular need for openness in Government, will the Government be prepared to make public their position prior to making any presentations to this inquiry?

Hon. Mr. Lang: Mr. Speaker, I am in no position to state one way or the other at the present time. Once more details of the inquiry come forward, I will probably be in a position to say one way or the other to the House at that time.

Question re: Education/Corporal Punishment in Schools

Mr. Penikett: Thank you, Mr. Speaker. I have a question for the Minister of Education. The Fleming Report tabled in the House last week recommended that an inquiry be launched into alternatives to corporal punishment in the schools. I wonder if the Minister

can tell me under what circumstances corporal punishment is presently administered in Yukon schools and how prevalent the practise is?

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

Mr. Speaker: Some of these questions, I just might point out from the Chair, should properly be written questions where you require such latitude of information.

Mr. Penikett: Mr. Speaker, I may pursue that in written questions. I had given the Minister notice on the question, so I assumed he might have the answer.

Mr. Speaker: I do not recall hearing any question there, so I will assume that was not a question, but a statement.

Are there any further questions?

This then brings us to the end of the Question Period.

We will now proceed to Government Motions.

ORDERS OF THE DAY

GOVERNMENT MOTIONS

Motion Number 34

Mr. Clerk: Item Number 1, standing in the name of the Honourable Mr. Graham.

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

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

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member for Whitehorse West, THAT Standing Orders 13, 14, 15 and 16 be placed after Standing Order 11 and be renumbered Standing Orders 12, 13, 14 and 15; and

THAT Standing Order 12 be renumbered Standing Order 16.

Hon. Mr. Graham: Mr. Speaker, this is simply a motion to renumber certain Standing Orders, to put them in a more logical, reasonable order. The reason that we wish to do it at this time is that the Standing Orders are being reprinted and it seemed like a good idea to put them in a reasonable, logical order and thereby making them a whole lot easier for not only Members, but the general public to understand.

Motion agreed to.

Mr. Speaker: May I have your further pleasure?

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member from Old Crow, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole.

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

Motion agreed to.

Mr. Speaker leaves Chair

COMMITTEE OF THE WHOLE

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

At this time, we shall have a short recess.

Recess

Mr. Chairman: I will call Committee of the Whole to Order. This afternoon we are discussing Bill Number 13, Boiler and Pressure Vessels Ordinance. When we left off last day we were on page 15. We had just completed Clause 25. This afternoon, continuing on, we shall do Clause 26.

On Clause 26

Clause 26 agreed to

On Clause 27(1)

Mr. Chairman: I should refer you to the bottom of page 15. That should be a colon rather than a semicolon. It is a typographical error.

Mr. MacKay: Perhaps just to help me understand this fairly technical Ordinance, could it be explained just what this section does apply to? I can see what it does not apply to, but I cannot tell what it does apply to.

Hon. Mr. Lang: Mr. Chairman, when we get to subsection (2), it applies to such areas as the Whitehorse Hospital. Clause 27(1)(a), an example would be a power plant, a domestic oil furnace, for example, is exempted. An example of secondary heating such as a hot springs or a diesel generator.

Clause 27(1) agreed to

On Clause 27(2)

Hon. Mr. Lang: Mr. Chairman, this section applies, for example, as I said earlier, to the Whitehorse Hospital. For example, you have a chief engineer and you have people working on shift who, at the same time, would have to have a level of competency to perform that particular job.

Clause 27(2) agreed to

On Clause 27(3)

Clause 27(3) agreed to

On Clause 28(1)

Mr. Fleming: I am just wondering in (1), where "No owner of a heating plant of a capacity specified in the regulations made under this Ordinance which is used primarily for the purpose of heating one or more buildings shall operate it ... is under the general supervision of the holder of a certificate ...". Unless something is changed back in the Ordinance somewhere, it looks as if the person who has a propane stove and is using a 100 pound bottle, for instance, of propane, would actually have to have a certificate to operate it.

Hon. Mr. Lang: No, Mr. Chairman, this section would fall in the category of a plant such as at the F.H. Collins or the Whitehorse Elementary Schools. The idea is major plants that are heated by boilers or for a heating plant should ensure that there is the necessary supervision.

Mr. Fleming: I think, from the Minister's answer, that actually what they are saying is, again, the same thing as I have been saying all along. They have got a section in here, but that section really does not say what it is going to be. It is all going to be in regulations and I think that is where the final word as to whether you can operate any size or anything at all, under the Ordinance.

Hon. Mr. Lang: To a large part, Mr. Chairman, because as we said, the Ordinance is technical to start with, then we go into numbers and everything else. I think that flexibility has to exist under the regulations. In fairness to the Honourable Member, I think we have made it very clear from this side of the House that we have struck the Statutory Regulations Committee to review regulations. If there are problems, this type of thing, you have the ability of reviewing them and if there have to be changes, it can be recommended and the appropriate action can be taken.

Clause 28(1) agreed to

On Clause 28(2)

Clause 28(2) agreed to

On Clause 28(3)

Clause 28(3) agreed to

On Clause 29

Clause 29 agreed to

On Clause 30

Clause 30 agreed to

On Clause 31

Clause 31 agreed to

On Clause 32(1)

Hon. Mr. Lang: I have a question for the witness on this section. It says that after an accident even if it is a minor accident, the way I read this, nothing shall be removed or interfered with. Is there any way we could tighten that up to indicate what kind of plant we are actually referring to? Because if you are in a situation, I will go once again, more to the smaller operator, whether it is placer mining or whatever, the boiler inspector could well be in a situation where he would have to wait for three days prior to getting there because of weather or whatever reason.

Is this directed to a high pressure plant, this section, Mr. Chairman?

Mr. Campbell: Mr. Chairman, I think it is directed primarily to the larger plant, but there is a possibility where smaller ones could be covered. If you look at (2), I believe it covers that area where it says: "in so far as may be necessary for the purpose of preventing death or injury or protecting property."

Hon. Mr. Lang: In other words, the section of protecting property would cover that situation where one could continue to work and at the same time the boiler inspector could come out and look at exactly what did take place? If the accident is minor, this is the point I am asking, Mr. Chairman.

Mr. Campbell: I believe, Mr. Chairman, that this section covers that area.

Clause 32(1) agreed to

On Clause 32(2)

Clause 32(2) agreed to

On Clause 33(1)

Mr. Falle: Last evening we had a discussion about the discretionary powers of the inspector. It was brought to our attention that he needed them for safety. Here we have in this Clause and in (3) that he can designate these powers to anybody. It does not say competent, it does not note qualifications. He can just designate them to any Tom, Dick and Harry that he sees fit. We have a little control on the inspector himself, hoping that he is competent, but designating this power to somebody else, I cannot really see that.

Hon. Mr. Lang: Mr. Chairman, this goes to a situation where there is a major accident, and the Chief Inspector needs a hand or is not available; therefore, they can bring somebody in from outside with the necessary qualifications or can hire somebody locally if they have the qualifications to review and to go in and investigate.

I think the immediate and most important aspect in the section under question is that he has to give twenty-four hours' notice in writing of the commencement so that everybody knows what is going to take place and things can be organized and can be done expeditiously and efficiently. Perhaps there should be an amendment to (3) ensuring that the person has the necessary qualifications. I would have to ask the witness.

Mr. Campbell: Yes, I agree, partially, where it does not spell out the requirements of the person that you may give powers to on your behalf.

Normally what happens, in this kind of situation, is if the inspector himself is there, he covers the job to his capacity, but there may be times on an accident, let us take Faro, for example, where, in fact, we had a boiler explosion there and you required some metallurgy experts, professional engineering type of people, these are the kind of people that you would want to be using.

Now, that is usually the reason for this particular clause and I understand it is used in other jurisdictions also.

Mr. Penikett: Mr. Chairman, I appreciate the Minister's answer, but surely his answer was not correct. Surely the reason for having this power, it occurs, you will notice, in just about every ordinance where there is an inspector or designated official to carry out certain duties, and it occurs because it is assumed that such a person may, in the normal growth of the Territory, have to employ subordinates, either permanently or temporarily.

This is simply a device to allow his powers to devolve to those people who are working under him, either in a temporary situation or a permanent situation.

The same provision not only exists in the Alberta ordinance, but I know from reading in the Yukon ordinances, it exists in most of the Yukon legislation that provides for officials having these kind of powers, especially in an emergency situation. There may be a situation in an accident where he may want to designate, quite properly, conceivably, an RCMP officer or someone in the military or something if the accident was serious enough.

To suggest that it be any Tom, Dick, or Harry, well, there may be occasions when Tom, Dick or Harry might be called upon to assist in a real emergency and I am sure that they would do the best that they could. The point is that you cannot write into legislation every possible employee that might now or in some future point exist for the department, whether they are a temporary agent of the Government or a permanent one.

That is simply the emergency provision that exists in most legislation.

Mr. Tracey: Mr. Chairman, I would like to get back to this, where, "in his opinion". I still say that this is too broad. I think that we should say "has reason to believe and does believe" and that puts some onus on the chief inspector or any inspector to justify his reason for doing it.

Whereas, in just "in his opinion", he does not have to justify anything.

Mr. Penikett: Mr. Chairman, I suggested yesterday that the Member from Tatchun might care to look at a dictionary for the definition of the word "opinion". It is knowledge moderated by reason and I think the word is perfectly adequate. He suggested substituting seven words for one. I suggest that would be, not only inefficient but probably a waste of paper, surely that is something that no true Conservative would ever suggest.

Mr. Falle: I definitely appreciate the enlightenment the New Democratic Member put on it for us. I still think though, if this is in standard legislation that the inspector can designate his powers to

somebody else, and this is standard, then I can live with it.

Mr. Penikett: Mr. Chairman. Perhaps I can help the Member out. I am always pleased to help the Ministry of Municipal and Community affairs in any situation. Arguably the most right wing place is Alberta. They clearly have an absolutely Conservative government, in fact, there is practically no Opposition in that Legislature.

Presumably the kind of concerns being expressed by the Member, are expressed fairly frequently in that Legislature and I assume that they allow their back benchers to speak, as back benchers are allowed to speak in this House, and that is well and good. The first word in this Legislation which is, *virgo intacta* from this Alberta Ordinance, "where, in the opinion of the Chief Inspector..." and it occurs throughout here. They do not have anything in what they were, if he knows and if he has thought about it and considered it carefully and checked in the book, or whatever it was that the Honourable Member from Tatchun was saying.

"Opinion" is a very good English word, you should look in the dictionary.

Clause 33 agreed to

On Clause 34(1)

Hon. Mr. Lang: Mr. Chairman, could I address myself to this particular section and perhaps we could have the witness outline what has gone on in the past, so that Members are aware that there has been an effort by the Department to provide the necessary training so that the individuals dealing with these types of installations have the necessary training.

Perhaps you could give some background on this, Mr. Chairman.

Mr. Campbell: Yes, under the Certificates of Competency, this area, I suppose, has become standard pretty well across Canada, with the exception, I believe, of Quebec and Ontario.

What we have been involved with is the standardization program across Canada. We have attended the seminars, et cetera, with the people across Canada and have come into the standardization program.

The Department provides all people who are in this field of work with information in regards to correspondence courses, the vocational schools that may be attended Outside. We provide them with assistance in the field. We have provided courses for people in Yukon to upgrade in the lower levels. We also, as I said before, provide examinations for the different categories.

As you see it listed there, in (2), a first class engineer and it goes all the way down, in the first part, to the firemen's certificate.

The firemen's certificate is the first certificate that normally is required in small heating plants, such as the F.H. Collins and the Whitehorse Elementary Schools.

As the plants increase in size, the requirements for the Certificate of Competency, of course, goes higher, until you reach a first class stage.

Hon. Mr. Lang: Mr. Chairman, also related to this section, if one refers further into the Ordinance of the transitional provisions, 42(2) has taken into account those that have already got engineer certificates and they are recognized under this legislation for the competency that the individual has achieved.

But I think it is fair to say, Mr. Chairman, that it is advantageous from a public safety point of view, the responsibility that the Government will be taking on to ensure that we make available the necessary training, if necessary, through the apprenticeship training at the Vocational School, this type of thing, may well entail going through the apprenticeship to, say, go Outside for some vocational training if we cannot provide here.

But we recognize that possibility and I think that we can cope with that kind of a situation if it does develop.

At the same time, I think it is advantageous, from the individual's point of view, the uniformity that the witness explained is trying to be outlined generally in the legislation, but more particularly, in this section that we are dealing with, because it will allow the individual to have qualifications that will be recognized by another jurisdiction.

In other words, if an individual sees fit that he or she wants to go to Saskatchewan and follow their trade, then they have the registration necessary to go to work, and vice versa for the individual from Saskatchewan. It is not a case of upgrading.

I think it works both ways, from the public safety point of view and also from the point of view of the individual involved. At the same time, through the Government, we will be prepared to help any individual who wants to upgrade themselves. I understand that there is a possibility that in some of the union agreements that some of these aspects are taken care of as well in respect to train-

ing and this type of thing.

Mr. Penikett: Mr. Chairman, I assume that we have not been handing out special oil well operator certificates of competency. This is something that someone might obtain elsewhere or might have obtained elsewhere. I presume that we are just going to be adopting the standards or recognizing the certificates someone might have obtained elsewhere, for example, in the case of the fields in southern Yukon. Presumably the people who are qualified operators have obtained their experience elsewhere and we are simply going to be recognizing those qualifications in this Territory. Is that the case?

Hon. Mr. Lang: That is correct, Mr. Chairman. On my visit to the company, the gas plant, there were some young people working there. They had all gone through a program in Calgary with the company and they had their necessary certifications from Alberta which would be conversely recognized here in the Yukon.

Mr. Penikett: Mr. Chairman, if I could at this point, because it is a matter of some concern, ask the Minister responsible for Manpower, if it is possible for Yukoners to obtain training in these fields and be registered as competent in these fields at the moment?

Hon. Mr. Lang: Mr. Chairman, I have only one comment. My understanding is that we do have some of the courses as the witness has outlined. At the same time, I do know that in the past there was a course offered through the Vocational School for high pressure welding a year or two ago. These types of courses are available if there are enough people to warrant it.

Hon. Mr. Graham: Mr. Chairman, in the past we had offered several courses that more or less prepared a student to go into further training. Right now under apprenticeship with several oil companies, that is the largest one that comes to mind, there are seven Yukoners working in the oil industry in other parts of Canada with the intention that when jobs are available in Yukon, the oil companies will bring them back to the Yukon.

Mr. MacKay: I am just thinking of one other aspect of another area where things work under pressure is the diamond drilling industry. I am wondering where an operator in that industry fits into this?

Hon. Mr. Lang: Mr. Chairman, as far as the diamond drilling itself is concerned, he would not. Is that not correct, Mr. Campbell?

Mr. Campbell: Mr. Chairman, that is correct.

Hon. Mr. Lang: Mr. Chairman, it is the equivalent of an operator running a scraper or this type of thing on heavy construction, air track and this type of thing. We are talking specifically here towards heating plants and this type of thing where you have first engineers, second engineers and you name it. We may even have Jimmy Carter someday, we do not know.

Clause 34(1) agreed to

On Clause 34(2)

Mr. Fleming: Are we considering the whole subsection at one time?

Mr. Chairman: Unless there is some objection.

Mr. Fleming: It is a general question, anyhow.

Mr. Chairman: Go ahead, Mr. Fleming.

Mr. Fleming: Subsection a, b, c, and d, first class, second class, third class and fourth class, I notice that farther on in the Bill it says what the holder of that certificate can do and I see that all four of them are included, more or less, on the same thing and I am wondering where they are going to separate the four? Will that be in regulations, too, as to whether a first class can do one thing and a second class can do something better, and the next one and so forth, or handle bigger machines?

Hon. Mr. Lang: Mr. Chairman, it will all be outlined, designating the size of the plant that they are competent to run.

For example, in the (a) part of it, this would apply to the Whitehorse Hospital; (b) Takhini Heating Plant; (c) the Yukon Hall, the chief engineer that has had the necessary training and written the examinations for 500 horsepower, then go to shift engineers, which are a 1,000 horsepower.

So, you can go through and grade it down like this. I think that, if my memory serves me correctly, I believe the training and the necessary examinations would actually be the Alberta examinations.

Is that not correct, Mr. Campbell?

Mr. Campbell: Mr. Chairman, at the present time, we are under the standardization program. The exams are drafted in Alberta and are approved by all jurisdictions that are in the standardization program.

Mr. Fleming: It is just my concern, Mr. Chairman, that possibly, in the first class engineer's certificate is probably not going to be very much. Seeing as it is coming out under regulations, anything could happen.

I am just wondering if when I am driving down the road and I take my radiator cap off because my car is boiling over, if I have to run and get myself one of these before I can repair it. Little problems, you know, that arise.

Hon. Mr. Lang: Mr. Chairman, this is quite conceivable and if you do see an Order-in-Council emanating with the name of one R. Fleming from Teslin, you will understand what it is actually attributed to and you will not have to read it any further.

Mr. Byblow: Mr. Chairman, with respect to the standardization that the witness referred to, how are these classifications directly or indirectly related to the inter-provincial tickets?

Mr. Campbell: Mr. Chairman, the standardization program has a direct bearing on what you are asking. As a result of the standardization program, the inter-provincial tickets, providing you qualify to that requirement that is set out, you do get the inter-provincial ticket.

Clause 34(2) agreed to

On Clause 34(3)

Clause 34(3) agreed to

On Clause 35(1)

Hon. Mr. Lang: Mr. Chairman, I have a question and it is perhaps semantics and that is in (1) of that section, and it says: "shall not perform any welding unless he holds a certificate of competency. Are we not referring directly to high pressure welding?"

Mr. Campbell: Mr. Chairman, that is correct. In order to weld on any high pressure boilers or pressure piping you require a specific pressure ticket. Pretty well in most of the provinces they refer to them as a Pressure B ticket. The persons who would hold these certificates are normally persons who have been in the welding trade, usually for four years, and then have obtained a certificate through qualification to weld on boilers and pressure piping.

Hon. Mr. Lang: Mr. Chairman, I am just concerned from a technical side of the law, and we are writing law, is that maybe we should be looking at this section and inserting: "...and shall not perform any high pressure welding unless he holds a certificate of competency", because in the general broad intent of that section, it would appear that if one were around the plant and had an idea of welding and was welding on a vehicle he should not, technically, be welding. Would it hurt to put that "high pressure" in as an amendment, Mr. Chairman.

Mr. Campbell: Mr. Chairman, I agree with that. It would clarify for that purpose so the person could weld on small fixtures, et cetera.

Hon. Mr. Lang: Mr. Chairman, could we stand this section aside. Perhaps there are some other questions on the principle of this section as well.

Clause 35 stood over

On Clause 36(1)

Hon. Mr. Lang: Mr. Chairman, getting back to this section in (2), it says, "...by welding unless he is authorized to do so by an inspector." I am just wondering for clarification, all we are concerned about is that he has the necessary qualifications and has taken the necessary program and from there on it follows that he is competent to weld and he has that ticket. Rather than saying that he has to have an authorization to do so by an inspector unless the intent is different, maybe we should be saying that unless he has the necessary qualifications. I would like the comments of the witness.

Mr. Campbell: My interpretation of this particular Clause, for the purpose that it represents, I think that it is sufficient as it reads.

Mr. Fleming: If I may, Mr. Chairman. A ways back in the Ordinance it does say that no person shall alter or repair either and therefore he could not touch it back here so you would have to make it the same here, or change both of them.

Clause 36(1) agreed to

On Clause 36(2)

Mr. Byblow: Does the Minister see any similar need to identify the welding aspect as in the previous section?

Hon. Mr. Lang: No, Mr. Chairman, I think that it covers it very well as opposed to Clause 35. It says: "Shall alter or repair a boiler or pressure vessel" and it goes back to the definition and it naturally follows that they would have had to have that course to be authorized by the inspector to do the necessary welding.

Clause 36(2) agreed to

On Clause 37(1)(a)(b)(c)(d)(e)

Clause 37(1)(a)(b)(c)(d)(e) agreed to

On Clause 37(1)(f)

Mr. Byblow: Before we leave this subsection, in the case of (a) as in the case of a couple of the other sections, who makes the judgment as to the contravention?

Hon. Mr. Lang: Mr. Chairman, initially it is the chief inspector and from there it flow through the Ordinance that there is an appeal section that deals with where a person believes they have been wrongly done by. There is that avenue of appeal for the individual in question.

Clause 37(1)(f) agreed to

On Clause 37(2)

Clause 37(2) agreed to

On Clause 38(1)

Clause 38(1) agreed to

On Clause 38(2)

Clause 38(2) agreed to

On Clause 38(3)

Mr. Penikett: I guess I understand the reasons for the Minister wanting to observe the practice which is observed in other jurisdictions.

I am a little concerned about the numbers of people here and especially subsection 2, the people with professional qualifications. I do not know how many people there are in the Territory who meet those or have those certificates or have those standards, but we have had a problem in the past with people making judgments about their professional or technical peers, with the proper kind of objectivity.

I know in some of the questions I raised this spring about the trades liaison or advisory committee, for example, there were some people feeling that there were some judgments made on the competency of people or the fitness of them to be licenced which were really, perhaps, partially coloured by business considerations, perhaps they were professional rivals and so forth.

It occurs to me, if you have a committee which is two and one, the possibility of that happening is much more serious. It also occurs to me that having two persons with the qualifications may not be completely necessary here. Most of the people in the field would know each other, perhaps have some opinions already about each other's competency. It would, I think, probably be an unusual case for someone, perhaps had their certificate lifted and they were going to go before or this party had some reference made to it about somebody's work or ability.

I wonder if the Minister, and perhaps I could just ask the witness if we could consider having only one person with the professional qualifications, if you like, on that board, rather than two, so that we could do away with the prospect here of two people who might be on the committee who had strong personal feelings or business or professional antagonism to another person, causing that person to have difficulties.

We are not like Alberta. In Alberta, I doubt if anybody would know each other. You know, if such a question ever came before the Advisory Board here, everybody is washing each other's dirty laundry and we have had a problem that way in the past.

Hon. Mr. Lang: I appreciate the Member's concern but at the same time I think from the point of view of the board, I think the Honourable Member said it, it would be very seldom that a board like this would have to be struck to begin with. If it did have to be struck, then there would be careful consideration of those people who would be appointed to the board, but I think it is important that at least two members have some qualifications in the area that is under question, because you are questioning a person's competence in a particular field. I do not think, in all fairness to the situation, that, for example, if we had Mr. Penikett, Mr. Lang, and Mr. Campbell as the chairman— Mr. Campbell has the qualifications, as we are strictly laymen in the area—that we would be in a very difficult situation to be able to analyze whether or not an individual was competent to continue with his certification.

The step that I could envisage being taken is that if necessary, you may well have to bring in one or two people to sit on that board from Outside, if it ever came to pass.

The point that I think I have to stress is that it would not happen that often. I think it is necessary, to at least have two people with the qualifications to understand the terminology and to understand the certification that is necessary, because either you would turn it into a situation where, if you had two lay people on the board, you would almost have to go to a university or go to school again to

learn exactly what you were speaking of.

I can understand the Member's concern but I think that anytime a board of this nature were to be appointed, and I do not care what government was in, no matter what political persuasion, I think we would understand the situation and try to get people who had the objectivity, they could well be from Cassiar or whatever, relatively close if possible, to sit on the board for the time that was necessary.

Mr. Penikett: Mr. Chairman, I do not want to suggest that I feel passionately about this subject, but I have had a concern for some time about such advisory boards.

It seems to me they do have quasi-judicial power and they can make decisions which affect a person's ability to earn their livelihood. That is a pretty important thing.

There are two principles, it appears to me, in terms of the judicial kind of thing. One is the principle of someone being judged by their peers, which is fair enough, which is the reason for having a couple of people with similar qualifications.

But the other thing is the question of them being disinterested parties, having the kind of objectivity, not having any conflict or any involvement with the person. Now, I would be quite satisfied with the Minister's assurance that, perhaps in such a case, one of the two people might be from outside the Territory. That might involve a little bit of expense or maybe even the two of them. That would, perhaps be even better, and, hopefully, these things would not happen too often and we would not have too much expense.

I make the point only because I have been concerned about it with other boards and it seems to me here, we are such a small community, so close, it is hard to get people who, for example, I mean I am sure that if three MLA's had to get together to pass judgment on each other, none of us, even after sitting together for a year, are very objective any more.

I think that judicial principle, if you like, gets very quickly lost.

Hon. Mr. Lang: Mr. Chairman, I get from the context of what the Honourable Member is saying is, then, he is prepared to let this section go by with the assurances being given. As I said, I am sure that if an advisory board had to be set up, which I would like to think it would not, that any of the individuals would not be involved with the individual, directly or indirectly.

Secondly, I think the point that has to be stressed here is that you are judging on the competency of the individual and it is because of public safety and no other reason. But I think the important aspect that we sometimes get away from, that we should be looking at and it sometimes is in respect to the principle that the Honourable Member is alluding to in other areas, boards, is to look at what can be done to update the individual in question so that he can continue his or her livelihood.

I guess maybe it is the psychology or the point of view that is taken, but, unfortunately, with some of the situations, with the media and whatever, things do get blown out of proportion and sometimes these things are not taken into account, any ruling by a board. If you find nine times out of ten, any board that is ruling on their peer, so to speak, in most cases you will see in any board from the Territorial Government in the past years, they are people from Outside, not people from here locally, that there is generally a recommendation that is sometimes hidden because it really is not, I guess, maybe, publicly that important as far as maybe the media is concerned.

There are generally recommendations how individuals can update themselves in order to get the necessary qualifications back to earn their livelihood.

Clause 38(3) agreed to

On Clause 38(4)

Clause 38(4) agreed to

On Clause 38(5)

Clause 38(5) agreed to

On Clause 39(1)

Mr. Fleming: Mr. Chairman, I am very happy to see (1) written out the way it is: "...as may be deemed necessary and not inconsistent with the spirit of this Ordinance...". I sure like those words. For a long time in the Yukon Territory we did not have them.

I would like to remind those on the other side at this time that they might look into some of their other Ordinances they are bringing forth to see if this same thing is in there, specifically in the Parks Ordinance where it is not in there, in some cases.

Hon. Mr. Lang: Mr. Chairman, so that we do not clear this area where it may well be in conflict with regulation-making power section that we have asked to be stood aside, Section 3 of the

Ordinance, I refer specifically to 39(1)(d), on the size, the cubic metres of the pressure vessel.

Now, we are going "less than" and the Ordinance, in the Regulations, would apply to it. Could we perhaps have a comment from the witness, Mr. Chairman?

Mr. Campbell: Mr. Chairman, I am sorry, I did not quite get the full interpretation of the question. Could I have it repeated, please?

Hon. Mr. Lang: Mr. Chairman, "pressure vessel" is defined as a receptacle of capacity exceeding .0425 cubic metres. I have the size of 1.5 cubic feet.

Then we say that "providing that any class or type of pressure vessel of that size or less in capacity". Should that not perhaps be "exceeding" that size, because we are going from 1.5 cubic down, as opposed to up, I think.

Mr. Campbell: I believe, Mr. Chairman, the intent of that is for 1.5 cubic feet and in excess of that.

Hon. Mr. Lang: So, Mr. Chairman, I think maybe we should hold subsection (d) over, we stand that subsection aside.

Mr. Penikett: Would it be agreeable to stand over 39(1) in case there are any similar problems. I mean stand over 39(1) if there are other similar problems, then we could deal with them in one fell swoop.

Mr. Chairman: You are referring, Mr. Penikett, to all of subsection 1?

Mr. Penikett: Of Clause 39.

Hon. Mr. Lang: Mr. Chairman, I have no problem with that. I just want to perhaps have comments from Members as we go through, and then maybe when we come back to it, if we do have some amendments, we deal with the subsection and then clear the clause totally, as opposed to going through section by section.

Is that agreeable to Members, Mr. Chairman?

Hon. Mr. Lang: Mr. Chairman, I thought that we were not going to clear the subsections.

Mr. Chairman: You just want to discuss them?

Hon. Mr. Lang: We can discuss them and then we can deal with them as one total section when we come back.

Mr. Penikett: Perhaps we could just agree that if there are any questions on this section, rather than going through it routinely that we could perhaps give the Minister notice, but we will not clear this section until he has had a chance to come back on the contentions point.

On Clause 39(1)(c)

Mr. Penikett: Mr. Chairman, I have a slight problem with this in that these changes can be adopted by the Commissioner presumably by some public notice, but just a little while back we cleared a section which says that the person will be hung or some serious penalty anyway, if they did something that was in violation with this Ordinance. We did not say knowingly doing things in violation of the Ordinance.

I have a little problem as does the Honourable Member from Campbell with the power to make regulations and make something illegal that people never knew was illegal. I am sure a lot of us find ourselves in that situation. That is something I would just like to ask the Minister about. How frequently might he anticipate the updating of new standards and new things might be brought into effect, and whether, and how, he would anticipate making those people involved in the trade knowledgeable?

Hon. Mr. Lang: Mr. Chairman, as you know these codes are always being updated. I sometimes wonder about it. I have to refer to something that I am a little more familiar with, such as the Building Code, I think we make things so tight and cause expenses that perhaps are not warranted. I take the situation where a garage was being built in an industrial area and nobody else around it, and the individual has to put metal sheeting on the outside of one side because it was close to the property line, within ten feet.

I can understand the Member's consternation. Where does it start, and where does it end?

It would be our intention, and I will have the witness elaborate, that with any changes in the code, we would be informing the people in the trade because, understandably, with the competency requirements in the area of welding as well, we will know who is involved. Therefore, they would be informed of changes as they were adopted.

I think that it is fair to say that we would be giving notice of any adoption of a code and perhaps what the Honourable Member is getting to, if there are changes to the code that maybe there should be a timeframe for that adoption. Is that what the Honourable Member is getting to, Mr. Chairman?

Mr. Penikett: Mr. Chairman, that is one kind of problem. There is another kind of problem given the transient kind of nature of this community. Someone moving into the Territory and having been diligent and serious in the practice of their trade and have kept up to date with all of the regulations that have been previously adopted in the jurisdiction in which they are from, and they come here and they may, quite innocently, be unaware of some new regulation here and fall afoul of the law. The previous section does not say "knowingly betray" the things in this Ordinance, it is just the fact that they do it.

The Minister's example about the building code is very good. Someone came to me the other day and alleged that this Government is breaking the building code. There are appendices being added all the time to the Building Code. I think it was one in connection with buildings of a certain size requiring ramps for handicapped people. This Government has now been insisting on that provision in the Territory. If someone were going to be a real backroom lawyer, you could argue that they were in default of a regulation which they insist that everybody else lives by, something that governments are prone to do sometimes.

Hon. Mr. Lang: Mr. Chairman, let us refer to the witness from the practical aspect of it and if it is a case of notice and this type of thing maybe we could be looking into the legislation to amend it to reflect that principle. Perhaps we can have a few comments from Mr. Campbell.

Mr. Campbell: Mr. Chairman, the normal procedure for people working in this field is that when they do come into the Yukon or if they travel from Manitoba to Saskatchewan, they normally go to the boiler branch and inform the boiler branch that they are in the country or in the province or territory and at that time, the requirements are put forward to that individual and he is given all the regulations up to date. Thereafter, in the field, as the inspectors travel, the normal procedure is that each plant is given the updated changes, if any.

Mr. Penikett: I would like to thank the witness, Mr. Chairman. He has given the practical aspects of the problem. I just want to be sure we can now count on the Minister to give us the impractical side of it.

Hon. Mr. Lang: Mr. Chairman, I will give my more practical aspects of the Ordinance. I am prepared to set (c) aside and discuss it with the Legal Advisor and deal with the questions raised. Though I understand that I will give my assurance to look at (c) and (d) because it is not my intention to look at (a) and (b) to be quite frank as nothing has been raised about them, unless something in the Subcommittee on Legislation comes up.

Mr. Tracey: Mr. Chairman, are we still on (b)?

Mr. Chairman: We are on (c), Mr. Tracey. Now (d) has been discussed previously. Do you want to add anything to either of those sections?

Mr. Fleming: I was not going to say anything until we did get to (d). However, it does tie in with (c) because it says: "providing that any class or type of pressure vessel of .0425 cubic metres or less in capacity is subject to all or any provisions..."

This is where I find the same problem as the Member in front of me. We are opening up regulations to include something that is absolutely not in this Ordinance in any way shape or form. In other words, in (d) itself, we are saying that although anything smaller than that is really not in this Ordinance and we have no control over it, providing that somewhere along the line somebody else adopted something that says: a little propane bottle six inches in diameter or something is explosive or so forth, that we, in regulation, can come back and use that and start asking for tickets to operate it and everything else. This is one of the problems I have so I hope the Minister will take that inference completely out of the Ordinance.

Hon. Mr. Lang: Mr. Chairman, I have already picked up on that and we are going to look at it accordingly.

Mr. Penikett: I do not have a problem with subsection (e), Mr. Chairman, I would just like to know what it means.

I assume that if the technology is continually improving in the field and the state of the art is changing by the day, even the most qualified chief inspector here would not be able to judge whether someone who comes into him with a design is, in fact, always in order. I would assume, for that purpose, there is some kind of parent body or some other body elsewhere to whom he could refer to see if a design was acceptable or workable.

Mr. Campbell: Mr. Chairman, during my time in Yukon, I set up a liaison with the Alberta Boiler Branch, where they deal with large numbers of designs, et cetera, of plants. They have a computerized system where, in fact, they do screen the designs of plants and pressure piping.

This is our system now where, in fact, we do use the Alberta Boiler Branch for that purpose.

Mr. Tracey: On subsection (h), Mr. Chairman, I am wondering why we need this section in the regulations? Under Clause 24(1), we put the onus on the owner to give all reasonable assistance to the inspector and now we are also having the ability to change regulations.

Hon. Mr. Lang: Mr. Chairman, it is a case of when you are dealing with, the way I understand it, the major boilers and pressure vessels for inspection, the inspector goes out and it may well take three or four days of inspection, depending on how big the plant is.

For example, it took some time to really go through the Kotaneelee Gas Plant, down in the southeast corner of Yukon, and it is a case of phoning ahead to say, "Look, these various things should be in order for us to get down and efficiently and competently go through and do our business, as prescribed by the Ordinance."

Mr. Tracey: Mr. Chairman, that is all well and good, but that is covered already under Clause 24 of the Ordinance, by giving all reasonable assistance.

Surely, the times would be during regular working hours or whatever, why do we have to have regulations? Why can we not have this in the Ordinance?

Hon. Mr. Lang: Mr. Chairman, could we refer to the witness?

Mr. Campbell: Yes, I think we are looking at two different things here. When you are doing actual inspections of boilers, looking again at boilers and pressure vessels in larger plants, it depends on the situation as to the method of preparing the boilers or pressure vessels for that inspection.

They are not all the same. A lot of them are similar, but there are situations, in fact, in particular, as an example, in a gas plant where the method of inspection is completely different than inspecting a small boiler.

Mr. Penikett: On subsection (k), I probably should have thought of this earlier, but it occurs to me that maybe the Honourable Member from Mayo would know better than I that there probably are some people still in the Dawson area operating some steam machines-- the Honourable shakes his head, perhaps there are not any this year, there have been a few of them left around, people operating with steam pipes while mining in that area in the winter.

I just wonder, does the Minister envision these people who are operating these machines, which I believe can be quite dangerous at times, requiring certificates of competency in order to mine in this method, which is pretty traditional?

Hon. Mr. Lang: Mr. Chairman, if it comes under the purview of this Ordinance, it would be a requirement.

At the same time, we have a transition period of a year for the plants to be updated, if it is necessary.

Secondly, the Department has already been working with individuals involved with pressure vessels, boilers, to achieve competency.

But I would have to refer to the witness, because he has, through the time that he has served with the Government, he has been throughout the Territory and pretty well examined anything of any consequence, as far as this particular piece of legislation.

Mr. Campbell: Mr. Chairman, in regards to the steamers, we have covered some areas in those types of vessels. We have, in fact, done a lot of improvements. They were in pretty bad shape when I came up here, but what we have done with the people who are operating that we are aware of, we have provided a course for them, we have certified them and we feel that now it is a relatively safe operation.

No doubt there are steamers in the field, in the bush, in mines, that I am not aware of, or the Department is not aware of. They can be very, very dangerous and have proven to me and I think that if anybody has lived in Faro in the last few years, I have heard some stories of severe explosions of one of those type of things up in Faro.

Mr. Penikett: Mr. Chairman, just a technical point, if someone was mining by that old method, operating out in the bush by themselves up at one of the creeks and digging down and steaming at one end and digging out the other, going that way, and you had checked the machine, say, it was not too big a plant, what level of competency would you require for them, what kind of certificate to carry on?

Mr. Campbell: The level of competency for the high pressure boilers, there again I think you have got to remember that there is low pressure and high pressure.

I do not have actual experience of the type of units they use for mining because I have not been involved with that, but, for the

portable boilers that we have been dealing with, we have been issuing the special fireman's certificate of competency, which allows them to operate high pressure boilers up to 75 horsepower.

Mr. Penikett: Mr. Chairman, could I just get confirmation from the Honourable Minister of Renewable Resources that, in fact, there is nobody doing this anymore?

Hon. Mr. Hanson: I did not say that, but there are very few of those boilers left. Of course, they are quite old, but you can build them out of a barrel. You know, the old, heavy aluminum barrels are still being used. The expert witness is shaking his head, but they have been used pretty well for quite a number of years. I have used them myself.

They are probably still some being used in the bush somewhere.

Mr. Fleming: I cannot quite go along with the section that gives the Commissioner the power to prohibit any person from doing any act or operating something that is a potential hazard to the general public and then say, unless he is the holder of a certificate. I just do not agree.

I do not see how, in any way, if it is a potential hazard, that you could make a regulation allowing that to go on. The wording there is, "a hazard to the general public unless he is the holder of a certificate". I cannot agree with a regulation of that type. We may have boilers and so forth that are dangerous, or potentially dangerous, that we still want to operate. That is a possibility, however, I do not think it should be in regulations where you can turn around and say, "Yes," just because the Commissioner can make that order that you are allowed to operate that machine.

Hon. Mr. Lang: Mr. Chairman, I think it goes back. Once again, we are dealing with an area that is of concern to us because we have legislation governing it and it largely boils down to public safety.

At the same time, I think that the Honourable Member has probably had more experience than most in this House with the potential of danger dealing with things of this nature, so it is a case of ensuring that the individual has the necessary competency to deal, on an hour to hour basis, with the machine in question.

I think this is what the section is getting at. I will take it to the legal department to ensure that it is. It could well be a hazard to the public but if it is handled properly it is not, but if it is handled by somebody that is not qualified, then it definitely is a hazard so there is a catch 22 situation.

Mr. Penikett: I do not think there is anything the rest of 39(1) that is particularly contentious and I think the Minister has promised to come back with answers so then we can clear the whole thing. I do not have any questions about the rest and I do not think my friend from Campbell does either.

Clause 39(1) stood over

On Clause 39(2)(3)

Clause 39 (2)(3) agreed to

On Clause 40(1)

Hon. Mr. Lang: Mr. Chairman, I think the Honourable Member from Whitehorse West has raised a good point. Perhaps we should set (1) aside on the Offence section to look at the possibility of putting in "any person who knowingly contravenes". I do not know from a legal standpoint where that sits, but you could be in a situation where a person does not know.

Mr. Penikett: As I understood the legal principle in this country and most of the Commonwealth is that ignorance of the law is no excuse, but that always seemed to me to be a particularly unfair way for the Queen to deal with one of her subjects.

I think what the Minister is saying there is reasonably important because in the example that I just gave, I can think of a couple of constituents of the Minister of Health and Human Resources that might well reactivate some old steam boilers they have for mining, given the price of gold now, not knowing they had to have the certificate or approval under this legislation because they never bothered to do that before.

I would certainly hate to see some of those constituents of the Minister of Health and Human Resources having to be stuck in jail for a year or having to pay a \$5,000 fine. I think that would be a little rough.

Hon. Mr. Lang: If we could hold section 40 aside, I will look at that aspect of it. I do not think that anybody is arguing with the principle that this should be an offence section, but maybe we could discuss that with the draftsman.

Clause 40 stood over

On Clause 41

Clause 41 agreed to

On Clause 42(1)

Mr. MacKay: Are there any estimates of the amount of dislocation that this new Ordinance is going to have on existing plants? Are we creating a very large dislocation of these plants as they are presently operated? It is the traditional thing of giving one year, are we giving enough time?

Hon. Mr. Lang: Mr. Chairman, there is a fair amount of debate on this particular section of the Ordinance. The way I understand it, from the practical side of the Bill, the boiler inspections branch have been working over the years with the people that would be affected by this Bill.

At the same time, we felt that we should at least give a minimum of a year for a situation in which something has to be updated. That is why it is in here. Overall I think it is fair to say, and I am quoting information that I have from the boiler inspections branch, that most plants are up to standard as would apply to this Ordinance. Perhaps Mr. Campbell would like to elaborate further on that.

Mr. Campbell: Mr. Chairman, I would say that the majority of the plants at the present time are covered by competent people to the proper requirement. I would also say that there are a couple of areas where people may have to upgrade. I believe that one year is sufficient time to do this because it is such a low category.

Mr. MacKay: I am talking about 42(1). Does it not only apply to the operation but also to the physical plant? I am concerned about that. Are we going to put somebody out of business by requiring them to expend a large amount of money to change something in order to comply with this? Do we know that this is going to happen? Can we have some assurances that there will be no significant amount of dislocation occurring?

Hon. Mr. Lang: Mr. Chairman, overall, no. There may have to be some basic upgrading. We have allowed them a year. At the same time, this section allows for anything being built after this Ordinance comes into effect, it has to comply. The grandfather clause is for the older units to take a year to upgrade them. My understanding is if there has to be some upgrading, it is not that grave a situation. Is that not correct, Mr. Campbell?

Mr. Campbell: Mr. Chairman, just from the practical point of view, I would say I have inspected approximately eighty per cent of the plants in the Yukon, and I have said before that the majority of them will not be affected by any great amount by the being of this Ordinance, to upgrade them, because through a Commissioner's Order under the old Ordinance they already had to abide to the Canadian standard.

Clause 42(1) agreed to

On Clause 42(2)

Hon. Mr. Lang: Mr. Chairman, that is an important section for the people actually involved now working in the area of pressure vessels and boilers. It is a grandfather clause so that they do not have to go through the exercise of writing more exams. It is a case of grandfathering them in.

Mr. MacKay: I would just like to clarify that. When an engineer's certificate has been issued under the former Ordinance, that person has had similar qualifications to what is required.

Hon. Mr. Lang: That is correct.

Clause 42(2) agreed to

On Clause 42(3)

Clause 42(3) agreed to

On Clause 42(4)

Mr. MacKay: What is the purpose of this section, just the picking out that one provisional steam engineer's certificate.

Mr. Campbell: Mr. Chairman, a provisional steam engineer's certificate is a temporary certificate that is laid out in the regulations. If we can use an example, let us take the hospital and they have that situation now where they are unable to get a person with the competency that is required. Let us say that it is a second class engineer that is required, it does give the Department ability to supply or issue a provisional certificate, that is under the existing Ordinance now, as a temporary certificate, until that person can upgrade himself to the level which is required.

Mr. Fleming: I would like to ask the Minister, possibly this is where quite some number of people have this type of certificate, on the highway for instance in public works where they have the little steamers and so forth to operate on the road.

Hon. Mr. Lang: I do not think I can answer the question. Maybe the witness knows more about that.

Mr. Campbell: Mr. Chairman, if we are talking specifically for the highway steamers, these are the people that we gave a course to

and have certified them as special firemen.

Clause 42(4) agreed to

On Clause 43(1)

Clause 43(1) agreed to

On Clause 44(1)

Clause 44(1) agreed to

Mr. Chairman: At this time we have gone through Bill 13. We will stand it aside until we get the sections that have been stood over brought back.

At this time I will thank Mr. Campbell for being with us. We will not be discussing any more today. You may be excused.

At this time we will have a short recess.

Recess

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

This afternoon, we are going to consider Bill Number 20, An Ordinance Respecting Income Tax.

I have a request here for two witnesses, Mrs. Loreen Francis and Mr. O'Donoghue. Are there any objections?

Mr. Penikett: Mr. Chairman, could we be advised as to who the responsible Minister is?

Mr. Chairman: Yes, Mr. Graham.

Hon. Mr. Graham: Mr. Chairman, I am circulating two amendments to Bill Number 20 at this time for Members' information. They will be moved at the appropriate time during clause by clause discussion of the Bill and I understand that some Members may be missing page 84 so I am also circulating that page.

Mr. Chairman: At this time I will consider General Debate.

On Clause 1

Mr. MacKay: I think the historic occasion was already noted at the Second Reading as to what the implications of the Bill are. I think I would like to take the opportunity perhaps, at this reading, to indicate that the charges of scare tactics in respect to increases of income taxes have a considerable degree of substance in fact. There is so much substance that it takes up about 112 pages of the legislation.

While it may be the honest belief, and I suspect that it is the honest belief of the Members opposite, that their protector in Ottawa will ensure that large increases of taxes will not occur as a result of recent events, I hope they realize that by implementing this Bill, they have certainly taken away even the flimsiest of excuses that they previously would have had for not being in a position to raise more taxes.

So as long as they recognize in the full light of day that this is merely facilitating what I foresee in the next year or two to be a changing scene in the tax regime in the Yukon, changing, unfortunately, in a poor way. As long as all the Members recognize this and are prepared to deal with it as a technical Bill in which we are trying to do our best to ensure that we have, in fact, enacted good legislation.

I do not withdraw my support from the Bill because I think it is necessary to have this tool here because in the event that, Heaven forbid, the Federal Government attempts to balance its large deficit budget perhaps a year from now and decides that the one area it could cut back would be in operating grants to the Yukon, we will need this Ordinance in order to maintain the level of standards of service that the people of Yukon are used to.

I ask you to try and cast aside, for a moment, your partisan glasses through which you look at the statements that I have made over the past two weeks, and look at it from the point of view of an outsider. I think it is fair to say that all the people on this side of the House are outsiders when it comes to the recent changes that have occurred. Without firm assurance from the Prime Minister, I would suggest he is the appropriate person, that the recent changes will not create a situation where Ottawa may come to us and say, "If you want to spend more money, and this being your jurisdiction over which you now have complete control, we suggest that you now go ahead and raise your income tax." That could be very, very real. It is a real fear that many people have in the Yukon.

You would hear very little squawks from me about the happenings of last week, if the fears — and I suggest that they are real, I do not think I am creating them, I think they are out there — if the fears of a much heavier tax burden be levied in the Yukon without having had a real input into that, these fears could be allayed.

Perhaps to take some of the heat out of the debate in the past, that, in a nutshell, is a concern of many Yukoners. I think it is incumbent upon the Members Opposite not just to say, "Well, we

did not really raise the subject of money. Therefore, it is going to be all right." But to address themselves directly to that problem, they, very soon with Ottawa would say, "Are you prepared to give us long-range financing situations where we can look forward to perhaps three or four years with a stable tax regime until we are faced with the decision of whether we want to become a province?", and at that point allow us then to gauge the cost and allow us to see what the advantages and disadvantages are.

While the principle of the Bill under this section (1) is perhaps a little removed from the direct area of which I am talking about, I think this is an appropriate time to put it in perspective what the fears of many the Yukoners are.

Mr. Fleming: Yes, Mr. Chairman, as one of the councillors here from the last term of four years I, at this time, do welcome this Bill, because we spoke many times of it and had hoped, at that time, that Yukon would have the right to collect its own income tax some day.

But I see this as a move that really should have been one of the first moves that was made towards provincehood, before some of the moves that have already been made should even have been thought of.

This is one of the areas where they are going to be able, and the Government is going to be able and we, as the Opposition, are going to be able to know the situation as it really stands in Yukon, as to how much monies we can collect from this one issue of income tax.

There was not another way to find out before just exactly what we actually were entitled to.

Of course, I have my misgivings and maybe they could be little fears, that after this year, when the taxes of course will be the same, that the Territory may run a little short and the Government of Canada might say, "Well, collect your own, raise it a little bit."

However, I would hope that this Government, at that time, stands behind some of their convictions they have told us and they do not want to stick anybody in the Yukon Territory and maybe do not allow that to happen. We can still beg. Rather than force the people of Yukon, we can still beg Ottawa for more.

So, with that little note, I think I will be supporting the Bill.

Mr. Penikett: Mr. Chairman, I have got a question. When the Government Leader was introducing this measure, it was either he or the Leader of the Opposition, who made reference to the fact that probably this Bill had been drafted in Ottawa and that it had been prepared so that our situation, moving into income tax, was exactly as it operates now, that we were not going to be making any amendments or any changes in the levels.

We have already been presented with a couple of amendments today and I would appreciate, Mr. Chairman, getting some advice before we proceed clause by clause, if, in fact, we are realistically looking at entertaining the prospect of being able to deal with any amendments, or is it the case that we simply have to deal with this Bill as it is and any amendments that may be proposed really cannot be dealt with because we cannot go fiddling around with this thing, at this point?

Hon. Mr. Graham: Mr. Chairman, if I may, these pages are missing from the Ordinance that you have. Those are the amendments.

Mr. Penikett: Mr. Chairman, Mr. Graham has not answered the question. The question is, can we amend this Ordinance, when we are dealing with it now, realistically or are amendments really impossible and should we be realistic about that when we are going through the Bill?

Mr. O'Donoghue: Mr. Chairman, could I answer that in a non-political way?

Mr. Chairman: Yes, I would prefer you to.

Mr. O'Donoghue: Basically, this is done by agreement and it is precisely the same, so far as it can be made, precisely the same as the same law in every province and in the Northwest Territories. The only reason we would ask for an amendment would be to clear up a misprint or something which had come to our attention.

So, I am trying to make it non-political. I do not want to say it to the Members, "Do not amend", but I am saying to them, "Please do not amend".

Mr. Penikett: Just so it is perfectly clear, so that we really should not delude ourselves, we should not propose any amendments because we would really screw things up for you if we did. Is that correct?

Mr. O'Donoghue: Very much so, Mr. Chairman.

Mr. Chairman: Is there any further general discussion?

Dr. Hibberd: Mr. Chairman, I can appreciate the opinion we just last heard from the witness, but it sounds very much to me like it is the bureaucrat speaking and he would not like to be interfered with

by the politicians.

Mr. Chairman, in listening to the Leader of the Opposition, I have a little difficulty in accepting his statements, with the apprehension that he seems to be expressing with what we might do with this.

First of all, Mr. Chairman, this Bill originated, with the moves being made by the previous government in Ottawa, i.e. the Liberal Government was the one who was trying to impose this on us, so I am sure they would not want us paying any more income taxes up here.

The other thing that concerns me, following the remarks of the the Leader of the Opposition, Mr. Chairman, he asked us to be getting some sort of reassurance from the current Prime Minister that we would not be suffering any more. This is not consistent, Mr. Chairman, with the remarks that have been made by the Leader of the Opposition before, because what he said to us before, was that it would not be the responsibility of the Prime Minister of Canada. We have taken that over ourselves here. So, we are the ones who would be creating the problem for ourselves, that, indeed, what the Leader of the Opposition has been saying, that we are in a position to be imposing our own income tax, why do we need the reassurance from the Prime Minister of Canada?

Mr. MacKay: Perhaps I could enlighten the Member.

The fact is that, of the operating revenues that we generate, there is about \$36 million that comes in. One-third of that is presently raised by income tax. Two-thirds of that is presently an operating deficit grant.

The Government of Canada does not have to tell us to raise our income taxes. All they have to do is drop that deficit grant in half and we could then double our income taxes and still maintain the same level of services. That is the fear, is that we are completely in the hands of the Federal Government on this and previously we had no options of how to raise the revenue.

Now we do, because after this, we will have that option.

Secondly, we always had the argument in the past that as long as they were having some considerable say in how things were going here, there was no right for them to cause a great increase in taxation. The old "no taxation without representation" argument could be used very effectively.

We have removed that barrier as well. So now, I think, we really are in an exposed position and that is my concern.

Mr. Penikett: Mr. Chairman, I sometimes fear for my friend to my right, in that he wants to enjoy the comfort of home forever and never go out into the cold, cruel world.

I am sure, given that we have a Conservative Government here and a Conservative Government in Ottawa, that they would not cut off our grant without at least turning over the responsibility to us for some such revenue producing things, such as control of Fisheries or Agriculture, or something so we could pay our own way.

Hon. Mr. Graham: There is one other statement that I believe the Honourable Member opposite made that is not right, that we did not have any control over raising revenue previously.

Perhaps he did not know we also have control over the liquor tax, fuel oil tax, school tax. All of these things raised money. I am sure that, in three years down the road or whenever we happen to have an election, we also wish to be elected.

It is not our intention at this time to go raising the income tax of people in the Yukon Territory before a territorial election. It does not make any sense whatsoever.

We are going to attempt to hold costs down. We are also going to attempt to negotiate with Ottawa to the best of our ability to make sure that that deficit grant does not go down.

Dr. Hibberd: Mr. Chairman, I am glad the Leader of the Opposition made that point that I was trying to make. Indeed, he has been telling us for the last week that we have taken this responsibility from Ottawa and now it is ours. That is what he has been telling us for the last two weeks.

Then why is he so worried about this Bill? Why is he so worried?

Mr. MacKay: I think we should probably put a time limit on this debate, because it could be a lot of fun, but it is not going to pass the Bill.

Perhaps to discuss the previous speaker's point first, is that I have been trying very hard to get it through to the Members opposite, that this operating deficit grant that we get is not manufactured in Heaven. It is not a fixed thing in legislation. It is not even supported in terms of what other provinces get.

It is strictly a deal between us and the Federal Government.

Therefore, as my friend here said, as long as we have these nice Tories in Ottawa, I guess everything is going to be all right. But what if we suddenly got an NDP government over here? Would the next thing they do is cut our operating deficit grant?

Is that what the Yukon electorate is going to be told: as long as you keep the Tories in power, you ain't going to get a tax increase? Is that the message you are trying to get across, that we are going to be bought with our own money? As long as there are Tories here and Tories in Ottawa, everything is going to be fine? Is that the message that we are all supposed to get?

Not being a Tory, I have a great deal of difficulty accepting that and I hope that is not the way in which you will be proceeding towards this goal, because if it is, let me assure you that one side of the equation is going to be changed very soon.

Hon. Mr. Lang: Mr. Chairman, I think there are a couple of comments that I would like to make in respect to the principle of the Bill.

Number one, the Honourable Leader of the Official Opposition stated that he felt that perhaps the Bill was five years too early in instituting in the Yukon Territory and that it should come after pipeline.

I think there is more reason to put it forward now than five years later, because, number one, it will give us access, on an annual basis, to those pipeline related jobs, if pipeline does come about. They will have to file here and, subsequently, the proper remuneration will be coming back to this Government.

I think that there is one other point on the deficit grant. I think I could probably agree with the Honourable Member in view of the present Government of Canada and the fact that they feel that the Yukon does exist in Canada and is a part of Canada. I think we will find over the course of the years to come that they are going to be prepared to make some major commitments to the development of the North, which I maintain and perhaps the Honourable Member is very pessimistic about the future and I guess it is the way you look at the future, from our side of the House we are optimistic. We feel the Yukon does have a future. We feel that there are things that can be done in the Yukon to help the people in the Yukon primarily, but secondly in the National interest, and I do not think we can forget that.

If you have a Government in Ottawa that is receptive to that, recognizes the fact that the Yukon is an area in Canada that is largely and to a great extent undeveloped, has potential and is prepared to encourage that development at the regional level, all the more power to them.

I cannot agree with the Honourable Member. Perhaps he is looking for the day, if it ever does come about, God help us, when Warren Allmand assumes the portfolio, if, as the Honourable Member indicated, there may be a change at the Federal level. I would just as soon have the decisions made here. It is no matter of questioning the competency of any Member of this House. I would suggest that any individual in this House at the present time is more than capable than some of the so-called politicians that have been vested with the responsibility of developing and encouraging growth in the North, and in particular the Yukon.

As far as the deficit grant is concerned, now let us get down to this. The Honourable Member may well not have been here long enough to recall the days of Arthur Laing when the Territorial Legislature of the day was blackmailed into passing specific legislation so that the budget would be continued. I would be the last to say that that might not happen in the future, especially if, as the Honourable Member says, there may be a change in Government.

My point in the whole thing is that if there is the regional input from the Yukon, and the areas and priorities that we feel should be addressed, in the area of economic development that should be developed then there is a possibility to getting it going.

The Honourable Member has alluded to the fact that these decisions are being made behind closed doors. Mr. Chairman, I take umbrage at that because the fact remains that everything has been made public. There is nothing to hide.

The point is, in the evolution of responsibility, they have to be vested here and I think it boils down to Government spending. From this side of the House we are committed to trying to keep the Government spending down.

Now I hear the Leader of the Official Opposition standing up and asking about the position of the Director of Corrections. The Minister of Justice has evaluated it, has felt that it could all be brought in under one umbrella, and there is fifty thousand dollars by the time you take a cost analysis of the salary, everything else. These are things that can be done in organization and delivering the same service and at the same time saving the taxpayer money.

You do not create positions for the sake of creating them. I should

hope not. I sometimes wonder if the Leader of the Official Opposition takes a different view point from it and perhaps he feels that Government is the end-all and be-all and everybody should be working for the Government. We do not take that position. My point on the whole thing in respect to Income Tax, in respect to the responsibility that is vested here, that decisions can be made here and can be answered to the people of the Yukon Territory. Perhaps it is a difference in philosophy. He would sooner have that decision made by Order-in-Council and then we all accept the order and pay the bill.

Mr. Penikett: Thank you, Mr. Chairman. I just want to tell the Minister I enjoyed his speech. I enjoyed it the first six times I heard it and I find it very soothing each time I do hear it.

I just would like to ask the Minister now, perhaps we can get back to dealing with the Bill.

Mr. Byblow: Mr. Chairman, perhaps in all this political rhetoric and philosophy and debate I can just offer an observation on this entire commentary of fiscal negotiations, fiscal responsibility, responsible government.

I think all governments, ourselves included, should perhaps take a lesson from a horse racing friend of mine. He compared the present Government of Yukon to a field of highly strung race horses who take off from the starting gate with lightening speed, deafened by the noise around them, wearing blinkers. My friend also pointed out that when a half deaf horse with little vision trips, falls and breaks a leg, he is usually destroyed.

Hon. Mr. Hanson: Getting on to horse stories, I have to become a little more immune as time goes on to suggestions around the country about horses. The rumour is that somewhere in Canada today, some poor jockey is only riding half a horse, and I would suggest that maybe the other half of the horse, the rear half, is sitting across, on the opposite side.

Hon. Mrs. McCall: I may be wrong but it seems to me that highly bred race horses, while racing, do not wear blinkers.

Mr. Fleming: Pardon the intrusion, but has this got anything to do with income tax?

Clause (1) agreed to

On Clause (2)(1)(1)

Mr. Penikett: Mr. Chairman, as I requested previously when we went into this Bill, I think it would probably speed passage if we had a brief explanation of each clause before we started asking stupid questions.

Mr. Chairman: Mr. Graham, how do you propose to handle that?

Hon. Mr. Graham: The whole thing?

Mr. Chairman: Perhaps, Mr. Graham, it would be better one at a time and we will clear it as we go.

Mr. Penikett: The Government Leader did agree to this kind of process.

Hon. Mr. Graham: Mr. Chairman, we will go ahead with that, to the best of our ability.

Mr. Penikett: As limited as it is.

Hon. Mr. Graham: As limited as it is.

Mr. Chairman, first of all I would like to make sure that everybody realizes that Mrs. Lorreen Francis is here and, in my opinion, is an expert on the Income Tax Ordinance, and I will probably be asking her to explain all of the clauses as we go through, if that is acceptable.

Mr. O'Donoghue: Mr. Chairman, might I point out that there are side notes consistently throughout the whole of this Bill. A reference to the side note will give a very short version of what is contained in the section opposite which it lies. It might be helpful to remember this, Mr. Chairman.

Mr. MacKay: I would just like to indicate, and perhaps this should have been done under section 1, but I think now we are into clause by clause consideration, I feel that it is necessary for us, as legislators, to go through the exercise of looking at each and every word in this Bill. Though there may well be no room for amendments, but there is certainly no excuse for ignorance on the part of legislators to be able to explain to their constituents what we have just passed. It may be a long and tedious process, but I feel that it is a very necessary one.

Mr. Penikett: In the first definition under interpretations this makes reference to "agreeing province". I guess that means us in this case and it is probably the first legislation we have seen which makes reference to us in that capacity.

Hon. Mr. Lang: No, Mr. Chairman, that is not true. Under the Interpretations Ordinance, wherever an Ordinance refers to province, it also includes Territory. If you want to go through the definitions,

"agreeing province" I think that is reasonably straight forward. I do not know if there are any questions.

Hon. Mr. Graham: Could I ask Mrs. Francis to give us an idea at what point in the Ordinance this "assessment" is used.

Mrs. Francis: Assessment is used for assessing taxes under the Ordinance and for reassessing taxes. Whenever the Government finds that there are changes required to an income tax return submitted by an individual or a corporation they can reassess. So, assessment means any notice that is sent out indicating that the taxes are payable on initial filing of the return or on reassessment.

Mr. MacKay: Will this Ordinance, once it is passed be required to be amended every time the Federal Income Tax is amended by way of a budget?

Mrs. Francis: Yes, it will be.

Mr. MacKay: A budget which was presented last November 16 to the Federal House would change the definition of "business" or include a new definition for "active business" or "inactive business" would require a change in this Ordinance. The reason for my question is that I understand that a new budget is going to be presented to Parliament within a couple of weeks. It may very well change everything that we are doing here.

Mrs. Francis: Yes, it is possible when the Federal Government does amend the Income Tax Ordinance that this too will require changes.

As far as the November 16 amendment is enacted, that comes under a definition further in the Ordinance. I could not say at this time; however, I could check it out whether or not the November 16 one is in here or not. I am not sure. I have checked it out as far as the 1978 Act, it is right now.

I do not know that the definition comes in the Income Tax Ordinance itself or whether it comes in the regulations. I will have to check that out.

The regulations which follow the Federal Act will be following this but are not tabled with this. This is just the Ordinance itself.

I will check that point out for you.

Mr. MacKay: I think that whole point should be checked out carefully, because if, in fact, that the November 16 amendments have been placed in this Ordinance we could be in a lot of trouble.

Mrs. Francis: I think they have.

Mr. MacKay: They have? That is not law yet. It has never been passed into law.

Mrs. Francis: Okay, then it will not be in here. They would not have drafted it in here. Then it will require amendments to this when it is passed.

This Ordinance follows the Federal Income Tax Act that you have a copy of there, with all the changes up to July 15, 1978. If there are amendments since then I am not sure that they are in here, but I will check it out.

Mr. Penikett: This is not important, Mr. Chairman. I just wanted to reconfirm what Mr. McKay said. A lot of the budget bills from last year have not yet passed Parliament yet, because of the election, so I know they are not law.

On Clause 2(1)(6)

Hon. Mr. Graham: On "Commissioner", this is directly from the Federal Income Tax Act, "Commissioner" has been changed from "Receiver General for Canada" to "Commissioner".

Clause 2(1)(6) agreed to

On Clause 2(1)(7)

Mr. Penikett: Mr. Chairman, I would like to ask this question now because I probably will want to find out more about it later and if we do not have all the answers perhaps my question can serve as notice.

I have always been a bit confused about the situation of corporations operating in the Territory, as far as income tax is concerned. I know when this House discussed Income Tax, I think the first time in 1976, a couple of years ago, there was some question of how we dealt with the problem of people earning income in the Territory for much of the year and then happened to live somewhere else at the end of the year, in December, and therefore paying taxes to another jurisdiction.

I am curious as to how corporations which have head offices elsewhere, which perhaps, for a large part of the business function elsewhere but carry on business in the Territory, pay income tax under this law. How do we receive the benefit from their operations.

Hon. Mr. Graham: My understanding, Mr. Chairman, is that they pay income tax on the income earned in the Yukon Territory.

Mrs. Francis: That is covered under Section 5 and also in the regulations, the meaning of business earnings in the Territory.

Mr. MacKay: Perhaps, for edification, Mr. Chairman, what they do is calculate a formula, based upon the gross wages made by the company, overall, with the fraction being the gross wages paid in Yukon. Then, they combine that with the gross income generated overall, with the upper fraction being the gross income generated in Yukon. The combination of these two provides a factor of the total net income generated by the company, which then becomes the amount which is taxable in Yukon.

Clause 2(1)(7) agreed to

On Clause 2(1)(8) to Clause 2(1)(19)

Clause 2(1)(8) to Clause 2(1)(19) agreed to

On Clause 2(1)(20)

Mr. MacKay: Just to back up to Section 19, this seems to contemplate that at some point you could use this Act as an independent instrument from Canada, and that, in fact, you could institute your own collection procedures here. Is that what this section allows?

Mr. O'Donoghue: This refers to that position. It does not allow it, Mr. Chairman. But, the technical position is that this House has the authority to impose an income tax. Canada has an equal power, in its own field. All that is occurring here is that we are imposing an income tax, and then Canada will collect the Yukon income tax.

Clause 2(1)(2) agreed to

On Clause 2(1)(21) to Clause 2(1)(23)

Clause 2(1)(21) to Clause 2(1)(23) agreed to

On Clause 2(1)(24)

Mr. O'Donoghue: There is a typing error in my copy, on page 6. It should read, on the top line, "the Receiver General for Canada", not "of Canada".

Mr. Chairman: No, I have "for" on mine. Will you take note of that typo, please.

Clause 2(1)(24) agreed to

On Clause 2(1)(25)

Clause 2(1)(25) agreed to

On Clause 2(1)(26)

Mr. Njootli: Mr. Chairman, I just thought the Witness could clarify some of my misunderstandings on this Section, with regard to Indians working on the reserve. Here you have "in accordance with provisions of the Federal Act", and I think the Federal Income Tax Act states that Indian people working on the reserves are tax exempt. Could you clarify that?

Hon. Mr. Graham: Mr. Chairman, this is just a definition. If that is what the Federal Act says, then that has nothing to do with this Act, at this time.

Mr. MacKay: I do not believe it says anywhere in the Federal Income Tax Act that Indian people are exempt. I think it says it in the Indian Act, so we probably will not find any reference to status Indians anywhere.

Mrs. Francis: I think it is referred to in Section 81 of the Federal Act, under exemptions. It falls under that section by another statute of Canada. So, it is referred to, but it may refer to another Act of Canada, which is the Indian Act.

Clause 2(1)(26) agreed to

On Clause 2(1)(27)

Clause 2(1)(27) agreed to

On Clause 2(1)(28)

Mr. MacKay: I would draw this section to the attention of the Members opposite. There is no subsection 1 here. Is that normal, just to go into subsection 22, without having a 1?

Mr. O'Donoghue: Mr. Chairman, the subsection 1 is a group of numbered paragraphs, starting in this Ordinance immediately after the 2 on the front page. That is the commencement of subsection 1.

The number 28 is the number of the definition, not the number of a section, on page 7.

Subsection 1 consists of 28 items.

Clause 2(1)(28) agreed to

On Clause 2(2)

Clause 2(2) agreed to

On Clause 2(3)

Clause 2(3) agreed to

On Clause 2(4)

Clause 2(4) agreed to

On Clause 2(5)

Clause 2(5) agreed to

On Clause 3(1)(a)

Mr. MacKay: Perhaps this is a question for the Minister, for my education. Presently, as I understand it, we receive advances, based upon an estimate of the taxes of previous years. As I understand it, we will receive four cheques every month, once this Ordinance is in effect. The transition that goes on here, how is it going to work? Are we going to lose out on some prior year's taxes that have already been collected, because we are, perhaps, running a year or two behind in receiving them, or, in other words, is there a back-up period where taxes have been collected from Yukon by the Federal Government, which we will now not receive because of the implementation immediately of this payment, as it goes on?

Mrs. Francis: No, we should not lose out on any payment. As a matter of fact, there may be double payments, the first part of next year, because they estimate on every agreement and they will be estimating the tax, and paying it from the first month preceding the fiscal year, which will be February, next year, and we will be getting the grant in lieu until March, 1980. So, there should be no problem there.

At no time will we not be receiving anything.

Mr. MacKay: That could be a couple of million dollars extra revenue that the Territory could suddenly fall heir to. If you take \$12,000,000 as being the annual revenue, there are going to be two months' more revenue from that source than we otherwise have.

Hon. Mr. Graham: Mr. Chairman, in fact, the money will somehow not find its way to Yukon coffers. We have discussed this point, and I expect what will happen is that our grant will be prorated, and when we start to earn our own income tax, at that day, the grant will be cut off. We will probably be charged back for any additional money that we had already received. That was my understanding, so that the day we start to collect our own income tax, the deficit grant that we do receive, the grant in lieu of taxes that we now receive, will be cut off on that date, and then maybe an adjustment period. This is the way I understood it.

Clause 3(1)(a) agreed to

On Clause 3(1)(b)

Clause 3(1)(b) agreed to

On Clause 3(2)

Mr. Tracey: Mr. Chairman, I have a question on this in regard to corporations. It says, "maintained a permanent establishment in the Yukon." We have many corporations that come in here that do not have a permanent establishment here. How do we go about collecting their income tax?

Mrs. Francis: Mr. Chairman, the permanent establishment is defined by regulations, and does not just mean having a business, etc. here. It could mean having equipment here, etcetera.

SOURCE FILE BUSY

Mr. MacKay: I am a little worried about the transitional part of this. I have not read all of Section 3 yet, so I might have to think while I am standing on my feet in case you pass it. A corporation with, say, a January 1st year end, January 1st, 1980. It would deem then that all the income earned in that year, to January 31st, 1980, would flow to the Yukon. Is that correct? Even though eleven twelfths of that year were not in 1980?

Mrs. Francis: Mr. Chairman, I think that will be covered in the agreement that is signed, and there is to be a proration of that type of income tax coming in, so that the Federal Government will get its share up to January 1, 1980, and we will only get the portion from there on.

Clause 3(2) agreed to

Hon. Mr. Graham: Mr. Chairman, seeing the time, and not wanting to get into another long discussion, perhaps it might be best if we did adjourn at this time. I move that you report progress on Bill 13, as well as Bill 20, and beg leave to sit again.

Mr. Chairman: It has been moved by the Honourable Mr. Graham that the Chairman do now report progress on Bill 13 and on Bill 20, and beg leave to sit again. Do you agree?

Motion agreed to

Hon. Mr. Graham: Mr. Chairman, I move that Mr. Speaker do now resume the Chair.

Mr. Chairman: It has been moved by Mr. Graham that the Speaker now resume the Chair. Do you agree?

Motion agreed to

Mr. Chairman: At this time I would like to thank the two witnesses for being with us, and they may be excused.

Mr. Speaker resumes the Chair

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

May we have a report from the Chairman of Committees?

Mr. Lattin: Mr. Speaker, the Committee of the Whole has considered Bill Number 13, Boiler and Pressure Vessels Ordinance, and Bill Number 20, An Ordinance Respecting Income Tax, and directed me to report progress on same, and ask leave to sit again.

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

Some Members: Agreed.

Mr. Speaker: Leave is so granted.

May I have your further pleasure?

Hon. Mr. Graham: Mr. Speaker, I move, seconded by the Honourable Member from Tatchun, that we do now call it 5:30.

Mr. Speaker: It has been moved by the Honourable Minister of Education, seconded by the Honourable Member from Tatchun, that we do now call it 5:30.

Motion agreed to

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

The House adjourned at 5:17 o'clock p.m.

The following Sessional Papers were tabled on October 23, 1979:

79-2-38

Toward a Yukon College

(Continuing Education Opportunities in the Yukon)

79-2-39

Brief on Matrimonial Property Law Reform

(Yukon Family Law Reform Committee)